REFINITIV

DELTA REPORT

10-Q

GTLS PR B - CHART INDUSTRIES INC

10-Q - SEPTEMBER 30, 2023 COMPARED TO 10-Q - JUNE 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	1818
CHANGES	667
DELETIONS	570
ADDITIONS	581

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

 QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2023 September 30, 2023

or

 TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ______to ______

Commission File Number: 1-11442

CHART INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

Delaware	**34-1712937**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

2200 Airport Industrial Drive, Suite 100, Ball Ground, Georgia 30107
(Address of principal executive offices) (ZIP Code)

(770) 721-8800
(Registrant's telephone number, including area code)

NOT APPLICABLE
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.01	**GTLS**	**New York Stock Exchange**
Depositary shares, each representing 1/20th interest in a share of 6.75% Series B Mandatory Convertible Preferred Stock, par value $0.01	**GTLS.PRB**	**New York Stock Exchange**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No o

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	x	Accelerated filer	
Non-accelerated filer		Smaller reporting company	
		Emerging growth company	

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No x

As of July 24, 2023 October 23, 2023, there were 42,739,139 42,750,623 outstanding shares of the Company's common stock, par value $0.01 per share.

CHART INDUSTRIES, INC.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

CHART INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
(Dollars in millions, except per share amounts)

		June 30, 2023	December 31, 2022		September 30, 2023	December 31, 2022
ASSETS	**ASSETS**			**ASSETS**		
Current Assets	**Current Assets**			**Current Assets**		
Cash and cash equivalents	Cash and cash equivalents	$ 189.8	$ 663.6	Cash and cash equivalents	$ 147.1	$ 663.6
Restricted cash	Restricted cash	12.5	1,941.7	Restricted cash	12.8	1,941.7
Accounts receivable, less allowances of $5.8 and $4.5, respectively	Accounts receivable, less allowances of $5.8 and $4.5, respectively	769.7	278.4	Accounts receivable, less allowances of $5.8 and $4.5, respectively	743.7	278.4
Inventories, net	Inventories, net	634.6	357.9	Inventories, net	613.3	357.9
Unbilled contract revenue	Unbilled contract revenue	408.6	133.7	Unbilled contract revenue	439.1	133.7
Prepaid expenses	Prepaid expenses	99.6	37.5	Prepaid expenses	98.5	37.5
Insurance receivable	Insurance receivable	—	234.4	Insurance receivable	—	234.4
Other current assets	Other current assets	133.4	43.7	Other current assets	124.5	43.7
Total assets of discontinued operations		307.4	—			

Assets held for sale				Assets held for sale	76.8	—
Total Current Assets	**Total Current Assets**	2,555.6	3,690.9	**Total Current Assets**	2,255.8	3,690.9
Property, plant, and equipment, net	Property, plant, and equipment, net	782.7	430.0	Property, plant, and equipment, net	807.6	430.0
Goodwill	Goodwill	2,827.8	992.0	Goodwill	2,809.3	992.0
Identifiable intangible assets, net	Identifiable intangible assets, net	2,913.4	535.3	Identifiable intangible assets, net	2,812.2	535.3
Equity method investments	Equity method investments	120.6	93.0	Equity method investments	119.0	93.0
Investments in equity securities	Investments in equity securities	89.9	96.5	Investments in equity securities	90.6	96.5
Other assets	Other assets	117.5	64.2	Other assets	125.7	64.2
TOTAL ASSETS	**TOTAL ASSETS**	$ 9,407.5	$ 5,901.9	**TOTAL ASSETS**	$ 9,020.2	$ 5,901.9
LIABILITIES AND EQUITY	**LIABILITIES AND EQUITY**			**LIABILITIES AND EQUITY**		
Current Liabilities	**Current Liabilities**			**Current Liabilities**		
Accounts payable	Accounts payable	$ 703.8	$ 211.1	Accounts payable	$ 721.7	$ 211.1
Customer advances and billings in excess of contract revenue	Customer advances and billings in excess of contract revenue	469.3	170.6	Customer advances and billings in excess of contract revenue	452.1	170.6
Accrued salaries, wages, and benefits	Accrued salaries, wages, and benefits	83.9	31.5	Accrued salaries, wages, and benefits	86.5	31.5
Accrued income taxes	Accrued income taxes	24.3	3.5	Accrued income taxes	49.9	3.5
Current portion of warranty reserve	Current portion of warranty reserve	31.0	4.1	Current portion of warranty reserve	29.8	4.1
Current portion of long-term debt	Current portion of long-term debt	278.2	256.9	Current portion of long-term debt	277.1	256.9
Operating lease liabilities, current	Operating lease liabilities, current	16.6	5.4	Operating lease liabilities, current	16.4	5.4
Accrued legal settlement	Accrued legal settlement	—	305.6	Accrued legal settlement	—	305.6
Other current liabilities	Other current liabilities	208.4	92.9	Other current liabilities	153.6	92.9
Total liabilities of discontinued operations		30.0	—			
Liabilities held for sale				Liabilities held for sale	15.7	—
Total Current Liabilities	**Total Current Liabilities**	1,845.5	1,081.6	**Total Current Liabilities**	1,802.8	1,081.6
Long-term debt	Long-term debt	4,039.5	2,039.8	Long-term debt	3,799.9	2,039.8
Long-term deferred tax liabilities	Long-term deferred tax liabilities	613.6	46.1	Long-term deferred tax liabilities	565.3	46.1
Accrued pension liabilities	Accrued pension liabilities	6.4	0.9	Accrued pension liabilities	6.4	0.9
Operating lease liabilities, non-current	Operating lease liabilities, non-current	54.4	15.6	Operating lease liabilities, non-current	50.0	15.6

Other long-term liabilities	Other long-term liabilities	40.9	33.6	Other long-term liabilities	38.3	33.6
Total Liabilities	Total Liabilities	6,600.3	3,217.6	Total Liabilities	6,262.7	3,217.6

		June 30, 2023	December 31, 2022		September 30, 2023	December 31, 2022
Equity	**Equity**			**Equity**		
	Preferred stock, par value $0.01 per share, $1,000 aggregate liquidation preference — 10,000,000 shares authorized, 402,500 shares issued and outstanding at both June 30, 2023 and December 31, 2022	—	—			
	Common stock, par value $0.01 per share – 150,000,000 shares authorized, 42,733,693 and 42,563,032 shares issued and outstanding at June 30, 2023 and December 31, 2022, respectively	0.4	0.4			
Preferred stock, par value $0.01 per share, $1,000 aggregate liquidation preference — 10,000,000 shares authorized, 402,500 shares issued and outstanding at both September 30, 2023 and December 31, 2022				Preferred stock, par value $0.01 per share, $1,000 aggregate liquidation preference — 10,000,000 shares authorized, 402,500 shares issued and outstanding at both September 30, 2023 and December 31, 2022	—	—
Common stock, par value $0.01 per share – 150,000,000 shares authorized, 42,749,321 and 42,563,032 shares issued and outstanding at September 30, 2023 and December 31, 2022, respectively				Common stock, par value $0.01 per share – 150,000,000 shares authorized, 42,749,321 and 42,563,032 shares issued and outstanding at September 30, 2023 and December 31, 2022, respectively	0.4	0.4
Additional paid-in capital	Additional paid-in capital	1,866.0	1,850.2	Additional paid-in capital	1,869.0	1,850.2
	Treasury stock; 760,782 shares at both June 30, 2023 and December 31, 2022	(19.3)	(19.3)			
Treasury stock; 760,782 shares at both September 30, 2023 and December 31, 2022				Treasury stock; 760,782 shares at both September 30, 2023 and December 31, 2022	(19.3)	(19.3)
Retained earnings	Retained earnings	882.5	902.2	Retained earnings	879.1	902.2
Accumulated other comprehensive loss	Accumulated other comprehensive loss	(55.4)	(58.0)	Accumulated other comprehensive loss	(103.3)	(58.0)
Total Chart Industries, Inc. Shareholders' Equity	Total Chart Industries, Inc. Shareholders' Equity	2,674.2	2,675.5	Total Chart Industries, Inc. Shareholders' Equity	2,625.9	2,675.5
Noncontrolling interests	Noncontrolling interests	133.0	8.8	Noncontrolling interests	131.6	8.8

Total Equity	Total Equity	2,807.2	2,684.3	Total Equity	2,757.5	2,684.3
TOTAL LIABILITIES AND EQUITY	**TOTAL LIABILITIES AND EQUITY**	$ 9,407.5	$ 5,901.9	**TOTAL LIABILITIES AND EQUITY**	$ 9,020.2	$ 5,901.9

See accompanying notes to these unaudited condensed consolidated financial statements.

CHART INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(UNAUDITED)
(Dollars and shares in millions, except per share amounts)

		Three Months Ended June 30,		Six Months Ended June 30,			Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022		2023	2022	2023	2022
Sales	Sales	$ 908.1	$ 404.8	$ 1,439.6	$ 758.9	Sales	$ 897.9	$ 412.1	$ 2,337.5	$ 1,171.0
Cost of sales	Cost of sales	627.5	310.0	1,009.7	580.4	Cost of sales	621.7	307.5	1,631.4	887.9
Gross profit	Gross profit	280.6	94.8	429.9	178.5	Gross profit	276.2	104.6	706.1	283.1
Selling, general, and administrative expenses	Selling, general, and administrative expenses	140.7	53.5	233.6	107.0	Selling, general, and administrative expenses	122.8	52.3	356.4	159.3
Amortization expense	Amortization expense	44.2	11.7	66.0	21.8	Amortization expense	49.0	10.6	115.0	32.4
Operating expenses	Operating expenses	184.9	65.2	299.6	128.8	Operating expenses	171.8	62.9	471.4	191.7
Operating income	Operating income	95.7	29.6	130.3	49.7	Operating income	104.4	41.7	234.7	91.4
Acquisition related finance fees	Acquisition related finance fees	—	—	26.1	—	Acquisition related finance fees	—	—	26.1	—
Interest expense, net	Interest expense, net	79.5	4.4	105.0	7.6	Interest expense, net	85.7	5.7	190.7	13.3
Financing costs amortization	Financing costs amortization	4.4	0.7	7.2	1.4	Financing costs amortization	4.8	0.7	12.0	2.1
Unrealized loss on investments in equity securities		4.6	9.6	6.6	12.2					
Unrealized loss (gain) on investments in equity securities						Unrealized loss (gain) on investments in equity securities	5.2	(1.3)	11.8	10.9
Realized gain on equity method investment	Realized gain on equity method investment	—	(0.3)	—	(0.3)	Realized gain on equity method investment	—	—	—	(0.3)
Foreign currency gain	Foreign currency gain	(4.1)	(1.7)	(5.2)	(0.1)	Foreign currency gain	(2.9)	(2.5)	(8.1)	(2.6)
Other expense (income)	Other expense (income)	0.8	(0.2)	1.6	(0.9)	Other expense (income)	1.1	(0.7)	2.7	(1.5)
Income (loss) from continuing operations before income taxes and equity in earnings (loss) of unconsolidated affiliates, net	Income (loss) from continuing operations before income taxes and equity in earnings (loss) of unconsolidated affiliates, net	10.5	17.1	(11.0)	29.8	Income (loss) from continuing operations before income taxes and equity in earnings (loss) of unconsolidated affiliates, net	10.5	39.8	(0.5)	69.5
Income tax expense (benefit)	Income tax expense (benefit)	2.4	3.5	(4.3)	5.6	Income tax expense (benefit)	0.1	(1.6)	(4.2)	4.0

Income (loss) from continuing operations before equity in earnings (loss) of unconsolidated affiliates, net		8.1	13.6	(6.7)	24.2					
Income from continuing operations before equity in earnings (loss) of unconsolidated affiliates, net						Income from continuing operations before equity in earnings (loss) of unconsolidated affiliates, net	10.4	41.4	3.7	65.5
Equity in earnings (loss) of unconsolidated affiliates, net	Equity in earnings (loss) of unconsolidated affiliates, net	1.5	(0.2)	1.1	(0.5)	Equity in earnings (loss) of unconsolidated affiliates, net	1.3	0.2	2.4	(0.3)
Net income (loss) from continuing operations		9.6	13.4	(5.6)	23.7					
Income from discontinued operations, net of tax		2.5	—	3.4	—					
Net income (loss)		12.1	13.4	(2.2)	23.7					
Net income from continuing operations						Net income from continuing operations	11.7	41.6	6.1	65.2
Loss from discontinued operations, net of tax						Loss from discontinued operations, net of tax	(6.0)	—	(2.6)	—
Net income						Net income	5.7	41.6	3.5	65.2
Less: Income attributable to noncontrolling interests of continuing operations, net of taxes	Less: Income attributable to noncontrolling interests of continuing operations, net of taxes	3.0	0.4	3.7	0.5	Less: Income attributable to noncontrolling interests of continuing operations, net of taxes	2.3	0.4	6.0	0.8
Net income (loss) attributable to Chart Industries, Inc.	Net income (loss) attributable to Chart Industries, Inc.	$ 9.1	$ 13.0	$ (5.9)	$ 23.2	Net income (loss) attributable to Chart Industries, Inc.	$ 3.4	$ 41.2	$ (2.5)	$ 64.4

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Amounts attributable to Chart common stockholders				
Income (loss) from continuing operations	$ 6.6	$ 13.0	$ (9.3)	$ 23.2
Less: Mandatory convertible preferred stock dividend requirement	6.9	—	13.7	—
(Loss) income from continuing operations attributable to Chart	(0.3)	13.0	(23.0)	23.2
Income from discontinued operations, net of tax	2.5	—	3.4	—
Net income (loss) attributable to Chart common stockholders	$ 2.2	$ 13.0	$ (19.6)	$ 23.2
Basic earnings per common share attributable to Chart Industries, Inc.				
(Loss) income from continuing operations	$ (0.01)	$ 0.36	$ (0.55)	$ 0.65
Income from discontinued operations	0.06	—	0.08	—
Net income (loss) attributable to Chart Industries, Inc.	$ 0.05	$ 0.36	$ (0.47)	$ 0.65

Diluted earnings per common share attributable to Chart Industries, Inc.				
(Loss) income from continuing operations	$ (0.01)	$ 0.31	$ (0.55)	$ 0.56
Income from discontinued operations	0.06	—	0.08	—
Net income (loss) attributable to Chart Industries, Inc.	$ 0.05	$ 0.31	$ (0.47)	$ 0.56
Weighted-average number of common shares outstanding:				
Basic	41.97	35.86	41.96	35.85
Diluted	46.45	41.56	41.96	41.18
Comprehensive income (loss), net of taxes	$ 10.0	$ (18.0)	$ (0.2)	$ (13.8)
Less: Comprehensive income (loss) attributable to noncontrolling interests, net of taxes	3.0	(0.1)	3.7	—
Comprehensive income (loss) attributable to Chart Industries, Inc., net of taxes	$ 7.0	$ (17.9)	$ (3.9)	$ (13.8)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Amounts attributable to Chart common stockholders				
Income from continuing operations	$ 9.4	$ 41.2	$ 0.1	$ 64.4
Less: Mandatory convertible preferred stock dividend requirement	6.8	—	20.5	—
Income (loss) from continuing operations attributable to Chart	2.6	41.2	(20.4)	64.4
Loss from discontinued operations, net of tax	(6.0)	—	(2.6)	—
Net (loss) income attributable to Chart common stockholders	$ (3.4)	$ 41.2	$ (23.0)	$ 64.4
Basic earnings per common share attributable to Chart Industries, Inc.				
Income (loss) from continuing operations	$ 0.06	$ 1.15	$ (0.49)	$ 1.80
Loss from discontinued operations	(0.14)	—	(0.06)	—
Net (loss) income attributable to Chart Industries, Inc.	$ (0.08)	$ 1.15	$ (0.55)	$ 1.80
Diluted earnings per common share attributable to Chart Industries, Inc.				
Income (loss) from continuing operations	$ 0.05	$ 0.98	$ (0.49)	$ 1.56
Loss from discontinued operations	(0.12)	—	(0.06)	—
Net (loss) income attributable to Chart Industries, Inc.	$ (0.07)	$ 0.98	$ (0.55)	$ 1.56
Weighted-average number of common shares outstanding:				
Basic	41.98	35.87	41.96	35.85
Diluted	47.61	41.86	41.96	41.40
Comprehensive (loss) income, net of taxes	$ (42.1)	$ 9.2	$ (42.4)	$ (4.6)
Less: Comprehensive income (loss) attributable to noncontrolling interests, net of taxes	2.4	(0.1)	5.5	(0.1)
Comprehensive (loss) income attributable to Chart Industries, Inc., net of taxes	$ (44.5)	$ 9.3	$ (47.9)	$ (4.5)

See accompanying notes to these unaudited condensed consolidated financial statements.

CHART INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(Dollars in millions)

		Six Months Ended June 30,			Nine Months Ended September 30,	
		2023	2022		2023	2022
OPERATING ACTIVITIES	**OPERATING ACTIVITIES**			**OPERATING ACTIVITIES**		
	Net (loss) income	$ (2.2)	$ 23.7			

Net income				Net income	$ 3.5	$ 65.2
Adjustments to reconcile net income to net cash provided by operating activities:	Adjustments to reconcile net income to net cash provided by operating activities:			Adjustments to reconcile net income to net cash provided by operating activities:		
Bridge loan facility fees	Bridge loan facility fees	26.1	—	Bridge loan facility fees	26.1	—
Depreciation and amortization	Depreciation and amortization	96.2	42.2	Depreciation and amortization	163.2	62.4
Employee share-based compensation expense	Employee share-based compensation expense	6.6	5.6	Employee share-based compensation expense	9.2	7.9
Financing costs amortization	Financing costs amortization	7.2	1.4	Financing costs amortization	12.0	2.1
Realized gain on equity method investment	Realized gain on equity method investment	—	(0.3)	Realized gain on equity method investment	—	(0.3)
Unrealized foreign currency transaction gain		(0.8)	(4.3)			
Unrealized foreign currency transaction loss (gain)				Unrealized foreign currency transaction loss (gain)	0.5	(4.2)
Unrealized loss on investments in equity securities	Unrealized loss on investments in equity securities	6.6	12.2	Unrealized loss on investments in equity securities	11.8	10.9
Equity in (earnings) loss of unconsolidated affiliates	Equity in (earnings) loss of unconsolidated affiliates	(1.2)	0.6	Equity in (earnings) loss of unconsolidated affiliates	(2.4)	0.3
Gain on sale of business				Gain on sale of business	(5.0)	—
Other non-cash operating activities	Other non-cash operating activities	1.4	1.1	Other non-cash operating activities	(4.9)	3.4
Changes in assets and liabilities, net of acquisitions:	Changes in assets and liabilities, net of acquisitions:			Changes in assets and liabilities, net of acquisitions:		
Accounts receivable	Accounts receivable	(62.9)	(45.6)	Accounts receivable	(61.9)	(46.2)
Inventories	Inventories	(8.6)	(55.6)	Inventories	(2.6)	(58.4)
Unbilled contract revenues and other assets	Unbilled contract revenues and other assets	159.6	(58.5)	Unbilled contract revenues and other assets	124.5	(68.6)
Accounts payable and other liabilities	Accounts payable and other liabilities	(192.5)	27.3	Accounts payable and other liabilities	(248.6)	16.7
Customer advances and billings in excess of contract revenue	Customer advances and billings in excess of contract revenue	24.0	62.7	Customer advances and billings in excess of contract revenue	11.5	59.1
Net Cash Provided By Operating Activities	**Net Cash Provided By Operating Activities**	59.5	12.5	**Net Cash Provided By Operating Activities**	36.9	50.3
INVESTING ACTIVITIES	**INVESTING ACTIVITIES**			**INVESTING ACTIVITIES**		
Acquisition of businesses, net of cash acquired	Acquisition of businesses, net of cash acquired	(4,339.8)	(25.3)	Acquisition of businesses, net of cash acquired	(4,322.3)	(25.8)
Proceeds from sale of business				Proceeds from sale of business	291.9	—

Capital expenditures				Capital expenditures	(118.0)	(48.2)
Investments	Investments	(2.6)	(3.9)	Investments	(8.8)	(4.9)
Capital expenditures		(54.4)	(29.8)			
Cash received from settlement of cross-currency swap agreement	Cash received from settlement of cross-currency swap agreement	—	3.6	Cash received from settlement of cross-currency swap agreement	—	9.4
Proceeds from sale of assets				Proceeds from sale of assets	3.6	—
Government grants and other	Government grants and other	(1.0)	(0.3)	Government grants and other	(1.3)	(0.8)
Net Cash Used In Investing Activities	**Net Cash Used In Investing Activities**	(4,397.8)	(55.7)	**Net Cash Used In Investing Activities**	(4,154.9)	(70.3)
FINANCING ACTIVITIES	**FINANCING ACTIVITIES**			**FINANCING ACTIVITIES**		
Borrowings on credit facilities	Borrowings on credit facilities	722.8	433.3	Borrowings on credit facilities	1,334.3	503.3
Repayments on credit facilities	Repayments on credit facilities	(384.8)	(361.2)	Repayments on credit facilities	(1,234.3)	(511.2)
Borrowings on term loan	Borrowings on term loan	1,747.2	—	Borrowings on term loan	1,747.2	—
Repayments on term loan	Repayments on term loan	(3.8)	—	Repayments on term loan	(8.2)	—
Payments for debt issuance costs	Payments for debt issuance costs	(133.4)	—	Payments for debt issuance costs	(133.5)	—
Payment of contingent consideration	Payment of contingent consideration	(1.7)	—	Payment of contingent consideration	(4.4)	—
Proceeds from issuance of common stock, net	Proceeds from issuance of common stock, net	11.7	—	Proceeds from issuance of common stock, net	11.7	—
Proceeds from exercise of stock options		0.2	1.4			
Common stock repurchases from share-based compensation plans		(2.7)	(3.3)			

Proceeds from exercise of stock options				Proceeds from exercise of stock options	0.9	1.9
Common stock repurchases from share-based compensation plans				Common stock repurchases from share-based compensation plans	(3.0)	(3.4)
Dividend distribution to noncontrolling interest	Dividend distribution to noncontrolling interest	(8.4)	—	Dividend distribution to noncontrolling interest	(12.2)	—
Dividends paid on mandatory convertible preferred stock	Dividends paid on mandatory convertible preferred stock	(13.7)	—	Dividends paid on mandatory convertible preferred stock	(20.5)	—
Net Cash Provided By Financing Activities		1,933.4	70.2			

Net Cash Provided By (Used In) Financing Activities				**Net Cash Provided By (Used In) Financing Activities**	1,678.0	(9.4)
Effect of exchange rate changes on cash and cash equivalents	Effect of exchange rate changes on cash and cash equivalents	1.9	0.3	Effect of exchange rate changes on cash and cash equivalents	(0.4)	(3.5)
Net (decrease) increase in cash, cash equivalents, restricted cash, and restricted cash equivalents		(2,403.0)	27.3			
Net decrease in cash, cash equivalents, restricted cash, and restricted cash equivalents including cash classified within current assets held for sale				Net decrease in cash, cash equivalents, restricted cash, and restricted cash equivalents including cash classified within current assets held for sale	(2,440.4)	(32.9)
Less: net increase in cash classified within current assets held for sale				Less: net increase in cash classified within current assets held for sale	(5.0)	—
Net decrease in cash, cash equivalents, restricted cash and restricted cash equivalents				Net decrease in cash, cash equivalents, restricted cash and restricted cash equivalents	(2,445.4)	(32.9)
Cash, cash equivalents, restricted cash, and restricted cash equivalents at beginning of period	Cash, cash equivalents, restricted cash, and restricted cash equivalents at beginning of period	2,605.3	122.4	Cash, cash equivalents, restricted cash, and restricted cash equivalents at beginning of period	2,605.3	122.4
CASH, CASH EQUIVALENTS, RESTRICTED CASH, AND RESTRICTED CASH EQUIVALENTS AT END OF PERIOD (1) (2)	**CASH, CASH EQUIVALENTS, RESTRICTED CASH, AND RESTRICTED CASH EQUIVALENTS AT END OF PERIOD** (1) (2)	$ 202.3	$ 149.7	**CASH, CASH EQUIVALENTS, RESTRICTED CASH, AND RESTRICTED CASH EQUIVALENTS AT END OF PERIOD** (1) (2)	$ 159.9	$ 89.5

(1) Includes restricted cash and restricted cash equivalents of $12.5 $12.8 and $1,941.7 classified within restricted cash as of June 30, 2023 September 30, 2023 and December 31, 2022, respectively. For further information regarding restricted cash and restricted cash equivalents balances, refer to Note 9, "Debt and Credit Arrangements."

(2) Net The condensed consolidated statements of cash used in operating activities includes net out-of-pocket payments in connection with settlements related to our divested cryobiological products business. For further information regarding our flows are presented on a consolidated basis for both continuing operations and discontinued operations, refer to operations. See Note 2, "Discontinued Operations." "Discontinued Operations and Other Businesses Sold or to be Sold" for additional information on the divestiture of the Roots™ business.

See accompanying notes to these unaudited condensed consolidated financial statements.

CHART INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY (UNAUDITED)
(Dollars in millions)

Common Stock		Preferred Stock		Additional			Accumulated Other		Non-		Comm
Shares Outstanding	Amount	Shares Outstanding	Amount	Paid-in Capital	Treasury Stock	Retained Earnings	Comprehensive Loss	Total Equity	controlling Interests	Shares Outstanding	Amount

Balance at December 31, 2022	**Balance at December 31, 2022**	42.56	$ 0.4	0.40	$ —	$ 1,850.2	$(19.3)	$902.2	$ (58.0)	$ 8.8	$ 2,684.3	**Balance at December 31, 2022**	42.56
Net (loss) income	Net (loss) income	—	—	—	—	—	—	(15.0)	—	0.7	(14.3)	Net (loss) income	—
Other comprehensive income	Other comprehensive income	—	—	—	—	—	—	—	4.0	—	4.0	Other comprehensive income	—
Common stock issuance, net of equity issuance costs	Common stock issuance, net of equity issuance costs	0.11	—	—	—	11.7	—	—	—	—	11.7	Common stock issuance, net of equity issuance costs	0.11
Share-based compensation expense	Share-based compensation expense	—	—	—	—	4.0	—	—	—	—	4.0	Share-based compensation expense	—
Common stock issued from share-based compensation plans	Common stock issued from share-based compensation plans	0.08	—	—	—	0.1	—	—	—	—	0.1	Common stock issued from share-based compensation plans	0.08
Common stock repurchases from share-based compensation plans	Common stock repurchases from share-based compensation plans	(0.02)	—	—	—	(2.6)	—	—	—	—	(2.6)	Common stock repurchases from share-based compensation plans	(0.02)
Preferred stock dividend	Preferred stock dividend	—	—	—	—	—	—	(6.9)	—	—	(6.9)	Preferred stock dividend	—
Purchase of noncontrolling interest	Purchase of noncontrolling interest	—	—	—	—	—	—	—	—	26.5	26.5	Purchase of noncontrolling interest	—
Other	Other	—	—	—	—	—	—	(0.2)	0.1	0.2	0.1	Other	—
Balance at March 31, 2023	**Balance at March 31, 2023**	42.73	0.4	0.40	—	1,863.4	(19.3)	880.1	(53.9)	36.2	2,706.9	**Balance at March 31, 2023**	42.73
Net income	Net income	—	—	—	—	—	—	9.1	—	3.0	12.1	Net income	—
Other comprehensive loss		—	—	—	—	—	—	—	(1.5)	(0.6)	(2.1)		
Other comprehensive (loss) income												Other comprehensive (loss) income	—
Share-based compensation expense	Share-based compensation expense	—	—	—	—	2.6	—	—	—	—	2.6	Share-based compensation expense	—
Common stock issued from share-based compensation plans	Common stock issued from share-based compensation plans	—	—	—	—	0.1	—	—	—	—	0.1	Common stock issued from share-based compensation plans	—
Common stock repurchases from share-based compensation plans	Common stock repurchases from share-based compensation plans	—	—	—	—	(0.1)	—	—	—	—	(0.1)	Common stock repurchases from share-based compensation plans	—
Preferred stock dividend	Preferred stock dividend		—	—	—	—	—	(6.8)	—	—	(6.8)	Preferred stock dividend	

Dividend distribution to noncontrolling interest	—	—	—	—	—	—	—	—	(8.4)	(8.4)	—
Purchase of noncontrolling interest	—	—	—	—	—	—	—	—	102.8	102.8	—
Other	—	—	—	—	—	—	0.1	—	—	0.1	—
Balance at June 30, 2023	42.73	$ 0.4	0.40	$ —	$ 1,866.0	$(19.3)	$882.5	$ (55.4)	$ 133.0	$ 2,807.2	42.73
Net income											—
Other comprehensive (loss) income											—
Share-based compensation expense											—

Common stock issued from share-based compensation plans	0.02	—	—	—	0.7	—	—	—	—	0.7
Common stock repurchases from share-based compensation plans	—	—	—	—	(0.3)	—	—	—	—	(0.3)
Preferred stock dividend	—	—	—	—	—	—	(6.8)	—	—	(6.8)
Dividend distribution to noncontrolling interest	—	—	—	—	—	—	—	—	(3.8)	(3.8)
Balance at September 30, 2023	42.75	$ 0.4	0.40	$ —	$ 1,869.0	$ (19.3)	$ 879.1	$ (103.3)	$ 131.6	$ 2,757.5

	Common Stock		Preferred Stock		Additional Paid-in Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Equity	Non-controlling Interests		
	Shares Outstanding	Amount	Shares Outstanding	Amount							Shares Outstanding	Amount
Balance at December 31, 2021	36.55	$ 0.4	—	$ —	$ 779.0	$(19.3)	$878.2	$ (21.7)		$ 8.6	$ 1,625.2	36.55
Net income	—	—	—	—	—	—	10.2	—		0.1	10.3	—
Other comprehensive loss	—	—	—	—	—	—	—	(6.0)		—	(6.0)	—
Share-based compensation expense	—	—	—	—	3.3	—	—	—		—	3.3	—
Common stock issued from share-based compensation plans	0.08	—	—	—	1.0	—	—	—		—	1.0	0.08

Common stock repurchases from share-based compensation plans	Common stock repurchases from share-based compensation plans	(0.02)	—	—	—	(3.2)	—	—	—	—	(3.2)	Common stock repurchases from share-based compensation plans	(0.02)
Earthly Labs Inc. purchase price adjustment	Earthly Labs Inc. purchase price adjustment	—	—	—	—	(1.2)	—	—	—	—	(1.2)	Earthly Labs Inc. purchase price adjustment	—
Balance at March 31, 2022	**Balance at March 31, 2022**	36.61	0.4	—	—	778.9	(19.3)	888.4	(27.7)	8.7	1,629.4	**Balance at March 31, 2022**	36.61
Net income	Net income	—	—	—	—	—	—	13.0	—	0.4	13.4	Net income	—
Other comprehensive loss	Other comprehensive loss	—	—	—	—	—	—	—	(30.9)	—	(30.9)	Other comprehensive loss	—
Share-based compensation expense	Share-based compensation expense	—	—	—	—	2.3	—	—	—	—	2.3	Share-based compensation expense	—
Common stock issued from share-based compensation plans	Common stock issued from share-based compensation plans	0.01	—	—	—	0.4	—	—	—	—	0.4	Common stock issued from share-based compensation plans	0.01
Common stock repurchases from share-based compensation plans	Common stock repurchases from share-based compensation plans	—	—	—	—	(0.1)	—	—	—	—	(0.1)	Common stock repurchases from share-based compensation plans	—
Other	Other	—	—	—	—	—	—	—	—	(0.5)	(0.5)	Other	—
Balance at June 30, 2022	**Balance at June 30, 2022**	36.62	$ 0.4	—	$ —	$ 781.5	$(19.3)	$901.4	$ (58.6)	$ 8.6	$ 1,614.0	**Balance at June 30, 2022**	36.62
Net income												Net	
Other comprehensive loss												Oth com loss	
Share-based compensation expense												Sha con exp	
Common stock issued from share-based compensation plans												Cor issu sha con plai	
Common stock repurchases from share-based compensation plans												Cor rep fror bas con plai	
Other												Oth	
Balance at September 30, 2022												**Bal Sep 30,**	

See accompanying notes to these unaudited condensed consolidated financial statements.

NOTE 1 — Basis of Preparation

The accompanying unaudited condensed consolidated financial statements of Chart Industries, Inc. and its consolidated subsidiaries (herein referred to as the "Company," "Chart," "we," "us," or "our") have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for annual financial statements. These financial statements should be read in conjunction with the audited financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2022. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three and six nine months ended June 30, 2023 September 30, 2023 are not necessarily indicative of the results that may be expected for the year ending December 31, 2023.

On March 17, 2023, we completed the acquisition of Howden ("Howden"), a leading global provider of mission critical air and gas handling products and services, from affiliates of KPS Capital Partners, LP, which is included in our continuing operations for the period of ownership up to June 30, 2023 September 30, 2023. Results from continuing operations reflect our first two full quarter quarters of ownership of Howden and exclude the Roots™ business financial results for our entire ownership period of March 17, 2023 through June 30, 2023 the divestiture date, August 18, 2023. The results of Roots are presented as discontinued operations in the condensed consolidated statements of operations and comprehensive income (loss) and have been excluded from both continuing operations and segment results for the three and nine months ended September 30, 2023. The condensed consolidated statements of cash flows are presented on a consolidated basis for both continuing operations and discontinued operations. Furthermore, on July 26, 2023 we signed a definitive agreement to sell our Cofimco fans business. The transaction is anticipated to close on October 31, 2023, and as of September 30, 2023 met the criteria to be held for sale. See Note 2, "Discontinued Operations" Operations and Other Businesses Sold or to be Sold" for further information regarding the Roots™ divestiture and the Cofimco business to be sold and Note 13, "Business Combinations", for further information regarding the acquisition of Howden (the "Howden Acquisition").

Nature of Operations: We are a leading independent global leader in the design, engineering, and manufacturing of process technologies and equipment for gas and liquid molecule handling for the Nexus of Clean™ – clean power, clean water, clean food, and clean industrials, regardless of molecule. Our unique product portfolio across both stationary and rotating equipment is used in every phase of the liquid gas supply chain, including upfront engineering, service and repair. Being at the forefront of the clean energy transition, Chart is a leading provider of technology, equipment and services related to liquefied natural gas, hydrogen, biogas, CO2 Capture and water treatment, among other applications. We are committed to excellence in environmental, social and corporate governance (ESG) issues both for our company as well as our customers. With over 64 global manufacturing locations and over 50 service centers from the United States to Asia, India and Europe, we maintain accountability and transparency to our team members, suppliers, customers and communities.

Principles of Consolidation: The unaudited condensed consolidated financial statements include the accounts of Chart Industries, Inc. and its subsidiaries. Intercompany accounts and transactions are eliminated in consolidation.

Use of Estimates: The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements. These estimates may also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and assumptions, based on a number of factors including the current macroeconomic conditions such as inflation and supply chain disruptions, as well as risks set forth in our Annual Report on Form 10-K.

Recently Issued Accounting Standards (Not Yet Adopted): In June 2022, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2022-03, "Fair Value Measurement (Topic 820): Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions." The amendments in this update clarify that a contractual restriction on the sale of an equity security is not considered part of the unit of account of the security and, therefore, is not considered in measuring fair value. The amendments also clarify that an entity cannot recognize and measure a contractual sale restriction and adds additional disclosures for equity securities subject to contractual sale restrictions. The amendments in this update are effective for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years. We do not expect this ASU to have a material impact on our financial position, results of operations, and disclosures.

Recently Adopted Accounting Standards: In March 2022, the FASB issued ASU 2022-02, "Financial Instruments—Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures." For public business entities, the amendments in this update require that an entity disclose current-period gross writeoffs write-offs by year of origination for financing receivables and net investments in leases within the scope of Subtopic 326-20. The amendments in this update were effective for Chart for fiscal years beginning after December 15, 2022. We adopted this guidance effective January 1, 2023. The adoption of this guidance did not have a material impact on our financial position, results of operations or disclosures.

In October 2021, the FASB issued ASU 2021-08, "Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers." The amendments in this update require that an entity (acquirer) recognize and measure contract assets and contract liabilities acquired in a business combination in accordance with Topic 606. For public business entities, the amendments in this update are effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. We adopted this guidance effective April 1, 2022. The adoption of this guidance did not have a material impact on our financial position, results of operations or disclosures.

In March 2020, the FASB issued ASU 2020-04, "Reference Rate Reform (Topic 848), Facilitation of the Effects of Reference Rate Reform on Financial Reporting," and in January 2021, the FASB subsequently issued ASU 2021-01, "Reference Rate Reform (Topic 848): Scope." ASU 2020-04 and the subsequent modifications are identified as ASC 848 ("ASC 848"). ASC 848 simplifies the accounting for modifying contracts (including those in hedging relationships) that refer to LIBOR and other interbank offered rates that are expected to be discontinued due to reference rate reform. The amendments in ASC 848 are effective for all entities as of March 12, 2020 through December 31, 2022. An entity may elect to apply the amendments for contract modifications by Topic or Industry Subtopic as of any date from the beginning of an interim period that includes or is subsequent to March 12, 2020, or prospectively from a date within an interim period that includes or is subsequent to March 12, 2020, up to the date that the financial statements are available to be issued. Once elected for a Topic or an Industry Subtopic, the amendments in ASC 848 must be applied prospectively for all eligible contract modifications for that Topic or Industry Subtopic. Chart transitioned away from LIBOR rates on our debt facilities in early 2023 at which time we adopted this guidance. The adoption of this guidance did not have a material impact on our financial position, results of operations or disclosures.

NOTE 2 — Discontinued Operations and Other Businesses Sold or to be Sold

Roots™ Divestiture

On June 11, 2023, we signed a definitive agreement to divest our Roots™ ("Roots") business, which we acquired as part of the Howden acquisition and is within the Specialty Products, Cryo Tank Solutions and Repair, Service & Leasing segments, to Ingersoll Rand Inc. ("buyer"). Pursuant to the Purchase Agreement and subject to the terms and conditions set forth therein, the business will be was sold to the buyer for a base purchase price of $300.0, subject to customary adjustments. The transaction, which is subject to customary closing conditions, is expected to close no later than sale was completed on August 18, 2023. with proceeds totaling $291.9.

Our We previously determined that our Roots business met the criteria to be held for sale. Furthermore, we determined that the assets held for sale qualify qualified for discontinued operations. As operations and as such, the financial results of the Roots business are reflected in our unaudited condensed consolidated statements of operations and comprehensive income (loss) as discontinued operations for our entire ownership period of March 17, 2023 through June 30, 2023 August 18, 2023. Furthermore, current and non-current assets and liabilities

The Company recognized a pre-tax gain on sale of discontinued operations are reflected in $5.0 for the unaudited condensed consolidated balance sheet at June 30, 2023 nine months ended September 30, 2023.

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Summarized Financial Information of Discontinued Operations

The following table represent the assets and liabilities from discontinued operations:

	June 30, 2023
Accounts receivable, less allowances	$ 17.6
Inventories, net	40.0
Unbilled contract revenue	3.8
Prepaid expenses	0.3
Property, plant, and equipment, net	35.0
Goodwill	102.2
Identifiable intangible assets, net	108.5
Total assets of discontinued operations	$ 307.4
Accounts payable	$ 15.6
Customer advances and billings in excess of contract revenue	9.5
Accrued salaries, wages, and benefits	1.5
Current portion of warranty reserve	0.8
Short-term debt and current portion of long-term debt	0.2
Operating lease liabilities, current	0.3
Other current liabilities	0.3
Operating lease liabilities, non-current	1.8
Total liabilities of discontinued operations	$ 30.0

The following table represents income from discontinued operations, net of tax:

	Three Months Ended June 30, 2023	Six Months Ended June 30, 2023
Sales	$ 34.9	$ 41.3
Cost of sales	21.8	26.0
Gross profit	13.1	15.3
Selling, general, and administrative expenses	3.8	4.8
Operating expenses	3.8	4.8
Operating income	9.3	10.5
Other expenses:		
Interest expense, net	5.9	5.9
Foreign currency loss	0.1	0.1
Other expense, net	6.0	6.0
Income before income taxes	3.3	4.5
Income tax expense	0.8	1.1
Total income from discontinued operations, net of tax	$ 2.5	$ 3.4

	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2023 (1)
Sales	$ 17.5	$ 58.8
Cost of sales	15.4	41.4
Gross profit	2.1	17.4
Selling, general, and administrative expenses	2.1	6.9
Operating income	—	10.5
Other expenses:		
Interest expense, net	3.0	8.9
Foreign currency loss	—	0.1
Other expense, net	3.0	9.0
(Loss) income before income taxes	(3.0)	1.5
Income tax expense	0.5	1.6
Loss from discontinued operations before gain on sale of business	(3.5)	(0.1)

Gain on sale of business, net of $7.5 taxes (2)	(2.5)	(2.5)
Total loss from discontinued operations, net of tax	$ (6.0)	$ (2.6)

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CHART INDUSTRIES, INC. AND SUBSIDIARIES(1) The Roots business was acquired on March 17, 2023 and held for sale until the sale was completed on August 18, 2023.

Notes to(2) The gain on sale of the Unaudited Condensed Consolidated Financial Statements – June 30, 2023

(Dollars Roots business was $5.0 before taxes for both the three and shares in millions, except per share amounts) – Continued

nine months ended September 30, 2023.

The following table represents a summary of cash flows related to discontinued operations:

Net cash provided by (used in):	Six Nine Months Ended June 30, 2023 September 30, 2023
Operating activities	$ (5.5) 3.9
Investing activities	(2.1) (2.6)
Net cash used in provided by discontinued operations	$ (7.6) 1.3

There was no income from discontinued operations for the three and nine months ended September 30, 2022 or cash flows from discontinued operations for the three and six nine months ended June 30, 2022 September 30, 2022.

Other Businesses Sold or to be Sold

Also, as previously announced, on July 26, 2023 we signed a definitive agreement to sell our Cofimco fans business ("Cofimco") to PX3 Partners, the London headquartered private equity firm, for an $80.0 purchase price. The transaction is anticipated to close on October 31, 2023. Cofimco operates within our Heat Transfer Systems and Repair, Service & Leasing segments.

We have determined that the planned disposal of Cofimco meets the criteria for held for sale presentation as of September 30, 2023. The financial position of Cofimco is presented as held for sale in our condensed consolidated balance sheet at September 30, 2023 and consists of goodwill, identifiable intangible assets, and other net assets of $22.5, $27.1, and $6.6, respectively. Financial results of Cofimco are reported in continuing operations. No loss has been recognized on designation as held for sale.

We signed and closed on the divestiture of our American Fans business for $111.0 all-cash to Arcline Investment Management, L.P. on October 26, 2023 (multiples in-line with prior Chart transactions). Effective as of October 26, 2023, the business is no longer part of Chart. American Fans operated within all four of our segments. Also on October 26, 2023 we

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signed definitive documentation with respect to the sale of our Cryo Diffusion business for 4.25 million euros, with the closing anticipated to occur on October 31, 2023.

NOTE 3 — Reportable Segments

As reported in our Annual Report on Form 10-K for the year ended December 31, 2022, the structure of our internal organization is divided into the following four reportable segments, which are also our operating segments: Cryo Tank Solutions, Heat Transfer Systems, Specialty Products and Repair, Service & Leasing.

Our Cryo Tank Solutions segment supplies bulk, microbulk and mobile equipment used in the storage, distribution, vaporization, and application of industrial gases and certain hydrocarbons. Our Heat Transfer Systems segment supplies mission critical process technology, engineered equipment and systems used in the movement, separation, liquefaction, and purification of hydrocarbon and industrial gases that span gas-to-liquid applications. Our Specialty Products segment supplies products and solutions used in specialty end-market applications including hydrogen, biofuels, CO2 Capture, food and beverage, space exploration, gas by rail, lasers, cannabis and water treatment, among others. Our Heat Transfer Systems, Specialty Products and Cryo Tank segments also include products from the Howden Acquisition such as compressors, blowers and fans, rotary heaters and steam turbines. Our Repair, Service & Leasing segment provides installation, service, repair, maintenance, monitoring and refurbishment of cryogenic and compression products in addition to providing equipment leasing solutions as well as expanded aftermarket products, services and service locations related to the Howden acquisition.

Corporate includes operating expenses for executive management, accounting, tax, treasury, corporate development, human resources, information technology, investor relations, legal, internal audit, risk management and share-based compensation expenses. Corporate support functions are not currently allocated to the segments.

We evaluate performance and allocate resources based on operating income as determined in our condensed consolidated statements of operations and comprehensive income (loss).

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Segment Financial Information

		Three Months Ended June 30, 2023						
		Cryo Tank Solutions	Heat Transfer Systems	Specialty Products	Repair, Service & Leasing	Intersegment Eliminations	Corporate	Consolidated
Sales	Sales	$ 152.7	$ 236.0	$ 236.7	$298.7	$ (16.0)	$ —	$ 908.1
Depreciation and amortization expense	Depreciation and amortization expense	3.8	8.8	3.6	45.8	—	0.9	62.9
Operating income (loss) (1) (2)	Operating income (loss) (1) (2)	10.5	49.8	29.1	45.6	—	(39.3)	95.7
		Three Months Ended June 30, 2022						
		Cryo Tank Solutions	Heat Transfer Systems	Specialty Products	Repair, Service & Leasing	Intersegment Eliminations	Corporate	Consolidated
Sales	Sales	$ 132.9	$ 102.9	$ 115.3	$ 55.4	$ (1.7)	$ —	$ 404.8
Depreciation and amortization expense	Depreciation and amortization expense	4.1	7.4	5.4	4.2	—	0.6	21.7
Operating income (loss) (1) (2)	Operating income (loss) (1) (2)	9.9	5.7	20.8	12.0	—	(18.8)	29.6
		Six Months Ended June 30, 2023						
		Cryo Tank Solutions	Heat Transfer Systems	Specialty Products	Repair, Service & Leasing	Intersegment Eliminations	Corporate	Total
Sales	Sales	$ 276.2	$ 403.5	$ 362.9	$417.2	$ (20.2)	$ —	$ 1,439.6
Depreciation and amortization expense	Depreciation and amortization expense	9.4	17.2	12.2	55.7	—	1.7	96.2
Operating income (loss) (1) (2)	Operating income (loss) (1) (2)	14.8	77.1	50.9	78.7	—	(91.2)	130.3
		Six Months Ended June 30, 2022						
		Cryo Tank Solutions	Heat Transfer Systems	Specialty Products	Repair, Service & Leasing	Intersegment Eliminations	Corporate	Total
Sales	Sales	$ 251.0	$ 182.2	$ 222.8	$104.7	$ (1.8)	$ —	$ 758.9
Depreciation and amortization expense	Depreciation and amortization expense	8.2	15.1	9.3	8.5	—	1.1	42.2
Operating income (loss) (1) (2)	Operating income (loss) (1) (2)	24.0	5.5	37.0	20.3	—	(37.1)	49.7

	Three Months Ended September 30, 2023						
	Cryo Tank Solutions	Heat Transfer Systems	Specialty Products	Repair, Service & Leasing	Intersegment Eliminations	Corporate	Consolid
Sales	$ 159.0	$ 232.5	$ 240.0	$271.3	$ (4.9)	$ —	$ 8
Depreciation and amortization expense	7.8	7.4	5.7	45.1	—	1.0	
Operating income (loss) (1) (2)	17.1	43.4	33.7	42.3	—	(32.1)	1
	Three Months Ended September 30, 2022						
	Cryo Tank Solutions	Heat Transfer Systems	Specialty Products	Repair, Service & Leasing	Intersegment Eliminations	Corporate	Consolid
Sales	$ 126.9	$ 132.1	$ 108.1	$ 49.7	$ (4.7)	$ —	$ 4
Depreciation and amortization expense	4.0	7.2	4.3	4.2	—	0.5	
Operating income (loss) (1) (2)	12.2	18.3	16.7	12.0	—	(17.5)	
	Nine Months Ended September 30, 2023						
	Cryo Tank Solutions	Heat Transfer Systems	Specialty Products	Repair, Service & Leasing	Intersegment Eliminations	Corporate	Tota
Sales	$ 435.2	$ 636.0	$ 602.9	$688.5	$ (25.1)	$ —	$ 2,3
Depreciation and amortization expense	17.2	24.6	17.9	100.8	—	2.7	1
Operating income (loss) (1) (2)	31.9	120.5	84.6	121.0	—	(123.3)	2
	Nine Months Ended September 30, 2022						
	Cryo Tank Solutions	Heat Transfer Systems	Specialty Products	Repair, Service & Leasing	Intersegment Eliminations	Corporate	Tota
Sales	$ 377.9	$ 314.3	$ 330.9	$154.4	$ (6.5)	$ —	$ 1,1
Depreciation and amortization expense	12.2	22.3	13.6	12.7	—	1.6	
Operating income (loss) (1) (2)	36.2	23.8	53.7	32.3	—	(54.6)	

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(1) Restructuring costs costs/(credits) for the:

- three months ended June 30, 2023 September 30, 2023 were $5.4 $4.2 ($3.7 2.3 - Corporate, $0.7 $0.9 - Repair, Service & Leasing, $0.5 - Heat Transfer Systems, $0.4 - Specialty Products $0.3 and $0.1 - Cryo Tank Solutions).

(Dollars and shares in millions, except per share amounts) – Continued

- three months ended September 30, 2022 were $(1.4) ($(1.3) - Repair, Service & Leasing and $(0.1) - Specialty Products).
- nine months ended September 30, 2023 were $11.2 ($6.0 - Corporate, $2.4 - Repair, Service and Leasing, $1.2 - Cryo Tank Solutions, $0.9 - Specialty Products and $0.2 $0.7 - Heat Transfer Systems).
- three nine months ended June 30, 2022 September 30, 2022 were $0.2 $(1.1) ($0.1 (1.3) - Repair, Service & Leasing, $0.1 - Cryo Tank Solutions $0.1 - Specialty Products)
- six months ended June 30, 2023 were $7.0 ($3.7 - Corporate, $1.5 - Repair, Service and Leasing, $1.1 - Cryo Tank Solutions, $0.5 - Specialty Products and $0.2 - Heat Transfer Systems)
- six months ended June 30, 2022 were $0.3 ($0.1 - Cryo Tank Solutions, $0.1 - Heat Transfer Systems and 0.1 Specialty Products) Systems).

(2) Acquisition-related contingent consideration charges (credits) credits in our Specialty Products Segment were related to our 2020 acquisitions of Sustainable Energy Solutions, Inc. ("SES") and BlueInGreen, LLC ("BIG") and for the: the Maintenance Partners NV, assumed as part of the Howden acquisition:

- three months ended June 30, 2023 September 30, 2023 were $1.1 $(2.3).
- three months ended June 30, 2022 September 30, 2022 were $(0.2)
- six months ended June 30, 2023 were $(6.5)
- six months ended June 30, 2022 were $(1.0) $(1.7).

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- nine months ended September 30, 2023 were $(8.8).
- nine months ended September 30, 2022 were $(2.7).

Sales by Geography

		Three Months Ended June 30, 2023							Three Months Ended September 30, 2023					
		Cryo Tank Solutions	Heat Transfer Systems	Specialty Products	Repair, Service & Leasing	Intersegment Eliminations	Consolidated		Cryo Tank Solutions	Heat Transfer Systems	Specialty Products	Repair, Service & Leasing	Intersegment Eliminations	Consolidated
North America	North America	$ 63.8	$ 147.7	$ 81.8	$ 90.7	$ (6.9)	$ 377.1	North America	$ 71.3	$ 150.6	$ 84.2	$ 78.5	$ (2.0)	$ 382.6
Europe, Middle East, Africa and India	Europe, Middle East, Africa and India	54.0	30.3	69.2	138.7	(5.7)	286.5	Europe, Middle East, Africa and India	52.7	31.0	68.0	130.2	(1.7)	280.2
Asia-Pacific	Asia-Pacific	33.3	50.7	80.0	58.3	(3.1)	219.2	Asia-Pacific	33.5	46.7	83.2	52.5	(1.1)	214.8
Rest of the World	Rest of the World	1.6	7.3	5.7	11.0	(0.3)	25.3	Rest of the World	1.5	4.2	4.6	10.1	(0.1)	20.3
Total	Total	$ 152.7	$ 236.0	$ 236.7	$ 298.7	$ (16.0)	$ 908.1	Total	$ 159.0	$ 232.5	$ 240.0	$ 271.3	$ (4.9)	$ 897.9

		Three Months Ended June 30, 2022							Three Months Ended September 30, 2022					
		Cryo Tank Solutions	Heat Transfer Systems	Specialty Products	Repair, Service & Leasing	Intersegment Eliminations	Consolidated		Cryo Tank Solutions	Heat Transfer Systems	Specialty Products	Repair, Service & Leasing	Intersegment Eliminations	Consolidated
North America	North America	$ 52.4	$ 75.9	$ 86.6	$ 35.9	$ (1.1)	$ 249.7	North America	$ 61.6	$ 103.3	$ 74.5	$ 40.2	$ (2.3)	$ 277.3
Europe, Middle East, Africa and India	Europe, Middle East, Africa and India	46.9	16.6	21.3	9.2	(0.3)	93.7	Europe, Middle East, Africa and India	41.1	12.8	26.0	6.8	(1.5)	85.2
Asia-Pacific	Asia-Pacific	31.5	9.6	7.4	9.9	(0.3)	58.1	Asia-Pacific	23.5	15.7	7.3	2.5	(0.8)	48.2

(Dollars and shares in millions, except per share amounts) – Continued

Rest of the World	Rest of the World	2.1	0.8	—	0.4	—	3.3	Rest of the World	0.7	0.3	0.3	0.2	(0.1)	1.4
Total	Total	$ 132.9	$ 102.9	$ 115.3	$ 55.4	$ (1.7)	$ 404.8	Total	$ 126.9	$ 132.1	$ 108.1	$ 49.7	$ (4.7)	$ 412.1

		Six Months Ended June 30, 2023							Nine Months Ended September 30, 2023					
		Cryo Tank Solutions	Heat Transfer Systems	Specialty Products	Repair, Service & Leasing	Intersegment Eliminations	Consolidated		Cryo Tank Solutions	Heat Transfer Systems	Specialty Products	Repair, Service & Leasing	Intersegment Eliminations	Consolidated
North America	North America	$ 127.2	$ 282.3	$ 153.9	$ 146.4	$ (9.2)	$ 700.6	North America	$ 198.5	$ 432.9	$ 238.1	$ 224.9	$ (11.2)	$ 1,083.2
Europe, Middle East, Africa and India	Europe, Middle East, Africa and India	96.0	45.8	102.2	174.8	(7.0)	411.8	Europe, Middle East, Africa and India	148.7	76.8	170.2	305.0	(8.7)	692.0
Asia-Pacific	Asia-Pacific	50.6	65.0	100.1	81.3	(3.7)	293.3	Asia-Pacific	84.1	111.7	183.3	133.8	(4.8)	508.1
Rest of the World	Rest of the World	2.4	10.4	6.7	14.7	(0.3)	33.9	Rest of the World	3.9	14.6	11.3	24.8	(0.4)	54.2
Total	Total	$ 276.2	$ 403.5	$ 362.9	$ 417.2	$ (20.2)	$ 1,439.6	Total	$ 435.2	$ 636.0	$ 602.9	$ 688.5	$ (25.1)	$ 2,337.5

		Six Months Ended June 30, 2022							Nine Months Ended September 30, 2022					
		Cryo Tank Solutions	Heat Transfer Systems	Specialty Products	Repair, Service & Leasing	Intersegment Eliminations	Consolidated		Cryo Tank Solutions	Heat Transfer Systems	Specialty Products	Repair, Service & Leasing	Intersegment Eliminations	Consolidated
North America	North America	$ 90.3	$ 129.6	$ 146.6	$ 70.5	$ (1.2)	$ 435.8	North America	$ 151.9	$ 232.9	$ 221.1	$ 110.7	$ (3.5)	$ 713.1
Europe, Middle East, Africa and India	Europe, Middle East, Africa and India	97.6	35.7	56.5	19.3	(0.3)	208.8	Europe, Middle East, Africa and India	138.7	48.5	82.5	26.1	(1.8)	294.0
Asia-Pacific	Asia-Pacific	59.7	15.7	19.6	13.9	(0.3)	108.6	Asia-Pacific	83.2	31.4	26.9	16.4	(1.1)	156.8
Rest of the World	Rest of the World	3.4	1.2	0.1	1.0	—	5.7	Rest of the World	4.1	1.5	0.4	1.2	(0.1)	7.1
Total	Total	$ 251.0	$ 182.2	$ 222.8	$ 104.7	$ (1.8)	$ 758.9	Total	$ 377.9	$ 314.3	$ 330.9	$ 154.4	$ (6.5)	$ 1,171.0

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Total Assets

Corporate assets mainly include cash and cash equivalents and long-term deferred income taxes as well as certain corporate-specific property, plant and equipment, net and certain investments. Our allocation methodology for property, plant and equipment, net of the reportable segments differs from our allocation method of depreciation expense of a reportable segment and therefore, depreciation expense does not entirely align with the related depreciable assets of the reportable segments. Furthermore, since finite-lived intangible assets are excluded from total assets of reportable segments while amortization expense is allocated to each of our reportable segments, amortization expense by segment inherently does not align with the related amortizable intangible assets of the reportable segments.

		June 30, 2023	December 31, 2022		September 30, 2023	December 31, 2022
Cryo Tank Solutions	Cryo Tank Solutions	$ 610.8	$ 382.0	Cryo Tank Solutions	$ 612.5	$ 382.0

(Dollars and shares in millions, except per share amounts) – Continued

Heat Transfer Systems	Heat Transfer Systems	571.1	298.6	Heat Transfer Systems	673.2	298.6
Specialty Products	Specialty Products	810.4	429.8	Specialty Products	820.8	429.8
Repair, Service & Leasing	Repair, Service & Leasing	840.6	182.1	Repair, Service & Leasing	818.4	182.1
Total assets of reportable segments	Total assets of reportable segments	2,832.9	1,292.5	Total assets of reportable segments	2,924.9	1,292.5
Goodwill	Goodwill	2,827.8	992.0	Goodwill	2,809.3	992.0
Identifiable intangible assets, net	Identifiable intangible assets, net	2,913.4	535.3	Identifiable intangible assets, net	2,812.2	535.3
Corporate	Corporate	526	2,830.7	Corporate	473.8	2,830.7
Total assets of discontinued operations		307.4	—			
Insurance receivable, net of tax	Insurance receivable, net of tax	—	251.4	Insurance receivable, net of tax	—	251.4
Total	Total	$ 9,407.5	$ 5,901.9	Total	$ 9,020.2	$ 5,901.9

(1) See Note 7, "Goodwill and Intangible Assets," for further information related to goodwill and identifiable intangible assets, net.

NOTE 4 — Revenue

Disaggregation of Revenue

The following tables represent a disaggregation of revenue by timing of revenue along with the reportable segment for each category:

		Three Months Ended June 30, 2023							Three Months Ended September 30, 2023					
		Cryo Tank Solutions	Heat Transfer Systems	Specialty Products	Repair, Service & Leasing	Intersegment Eliminations	Consolidated		Cryo Tank Solutions	Heat Transfer Systems	Specialty Products	Repair, Service & Leasing	Intersegment Eliminations	Consolidated
Point in time	Point in time	$ 96.5	$ 20.6	$ 58.0	$ 184.6	$ (10.3)	$ 349.4	Point in time	$ 108.3	$ 16.5	$ 62.1	$ 152.6	$ (2.5)	$ 337.0
Over time	Over time	56.2	215.4	178.7	114.1	(5.7)	558.7	Over time	50.7	216.0	177.9	118.7	(2.4)	560.9
Total	Total	$ 152.7	$ 236.0	$ 236.7	$ 298.7	$ (16.0)	$ 908.1	Total	$ 159.0	$ 232.5	$ 240.0	$ 271.3	$ (4.9)	$ 897.9

		Three Months Ended June 30, 2022							Three Months Ended September 30, 2022					
		Cryo Tank Solutions	Heat Transfer Systems	Specialty Products	Repair, Service & Leasing	Intersegment Eliminations	Consolidated		Cryo Tank Solutions	Heat Transfer Systems	Specialty Products	Repair, Service & Leasing	Intersegment Eliminations	Consolidated
Point in time	Point in time	$ 121.9	$ 5.3	$ 52.7	$ 28.1	$ (0.7)	$ 207.3	Point in time	$ 109.1	$ 7.7	$ 53.3	$ 23.6	$ (3.4)	$ 190.3
Over time	Over time	11.0	97.6	62.6	27.3	(1.0)	197.5	Over time	17.8	124.4	54.8	26.1	(1.3)	221.8
Total	Total	$ 132.9	$ 102.9	$ 115.3	$ 55.4	$ (1.7)	$ 404.8	Total	$ 126.9	$ 132.1	$ 108.1	$ 49.7	$ (4.7)	$ 412.1

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Six Months Ended June 30, 2023	Nine Months Ended September 30, 2023

		Cryo Tank Solutions	Heat Transfer Systems	Specialty Products	Repair, Service & Leasing	Intersegment Eliminations	Consolidated		Cryo Tank Solutions	Heat Transfer Systems	Specialty Products	Repair, Service & Leasing	Intersegment Eliminations	Consolidated
Point in time	Point in time	$ 186.8	$ 32.0	$ 61.5	$ 256.1	$ (12.7)	$ 523.7	Point in time	$ 295.1	$ 48.5	$ 123.6	$ 408.7	$ (15.2)	$ 860.7
Over time	Over time	89.4	371.5	301.4	161.1	(7.5)	915.9	Over time	140.1	587.5	479.3	279.8	(9.9)	1,476.8
Total	Total	$ 276.2	$ 403.5	$ 362.9	$ 417.2	$ (20.2)	$ 1,439.6	Total	$ 435.2	$ 636.0	$ 602.9	$ 688.5	$ (25.1)	$ 2,337.5
		Six Months Ended June 30, 2022							Nine Months Ended September 30, 2022					
		Cryo Tank Solutions	Heat Transfer Systems	Specialty Products	Repair, Service & Leasing	Intersegment Eliminations	Consolidated		Cryo Tank Solutions	Heat Transfer Systems	Specialty Products	Repair, Service & Leasing	Intersegment Eliminations	Consolidated
Point in time	Point in time	$ 229.3	$ 11.2	$ 111.7	$ 54.0	$ (0.7)	$ 405.5	Point in time	$ 338.4	$ 18.9	$ 165.0	$ 77.6	$ (4.1)	$ 595.8
Over time	Over time	21.7	171.0	111.1	50.7	(1.1)	353.4	Over time	39.5	295.4	165.9	76.8	(2.4)	575.2
Total	Total	$ 251.0	$ 182.2	$ 222.8	$ 104.7	$ (1.8)	$ 758.9	Total	$ 377.9	$ 314.3	$ 330.9	$ 154.4	$ (6.5)	$ 1,171.0

Refer to Note 3, "Reportable Segments," for a table of revenue by reportable segment disaggregated by geography.

Contract Balances

The following table represents changes in our contract assets and contract liabilities balances:

		June 30, 2023	December 31, 2022		September 30, 2023	December 31, 2022
Contract assets	**Contract assets**			**Contract assets**		
Accounts receivable, net of allowances	Accounts receivable, net of allowances	769.7	$ 278.4	Accounts receivable, net of allowances	$ 743.7	$ 278.4
Unbilled contract revenue	Unbilled contract revenue	408.6	133.7	Unbilled contract revenue	439.1	133.7
Contract liabilities	**Contract liabilities**			**Contract liabilities**		
Customer advances and billings in excess of contract revenue	Customer advances and billings in excess of contract revenue	469.3	$ 170.6	Customer advances and billings in excess of contract revenue	$ 452.1	$ 170.6
Long-term deferred revenue	Long-term deferred revenue	0.1	0.3	Long-term deferred revenue	0.1	0.3

Contract assets and contract liabilities have increased significantly as a result of the Howden acquisition. See Note 13, " Business"Business Combinations", for more information.

Revenue recognized for the three months ended June 30, 2023 September 30, 2023 and 2022, that was included in the contract liabilities balance at the beginning of each year was $77.4 $17.3 and $33.2 17.7, respectively. Revenue recognized for the six nine months ended June 30, 2023 September 30, 2023 and 2022, that was included in the contract liabilities balance at the beginning of each year was $145.4 $162.7 and $96.9, $114.6, respectively. The amount of revenue recognized during the three and six nine months ended June 30, 2023 September 30, 2023 from performance obligations satisfied or partially satisfied in previous periods as a result of changes in the estimates of variable consideration related to long-term contracts, was not significant.

Remaining Performance Obligations

Remaining performance obligations represent the transaction price of firm signed purchase orders or other written contractual commitments from customers for which work has not been performed, or is partially completed, and excludes unexercised contract options and potential orders. As of June 30, 2023 September 30, 2023, the estimated revenue expected to be recognized in the future related to remaining performance obligations was $3,964.8 $4,140.7. We expect to recognize revenue on over 65% 55% of the remaining performance obligations over the next 12 months and the remaining over the next few years thereafter.

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(Dollars and shares in millions, except per share amounts) – Continued

NOTE 5 — Inventories

The following table summarizes the components of inventory:

		June 30, 2023	December 31, 2022		September 30, 2023	December 31, 2022
Raw materials and supplies	Raw materials and supplies	$ 330.0	$ 218.9	Raw materials and supplies	$ 286.4	$ 218.9
Work in process	Work in process	174.7	57.8	Work in process	177.0	57.8
Finished goods	Finished goods	129.9	81.2	Finished goods	149.9	81.2
Total inventories, net	Total inventories, net	$ 634.6	$ 357.9	Total inventories, net	$ 613.3	$ 357.9

The allowance for excess and obsolete inventory balance at June 30, 2023 September 30, 2023 and December 31, 2022 was $7.5 $9.8 and $8.2, respectively.

NOTE 6 — Leases

Lessee Accounting

The Company leases certain office spaces, warehouses, facilities, vehicles and equipment. Our leases have maturity dates ranging from JSeptemberuly 2023 to November 2034. Leases with an initial term of twelve months or less are not recorded on the balance sheet. Operating lease ROU right-of-use ("ROU") assets are classified classified as property, plant and equipment, net in the condensed consolidated balance sheets. Finance lease ROU assets are classified as property, plant and equipment other assets in the condensed consolidated balance sheets. Operating lease liabilities are classified as operating lease liabilities, current and operating lease liabilities, non-current. Finance lease liabilities are classified as other current liabilities and other long-term liabilities in the consolidated balances sheets.

We incurred $9.8 $13.8 and $4.2 $4.7 of rental expense under operating leases for the three months ended June 30, 2023 September 30, 2023 and 2022, and $14.9 $23.6 and $7.6 $12.3 for the six nine months ended June 30, 2023 September 30, 2023 and 2022, respectively. Certain operating leases contain rent escalation clauses and lease concessions that require additional rental payments in the later years of the term. Rent expense for these types of leases is recognized on a straight-line basis over the minimum lease term. Adjustments for straight-line rental expense for the respective periods was not material and as such, the majority of expense recognized was reflected in cash provided by operating activities for the respective periods. This expense consisted primarily of payments for base rent on building and equipment leases. Payments related to short-term lease costs and taxes and variable service charges on leased properties were immaterial. In addition, we have the right, but no obligation, to renew certain leases for various renewal terms.

We incurred $0.1 $0.2 and $0.0 $0.1 of finance lease interest for the three months ended June 30, 2023 September 30, 2023 and 2022, and $0.2 $0.4 and $0.1 $0.2 for the six nine months ended June 30, 2023 September 30, 2023 and 2022, respectively. respectively.

The following table presents the lease balances within our condensed consolidated balance sheets, weighted average remaining lease term and weighted average discount rates related to our leases:

Lease Assets and Liabilities	**Lease Assets and Liabilities**	June 30, 2023	December 31, 2022	**Lease Assets and Liabilities**	September 30, 2023	December 31, 2022
Assets	**Assets**			**Assets**		
Operating lease, net	Operating lease, net	$ 71.1	$ 21.1	Operating lease, net	$ 66.4	$ 21.1
Finance lease, net	Finance lease, net	10.6	3.0	Finance lease, net	7.9	3.0
Total lease assets	Total lease assets	$ 81.7	$ 24.1	Total lease assets	$ 74.3	$ 24.1
Liabilities	**Liabilities**			**Liabilities**		
Current:	Current:			Current:		
Operating lease liabilities	Operating lease liabilities	$ 16.6	$ 5.4	Operating lease liabilities	$ 16.4	$ 5.4
Finance lease liabilities	Finance lease liabilities	1.7	1.7	Finance lease liabilities	1.6	1.7
Non-current:	Non-current:			Non-current:		

Operating lease liabilities	Operating lease liabilities	54.4	15.6	Operating lease liabilities	50.0	15.6
Finance lease liabilities	Finance lease liabilities	8.9	1.5	Finance lease liabilities	8.5	1.5
Total lease liabilities	Total lease liabilities	$ 81.6	$ 24.2	Total lease liabilities	$ 76.5	$ 24.2
Weighted-average remaining lease terms	**Weighted-average remaining lease terms**			**Weighted-average remaining lease terms**		
Operating leases	Operating leases	5.3 years		Operating leases	5.1 years	
Finance leases	Finance leases	6.2 years		Finance leases	6.1 years	
Weighted-average discount rate	**Weighted-average discount rate**			**Weighted-average discount rate**		
Operating leases	Operating leases	6.5%		Operating leases	6.6%	
Finance leases	Finance leases	6.7%		Finance leases	6.7%	

The following table summarizes future minimum lease payments for non-cancelable operating leases and for finance leases as of June 30, 2023 September 30, 2023:

		Finance	Operating		Finance	Operating
2023	2023	$ 1.5	$ 10.2	2023	$ 1.1	$ 5.0
2024	2024	2.6	19.8	2024	2.5	19.7
2025	2025	1.5	15.7	2025	1.4	15.6
2026	2026	1.3	10.6	2026	1.2	10.8
2027	2027	1.2	6.9	2027	1.1	7.0
Thereafter (1)	Thereafter (1)	5.9	20.2	Thereafter (1)	5.9	19.8
Total future minimum lease payments	Total future minimum lease payments	$ 14.0	$ 83.4	Total future minimum lease payments	$ 13.2	$ 77.9
Less: Present value discount	Less: Present value discount	(3.4)	(12.4)	Less: Present value discount	(3.1)	(11.5)
Lease Liability	Lease Liability	$ 10.6	$ 71.0	Lease Liability	$ 10.1	$ 66.4

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(1) As of June 30, 2023 September 30, 2023, future minimum lease payments for non-cancelable operating leases for the period subsequent to 2027 relate to twenty leased facilities.

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Lessor Accounting

We lease equipment manufactured by Chart primarily through our Cryo-Lease program as sales-type and operating leases. As of June 30, 2023September 30, 2023 and December 31, 2022, our short-term net investment in sales-type leases was $17.3 $18.4 and $14.5, respectively, and is included in other current assets in our condensed consolidated balance sheets. Our long-term net investment in sales type leases was $52.0 $54.0 and $44.3 as of June 30, 2023 September 30, 2023 and December 31, 2022, respectively, and is included in other assets in our condensed consolidated balance sheets. For sales type leases, interest income was $0.8 and $0.6 in the condensed consolidated statements of operations and comprehensive income (loss) for the three months ended June 30, 2023 September 30, 2023 and 2022, and $1.5 $2.3 and $1.1 $1.7 for the six nine months ended June 30, 2023 September 30, 2023 and 2022, respectively.

Operating leases offered by Chart may include early termination options. At the end of a lease, a lessee generally has the option to either extend the lease, purchase the underlying equipment for a fixed price or return it to Chart. The lease agreements clearly define applicable return conditions and remedies for non-compliance to ensure that leased equipment will be in good operating condition upon return.

The following table represents sales from sales-type and operating leases:

		Three Months Ended June 30,			Three Months Ended September 30,	
		2023	2022		2023	2022
Sales-type leases	Sales-type leases	$ 6.5	$ 5.9	Sales-type leases	$ 6.0	$ 7.3

(Dollars and shares in millions, except per share amounts) – Continued

Operating leases	Operating leases	1.1	1.0	Operating leases	1.9	1.0
Total sales from leases	Total sales from leases	$ 7.6	$ 6.9	Total sales from leases	$ 7.9	$ 8.3

		Six Months Ended June 30, 2023			Nine Months Ended September 30, 2023	
		2023	2022		2023	2022
Sales-type leases	Sales-type leases	$ 19.2	$ 11.2	Sales-type leases	$ 25.2	$ 18.5
Operating leases	Operating leases	2.3	2.0	Operating leases	4.2	3.0
Total sales from leases	Total sales from leases	$ 21.5	$ 13.2	Total sales from leases	$ 29.4	$ 21.5

The following table represents scheduled payments for sales-type leases as of June 30, 2023 September 30, 2023:

2023	2023	$ 9.0	2023	$ 3.9
2024	2024	18.0	2024	18.6
2025	2025	18.0	2025	19.0
2026	2026	14.9	2026	16.0
2027	2027	8.4	2027	9.6
Thereafter	Thereafter	19.6	Thereafter	25.0
Total	Total	87.9	Total	92.1
Less: unearned income	Less: unearned income	18.6	Less: unearned income	19.7
Total	Total	$ 69.3	Total	$ 72.4

The following table represents the cost of equipment leased to others:

		June 30, 2023	December 31, 2022		September 30, 2023	December 31, 2022
Equipment leased to others, cost	Equipment leased to others, cost	$ 20.5	$ 17.3	Equipment leased to others, cost	$ 20.5	$ 17.3
Less: accumulated depreciation	Less: accumulated depreciation	3.9	3.1	Less: accumulated depreciation	4.3	3.1
Equipment leased to others, net	Equipment leased to others, net	$ 16.6	$ 14.2	Equipment leased to others, net	$ 16.2	$ 14.2

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The following table represents payments due for operating leases as of June 30, 2023 September 30, 2023:

2023	$ 0.3
2024	0.2
2025	0.1
2026	—
2027	—
Thereafter	—
Total	$ 0.6

NOTE 7 — Goodwill and Intangible Assets

Goodwill

The following table represents the changes in goodwill by segment:

		Cryo Tank Solutions	Heat Transfer Systems	Specialty Products	Repair, Service & Leasing	Consolidated		Cryo Tank Solutions	Heat Transfer Systems	Specialty Products	Repair, Service & Leasing	Consolidated
Balance at December 31, 2022	Balance at December 31, 2022	$ 79.1	$ 430.5	$ 304.0	$ 178.4	$ 992.0	Balance at December 31, 2022	$ 79.1	$ 430.5	$ 304.0	$ 178.4	$ 992.0

(Dollars and shares in millions, except per share amounts) – Continued

Goodwill acquired during the period (1)	185.7	27.2	264.9	1,458.6	1,936.4
Goodwill acquired during the period (1)	186.6	30.9	274.5	1,450.7	1,942.7
Foreign currency translation adjustments and other	(3.6)	(4.1)	(11.2)	20.3	1.4
Foreign currency translation adjustments and other	(0.6)	(0.3)	0.1	(0.3)	(1.1)
Divestiture of Roots	(66.7)	—	(1.5)	(34.0)	(102.2)
Divestiture of Roots	(66.7)	—	(1.5)	(34.0)	(102.2)
Purchase price adjustments (2)	—	—	(0.1)	0.3	0.2
Balance at June 30, 2023	$ 194.5	$ 453.6	$ 556.1	$ 1,623.6	$ 2,827.8
Transfer to assets held for sale (2)	—	(9.8)	—	(12.7)	(22.5)
Purchase price adjustments (3)	—	—	0.1	0.3	0.4
Balance at September 30, 2023	$ 198.4	$ 451.3	$ 577.2	$ 1,582.4	$ 2,809.3
Accumulated goodwill impairment loss at December 31, 2022	$ 23.5	$ 49.3	$ 35.8	$ 20.4	$ 129.0
Accumulated goodwill impairment loss at December 31, 2022	$ 23.5	$ 49.3	$ 35.8	$ 20.4	$ 129.0
Accumulated goodwill impairment loss at June 30, 2023	$ 23.5	$ 49.3	$ 35.8	$ 20.4	$ 129.0
Accumulated goodwill impairment loss at September 30, 2023	$ 23.5	$ 49.3	$ 35.8	$ 20.4	$ 129.0

(1) Goodwill acquired during the period was $1,936.4. $1,942.7. All goodwill acquired during the period related to the Howden Acquisition.

(2) Regarding our Cofimco business, we reclassified goodwill from our Heat Transfer Systems and Repair, Service & Leasing segments to assets held for sale.

(3) During the first six nine months of 2023, we recorded purchase price adjustments, which decreased increased goodwill by $0.1 in our Specialty Products segment related to the 2022 acquisition of Fronti Fabrications, Inc. ("Fronti") and increased goodwill by $0.3 in our Repair, Service & Leasing segment related to the 2022 acquisition of CSC Cryogenic Service Center AB ("CSC"). For further information regarding goodwill acquired and the purchase price adjustments during the period refer to Note 13, "Business Combinations."

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Intangible Assets

The following table displays the gross carrying amount and accumulated amortization for finite-lived intangible assets and indefinite-lived intangible assets (exclusive of goodwill) (1):

June 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022

		Estimated Useful Lives	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization		Estimated Useful Lives	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Finite-lived intangible assets:	Finite-lived intangible assets:						Finite-lived intangible assets:					
Customer relationships	Customer relationships	4 to 18 years	$ 1,850.4	$ (129.8)	$ 311.5	$ (104.6)	Customer relationships	4 to 18 years	$ 1,807.3	$ (156.8)	$ 311.5	$ (104.6)
Technology	Technology	5 to 18 years	500.2	(61.0)	202.5	(44.8)	Technology	5 to 18 years	493.5	(68.1)	202.5	(44.8)
Patents, backlog and other	Patents, backlog and other	2 to 10 years	141.8	(29.0)	6.8	(2.0)	Patents, backlog and other	2 to 10 years	138.1	(2.0)	6.8	(2.0)
Trademarks and trade names	Trademarks and trade names	5 to 23 years	3.0	(1.8)	2.5	(1.7)	Trademarks and trade names	5 to 23 years	2.5	(1.8)	2.5	(1.7)
Land use rights	Land use rights	50 years	10.0	(1.7)	10.4	(1.7)	Land use rights	50 years	10.1	(24.8)	10.4	(1.7)
Total finite-lived intangible assets	Total finite-lived intangible assets		2,505.4	(223.3)	533.7	(154.8)	Total finite-lived intangible assets		2,451.5	(253.5)	533.7	(154.8)
Indefinite-lived intangible assets:	Indefinite-lived intangible assets:						Indefinite-lived intangible assets:					
Trademarks and trade names (2)	Trademarks and trade names (2)		631.3	—	156.4	—	Trademarks and trade names (2)		614.2	—	156.4	—
Total intangible assets	Total intangible assets		$ 3,136.7	$ (223.3)	$ 690.1	$ (154.8)	Total intangible assets		$ 3,065.7	$ (253.5)	$ 690.1	$ (154.8)

(1) Amounts include the impact of foreign currency translation. Fully amortized or impaired amounts are written off.

(2) Accumulated indefinite-lived intangible assets impairment loss was $16.0 at both June 30, 2023 September 30, 2023 and December 31, 2022.

Amortization expense for intangible assets subject to amortization was $44.2 $49.0 and $11.7 $10.6 for the three months ended June 30, 2023 September 30, 2023 and 2022, respectively, and $66.0 $115.0 and $21.8 $32.4 for the six nine months ended June 30, 2023 September 30, 2023 and 2022, respectively. We estimate amortization expense to be recognized during the next five years as follows:

For the Year Ending December 31,	For the Year Ending December 31,			For the Year Ending December 31,		
2023	2023	$	96.6	2023	$	51.5
2024	2024		190.6	2024		204.0
2025	2025		189.6	2025		201.9
2026	2026		162.7	2026		163.0
2027	2027		143.3	2027		150.6

Government Grants

During the fourth quarter of 2021, we were selected by the U.S. Department of Energy ("DOE") for funding of up to $5.0 to engineer and build our Cryogenic Carbon CaptureTM system for a cement plant. During the project's duration, the DOE shall reimburse us in cash for approved expenses we incur. This project began on February 1, 2022, and as of June 30, 2023 September 30, 2023, we have received $0.3 in reimbursed expenses related to these grants.

We received certain government grants related to land use rights for capacity expansion in China ("China Government Grants"). China Government Grants are generally recorded in other current liabilities and other long-term liabilities in the unaudited condensed consolidated balance sheets and generally recognized into income over the useful life of the associated assets (10 to 50 years).

China Government Grants are presented in our unaudited condensed consolidated balance sheets as follows:

	June 30, 2023	December 31, 2022
Current	$ 0.4	$ 0.5
Long-term	5.7	6.1
Total China Government Grants	$ 6.1	$ 6.6

(Dollars and shares in millions, except per share amounts) – Continued

China Government Grants are presented in our unaudited condensed consolidated balance sheets as follows:

	September 30, 2023	December 31, 2022
Current	$ 0.4	$ 0.5
Long-term	5.7	6.1
Total China Government Grants	$ 6.1	$ 6.6

We also received government grants from certain local jurisdictions across Chart, which are recorded in other assets in the condensed consolidated balance sheets and were not significant for the periods presented.

NOTE 8 — Investments

Equity Method Investments

The following table represents the activity in equity method investments:

	Equity Method Investments (1) (2) (3)
Balance at December 31, 2022	$ 93.0
New investments (4)	25.5
Equity in earnings of unconsolidated affiliates	1.2 2.4
Dividend received from equity method investment	(1.7)
Foreign currency translation adjustments and other	0.9 (0.2)
Balance at June 30, 2023 September 30, 2023	$ 120.6 119.0

(1) *Cryomotive*: Our equity method investment in Cryomotive GmbH (“Cryomotive”) was $5.0 $4.7 and $4.9 at June 30, 2023 September 30, 2023 and December 31, 2022, respectively. Equity in loss of unconsolidated affiliates, net of this investment was $0.1 $0.2 and $0.4 for the three months ended June 30, 2023 September 30, 2023 and 2022, respectively, and $0.1 $0.3 and $0.9 $1.3 for the six nine months ended June 30, 2023 September 30, 2023 and 2022, respectively. The equity in loss is classified in equity in loss of unconsolidated affiliates, net in the condensed consolidated statements of operations and comprehensive income (loss). The remaining change in fair value during the current period was attributable to an immaterial gain on foreign currency translation.

(2) *HTEC:* Our equity method investment in HTEC Hydrogen Technology & Energy Corporation (“HTEC”) was $82.0 $81.3 and $80.8 at June 30, 2023 September 30, 2023 and December 31, 2022, respectively. Equity in earnings (loss) of unconsolidated affiliates, net of this investment was $0.6 $0.3 and $(0.3) $0.2 for the three months ended June 30, 2023 September 30, 2023 and 2022, respectively, and $(0.4) $(0.1) and $(0.5) $(0.3) for the six nine months ended June 30, 2023 September 30, 2023 and 2022, respectively. The remaining change in fair value during the current period was attributable to an immaterial gain on foreign currency translation.

(3) *Hudson Products:* Also included in our equity method investments is a 50% ownership interest in a joint venture with Hudson Products de Mexico S.A. de CV which totaled $4.5 and $4.0 at June 30, 2023 September 30, 2023 and December 31, 2022, respectively. This investment is operated and managed by our joint venture partner and as such, we do not have control over the joint venture and therefore it is not consolidated. We recognized equity in earnings of unconsolidated affiliates, net of this investment of $0.2 and $0.3 for the three months ended June 30, 2023 September 30, 2023 and 2022, respectively, and $0.5 $0.7 and $0.6 $0.9 for the six nine months ended June 30, 2023 September 30, 2023 and 2022, respectively. We also received a dividend payment from this investee in the amount of $0.2 during the three and nine months ended September 30, 2023.

Liberty LNG: Additionally, we have a 25% ownership interest in Liberty LNG, which totaled $3.0 and $2.9 at June 30, 2023 September 30, 2023 and December 31, 2022, respectively. We recognized equity in earnings of unconsolidated affiliates, net of this investment of an immaterial amount and $0.1 $0.2 for the three months ended June 30, 2023 September 30, 2023 and 2022, respectively, and $0.1 and $0.2 $0.4 for the six nine months ended June 30, 2023 September 30, 2023 and 2022, respectively.

We Additionally, we have another immaterial an investment in an unconsolidated affiliate, Lien Hwa Lox Cryogenic Equipment Corporation (Taiwan), of $0.4 for all periods presented.

(4) *Hylium Industries:* During the first quarter of 2023, we completed an investment for a 50% ownership interest in Hylium Industries, Inc. (“Hylium”) for $2.3. Our equity method investment in Hylium was $2.2 at June 30, 2023 September 30, 2023. The change in fair value during the current period was attributable to an immaterial loss on foreign currency translation.

L&T Howden Private Ltd (“LTH”): In connection with the Howden Acquisition, we recorded a 49.9% ownership interest in a joint venture in L&T Howden Private Ltd at a fair value of $22.3. Our equity method investment in LTH was $22.3 $21.7 at June 30, 2023 September 30, 2023. Equity in earnings, (loss), net of this investment was $0.1 $1.0 for the three and six nine months ended June 30, 2023, respectively. The remaining change in fair value during the current period was attributable to an immaterial gain on foreign currency translation. September

(Dollars and shares in millions, except per share amounts) – Continued

30, 2023, respectively. We also received a dividend payment from this investee in the amount of $1.5 during the three and nine months ended September 30, 2023.

Investments in Equity Securities

The following table summarizes the components of our investments in equity securities:

		Investment in Equity Securities, Level 1 (1)	Investment in Equity Securities, Level 2 (1)	Investments in Equity Securities, All Others (2)	Investments Total		Investment in Equity Securities, Level 1 (1)	Investment in Equity Securities, Level 2 (1)	Investments in Equity Securities, All Others (2)	Investments Total
Balance at December 31, 2022	Balance at December 31, 2022	$ 17.2	$ 7.8	$ 71.5	$ 96.5	Balance at December 31, 2022	$ 17.2	$ 7.8	$ 71.5	$ 96.5
New investments (3)						New investments (3)	—	—	6.0	6.0
Decrease in fair value of investments in equity securities	Decrease in fair value of investments in equity securities	(6.2)	(0.4)	—	(6.6)	Decrease in fair value of investments in equity securities	(10.2)	(1.6)	—	(11.8)
Foreign currency translation adjustments and other	Foreign currency translation adjustments and other	0.3	—	(0.3)	—	Foreign currency translation adjustments and other	—	—	(0.1)	(0.1)
Balance at June 30, 2023		$ 11.3	$ 7.4	$ 71.2	$ 89.9					
Balance at September 30, 2023						Balance at September 30, 2023	$ 7.0	$ 6.2	$ 77.4	$ 90.6

(1) *McPhy:* Investment in equity securities Level 1 includes our investment in McPhy (Euronext Paris: MCPHY - ISIN; FR001742329). McPhy's common stock trades on the Euronext Paris stock exchange and therefore we measure our investment in McPhy using Level 1 fair value inputs. The fair value of our investment in McPhy was $11.3 $7.0 and $17.2 at June 30, 2023 September 30, 2023 and December 31, 2022, respectively. We recognized an unrealized loss of $6.6 $4.0 and an unrealized loss of $8.2 $4.1 in our investment in McPhy for the three months ended June 30, 2023 September 30, 2023 and 2022, respectively, and an unrealized loss of $6.2 $10.2 and an unrealized loss of $11.9 $16.1 for the six nine months ended June 30, 2023 September 30, 2023 and 2022, respectively.

Stabilis: Investment in equity securities Level 2 includes our investment in Stabilis Energy, Inc. (NasdaqCM: SLNG) ("Stabilis"). Stabilis represents an instrument with quoted prices that trades less frequently than certain of our other exchange-traded instruments and therefore we measure our investment in Stabilis using Level 2 fair value inputs. The fair value of our investment in Stabilis was $7.4 $6.2 and $7.8 at June 30, 2023 September 30, 2023 and December 31, 2022, respectively. We recognized an unrealized gain loss of $2.0 $1.2 and an unrealized loss gain of $1.4 $5.4 for the three months ended June 30, 2023 September 30, 2023 and 2022, respectively, and an unrealized loss of $0.4 $1.6 and an unrealized loss gain of $0.3 $5.2 for the six nine months ended June 30, 2023 September 30, 2023 and 2022, respectively, in our investment in Stabilis.

(2) *Transform:* The fair value of our investment in Transform Materials LLC ("Transform Materials") was $25.1 at both June 30, 2023 September 30, 2023 and December 31, 2022.

Svante: The fair value of our investment in Svante Inc. ("Svante") was $38.5 at both June 30, 2023 September 30, 2023 and December 31, 2022.

(3) *Hy24:* Our investment in Hy24 is measured at fair value using the net asset value ("NAV") per share practical expedient and is not classified in the fair value hierarchy. The fair value of our investment in the Hy24 was $0.6 $1.8 and $0.9 at June 30, 2023 September 30, 2023 and December 31, 2022, respectively. See "Hy24 (f/k/a FiveT Hydrogen Fund)" below for further information.

Gold Hydrogen LLC: The fair value of our investment in Gold Hydrogen was $2.0 at both June 30, 2023 September 30, 2023 and December 31, 2022, respectively.

Avina: During the fourth quarter of 2022, we completed an investment in Avina Clean Hydrogen Inc. ("Avina") in the amount of $5.0. During the third quarter of 2023, Chart completed the purchase of additional shares of series A preferred stock of Avina in accordance with the original Avina stock purchase agreement for total consideration of $5.0. The fair value of our investment in Avina was $10.0 at September 30, 2023 and $5.0 at both June 30, 2023 and December 31, 2022, respectively.

Our investments in Transform Materials, Svante, Hy24, Gold Hydrogen and Avina represent equity instruments without a readily determinable fair value. These investments are measured at cost minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for an identical or a similar investment of the same issuer.

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CHART INDUSTRIES, INC. AND SUBSIDIARIES
Notes to the Unaudited Condensed Consolidated Financial Statements – June 30, 2023 September 30, 2023

Co-Investment Agreement

On September 7, 2021, we entered into a Co-Investment Agreement with I Squared Capital ("ISQ"), an infrastructure-focused private equity firm (the "Co-Investment Agreement"), pursuant to which Chart and ISQ have agreed to the following:

- In the following circumstances, ISQ shall have the right but not the obligation to require Chart to purchase all (and not less than all) of the shares of HTEC common stock acquired as part of ISQ's investment described above (the "Put Option"):
  - i. the third anniversary of the Closing Date,
  - ii. the date Chart undergoes a change of control (subject to certain exceptions),
  - iii. the date upon which Chart, during the period from the Closing Date through the third anniversary of the Closing Date, has made certain distributions to its shareholders (including cash or other dividends, or via a spin-off transaction), in excess of $900.0,
  - iv. the date, if any, upon which our leverage ratio exceeds certain thresholds and
  - v. the date, if any, of a bankruptcy event (including certain insolvency-related actions) involving Chart.
- In the event that ISQ exercises its Put Option, we shall pay to ISQ an amount in cash in exchange for the HTEC common stock then held by ISQ such that ISQ shall realize the greater of (i) an internal rate of return of 10% and (ii) a multiple on ISQ's invested capital of 1.65x.
- Conversely, at any time after the third anniversary of the Closing Date, we shall have the right to purchase from ISQ up to 20% of the shares of HTEC common stock acquired as part of the ISQ Investment. In exchange for the common stock, we shall pay ISQ the greater of (i) an internal rate of return of 12.5% and (ii) a multiple on ISQ's invested capital of 1.65x.
- In addition, we shall have (i) a right of first offer: if ISQ desires to transfer any of its HTEC common stock to any third party, we shall have the right to first offer provided that upon notice, we shall have the option to make a first offer to purchase the offered interest in cash exclusively and (ii) a right of first refusal: if ISQ desires to sell its HTEC common stock to any third party pursuant to a definitive agreement therewith, we shall have the right of first refusal provided that the purchase consideration paid by Chart to ISQ upon our exercise of such right of first refusal must be equal to 102% of the purchase consideration agreed to be paid by such third party.
- The Co-Investment Agreement shall terminate automatically upon the consummation of an initial public offering by HTEC of its common stock.

Accounting Treatment of Put and Call Options

We record the Put and Call Options (together "the Options") at fair value and record any change in fair value through earnings at each reporting period. The fair value of the Options at both September 30, 2023 and December 31, 2022 was not material on June 30, 2023. material.

Hy24 (f/k/a FiveT Hydrogen Fund)

As previously announced on April 5, 2021, we were admitted as an anchor investor in Hy24 (the "Hydrogen Fund"). Hy24 is a joint venture between Ardian, a European investment house, and FiveT Hydrogen, a new investment manager specialized purely on clean hydrogen investments. Investments to date include a green steel manufacturing plant that integrates green H2 located in Sweden, upstream e-Methanol and sustainable aviation fuel production in Europe, and green hydrogen production projects (electrolysis) in Europe. As discussed in the "Investments in Equity Securities" section above, our investment year to date is euro 0.5 million 1.2 million (equivalent to $1.3), making our unfunded commitment euro 49.5 million 46.1 million (equivalent to $48.8). During the six nine months ended June 30, 2023 September 30, 2023 there was a return of capital of $0.2 $0.3 from Hy24.

The fund manager of the Hydrogen Fund (the "Management Company") established a Limited Partners Advisory Committee (the "LPAC") which consults with and helps advise the Management Company with respect to certain key decisions governing the fund that the Management Company shall make. The LPAC is comprised of up to fifteen (15) members, the majority of whom are chosen by certain industrial investors and who are (i) representatives of the anchor investors and (ii) subject to any remaining available seats, representatives of the non-anchor investors selected by the Management Company.

Class A1 Shares, which we hold, are entitled to the return of any associated paid-up capital contributions (excluding any subscription premium or default interest, if any), the Preferred Return calculated thereon as described below, and their share of the Hydrogen Fund's capital gain beyond the Preferred Return in accordance with the order of distributions in the by-laws of the Hydrogen Fund (in each case to the extent of available funds). The "Preferred Return" equals an annual interest rate of

seven percent (7%) if fifteen percent (15%) of the Hydrogen Fund's aggregate capital commitments from all investors is invested in strategic investments; provided, however, that such seven percent (7%) interest rate shall be reduced in a linear fashion to six and one-half percent (6.5%) if twenty percent (20%) of the Hydrogen Fund's aggregate capital commitments from all investors is invested in strategic investments. The Management Company currently expects that the Hydrogen Fund will attract aggregate capital commitments equal to its hard cap of euro 1.8 billion.

(Dollars and shares in millions, except per share amounts) – Continued

The Hydrogen Fund shall determine the net asset value of each class of its shares at the end of each quarter (Including the Class A1 Shares that we hold), which will be used to record the fair value of our investment.

The Hydrogen Fund will have a term of twelve (12) years, commencing from December 16th, 2021, subject to certain potential extensions. Investors cannot request the redemption of their shares by the Hydrogen Fund at any time prior to the final liquidation of the fund. Capital calls will be made by the Management Company in accordance with investment opportunities and the financing needs of the Hydrogen Fund's activities.

The Management Company is required to send capital call requests to investors at least ten (10) business days prior to their deadline for payment. In the event that, following any capital call made by the Management Company, an investor of the Hydrogen Fund does not timely fund all or any portion of its capital commitment required thereby, such investor will be charged interest thereon equal to the Preferred Return plus one-half percent (0.5%), and shall not be entitled to receive distributions from the Hydrogen Fund until it is no longer delinquent.

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NOTE 9 — Debt and Credit Arrangements

Summary of Outstanding Borrowings

The following table represents the components of our borrowings:

		June 30, 2023	December 31, 2022		September 30, 2023	December 31, 2022
Senior secured and senior unsecured notes:	Senior secured and senior unsecured notes:			Senior secured and senior unsecured notes:		
Principal amount, senior secured notes due 2030 (1)	Principal amount, senior secured notes due 2030 (1)	$ 1,460.0	$ 1,460.0	Principal amount, senior secured notes due 2030 (1)	$ 1,460.0	$ 1,460.0
Principal amount, senior unsecured notes due 2031 (1)	Principal amount, senior unsecured notes due 2031 (1)	510.0	510.0	Principal amount, senior unsecured notes due 2031 (1)	510.0	510.0
Unamortized discount	Unamortized discount	(28.5)	(29.9)	Unamortized discount	(27.7)	(29.9)
Unamortized debt issuance costs	Unamortized debt issuance costs	(34.9)	(4.8)	Unamortized debt issuance costs	(34.0)	(4.8)
Senior secured and senior unsecured notes, net of unamortized discount and debt issuance costs	Senior secured and senior unsecured notes, net of unamortized discount and debt issuance costs	1,906.6	1,935.3	Senior secured and senior unsecured notes, net of unamortized discount and debt issuance costs	1,908.3	1,935.3
Senior secured revolving credit facilities and term loans:	Senior secured revolving credit facilities and term loans:			Senior secured revolving credit facilities and term loans:		
Term loans due March 2030 (2)	Term loans due March 2030 (2)	1,781.0	—	Term loans due March 2030 (2)	1,776.5	—
Senior secured revolving credit facility due October 2026 (3) (4)	Senior secured revolving credit facility due October 2026 (3) (4)	442.8	104.5	Senior secured revolving credit facility due October 2026 (3) (4)	203.8	104.5
Unamortized discount	Unamortized discount	(37.7)	—	Unamortized discount	(36.6)	—
Unamortized debt issuance costs	Unamortized debt issuance costs	(36.1)	—	Unamortized debt issuance costs	(35.0)	—

(Dollars and shares in millions, except per share amounts) – Continued

Senior secured revolving credit facility and term loan, net of unamortized discount and debt issuance costs	Senior secured revolving credit facility and term loan, net of unamortized discount and debt issuance costs	2,150.0	104.5	Senior secured revolving credit facility and term loan, net of unamortized discount and debt issuance costs	1,908.7	104.5
Convertible notes due November 2024:	Convertible notes due November 2024:			Convertible notes due November 2024:		
Principal amount	Principal amount	258.8	258.8	Principal amount	258.7	258.8
Unamortized debt issuance costs	Unamortized debt issuance costs	(1.4)	(1.9)	Unamortized debt issuance costs	(1.1)	(1.9)
Convertible notes due November 2024, net of unamortized debt issuance costs	Convertible notes due November 2024, net of unamortized debt issuance costs	257.4	256.9	Convertible notes due November 2024, net of unamortized debt issuance costs	257.6	256.9
Other debt facilities (5)	Other debt facilities (5)	3.7	—	Other debt facilities (5)	2.4	—
Total debt, net of unamortized debt issuance costs	Total debt, net of unamortized debt issuance costs	4,317.7	2,296.7	Total debt, net of unamortized debt issuance costs	4,077.0	2,296.7
Less: current maturities (6)	Less: current maturities (6)	278.2	256.9	Less: current maturities (6)	277.1	256.9
Long-term debt	Long-term debt	$ 4,039.5	$ 2,039.8	Long-term debt	$ 3,799.9	$ 2,039.8

(1) The senior secured notes due 2030 (the "Secured Notes") and senior unsecured notes due 2031 (the "Unsecured Notes") bear interest at rates of 7.500% and 9.500% per year, respectively. Interest is payable semi-annually on January 1 and July 1 of each year, commencing July 1, 2023. The Secured Notes mature on January 1, 2030, and the Unsecured Notes mature on January 1, 2031.

(2) A term loan due March 2030 was drawn prior to June 30, 2023 September 30, 2023 in conjunction with the Howden Acquisition. On June 30, 2023, we drew $250.0 on an incremental term loan due March 2030. As of June 30, 2023 September 30, 2023, there were $1,781.0 $1,776.5 in borrowings outstanding under term loans due March 2030 bearing an interest rate of 8.8% 9.2%. See below for more information.

(3) As of June 30, 2023 September 30, 2023, there were $442.8 $203.8 in borrowings outstanding under the senior secured revolving credit facility due October 2026 bearing an interest rate of 6.2% 7.0% (3.4% as of December 31, 2022) and $238.4 $241.1 in letters of credit and bank guarantees outstanding supported by the senior secured revolving credit facility due 2026. As of June 30, 2023 September 30, 2023, the senior secured revolving credit facility due 2026 had availability of $318.8. $555.1.

(4) A portion of borrowings outstanding under our senior secured revolving credit facility due 2026 are denominated in euros ("EUR Revolver Borrowings"). EUR Revolver Borrowings outstanding were euro 90.0 million 88.5 million (equivalent to $97.8) $93.8) at June 30, 2023 September 30, 2023 and euro 98.0 million (equivalent to $104.5) at December 31, 2022. During the three and six nine months ended June 30, 2023 September 30, 2023, we recognized an unrealized foreign currency gain of $0.1 $2.5 and an unrealized foreign currency loss of $1.6, $0.9, respectively, relative to the translation of the EUR Revolver Borrowings outstanding. During the three and six nine months ended June 30, 2022 September 30, 2022, we recognized unrealized foreign currency gains of $5.7 and $6.6, $12.3, respectively, relative to the translation of the EUR Revolver Borrowings outstanding. This unrealized foreign currency (gain) loss is classified within foreign currency (gain) loss in the condensed consolidated statements of operations and comprehensive income (loss) for all periods presented.

(5) Other debt facilities relate to a few local debt facilities that we assumed through the Howden Acquisition.

(6) Our convertible notes due November 2024, net of unamortized debt issuance costs, are included in current maturities for both periods presented. Also included in current maturities for the current period is $17.1 related to the short-term portion of the term loan due March 2030 and $3.7 $2.4 of other current maturities. debt facilities.

Senior Secured and Unsecured Notes

On December 22, 2022, we completed the issuance and sale of (i) $1,460.0 aggregate principal amount of 7.500% Secured Notes at an issue price of 98.661% and (ii) $510.0 aggregate principal amount of 9.500% Unsecured Notes (together with the Secured Notes, the "Notes"), at an issue price of 97.949%. The Notes were issued to finance the Howden Acquisition. Chart deposited the gross proceeds from the offering of each series of Notes into an escrow account (each, an "Escrow Account"). The funds were held in the respective Escrow Account until certain release conditions were met including the consummation of the Howden Acquisition (the "Escrow Release Conditions"). As such, the proceeds were presented separately from cash and cash equivalents as restricted cash in the December 31, 2022 condensed consolidated balance sheet.

(Dollars and shares in millions, except per share amounts) – Continued

The Notes are fully and unconditionally guaranteed by each of Chart's wholly owned domestic restricted subsidiaries that is a borrower or a guarantor under Chart's Fifth Amended and Restated Credit Agreement, dated as of October 18, 2021 (as amended, restated, supplemented, or otherwise modified from time to time). The Secured Notes and the related guarantees are secured by first-priority liens on substantially all of the assets of the Company and the Guarantors, subject to certain exceptions.

We may redeem either series of the Notes, in whole or in part, at any time on or after January 1, 2026, at the redemption prices set forth in the respective Indentures. We may also redeem up to 40% of the aggregate principal amount of each series of the Notes on or prior to January 1, 2026, in an amount not to exceed the net cash proceeds from certain equity offerings at the redemption prices set forth in the respective Indentures. Prior to January 1, 2026, we may redeem some or all of either series of the Notes at a price which includes the applicable "make-whole" premium set forth in the respective Indentures.

If Chart experiences a change of control (as defined in the respective Indentures), the Notes are able to be redeemed by the holders at 101%, plus accrued and unpaid interest, if any, to (but not including) the date the Notes are purchased.

We recorded a $30.0 debt discount and $36.8 in deferred debt issuance costs associated with the Notes, which are being amortized over the term of the Notes using the effective interest method. We incurred $0.0 and $32.0 of deferred debt issuance costs during the three and six nine months ended June 30, 2023 September 30, 2023, respectively. We recorded $0.9 and $1.9 $2.8 in financing costs amortization associated with the Notes for the three and six nine months ended June 30, 2023 September 30, 2023, respectively.

The following table summarizes the interest accretion of the Notes discount and contractual interest coupon associated with the Notes:

		Three Months Ended June 30, 2023	Six Months Ended June 30, 2023		Three Months Ended September 30, 2023	Nine Months Ended September 30, 2023
Interest accretion of senior notes discount	Interest accretion of senior notes discount	$ 0.7	$ 1.4	Interest accretion of senior notes discount	$ 0.9	$ 2.3
Secured Notes, 7.5% contractual interest coupon	Secured Notes, 7.5% contractual interest coupon	27.4	54.8	Secured Notes, 7.5% contractual interest coupon	27.3	82.1
Unsecured Notes, 9.5% contractual interest coupon	Unsecured Notes, 9.5% contractual interest coupon	12.1	24.2	Unsecured Notes, 9.5% contractual interest coupon	12.1	36.3
Total interest expense	Total interest expense	$ 40.2	$ 80.4	Total interest expense	$ 40.3	$ 120.7

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Senior Secured Revolving Credit Facility and Term Loans

Senior Secured Revolving Credit Facility

On November 21, 2022, we entered into an amendment ("Amendment No. 1") to our fifth amended and restated revolving credit agreement dated as of October 18, 2021 (as amended by Amendment No. 1, the "Credit Agreement"), which amended our senior secured revolving credit facility ("SSRCF"). The Credit Agreement provides for a Senior Secured Revolving Credit Facility (the "Amended SSRCF"), which matures on October 19, 2026.

- The Amended SSRCF has a borrowing capacity of $1,000.0 and includes a sub limit for letters of credit that is the greater of (x) $350.00 and (y) $150.00 plus (1) the Dollar Amount (as of the Amended Closing Date) of the Assumed Letters of Credit plus (2) the Dollar Amount of any Letters of Credit issued on the Amendment Closing Date, a $200.0 sub limit for discretionary letters of credit and a $100.0 sub-limit for swingline loans.
- We may, subject to the satisfaction of certain conditions, request one or more new commitments and/or increase in the amount of the Amended SSRCF. Each incremental term commitment and incremental revolving commitment shall be in an aggregate principal amount that is not less than $10.0 and shall be in an increment of $1.0 to the extent existing or new lenders agree to provide such increased or additional commitments, as applicable.
- The Amended SSRCF bears interest at a base rate plus an applicable margin determined on a leveraged-based scale which (before giving effect to the sustainability pricing adjustments described below) ranges from 25 to 125 basis points for base rate loans and 125 to 225 basis points for SOFR Secured Overnight Financing Rate ("SOFR") loans.
- The applicable margin described above is subject to further adjustments based on the reductions in the ratio between (i) the total greenhouse gas emissions, measured in metric tons CO_2e, of Chart and its subsidiaries during such calendar year and (ii) the aggregate revenue, measured in U.S. Dollars, of Chart and its subsidiaries during such calendar year. These additional pricing adjustments range from an addition of 0.05% to a reduction of 0.025% in the applicable margin described above.
- We are required to pay commitment fees on any unused commitments under the SSRCF which, before giving effect to the sustainability fee adjustments (as described below), is determined on a leverage-based sliding scale ranging from 20 to 35 basis points.
- The commitment fees described above are also subject to sustainability fee adjustments based on the aforementioned ratio. The sustainability fee adjustments range from an addition of 0.01% to a reduction of 0.01%.
- Interest and fees are payable on a quarterly basis (or if earlier, at the end of each interest period for SOFR loans).

Significant financial covenants for the Amended SSRCF include financial maintenance covenants that, as of the last day of any fiscal quarter ending on and after September 30, 2021, (i) require the ratio of the amount of Chart and its subsidiaries' consolidated total net indebtedness to consolidated EBITDA to be less than the Maximum Total Net Leverage Ratio Levels and (ii) require the ratio of the amount of Chart and its subsidiaries' consolidated EBITDA to consolidated cash interest expense to be greater than the Minimum

Interest Coverage Ratio Levels. The Amended SSRCF includes a number of other customary covenants including, but not limited to, restrictions on our ability to incur additional indebtedness, create liens or other encumbrances, sell assets, enter into sale and lease-back transactions, make certain payments, investments, loans, advances or guarantees, make acquisitions and engage in mergers or consolidations and pay dividends or distributions. At June 30, 2023 September 30, 2023, we were in compliance with all covenants.

The Amended SSRCF also contains customary events of default. If such an event of default occurs, the lenders thereunder would be entitled to take various actions, including the acceleration of amounts due and all actions permitted to be taken by a secured creditor. The Amended SSRCF is guaranteed by Chart and substantially all of its U.S. subsidiaries, and secured by substantially all of the assets of Chart and its U.S. subsidiaries and 65% of the capital stock of our material non-U.S. subsidiaries (as defined by the Fifth Amended and Restated Credit Agreement) that are owned by U.S. subsidiaries.

During 2022, we recorded $1.5 in deferred debt issuance costs related to the Amended SSRCF and included $7.1 in unamortized debt issuance costs from previous credit facilities. During the first quarter of 2023, we recorded an additional $0.4 in deferred debt issuance costs related to the Amended SSRCF.

On March 16, 2023, we entered into an amendment ("Amendment No. 2") under the Credit Agreement. Amendment No. 2 updates the benchmark interest rate provisions to replace the London interbank offered rate (LIBOR) with a term rate based on the Secured Overnight Financing Rate (Term SOFR) as the reference rate for purposes of calculating interest under the terms of the Credit Agreement.

During the first three months of 2023, we We recorded $0.4 in deferred debt issuance costs related to Amendment No. 2 and Amendment No. 3 further described under "Term Loans" below. Deferred debt issuance costs related to the Amended SSRCF are presented in other assets in the condensed consolidated balance sheets and are being amortized over the five-year term of the Amended SSRCF. At June 30, 2023 September 30, 2023 and December 31, 2022, unamortized debt issuance costs associated with the Amended SSRCF were $7.6 $7.0 and $8.4, respectively.

Term Loans

On June 30, 2023, we entered into an amendment ("Amendment No. 4"), which amends our fifth amended and restated credit agreement, dated as of October 18, 2021 (as amended by Amendment No. 1, dated as of November 21, 2022, Amendment No. 2, dated as of March 16, 2023, Amendment No. 3, dated as of March 17, 2023, and as further amended, restated, supplemented or otherwise modified from time to time, the "Amended Credit Agreement"). In connection with the Howden Acquisition, we borrowed incremental term loans in the aggregate principal amount of $1,534.8 under the Amended Credit Agreement ("Amendment No. 3 Term Loan"). Amendment No. 4 provided for the incurrence of incremental term loans in the aggregate principal amount of $250.0 to be used for general corporate purposes, including to pay down our Amended SSRCF without any resulting change to leverage ("Amendment No. 4 Term Loan"). Both the Amendment No. 3 Term Loan and Amendment No. 4 Term Loan mature on March 18, 2030 (together, the "term loans due 2030") and bear interest at the Term SOFR Rate plus 0.10%, plus an applicable margin of 3.75%, provided that if the adjusted rate is less than 0.50%, the rate will be deemed to be 0.50%, and are payable in equal quarterly installments beginning on June 30, 2023 for the Amendment No. 3 Term Loan and September 30, 2023 for the Amendment No. 4 Term Loan in an amount equal to 0.25% of the aggregate principal amount.

Chart may elect the interest rate for the term loans due 2030 equal to (i) Adjusted Term SOFR (Term SOFR plus a credit spread adjustment of 0.10%; provided that Adjusted Term SOFR shall not be less than 0.50%) plus the Applicable Margin (3.75%), or (ii) the Alternate Base Rate (a rate per annum equal to the greatest of (a) the rate of interest last quoted by The Wall Street Journal in the U.S. as the prime rate, (b) the NYFRB Rate in effect plus 0.50%, (c) Adjusted Term SOFR for a one month Interest Period plus 1.00%, and (d) 1.50%) plus the Applicable Margin (2.75%). Chart may elect interest periods of 1, 3, or 6 months. Interest shall be payable in arrears for (a) for loans accruing interest at a rate based on Adjusted Term SOFR, at the end of each interest period and, for interest periods of greater than three months, every three months, and on the applicable maturity date and (b) for loans accruing interest based on the Alternate Base Rate, quarterly in arrears and on the applicable maturity date. On October 2, 2023, we entered into an amendment ("Amendment No. 5") which amends our fifth amended and restated credit agreement, dated as of October 18, 2021 and as amended by the amendments previously mentioned. Among other things, as more fully set forth therein, Amendment No. 5 reduces the interest rate margins applicable to the term loans due 2030 by 50 basis points from 2.75% to 2.25%, in the case of base rate loans, and from 3.75% to 3.25%, in the case of SOFR loans.

The allowance of incremental facilities is substantially identical to those in the Amended SSRCF, except (i) to permit the incurrence of a standalone letter of credit facility and (ii) that if the yield of any incremental facility that is in a U.S. dollar denominated term loan facility that is secured by liens on the collateral that is incurred within twelve months after the Closing Date, the applicable margins for the term loans due 2030 may increase under certain circumstances. Additionally, the refinancing facilities are substantially identical to those set forth in the Amended SSRCF.

Prepayments are mandatory only in the following circumstances: (i) unless the net cash proceeds are reinvested (or committed to be reinvested) in the business within 12 months, and if so committed to be reinvested, are actually reinvested within 6 months after the initial 12-month period, after certain non-ordinary course asset sales or other non-ordinary course dispositions of property occur, (ii) 50% of excess cash flow of Chart and its subsidiaries shall be used to prepay the term loans due 2030, and (iii) 100% of the net cash proceeds of issuances of debt obligations of Chart and our restricted subsidiaries after the Closing Date.

Chart may prepay the term loans due 2030 in whole or in part at any time without penalty or premium, with the exception of a repricing event with respect to all or any portion of the term loans due 2030 that occurs on or before the date that is six months after the Closing Date.

The term loans due 2030 will be equal in right of payment with any other senior indebtedness of Chart and, if needed, shall be subject to an equal intercreditor agreement with respect to the Amended SSRCF.

The term loans due 2030 are guaranteed by each wholly-owned domestic subsidiary that is also a guarantor under the Amended SSRCF.
Significant financial covenants and customary events of default for the term loans due 2030 are substantially identical to those in the Amended SSRCF.

(Dollars and shares in millions, except per share amounts) – Continued

Significant financial covenants and customary events of default for the term loans due 2030 are substantially identical to those in the Amended SSRCF.

We recorded $38.9 in debt discount and $37.2 in deferred debt issuance costs associated with the term loans due 2030, which are being amortized over the applicable term using the effective interest method. We recorded $1.1 and $1.2 $2.3 in interest accretion of the Amendment No. 3 Term Loan discount for the three and six nine months ended June 30, 2023. September 30, 2023, respectively.

The following table summarizes interest expense and financing costs amortization related to the Amended SSRCF and term loans due 2030:

		Three Months Ended June 30,		Six Months Ended June 30,			Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022		2023	2022	2023	2022
Interest expense, senior secured revolving credit facility due October 2026	Interest expense, senior secured revolving credit facility due October 2026	$ 11.8	$ 5.0	$ 14.4	$ 8.3	Interest expense, senior secured revolving credit facility due October 2026	$ 9.2	$ 6.4	$ 23.6	$ 14.7
Interest expense, term loans due March 2030	Interest expense, term loans due March 2030	34.2	—	39.7	—	Interest expense, term loans due March 2030	41.3	—	81.0	—
Interest expense, senior secured revolving credit facility due October 2026 and term loans due March 2030	Interest expense, senior secured revolving credit facility due October 2026 and term loans due March 2030	$ 46.0	$ 5.0	$ 54.1	$ 8.3	Interest expense, senior secured revolving credit facility due October 2026 and term loans due March 2030	$ 50.5	$ 6.4	$ 104.6	$ 14.7
Financing costs amortization, senior secured revolving credit facility due October 2026	Financing costs amortization, senior secured revolving credit facility due October 2026	$ 0.6	$ 0.4	$ 1.2	$ 0.9	Financing costs amortization, senior secured revolving credit facility due October 2026	$ 0.6	$ 0.5	$ 1.8	$ 1.4
Financing costs amortization, term loans due March 2030	Financing costs amortization, term loans due March 2030	0.9	—	1.0	—	Financing costs amortization, term loans due March 2030	1.1	—	2.1	—
Financing costs amortization, senior secured revolving credit facility due October 2026 and term loans due March 2030	Financing costs amortization, senior secured revolving credit facility due October 2026 and term loans due March 2030	$ 1.5	$ 0.4	$ 2.2	$ 0.9	Financing costs amortization, senior secured revolving credit facility due October 2026 and term loans due March 2030	$ 1.7	$ 0.5	$ 3.9	$ 1.4

2024 Convertible Notes

On November 6, 2017, we issued 1.00% Convertible Senior Subordinated Notes due November 2024 (the “2024 Notes”) in the aggregate principal amount of $258.8, pursuant to an Indenture, dated as of such date (the “Indenture”). On December 31, 2020, we entered into the First Supplemental Indenture (the “Supplemental Indenture”) to the Indenture, between Chart and Wells Fargo Bank, National Association, as trustee, governing the 2024 Notes. Pursuant to the Supplemental Indenture, Chart irrevocably elected (i) to eliminate Chart’s option to elect Physical Settlement (as defined in the Indenture) on any conversion of 2024 Notes that occurs on or after the date of the Supplemental Indenture and (ii) that, with respect to any Combination Settlement (as defined in the Indenture) for a conversion of 2024 Notes, the Specified Dollar Amount (as defined in the Indenture) that will be settled in cash per $1,000 principal amount of the Notes shall be no lower than $1,000. The 2024 Notes bear interest at an annual rate of 1.00%, payable on May 15 and November 15 of each year, beginning on May 15, 2018, and will mature on November 15, 2024 unless earlier converted or repurchased.

The 2024 Notes are senior subordinated unsecured obligations of the Company and are not guaranteed by any of our subsidiaries. The 2024 Notes are senior in right of payment to our future subordinated debt, equal in right of payment with the Company’s future senior subordinated debt and are subordinated in right of payment to our existing and future senior indebtedness, including indebtedness under our existing credit agreement.

(Dollars and shares in millions, except per share amounts) – Continued

A conversion of the 2024 Notes may be settled in either (1) cash or (2) cash for the principal amount of the 2024 Notes and any combination of cash and shares for the excess settlement amount above the principal amount of the 2024 Notes, at our election (subject to, and in accordance with, the settlement provisions of the Indenture and Supplemental Indenture).

The initial conversion rate for the 2024 Notes is 17.0285 shares of common stock (subject to adjustment as provided for in the Indenture) per $1,000 principal amount of the 2024 Notes, which is equal to an initial conversion price of approximately $58.725 per share, representing a conversion premium of approximately 35% above the closing price of our common stock of $43.50 per share on October 31, 2017. In addition, following certain corporate events that occur prior to the maturity date as described in the Indenture, we will pay a make-whole premium by increasing the conversion rate for a holder who elects to convert its 2024 Notes in connection with such a corporate event in certain circumstances. For purposes of calculating earnings per share, if the average market price of our common stock exceeds the applicable conversion price during the periods reported, shares contingently issuable under the 2024 Notes will have a dilutive effect with respect to our common stock. Since our

closing common stock price of $159.79 $169.12 at the end of the period exceeded the conversion price of $58.725, the if-converted value exceeded the principal amount of the 2024 Notes by $445.3 $485.9 at June 30, 2023 September 30, 2023. As described below, we entered into

convertible note hedge transactions, which are expected to reduce the potential dilution with respect to our common stock upon conversion of the 2024 Notes.

Holders of the 2024 Notes may convert their 2024 Notes at their option at any time prior to the close of business on the business day immediately preceding August 15, 2024 only under the following circumstances: (1) during any fiscal quarter commencing after December 31, 2017 (and only during such fiscal quarter), if the last reported sale price of our common stock for at least 20 trading days (whether or not consecutive) during the period of 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding fiscal quarter is greater than or equal to 130% of the applicable conversion price for the 2024 Notes on each applicable trading day; (2) during the five business day period after any 10 consecutive trading day period (the “measurement period”) in which the “trading price” (as defined in the Indenture) per one thousand U.S. dollar principal amount of Notes for each trading day of such measurement period was less than 97% of the product of the last reported sale price of our common stock and the applicable conversion rate for the 2024 Notes on each such trading day; or (3) upon the occurrence of specified corporate events described in the Indenture. On or after August 15, 2024 until the close of business on the second scheduled trading day immediately preceding November 15, 2024, holders may convert their 2024 Notes at the option of the holder regardless of the foregoing circumstances.

As of July 1, 2023 October 1, 2023, the 2024 Notes continue to be convertible at the option of the shareholders. This conversion right, which will remain available until September 30, 2023 December 31, 2023, was triggered since the closing price of our common stock was greater than or equal to $76.3425 (130% of the conversion price of the 2024 Notes) for at least 20 trading days during the last 30 trading days ending on June 30, 2023 September 30, 2023. Since the holders of the 2024 Notes could potentially convert their 2024 Notes at their option during the three month period subsequent to June 30, 2023 September 30, 2023, the $258.8 $258.7 principal amount of the 2024 Notes was classified as a current liability in the unaudited condensed consolidated balance sheet at June 30, 2023 September 30, 2023. As of December 31, 2022, the 2024 Notes were convertible at the option of the holders, and the liability component of the 2024 Notes was classified as a current liability. We will reassess the convertibility of the 2024 Notes and the related balance sheet classification on a quarterly basis. There have been no significant conversions as of the date of this filing.

The following table summarizes 1.0% contractual interest coupon and financing costs amortization associated with the 2024 Notes:

		Three Months Ended June 30,		Six Months Ended June 30,	
		2023	2022	2023	2022
2024 Notes, 1.0% contractual interest coupon	2024 Notes, 1.0% contractual interest coupon	$ 0.7	$ 0.7	$ 1.3	$ 1.3
2024 Notes, financing costs amortization	2024 Notes, financing costs amortization	$ 0.3	$ 0.3	$ 0.5	$ 0.5

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
2024 Notes, 1.0% contractual interest coupon	$ 0.6	$ 0.6	$ 1.9	$ 1.9
2024 Notes, financing costs amortization	$ 0.2	$ 0.2	$ 0.7	$ 0.7

Convertible Note Hedge and Warrant Transactions Associated with the 2024 Notes

In connection with the pricing of the 2024 Notes, we entered into convertible note hedge transactions (the “Note Hedge Transactions”) with certain parties, including the initial purchasers of the 2024 Notes (the “Option Counterparties”). The Note Hedge Transactions are expected generally to reduce the potential dilution upon any future conversion of the 2024 Notes. Payments for the Note Hedge Transactions totaled approximately $59.5 and were recorded as a reduction to additional paid-in capital in the December 31, 2017 consolidated balance sheet.

We also entered into separate, privately negotiated warrant transactions (the “Warrant Transactions”) with the Option Counterparties to acquire up to 4.41 shares of our common stock. Proceeds received from the issuance of the Warrant Transactions totaled approximately $46.0 and were recorded as an addition to additional paid-in capital in the

December 31, 2017 consolidated balance sheet. The strike price of the Warrant Transactions will initially be $71.775 per share (subject to adjustment), which is approximately 65% above the last reported sale price of our common stock on October 31, 2017. The Warrant Transactions could have a dilutive effect to our stockholders to the extent that the market price per share of our common stock, as measured under the terms of the Warrant Transactions, exceeds the applicable strike price of the warrants.

The Note Hedge Transactions and Warrant Transactions effectively increased the conversion price of the 2024 Notes. The net cost of the Note Hedge Transactions and Warrant Transactions was approximately $13.5.

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Committed Bridge Loan Facility

We have no borrowings outstanding on the Bridge Facility and did not draw on the Bridge Facility as we secured permanent financing prior to the close of the Howden Acquisition. On November 8, 2022, in connection with the execution of the agreement to acquire Howden, the Company entered into a debt commitment letter with JPMorgan Chase Bank, N.A. and Morgan Stanley Senior Funding, Inc. (the "Commitment Parties"), pursuant to which, and subject to the terms and conditions, the Commitment Parties agreed to provide approximately $3.375 billion in aggregate principal amount of senior bridge loans under a 364-day senior bridge loan credit facility. As of December 31, 2022, the remaining availability on the Bridge Facility was amended to $1,467.1. There is no remaining availability as of the close of the Howden Acquisition and the Bridge Facility has been terminated as we secured permanent financing.

Additional Bridge Facility fees of $26.1 were incurred during the first quarter of 2023 upon successful closing of the Howden Acquisition and classified in acquisition related finance fees in the condensed consolidated statement of operations for three months ended June 30, 2023 September 30, 2023. We incurred $29.5 in Bridge Facility fees during the three months ended December 31, 2022 and paid the total of $55.6 in Bridge Facility fees at the close of the Howden Acquisition.

Interest Expense, Net

Gross interest expense related to debt for the three months ended June 30, 2023 September 30, 2023 was $80.3 $87.5 and included $27.4, $27.3, $12.1 and $34.2 $41.3 in interest related to our Secured Notes, Unsecured Notes and term loans due 2030, respectively. Gross interest expense for the three months ended June 30, 2023 September 30, 2023 included $0.7 $0.6 interest expense related to our convertible notes due November 2024 and $11.8 $9.2 in interest related to borrowings on our senior secured revolving credit facility due 2026.

Gross interest expense related to debt for the six nine months ended June 30, 2023 September 30, 2023 was $128.5 $216.0 and included $54.8, $24.2 $82.1, $36.3 and $39.7 $81.0 in interest related to our Secured Notes, Unsecured Notes and term loans due 2030, respectively. Gross interest expense for the six nine months ended June 30, 2023 September 30, 2023 included $1.3 $1.9 interest expense related to our convertible notes due November 2024 and $14.4 $23.6 in interest related to borrowings on our senior secured revolving credit facility due 2026.

The increase in gross interest expense was partially offset by $0.6 $0.7 and $20.7 $21.4 in interest income on deposits for the three and six nine months ended June 30, 2023 September 30, 2023, respectively. This income was primarily earned from deposit of proceeds from the senior secured notes due 2030, senior unsecured notes due 2031, common stock and preferred stock offerings into interest bearing accounts until the consummation of the Howden Acquisition.

Other Debt Facilities

In various markets where we do business, we have local credit facilities to meet local working capital demands, fund letters of credit and bank guarantees, and support other short-term cash requirements. The facilities generally have variable interest rates and are denominated in local currency but may, in some cases, facilitate borrowings in multiple currencies. We are permitted to borrow up to USD equivalent $76.6 $75.0 under certain of our other debt facilities.

Certain of our other debt facilities allow us to request bank guarantees and letters of credit. None of these facilities allow revolving credit borrowings. We have letters of credit and bank guarantees outside of our Amended Credit Agreement that totaled USD equivalent $131.8 $142.0 and $45.7 as of June 30, 2023 September 30, 2023 and December 31, 2022, respectively.

Restricted Cash

As of June 30, 2023 September 30, 2023 we had $12.5 $12.8 cash classified as restricted cash on our condensed consolidated balance sheet, which primarily relates to Howden Thomassen Compressors B.V., a wholly-owned subsidiary of Chart, to secure guarantees. As of December 31, 2022 we had restricted cash of $1,941.7 from the proceeds of the Secured Notes and Unsecured Notes which was used to fund the Howden Acquisition.

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Fair Value Disclosures

The following table summarizes the fair value of the 2024 Notes was approximately 274% and 201% our actively quoted debt instruments as a percentage of their par value as of June 30, 2023 and December 31, 2022, respectively. The fair value of the Secured Notes and Unsecured Notes was approximately 102% and 107%, respectively, of their par value as of June 30, 2023 and 101% and 103%, respectively, of their par value as of December 31, 2022. The fair value of the term loans due 2030 was approximately 100% of its par value as of June 30, 2023. (1):

(Dollars and shares in millions, except per share amounts) – Continued

	September 30, 2023	December 31, 2022
Convertible notes due November 2024	291 %	201 %
Senior secured notes due 2030	101 %	101 %
Senior unsecured notes due 2031	106 %	103 %
Term loans due March 2030	100 %	— %

(1) The 2024 Notes, Secured Notes, Unsecured Notes and term loans due 2030 are actively quoted instruments and, accordingly, their fair values were determined using Level 1 inputs.

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NOTE 10 — Shareholders' Equity

Series B Mandatory Convertible Preferred Stock

On December 13, 2022, we completed a preferred stock offering, through which Chart issued and sold 8.050 million depositary shares, each representing a 1/20th interest in a share of Chart's 6.75% Series B Mandatory Convertible Preferred Stock, liquidation preference $1,000.00 per share, par value $0.01 per share (the "Mandatory Convertible Preferred Stock"). The amount issued included 1.050 million depositary shares issued pursuant to the exercise in full of the option granted to the underwriters to purchase additional depositary shares. We received gross proceeds of $402.5 from the issuance of shares less $14.4 of equity issuance costs. The proceeds were used to fund our Howden Acquisition.

Dividends: Dividends on the Mandatory Convertible Preferred Stock will be payable on a cumulative basis when, as and if declared at an annual rate of 6.75% on the liquidation value of $1,000 per share. Chart may pay declared dividends in cash or, subject to certain limitations, in shares of common stock, or in any combination of cash and shares of common stock on March 15, June 15, September 15 and December 15 of each year, commencing on March 15, 2023 and ending on, and including, December 15, 2025. The accumulated but undeclared amount of dividends as of June 30, 2023 September 30, 2023 and December 31, 2022 was $1.1 and $1.4, respectively, and was treated as a reduction to income attributable to common shareholders in the computation of earnings per share.

Mandatory Conversion: Unless earlier converted, each share of the Mandatory Convertible Preferred Stock will automatically convert on the mandatory conversion date, which is expected to be December 15, 2025, into not less than 7.0520 and not more than 8.4620 shares of common stock per share of Mandatory Convertible Preferred Stock, depending on the applicable market value and subject to certain anti-dilution adjustments. Correspondingly, the conversion rate per depositary share will be not less than 0.3526 and not more than 0.4231 shares of common stock per depositary share. The conversion rate will be determined based on a preceding 20-day volume-weighted-average-price of common stock.

The following table illustrates the conversion rate per share of the Mandatory Convertible Preferred Stock, subject to certain anti-dilution adjustments, based on the applicable market value of the common stock:

Applicable Market Value of Common Stock	Conversion Rate per Share of Mandatory Convertible Preferred Stock
Greater than $141.8037 (threshold appreciation price)	7.0520 shares of common stock
Equal to or less than $141.8037 but greater than or equal to $118.1754	Between 7.0520 and 8.4620 shares of common stock, determined by dividing 1000 by the applicable market value
Less than $118.1754 (initial price)	8.4620 shares of common stock

The following table illustrates the conversion rate per depositary share, subject to certain anti-dilution adjustments, based on the applicable market value of the common stock:

Applicable Market Value of Common Stock	Conversion Rate per Depositary Share
Greater than $141.8037 (threshold appreciation price)	0.3526 shares of common stock
Equal to or less than $141.8037 but greater than or equal to $118.1754	Between 0.3526 and 0.4231 shares of common stock, determined by dividing $50 by the applicable market value
Less than $118.1754 (initial price)	0.4231 shares of common stock

Optional Conversion of the Holder: Other than during a fundamental change conversion period, at any time prior to December 15, 2025, a holder of the Mandatory Convertible Preferred Stock may elect to convert such holder's shares of Mandatory Convertible Preferred Stock, in whole or in part, at the Minimum Conversion Rate of 7.0520 shares of common stock per share of Mandatory Convertible Preferred Stock (equivalent to 0.3526 shares of common stock per depositary share), subject to certain anti-dilution and other adjustments. Because each depositary share represents a 1/20th fractional interest in a share of Mandatory Convertible Preferred Stock, a holder of depositary shares may convert its depositary shares only in lots of 20 depositary shares.

Fundamental Change Conversion: If a fundamental change occurs on or prior to December 15, 2025, holders of the Mandatory Convertible Preferred Stock will have the right to convert their shares of Mandatory Convertible Preferred Stock, in whole or in part, into shares of common stock at the fundamental change conversion rate during the period beginning on, and

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including, the effective date of such fundamental change and ending on, and including, the earlier of (a) the date that is 20 calendar days after such effective date (or, if later, the date that is 20 calendar days after holders receive notice of such fundamental change) and (b) December 15, 2025. Holders who convert shares of the Mandatory Convertible Preferred Stock during that period will also receive a make-whole dividend amount comprised of a fundamental change dividend make-whole amount, and to the extent there is any, the accumulated dividend amount. Because each depositary share represents a 1/20th fractional interest in a share of the Series B Preferred Stock, a holder of depositary shares may convert its depositary shares upon a fundamental change only in lots of 20 depositary shares.

Ranking: The Mandatory Convertible Preferred Stock, with respect to anticipated dividends and distributions upon Chart's liquidation or dissolution, or winding-up of Chart's affairs, ranks or will rank:

- senior to our common stock and each other class or series of capital stock issued after the initial issue date of the Mandatory Convertible Preferred Stock, the terms of which do not expressly provide that such capital stock ranks either senior to the Mandatory Convertible Preferred Stock or on a parity with Mandatory Convertible Preferred Stock;
- equal with any class or series of capital stock issued after the initial issue date the terms of which expressly provide that such capital stock will rank equal with the Mandatory Convertible Preferred Stock;
- junior to the Series A Preferred Stock, if issued, and each other class or series of capital stock issued after the initial issue date that is expressly made senior to the Mandatory Convertible Preferred Stock;
- junior to our existing and future indebtedness; and
- structurally subordinated to any existing and future indebtedness of our subsidiaries as well as the capital stock of our subsidiaries held by third parties.

Voting Rights: Holders of Mandatory Convertible Preferred Stock generally will not have voting rights. Whenever dividends on shares of Mandatory Convertible Preferred Stock have not been declared and paid for six or more dividend periods (including, for the avoidance of doubt, the dividend period beginning on, and including, the initial issue date and ending on, but excluding, March 15, 2023), whether or not for consecutive dividend periods, the holders of such shares of Mandatory Convertible Preferred Stock, voting together as a single class with holders of all other series of voting preferred stock of equal rank, then outstanding, will be entitled at our next annual or special meeting of stockholders to vote for the election of a total of two additional members of our board of directors, subject to certain limitations. This right will terminate if and when all accumulated and unpaid dividends have been paid in full, or declared and a sum sufficient for such payment shall have been set aside. Upon such termination, the term of office of each preferred stock director so elected will terminate at such time and the number of directors on our board of directors will automatically decrease by two, subject to the revesting of such rights in the event of each subsequent nonpayment.

Embedded Derivatives: There are no material embedded derivatives that meet the criteria for bifurcation and separate accounting pursuant to ASC 815-15, Embedded Derivatives.

Common Stock

On December 13, 2022, we completed a public offering (the "2022 Equity Offering"), through which Chart issued and sold 5.924 million shares of common stock, $0.01 par value per share. We received gross proceeds of $700.0 from the issuance of shares less $24.9 of equity issuance costs.

On January 10, 2023, we completed a public offering (the "Partial Greenshoe"), through which Chart issued and sold 0.11 million shares of common stock, $0.01 par value per share. We received gross proceeds of $12.1 from the issuance of shares less $0.4 of equity issuance costs. Proceeds from both the 2022 Equity Offering and Partial Greenshoe were used to fund the Howden Acquisition.

On December 13, 2022, we completed a public offering (the "2022 Equity Offering"), through which Chart issued and sold 5.924 shares of common stock, $0.01 par value per share. We received gross proceeds of $700.0 from the issuance of shares less $24.9 of equity issuance costs.

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NOTE 11 — Derivative Financial Instruments

Derivatives and Hedging

We utilize a combination of cross-currency swaps and foreign exchange collars (together the "Foreign Exchange Collar Contracts") as a net investment hedge of a portion of our investments in certain international subsidiaries that use the euro as their functional currency in order to reduce the volatility caused by changes in exchange rates. As a result of our acquisition of Howden, we are also a party to foreign currency contracts not designated as hedging instruments (the "Foreign Currency Contracts") which are used to mitigate the risk associated with cash management activities and customer forward sale agreements denominated in currencies other than the applicable local currency, and to match costs and expected revenues where production facilities have a different currency than the selling currency.

On September 16, 2022, immediately following the termination of the aforementioned cross-currency swap, we entered into a pay-fixed rate, receive-fixed rate cross-currency swap that provides for an exchange of principal on a notional amount of $99.8 swapped to euro 100.0 million on its June 30, 2025 maturity and receipt of U.S. dollar interest from our swap counterparties at a fixed rate of 1.6% per annum (the “September 16 Swap”). Concurrent to entering into the September 16 Swap, we also entered into a separate zero cost foreign exchange collar contract (the “Collar Contract”) with the same counterparty, notional amount and expiration date as the September 16 Swap. Under the Collar Contract, we sold a put option with a lower strike price and purchased a call option with an upper strike price to manage final settlement of the September 16 Swap. Our Foreign Exchange Collar Contracts are measured at fair value with changes in fair value recorded as foreign currency translation adjustments within accumulated other comprehensive loss. We classify cash flows related to our Foreign Exchange Collar Contracts as investing activities within our condensed consolidated statements of cash flows.

Our Foreign Currency Contracts are measured at fair value with changes in fair value recorded within foreign currency (gain) loss. We classify cash flows related to our Foreign Currency Contracts as operating activities within our condensed consolidated statements of cash flows. The notional value of our Foreign Currency Contracts was $408.0 $330.3 as of June 30, 2023 September 30, 2023. Our derivative contracts are entered into with major financial institutions in order to reduce credit risk and risk of nonperformance by third parties. We believe the credit risks with respect to the counterparties, and the foreign currency risks that would not be hedged if the counterparties fail to fulfill their obligations under the contract, are not material in view of our understanding of the financial strength of the counterparties. Our derivative contracts are not exchange traded instruments and their fair value is determined using the cash flows of the contracts, discount rates to account for the passage of time, implied volatility, current foreign exchange market data and credit risk, which are all based on inputs readily available in public markets and categorized as Level 2 fair value hierarchy measurements.

The following table represents the fair value of our asset and liability derivatives:

		Asset Derivatives			Liability Derivatives				Asset Derivatives			Liability Derivatives		
			June 30, 2023	December 31, 2022		June 30, 2023	December 31, 2022			September 30, 2023	December 31, 2022		September 30, 2023	December 31, 2022
Derivatives designated as net investment hedge	**Derivatives designated as net investment hedge**	**Balance Sheet Location**	**Fair Value**	**Fair Value**	**Balance Sheet Location**	**Fair Value**	**Fair Value**	**Derivatives designated as net investment hedge**	**Balance Sheet Location**	**Fair Value**	**Fair Value**	**Balance Sheet Location**	**Fair Value**	**Fair Value**
Foreign Exchange Collar Contracts (1)	Foreign Exchange Collar Contracts (1)	Other assets	$ —	$ —	Other long-term liabilities	$ 4.6	$ 2.7	Foreign Exchange Collar Contracts (1)	Other assets	$ —	$ —	Other long-term liabilities	$ 4.1	$ 2.7
Total derivatives designated as net investment hedge	Total derivatives designated as net investment hedge		—	—		4.6	2.7	Total derivatives designated as net investment hedge		—	—		4.1	2.7
Derivatives not designated as hedges	**Derivatives not designated as hedges**							**Derivatives not designated as hedges**						
Foreign Currency Contracts	Foreign Currency Contracts	Other current assets	3.6	—	Other current liabilities	3.5	—	Foreign Currency Contracts	Other current assets	3.5	—	Other current liabilities	5.1	—
Foreign Currency Contracts	Foreign Currency Contracts	Other assets	0.3	—	Other long-term liabilities	0.3	—	Foreign Currency Contracts	Other assets	0.4	—	Other long-term liabilities	0.5	—
Total derivatives not designated as hedges	Total derivatives not designated as hedges		3.9	—		3.8	—	Total derivatives not designated as hedges		3.9	—		5.6	—
Total derivatives	Total derivatives		$ 3.9	$ —		$ 8.4	$ 2.7	Total derivatives		$ 3.9	$ —		$ 9.7	$ 2.7

(1) Represents foreign exchange swaps and foreign exchange options.

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(Dollars and shares in millions, except per share amounts) – Continued

The following table represents the net effect derivative instruments designated in hedging relationships had on accumulated other comprehensive loss on the condensed consolidated statements of operations and comprehensive income (loss):

	Unrealized loss recognized in accumulated other comprehensive loss on derivatives, net of taxes			
	Three Months Ended June 30,		Six Months Ended June 30,	
Derivatives designated as net investment hedge	2023	2022	2023	2022
Foreign Exchange Collar Contracts (1) (2)	$ 0.7	$ —	$ 1.5	$ —

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CHART INDUSTRIES, INC. AND SUBSIDIARIES

Notes to the Unaudited Condensed Consolidated Financial Statements – September 30, 2023

(Dollars and shares in millions, except per share amounts) – Continued

	Unrealized (loss) gain recognized in accumulated other comprehensive loss on derivatives, net of taxes			
	Three Months Ended September 30,		Nine Months Ended September 30,	
Derivatives designated as net investment hedge	2023	2022	2023	2022
Foreign Exchange Collar Contracts (1) (2)	$ (0.4)	$ 2.9	$ 1.1	$ 6.7

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(1) Our designated derivative instruments are highly effective. As such, there were no gains or losses recognized immediately in income related to hedge ineffectiveness during the six nine months ended June 30, 2023 September 30, 2023.

(2) Represents amount excluded from effectiveness testing. Our Foreign Exchange Collar Contracts are designated with terms based on the spot rate of the euro. Future changes in the components related to the spot change on the notional will be recorded in other comprehensive income foreign exchange swaps and remain there until the hedged subsidiaries are substantially liquidated. All coupon payments are classified in interest expense, net in the condensed consolidated statements of operations and comprehensive income (loss), and the initial value of excluded components currently recorded in accumulated other comprehensive loss as a foreign currency translation adjustment are amortized to interest expense, net over the remaining term of the Foreign Exchange Contract. exchange options.

The following table represents the effect that derivative instruments not designated as hedges had on net income:

			Amount of gain (loss) recognized in income						Amount of loss recognized in income			
			Three Months Ended June 30,		Six Months Ended June 30,				Three Months Ended September 30,		Nine Months Ended September 30,	
Derivatives not designated as hedges	Derivatives not designated as hedges	Location of gain (loss) recognized in income	2023	2022	2023	2022	Derivatives not designated as hedges	Location of loss recognized in income	2023	2022	2023	2022
Foreign Currency Contracts	Foreign Currency Contracts	Foreign currency (loss) gain	$ (2.0)	$ —	$ 0.5	$ —	Foreign Currency Contracts	Foreign currency loss	$ (1.8)	$ —	$ (1.3)	$ —

The following table represents interest income, included within interest expense, net on the condensed consolidated statements of operations and comprehensive income (loss) related to amounts excluded from the assessment of hedge effectiveness for derivative instruments designated as net investment hedges:

		Amount of gain recognized in income on derivative (amount excluded from effectiveness testing)					Amount of gain recognized in income on derivative (amount excluded from effectiveness testing)			
		Three Months Ended June 30,		Six Months Ended June 30,			Three Months Ended September 30,		Nine Months Ended September 30,	
Derivatives designated as net investment hedge	Derivatives designated as net investment hedge	2023	2022	2023	2022	Derivatives designated as net investment hedge	2023	2022	2023	2022

(Dollars and shares in millions, except per share amounts) – Continued

Foreign Exchange Collar Contracts (1) (2)	Foreign Exchange Collar Contracts (1) (2)	$	0.4	$	—	$	0.8	$	—	Foreign Exchange Collar Contracts (1) (2)	$	0.4	$	0.4	$	1.2	$ 0.9

(1) Represents foreign exchange swaps and foreign exchange options.

(2) Represents amount excluded from effectiveness testing. Our Foreign Exchange Collar Contracts are designated with terms based on the spot rate of the euro. Future changes in the components related to the spot change on the notional will be recorded in other comprehensive income and remain there until the hedged subsidiaries are substantially liquidated. All coupon payments are classified in interest expense, net in the condensed consolidated statements of operations and comprehensive income (loss), and the initial value of excluded components currently recorded in accumulated other comprehensive loss as a foreign currency translation adjustment are amortized to interest expense, net over the remaining term of the Foreign Exchange Contract.

(2) Represents foreign exchange swaps and foreign exchange options.

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NOTE 12 — Product Warranties

We provide product warranties with varying terms and durations for the majority of our products. We estimate our warranty reserve by considering historical and projected warranty claims, historical and projected cost-per-claim, and knowledge of specific product issues that are outside our typical experience. We record warranty expense in cost of sales in the unaudited condensed consolidated statements of operations and comprehensive comprehensive income (loss). Product warranty claims not expected to occur within one year are included as part of other long-term liabilities in the unaudited condensed consolidated balance sheets.

The following table represents changes in our consolidated warranty reserve:

Balance at December 31, 2022	$	4.1
Acquired warranty reserve		32.5 34.0
Accrued warranty expense		0.2 1.7
Changes in estimates related to pre-existing warranties		(0.4) (0.9)
Cost of warranty service work performed		(3.3) (6.2)
Warranties transferred to held for sale		(0.3)
Foreign exchange translation effect		0.1 (0.6)
Balance at June 30, 2023 September 30, 2023	$	33.2 31.8

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NOTE 13 — Business Combinations

Howden Acquisition

On March 17, 2023 we completed the Howden Acquisition pursuant to the previously disclosed Equity Purchase Agreement dated as of November 9, 2022. The acquisition purchase price was $4,404.9. $4,387.4. We financed the purchase price for the Howden Acquisition with proceeds from borrowings under our Amended SSRCF, Amendment No. 3 Term Loan, common and preferred stock issuance and a private offering of Secured Notes and Unsecured Notes. See Note 9, “Debt and Credit Arrangements,” for more information.

The following table shows the purchase price in accordance with ASC 805:

(Dollars and shares in millions, except per share amounts) – Continued

Description		
Cash consideration to seller	$	2,788.3
Howden's debt settled at close		1,529.0
Settlement of seller transaction costs		67.2
Funds held in escrow		20.4
Working capital adjustment		(17.5)
Total ASC 805 purchase price	$	4,404.9 4,387.4

Howden is a leading global provider of mission critical air and gas handling products providing service and support to customers around the world in highly diversified end markets and geographies. The combination of Chart and Howden is complementary and furthers our global leadership position in highly engineered process technologies and products serving the Nexus of Clean™ – clean power, clean water, clean food and clean industrials.

We estimated the preliminary fair value of acquired developed technology and trade names using the relief from royalty method. The preliminary fair values of acquired customer backlog and customer relationships were estimated using the multi-period excess earnings method. Under both the relief from royalty and multi-period excess earnings methods, the fair value models incorporated estimates of future cash flows, estimates of allocations of certain assets and cash flows, estimates of future growth rates, and management's judgment regarding the applicable discount rates to use to discount such estimates of cash flows flows.

The excess of the purchase price over the preliminary estimated fair values is assigned to goodwill. The preliminary estimated goodwill was established due to expected cost synergies, anticipated growth of new customers, and expansion of equipment portfolio and process technology offerings. Goodwill recorded for the Howden Acquisition is not expected to be deductible for tax purposes.

As additional information becomes available, we will further revise the preliminary acquisition consideration allocation during the remainder of the measurement period, which shall not exceed twelve months from the closing of the Howden Acquisition. Areas that are subject to change include evaluating income tax accounting considerations. We do not believe such considerations and finalizing the valuation of noncontrolling interest. Such revisions or changes will may be material. significant.

The preliminary estimated fair values of the assets acquired and liabilities assumed disclosed in this note are inclusive of businesses identified to be sold as of the acquisition date. On June 12, 2023, we signed a definitive agreement to divest our Roots business, which we acquired as part of the Howden Acquisition. We have categorized the assets and liabilities of these discontinued operations on separate lines in the table below. Please refer to Note 2, "Discontinued Operations and Other Businesses Sold or to be Sold.

The following table summarizes the preliminary estimated fair values of the assets acquired and liabilities assumed in the Howden Acquisition as of the acquisition date:

	June 30, 2023	Adjustments	As previously Reported March 31, 2023
Net assets acquired:			
Cash and cash equivalents	$ 62.5	$ —	$ 62.5
Restricted cash	2.6	—	2.6
Accounts receivable	456.0	(5.2)	461.2
Inventories	306.5	57.7	248.8
Unbilled contract revenue	194.7	—	194.7
Prepaid expenses	58.5	—	58.5
Other current assets	108.3	(3.8)	112.1
Property, plant and equipment	362.0	74.4	287.6
Identifiable intangible assets	2,551.0	(40.0)	2,591.0
Equity method investments	22.3	12.2	10.1
Other assets	168.1	—	168.1
Accounts payable	(384.7)	(1.0)	(383.7)
Customer advances and billings in excess of contract revenue	(280.4)	(12.3)	(268.1)
Accrued salaries, wages and benefits	(104.1)	0.1	(104.2)
Accrued income taxes	(51.4)	—	(51.4)

Current portion of warranty reserve	(31.9)	(3.4)	(28.5)
Current portion of long-term debt (1)	(1.6)	—	(1.6)
Other current liabilities	(85.9)	(23.4)	(62.5)
Long-term deferred tax liabilities	(680.4)	49.0	(729.4)
Operating lease liabilities	(54.6)	—	(54.6)
Finance lease liabilities	(8.1)	—	(8.1)
Accrued pension liabilities	(6.0)	0.4	(6.4)
Other long-term liabilities	(5.6)	—	(5.6)
Total identifiable net assets assumed	2,597.8	104.7	2,493.1
Noncontrolling interest (2)	(129.3)	(102.8)	(26.5)
Goodwill	1,936.4	(1.9)	1,938.3
Net assets acquired	$ 4,404.9	$ —	$ 4,404.9
Assets acquired net of cash, cash equivalents and restricted cash	$ 4,339.8	$ —	$ 4,339.8

	Preliminary Estimated Fair Value
Net assets acquired:	
Cash and cash equivalents	$ 62.5
Restricted cash	2.6
Accounts receivable	427.4
Inventories	268.3
Unbilled contract revenue	167.3
Prepaid expenses	52.6
Other current assets	107.8
Assets held for sale	225.7
Property, plant and equipment	325.1
Identifiable intangible assets	2,442.5
Equity method investments	22.3
Other assets	168.2
Accounts payable	(369.5)
Customer advances and billings in excess of contract revenue	(263.7)
Accrued salaries, wages and benefits	(103.0)
Accrued income taxes	(50.9)
Current portion of warranty reserve	(32.1)
Current portion of long-term debt (1)	(1.4)
Other current liabilities	(91.0)
Liabilities held for sale	(43.9)
Long-term deferred tax liabilities	(670.8)
Operating lease liabilities	(52.3)
Finance lease liabilities	(8.1)
Accrued pension liabilities	(6.0)
Other long-term liabilities	(5.6)
Total identifiable net assets assumed	2,574.0
Noncontrolling interest (2)	(129.3)
Goodwill (3)	1,942.7
Net assets acquired	$ 4,387.4
Assets acquired net of cash, cash equivalents and restricted cash	$ 4,322.3

(1) Represents the balance related to short term debt held in Foreign Facilities. Refer to Note 9, "Debt and Credit Arrangements."

(Dollars and shares in millions, except per share amounts) – Continued

(2) As part of the Howden Acquisition, we acquired a noncontrolling interest, which owns 82% of Howden Hua Engineering Co., Ltd, and entity based in China which is valued at $129.3.

(3) Includes $102.2 allocated to the Roots divestiture. Refer to Note 7, "Goodwill and Intangible Assets."

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The following table summarizes information regarding preliminary identifiable intangible assets acquired in the Howden Acquisition:

	Estimated Useful Lives	June 30, 2023	Adjustments	As previously Reported March 31, 2023
Finite-lived intangible assets acquired:				
Customer relationships	18 years	$ 1,592.0	$ 277.0	$ 1,315.0
Backlog	3 years	145.0	(214.0)	359.0
Technology	5 to 14 years	312.0	(7.0)	319.0
Total finite-lived intangible assets acquired		2,049.0	56.0	1,993.0
Indefinite-lived intangible assets acquired:				
Trade names		502.0	(96.0)	598.0
Total intangible assets acquired		$ 2,551.0	$ (40.0)	$ 2,591.0

	Estimated Useful Lives	Preliminary Estimated Asset Fair Value
Finite-lived intangible assets acquired:		
Customer relationships	18 years	$ 1,537.0
Backlog	3 years	134.0
Technology	5 to 14 years	297.0
Total finite-lived intangible assets acquired		1,968.0
Indefinite-lived intangible assets acquired:		
Trade names		474.5
Total intangible assets acquired		$ 2,442.5

Chart's condensed consolidated financial statements include Howden's sales and net income of $571.8 $1,028.1 and $10.1,$46.2, respectively, from date the of acquisition through June 30, 2023 September 30, 2023. We incurred $4.9 and $25.4 in transaction related costs during the fourth quarter of 2022 and the first quarter of 2023, respectively, related to the Howden Acquisition which were recorded in selling, general and administrative expenses on the condensed consolidated statements of operations and comprehensive income (loss). The transaction related costs were incurred by Chart as Howden did not incur any transaction related costs after close of the Howden Acquisition, and these costs are not included in Howden's net income for our period of ownership. No interest expense is allocated to Howden's net income for our period of ownership.

As part of the Howden Acquisition, we acquired defined benefit pension plans, which are predominately in Germany. As a result, we assumed pension assets of $38.7 and pension liabilities of $41.1, a net $2.4 liability.

The preliminary estimated fair values of the assets acquired and liabilities assumed disclosed in this note are inclusive of discontinued operations. On June 12, 2023, we signed a definitive agreement to divest our Roots business, which we acquired as part of the Howden acquisition. Please refer to note 2, Discontinued Operations

Unaudited Supplemental Pro Forma Information

The following unaudited pro forma combined financial information for the three and six nine months ended June 30, 2023 September 30, 2023 and 2022 gives effect to the Howden Acquisition, and the Roots divestiture, as if both occurred on January 1, 2022. The unaudited pro forma information is not necessarily indicative of the results of operations that actually would have occurred under the ownership and management of the Company. In addition, the unaudited pro forma information is not intended to be a projection of future results and does not reflect any operating efficiencies or cost savings that might be achievable.

The following adjustments are reflected in the unaudited pro forma financial table below:

- the effect of increased interest expense related to the repayment of the Howden term loans, senior notes and revolving credit facility net of the additional borrowing on the Chart senior secured revolving credit facility and senior secured and unsecured notes,
- amortization of acquired intangible assets,
- an adjustment to reflect the change in the estimated income tax rate for federal and state purposes,
- nonrecurring acquisition-related expenses incurred by Howden prior to the close of and directly attributable to the Howden Acquisition were adjusted out of the pro forma net loss attributable to Chart Industries, Inc. from continuing operations for the periods presented, and

(Dollars and shares in millions, except per share amounts) – Continued

- nonrecurring acquisition-related expenses incurred by Chart and directly related to the Howden acquisition were adjusted out of the pro forma net loss attributable to Chart Industries, Inc. from continuing operations for the periods presented.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Pro forma sales from continuing operations	$ 897.9	$ 817.8	$ 2,642.7	$ 2,392.1
Pro forma net income (loss) attributable to Chart Industries, Inc. from continuing operations	9.4	(21.2)	(53.9)	(111.3)

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	Three Months Ended June 30, 2023		Six Months Ended June 30, 2023	
	2023	2022	2023	2022
Pro forma sales from continuing operations	$ 908.1	$ 823.4	$ 1,744.8	$ 1,574.3
Pro forma net income (loss) attributable to Chart Industries, Inc. from continuing operations	9.1	(14.7)	(63.3)	(90.1)

As defined in Note 2, “Significant Accounting Policies” of our Annual Report on Form 10-K for the year ended December 31, 2022, we preliminarily allocated the acquisition consideration to tangible and identifiable intangible assets acquired and liabilities assumed based on their preliminary estimated fair values as of the acquisition date. The preliminary fair value of the acquired tangible and identifiable intangible assets was determined based on inputs that are unobservable and significant to the overall fair value measurement. The preliminary fair value is based on estimates and assumptions made by management at the time of the acquisition. As such, the acquisitions are classified as Level 3 fair value hierarchy measurements and disclosures.

Fronti Fabrications, Inc. Acquisition

On May 31, 2022, we acquired 100% of the equity interests of Fronti for approximately $20.6 in cash (subject to certain customary adjustments) or $20.4 net of $0.2 cash acquired. Fronti is a specialist in engineering, machining and welding for the cryogenic and gas industries, and also supplies new build pressure vessels and cold boxes, and performs repairs with certification to American Society of Mechanical Engineers (ASME) code. The fair value of the total net assets acquired include goodwill, identifiable intangible assets and other net assets at the date of acquisition in the amounts of $14.4, $5.3 and $0.9, respectively (as previously reported $14.3, $5.3 and $1.0, respectively). The purchase price allocation and all required purchase accounting adjustments were finalized in the second quarter of 2023.

CSC Cryogenic Service Center AB Acquisition

On May 16, 2022, we acquired 100% of the equity interests of CSC for approximately $3.8 in cash (subject to certain customary adjustments). CSC brings a strong service footprint in the Nordic region with many overlapping customers to Chart, allowing us to broaden our service and repair presence geographically. The purchase price allocation and all required purchase accounting adjustments were finalized in the second quarter of 2023.

As defined in Note 2, “Significant Accounting Policies” of our Annual Report on Form 10-K for the year ended December 31, 2022, we preliminarily allocated the acquisition consideration to tangible and identifiable intangible assets acquired and liabilities assumed based on their preliminary estimated fair values as of the acquisition date. The preliminary fair value of the acquired tangible and identifiable intangible assets was determined based on inputs that are unobservable and significant to the overall fair value measurement. The preliminary fair value is based on estimates and assumptions made by management at the time of the acquisition. As such, the acquisitions are classified as Level 3 fair value hierarchy measurements and disclosures.

Contingent Consideration

The fair value of contingent consideration was $16.9 for SES and $3.2 for BIG at the date of acquisitions and was valued according to a discounted cash flow approach, which included assumptions regarding the probability of achieving certain targets and a discount rate applied to the potential payments.

Potential payments for SES, which range between $0.0 and $25.0, are measured between the period commencing July 1, 2023 October 1, 2023 and ending on December 31, 2028 based on the attainment of certain earnings targets. The earn-out period for BIG ended December 31, 2022, and we disbursed payment during the second quarter of 2023.

In connection with the Howden acquisition, Chart assumed a deferred consideration liability of $1.2 and an earn-out provision of $1.7, in relation to Howden’s acquisition of Maintenance Partners NV (“MP”) on April 30, 2021. The earn-out period for MP ended April 30, 2023, and April 30, 2023, and we disbursed payment during the first week of July 2023.

Valuations are performed using Level 3 inputs as defined in Note 2, “Significant Accounting Policies” of our Annual Report on Form 10-K for the year ended December 31, 2022 and are evaluated on a quarterly basis based on forecasted sales and earnings targets. Contingent consideration liabilities are classified as other current liabilities and other long-term liabilities in the condensed consolidated balance sheets. Changes in fair value of contingent consideration, including accretion, are recorded as selling, general, and administrative expenses in the condensed consolidated statements of operations and comprehensive income (loss).

The following table represents the changes to our contingent consideration liabilities:

	SES	BIG	MP	Total
Balance at December 31, 2022	$ 16.3	$ 1.0	$ —	$ 17.3
(Decrease) increase in fair value of contingent consideration liabilities (1) (2)	(9.3)	0.7	(0.2)	(8.8)

Acquired contingent consideration liabilities	—	—	2.9	2.9
Payment of contingent consideration	—	(1.7)	(2.7)	(4.4)
Balance at September 30, 2023	$ 7.0	$ —	$ —	$ 7.0

(1) For the three months ended September 30, 2023, the fair value of contingent consideration related to SES decreased by $2.3 (decreased $0.9 for the three months ended September 30, 2022). For the nine months ended September 30, 2023, the

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	SES	BIG	MP	Total
Balance at December 31, 2022	$ 16.3	$ 1.0	$ —	$ 17.3
(Decrease) increase in fair value of contingent consideration liabilities (1) (2)	(7.0)	0.7	(0.2)	(6.5)
Acquired contingent consideration liabilities	—	—	2.9	2.9
Payment of contingent consideration	—	(1.7)	—	(1.7)
Balance at June 30, 2023	$ 9.3	$ —	$ 2.7	$ 12.0

(1) For the three months ended June 30, 2023, the fair value of contingent consideration related to SES increased by $0.4 (decreased $0.3 for the three months ended June 30, 2022). For the six months ended June 30, 2023, the fair value of contingent consideration related to SES decreased by $7.0 $9.3 (decreased by $0.8 $1.7 during the six nine months ended June 30, 2022 September 30, 2022). The decrease in estimated fair value of contingent consideration related to SES during the current period was due to the lower probability of achieving technical milestones within the agreed upon time.

(2) There was no change in the fair value of contingent consideration related to BIG for the three months ended September 30, 2023 as the earn-out period ended December 31, 2022 and the entire liability was paid during the second quarter of 2023. For the three months ended June 30, 2023 September 30, 2022, the fair value of contingent consideration related to BIG decreased by $0.7 (increased by $0.1 for $0.8. For the three nine months ended June 30, 2022). For the six months ended June 30, 2023 September 30, 2023, the fair value of contingent consideration related to BIG increased by $0.7 (decreased by $0.2 $1.0 during the six nine months ended June 30, 2022 September 30, 2022).

In connection with the Earthly Labs acquisition, Chart will pay to the sellers a royalty on sales of carbon capture units for residential use launched for sale to the public by Chart in an amount equal to 4% of such sales. Potential royalty payments shall be paid to the sellers during the three year period following Chart's launch of this product. This product has not yet been developed and as such, the fair value of the contingent consideration liability that arises from this arrangement was insignificant as of June 30, 2023 September 30, 2023 and December 31, 2022.

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CHART INDUSTRIES, INC. AND SUBSIDIARIES
Notes to the Unaudited Condensed Consolidated Financial Statements – June 30, 2023 September 30, 2023
(Dollars and shares in millions, except per share amounts) – Continued

NOTE 14 — Accumulated Other Comprehensive Loss

The components of accumulated other comprehensive loss are as follows:

		Foreign currency translation adjustments (1)	Pension liability adjustments, net of taxes	Accumulated other comprehensive loss		Foreign currency translation adjustments (1)	Pension liability adjustments, net of taxes	Accumulated other comprehensive loss
Balance at March 31, 2023		$ (46.5)	$ (7.4)	$ (53.9)				
Balance at June 30, 2023					Balance at June 30, 2023	$ (48.2)	$ (7.2)	$ (55.4)
Other comprehensive loss before reclassifications, net of taxes	Other comprehensive loss before reclassifications, net of taxes	(1.7)	—	(1.7)	Other comprehensive loss before reclassifications, net of taxes	(48.1)	—	(48.1)

Amounts reclassified from accumulated other comprehensive loss, net of income taxes	Amounts reclassified from accumulated other comprehensive loss, net of income taxes	—	0.2	0.2	Amounts reclassified from accumulated other comprehensive loss, net of income taxes	—	0.2	0.2
Net current-period other comprehensive (loss) income, net of taxes	Net current-period other comprehensive (loss) income, net of taxes	(1.7)	0.2	(1.5)	Net current-period other comprehensive (loss) income, net of taxes	(48.1)	0.2	(47.9)
Balance at June 30, 2023		$ (48.2)	$ (7.2)	$ (55.4)				
Balance at September 30, 2023					Balance at September 30, 2023	$ (96.3)	$ (7.0)	$ (103.3)

		Foreign currency translation adjustments	Pension liability adjustments, net of taxes	Accumulated other comprehensive loss		Foreign currency translation adjustments	Pension liability adjustments, net of taxes	Accumulated other comprehensive loss
Balance at March 31, 2022		$ (21.3)	$ (6.4)	$ (27.7)				
Balance at June 30, 2022					Balance at June 30, 2022	$ (52.3)	$ (6.3)	$ (58.6)
Other comprehensive loss before reclassifications, net of taxes	Other comprehensive loss before reclassifications, net of taxes	(31.0)	—	(31.0)	Other comprehensive loss before reclassifications, net of taxes	(32.1)	—	(32.1)
Amounts reclassified from accumulated other comprehensive income, net of taxes	Amounts reclassified from accumulated other comprehensive income, net of taxes	—	0.1	0.1	Amounts reclassified from accumulated other comprehensive income, net of taxes	—	0.1	0.1
Net current-period other comprehensive (loss) income, net of taxes	Net current-period other comprehensive (loss) income, net of taxes	(31.0)	0.1	(30.9)	Net current-period other comprehensive (loss) income, net of taxes	(32.1)	0.1	(32.0)
Balance at June 30, 2022		$ (52.3)	$ (6.3)	$ (58.6)				
Balance at September 30, 2022					Balance at September 30, 2022	$ (84.4)	$ (6.2)	$ (90.6)

		Foreign currency translation adjustments	Pension liability adjustments, net of taxes	Accumulated other comprehensive loss		Foreign currency translation adjustments	Pension liability adjustments, net of taxes	Accumulated other comprehensive loss
Balance at December 31, 2022	Balance at December 31, 2022	$ (50.5)	$ (7.5)	$ (58.0)	Balance at December 31, 2022	$ (50.5)	$ (7.5)	$ (58.0)
Other comprehensive income before reclassifications, net of taxes		2.3	—	2.3				
Amounts reclassified from accumulated other comprehensive income, net of taxes		—	0.3	0.3				
Net current-period other comprehensive income, net of taxes		2.3	0.3	2.6				
Balance at June 30, 2023		$ (48.2)	$ (7.2)	$ (55.4)				

(Dollars and shares in millions, except per share amounts) – Continued

Other comprehensive loss before reclassifications, net of taxes	(45.8)	—	(45.8)
Amounts reclassified from accumulated other comprehensive loss, net of taxes	—	0.5	0.5
Net current-period other comprehensive (loss) income, net of taxes	(45.8)	0.5	(45.3)
Balance at September 30, 2023	$ (96.3)	$ (7.0)	$ (103.3)

	Foreign currency translation adjustments	Pension liability adjustments, net of taxes	Accumulated other comprehensive loss	Foreign currency translation adjustments	Pension liability adjustments, net of taxes	Accumulated other comprehensive loss
Balance at December 31, 2021	$ (15.2)	$ (6.5)	$ (21.7)	$ (15.2)	$ (6.5)	$ (21.7)
Other comprehensive loss before reclassifications, net of taxes	(37.1)	—	(37.1)	(69.2)	—	(69.2)
Amounts reclassified from accumulated other comprehensive loss, net of taxes	—	0.2	0.2	—	0.3	0.3
Net current-period other comprehensive (loss) income, net of taxes	(37.1)	0.2	(36.9)	(69.2)	0.3	(68.9)
Balance at June 30, 2022	$ (52.3)	$ (6.3)	$ (58.6)			
Balance at September 30, 2022				$ (84.4)	$ (6.2)	$ (90.6)

(1) Foreign currency translation adjustments includes translation adjustments and net investment hedge, net of taxes. See Note 11, "Derivative Financial Instruments," for further information related to the net investment hedge.

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NOTE 15 — Earnings Per Share

The following table represents calculations of net earnings per share of common stock:

	Three Months Ended June 30,		Six Months Ended June 30,		Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022	2023	2022	2023	2022

Amounts attributable to Chart common stockholders				
Income from continuing operations	$ 9.4	$ 41.2	0.1	64.4
Less: Mandatory convertible preferred stock dividend requirement	6.8	—	20.5	—
Income (loss) from continuing operations attributable to Chart	2.6	41.2	(20.4)	64.4
Loss from discontinued operations, net of tax	(6.0)	—	(2.6)	—
Net (loss) income attributable to Chart common stockholders	(3.4)	41.2	(23.0)	64.4
Earnings per common share – basic:				
Income (loss) from continuing operations	$ 6.6	$ 13.0	(9.3)	23.2
Less: Mandatory convertible preferred stock dividend requirement	6.9	—	13.7	—
(Loss) income from continuing operations attributable to Chart	(0.3)	13.0	(23.0)	23.2
Income from discontinued operations, net of tax	2.5	—	3.4	—
Net income (loss) attributable to Chart common stockholders	2.2	13.0	(19.6)	23.2
Earnings per common share – basic:				
(Loss) income from continuing operations	$ (0.01)	$ 0.36	$ (0.55)	$ 0.65
Income from discontinued operations	0.06	—	0.08	—
Net income (loss) attributable to Chart Industries, Inc.	$ 0.05	$ 0.36	$ (0.47)	$ 0.65
Income (loss) from continuing operations	$ 0.06	$ 1.15	$ (0.49)	$ 1.80
Loss from discontinued operations	(0.14)	—	(0.06)	—
Net (loss) income attributable to Chart Industries, Inc.	$ (0.08)	$ 1.15	$ (0.55)	$ 1.80

Earnings per common share – diluted:	Earnings per common share – diluted:					Earnings per common share – diluted:				
(Loss) income from continuing operations		$ (0.01)	$ 0.31	$ (0.55)	$ 0.56					
Income from discontinued operations		0.06	—	0.08	—					
Net income (loss) attributable to Chart Industries, Inc.		$ 0.05	$ 0.31	$ (0.47)	$ 0.56					
Income (loss) from continuing operations						Income (loss) from continuing operations	$ 0.05	$ 0.98	$ (0.49)	$ 1.56
Loss from discontinued operations						Loss from discontinued operations	(0.12)	—	(0.06)	—
Net (loss) income attributable to Chart Industries, Inc.						Net (loss) income attributable to Chart Industries, Inc.	$ (0.07)	$ 0.98	$ (0.55)	$ 1.56
Weighted average number of common shares outstanding – basic	Weighted average number of common shares outstanding – basic	41.97	35.86	41.96	35.85	Weighted average number of common shares outstanding – basic	41.98	35.87	41.96	35.85
Incremental shares issuable upon assumed conversion and exercise of share-based awards (1)	Incremental shares issuable upon assumed conversion and exercise of share-based awards (1)	0.17	0.26	—	0.25	Incremental shares issuable upon assumed conversion and exercise of share-based awards (1)	0.24	0.28	—	0.26
Incremental shares issuable due to dilutive effect of convertible notes (1)	Incremental shares issuable due to dilutive effect of convertible notes (1)	2.38	2.89	—	2.73	Incremental shares issuable due to dilutive effect of convertible notes (1)	2.86	3.01	—	2.82
Incremental shares issuable due to dilutive effect of the warrants (1)	Incremental shares issuable due to dilutive effect of the warrants (1)	1.93	2.55	—	2.35	Incremental shares issuable due to dilutive effect of the warrants (1)	2.53	2.70	—	2.47
Weighted average number of common shares outstanding – diluted	Weighted average number of common shares outstanding – diluted	46.45	41.56	41.96	41.18	Weighted average number of common shares outstanding – diluted	47.61	41.86	41.96	41.40

(1) Zero incremental shares from share-based awards, convertible notes or the warrants are included in the computation of diluted net loss per share for periods in which a net loss from continuing operations attributable to Chart occurs because to do so would be anti-dilutive.

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(Dollars and shares in millions, except per share amounts) – Continued

Diluted earnings per share does not reflect the following potential dividends and common shares as the effect would be anti-dilutive:

		Three Months Ended June 30,		Six Months Ended June 30,			Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022		2023	2022	2023	2022
Numerator	**Numerator**					**Numerator**				
Mandatory convertible preferred stock dividend requirement (1)	Mandatory convertible preferred stock dividend requirement (1)	$ 6.9	$ —	$ 13.7	$ —	Mandatory convertible preferred stock dividend requirement (1)	$ 6.8	$ —	$ 20.5	$ —
Denominator	**Denominator**					**Denominator**				
Anti-dilutive shares, Share-based awards	Anti-dilutive shares, Share-based awards	—	0.03	0.18	0.08	Anti-dilutive shares, Share-based awards	0.03	0.03	0.48	0.07
Anti-dilutive shares, Convertible notes	Anti-dilutive shares, Convertible notes	—	—	2.39	—	Anti-dilutive shares, Convertible notes	—	—	4.41	—
Anti-dilutive shares, Convertible notes hedge and capped call transactions (2)	Anti-dilutive shares, Convertible notes hedge and capped call transactions (2)	2.38	2.89	2.39	2.73	Anti-dilutive shares, Convertible notes hedge and capped call transactions (2)	2.86	3.01	4.41	2.82
Anti-dilutive shares, Warrants	Anti-dilutive shares, Warrants	—	—	1.94		Anti-dilutive shares, Warrants	—	—	4.41	—
Anti-dilutive shares, Mandatory convertible preferred stock (1)	Anti-dilutive shares, Mandatory convertible preferred stock (1)	3.41	—	3.41	—	Anti-dilutive shares, Mandatory convertible preferred stock (1)	2.84	—	3.41	—
Total anti-dilutive securities	Total anti-dilutive securities	5.79	2.92	10.31	2.81	Total anti-dilutive securities	5.73	3.04	17.12	2.89

(1) We calculate the basic and diluted earnings per share based on net income, which approximates income available to common shareholders for each period. Earnings per share is calculated using the two-class method, which is an earnings allocation formula that determines the earnings per share for common stock and any participating securities according to dividends declared (whether paid or unpaid) and participation rights in undistributed earnings. The Series B Mandatory Convertible Preferred Stock and the 2024 Convertible Notes are participating securities. Undistributed earnings are not allocated to the participating securities because the participation features are discretionary. Net losses are not allocated to the Series B Mandatory Convertible Preferred Stock, as it does not have a contractual obligation to share in the losses of Chart. Basic net income per share is computed by dividing net income available to common shareholders by the weighted average number of common shares outstanding for the period. Diluted net income per common share is computed by dividing net income available to common shareholders by the sum of the weighted average number of common shares outstanding and any dilutive non-participating securities for the period.

(2) The convertible note hedge offsets any dilution upon actual conversion of the 2024 Notes up to a common stock price of $71.775 per share. For further information, refer to Note 9, "Debt and Credit Arrangements."

NOTE 16 — Income Taxes

Income tax expense (benefit) relating to continuing operations of $2.4 $0.1 and $3.5 $(1.6) for the three months ended June 30, 2023 September 30, 2023 and 2022, respectively, represents taxes on both U.S. and foreign earnings at a combined effective income tax rate of 22.9% 1.0% and 20.5% (4.0)%, respectively.

Income tax (benefit) expense relating to continuing operations of $(4.3) $(4.2) and $5.6 $4.0 for the six nine months ended June 30, 2023 September 30, 2023 and 2022, respectively, represents taxes on both U.S and foreign earnings at a combined effective income tax rate of 39.1% 840.0% and 18.8% 5.8%, respectively.

The effective income tax rates of 22.9% 1.0% and 39.1% 840.0% for the three and six nine months ended June 30, 2023 September 30, 2023 differed from the U.S. federal statutory rate of 21% primarily due to income earned by our certain foreign entities being taxed at higher rates than the U.S. federal statutory rate, the U.S. taxation of international operations with the expanded global footprint and transaction costs from the Howden Acquisition, offset by research and development credits and excess tax benefits associated with share-based compensation.

The effective income tax rates of 20.5% (4.0)% and 18.8% 5.8% for the three and six nine months ended June 30, 2022 September 30, 2022 differed from the U.S. federal statutory rate of 21% primarily due to income incurred by some of our foreign operations for which no detriment was recorded, partially offset by the effect of income earned by our certain foreign entities being taxed at higher rates than the U.S. federal statutory rate and rates more than offset by the release of a valuation allowance on certain foreign entities, excess tax benefits associated with share-based compensation.

NOTE 17 — Share-based Compensation

During compensation and global R&D tax credits. The release of the six months ended June 30, 2023, we granted 0.05 stock options, 0.04 restricted stock units valuation allowance is due to continued improvement of on-going results in certain foreign jurisdictions over the prior three years and 0.05 performance units. The total fair value the current year resulting in the recognition of awards granted deferred tax assets (and the related deferred tax benefit) that were generated in prior years and year to employees during the six months ended June 30, 2023 was $13.6. In addition, our non-employee directors received stock awards with a total fair value of $0.5. date that had not been previously recognized.

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NOTE 17 — Share-based Compensation

During the nine months ended September 30, 2023, we granted 0.05 stock options, 0.06 restricted stock units and 0.05 performance units. The total fair value of awards granted to employees during the nine months ended September 30, 2023 was $16.5. In addition, our non-employee directors received stock awards with a total fair value of $0.8.

Stock options generally have a four-year graded vesting period. Restricted stock and restricted stock units generally vest ratably over a three-year period. Performance units generally vest at the end of a three-year performance period based on the attainment of certain pre-determined performance condition targets. During the six nine months ended June 30, 2023 September 30, 2023, 0.05 0.06 restricted stock and restricted stock units vested, and 0.03 performance units vested.

Share-based compensation expense was $2.6 and $2.3 for the three months ended June 30, 2023 September 30, 2023 and 2022, respectively and $6.6 $9.2 and $5.6 $7.9 for the six nine months ended June 30, 2023 September 30, 2023 and 2022, respectively. Share-based compensation expense is included in selling, general, and administrative expenses in the unaudited condensed consolidated statements of operations and comprehensive income (loss). As of June 30, 2023 September 30, 2023, total share-based compensation of $18.8 $18.2 is expected to be recognized over the weighted-average period of approximately 2.3 2.2 years.

NOTE 18 — Commitments and Contingencies

Environmental

We are subject to federal, state, local, and foreign environmental laws and regulations concerning, among other matters, waste water effluents, air emissions, and handling and disposal of hazardous materials, such as cleaning fluids. We are involved with environmental compliance, investigation, monitoring, and remediation activities at certain of our owned and formerly owned manufacturing facilities and at one owned facility that is leased to a third party, and, except for these continuing remediation efforts, believe we are currently in substantial compliance with all known environmental regulations. Undiscounted accrued environmental reserves at both June 30, 2023 September 30, 2023 and December 31, 2022 were not material.

Legal Proceedings

Stainless Steel Cryobiological Tank Legal Proceedings

In connection with our divestiture of our cryobiological products business, Chart retained certain potential liabilities, including claims in connection with lawsuits filed in the U.S. District Court for the Northern District of California and the San Francisco Superior Court during the second quarter of 2018 against Chart and other defendants with respect to the alleged failure of a stainless steel cryobiological storage tank at the Pacific Fertility Center in San Francisco, California.

As previously disclosed, the Company reached a settlement in late January 2023 to resolve these cases. The settlement was finalized and funded on March 20, 2023; therefore the previously disclosed loss contingency accrual and related loss receivable are no longer recorded as of June 30, 2023. This settlement and the net out-of-pocket payments do not reflect third party recoveries which the Company is pursuing with respect to the underlying facts in these cases, and which the Company currently anticipates will result in recoveries approximating one-quarter or more of the Company's out-of-pocket, net payments.

We continue to evaluate the merits of the sole remaining lawsuit that is not included in the settlement in light of the information available. Based on the status of that lawsuit, a current estimate of reasonably possible losses in that case cannot be made; however, the Company does not anticipate the potential exposure to be material. The Company does not intend to report on this lawsuit quarterly, absent developments that would impact the materiality of the claim.

We are occasionally subject to various legal claims related to performance under contracts, product liability, taxes, employment matters, environmental matters, intellectual property, and other matters incidental to the normal course of our business. Based on our historical experience in litigating these claims, as well as our current assessment of the underlying merits of the claims and applicable insurance, if any, management believes that the final resolution of these matters including the Pacific Fertility Center cases described above, will not have a material adverse effect on our financial position, liquidity, cash flows, or results of operations, except that our results of operations for any particular reporting period may be adversely affected by any potential or actual loss that is accrued in such period.

NOTE 19 — Restructuring Activities

Restructuring costs of $5.4 $4.2 and $7.0 $11.2 for the three and six nine months ended June 30, 2023 September 30, 2023 were primarily related to cost reduction actions relative to Howden integration. Such cost reduction actions are ongoing. Restructuring Restructuring costs of $0.2 $1.4 and $0.3 $1.1 for the three and six nine months ended June 30, 2022 September 30, 2022 were primarily primarily related to moving and employee severance costs relative to restructuring at our Beasley, Texas, Houston, Texas and Tulsa, Oklahoma facilities.

(Dollars and shares in millions, except per share amounts) – Continued

We are closely monitoring our end markets and order rates, as well as continuing Howden integration activities, and will continue to take appropriate and timely actions as necessary.

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The following table summarizes severance and other restructuring costs, which includes employee-related costs, facility rent and exit costs, relocation, recruiting, travel and other:

		Three Months Ended June 30,		Six Months Ended June 30,			Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022		2023	2022	2023	2022
Severance:	Severance:					Severance:				
Cost of sales	Cost of sales	$ —	$ 0.1	$ —	$ 0.2	Cost of sales	$ —	$ (0.2)	$ —	$ —
Selling, general, and administrative expenses	Selling, general, and administrative expenses	2.7	—	3.4	(0.1)	Selling, general, and administrative expenses	3.9	0.1	10.8	—
Total severance costs	Total severance costs	2.7	0.1	3.4	0.1	Total severance costs	3.9	(0.1)	10.8	—
Other restructuring:	Other restructuring:					Other restructuring:				
Cost of sales	Cost of sales	—	—	—	0.1	Cost of sales	0.2	(1.2)	0.2	(1.1)
Selling, general, and administrative expenses	Selling, general, and administrative expenses	2.7	0.1	3.6	0.1	Selling, general, and administrative expenses	0.1	(0.1)	0.2	—
Total other restructuring costs	Total other restructuring costs	2.7	0.1	3.6	0.2	Total other restructuring costs	0.3	(1.3)	0.4	(1.1)
Total restructuring costs	Total restructuring costs	$ 5.4	$ 0.2	$ 7.0	$ 0.3	Total restructuring costs	$ 4.2	$ (1.4)	$ 11.2	$ (1.1)

The following table summarizes restructuring costs by reportable segment:

		Three Months Ended June 30,		Six Months Ended June 30,			Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022		2023	2022	2023	2022
Cryo Tank Solutions	Cryo Tank Solutions	$ 0.3	$ 0.1	$ 1.1	$ 0.1	Cryo Tank Solutions	$ 0.1	$ —	$ 1.2	$ 0.1
Heat Transfer Systems	Heat Transfer Systems	0.2	—	0.2	0.1	Heat Transfer Systems	0.5	—	0.7	0.1
Specialty Products	Specialty Products	0.5	0.1	0.5	0.1	Specialty Products	0.4	(0.1)	0.9	—
Repair, Service & Leasing	Repair, Service & Leasing	0.7	—	1.5	—	Repair, Service & Leasing	0.9	(1.3)	2.4	(1.3)
Corporate	Corporate	3.7	—	3.7	—	Corporate	2.3	—	6.0	—
Total restructuring costs	Total restructuring costs	$ 5.4	$ 0.2	$ 7.0	$ 0.3	Total restructuring costs	$ 4.2	$ (1.4)	$ 11.2	$ (1.1)

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(Dollars and shares in millions, except per share amounts) – Continued

The following tables summarize our restructuring activities:

		Consolidated
Balance at March 31, 2023 June 30, 2023	$	0.7 3.8
Restructuring charges		5.4 4.2
Cash payments and other		(2.3) (5.6)
Balance at June 30, 2023 September 30, 2023	$	3.8 2.4
Balance at March 31, 2022 June 30, 2022	$	1.5 1.4
Restructuring charges		0.2 (1.4)
Cash payments and other		(0.3) 0.3
Balance at June 30, 2022 September 30, 2022	$	1.4 0.3
Balance at December 31, 2022	$	0.2
Restructuring charges		7.0 11.2
Cash payments and other		(3.4) (9.0)
Balance at June 30, 2023 September 30, 2023	$	3.8 2.4
Balance at December 31, 2021	$	2.3
Restructuring charges		0.3 (1.1)
Cash payments and other		(1.2) (0.9)
Balance at June 30, 2022 September 30, 2022	$	1.4 0.3

NOTE 20 — Subsequent Event

On July 26, 2023 October 2, 2023, we entered into an amendment which amends our fifth amended and restated credit agreement. Refer to Note 9 " Debt and Credit Arrangements" for further discussion.

On October 26, 2023 we signed a and closed on the divestiture of our American Fans business and signed definitive agreement documentation with respect to sell the sale of our Cofimco fans business Cryo Diffusion business. Refer to PX3 Partners, the London headquartered private equity firm, Note 2 "Discontinued Operations and Other Businesses Sold or to be Sold" for an $80.0 million purchase price. The transaction is anticipated to close in the second half of 2023.further discussion.

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Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion of our results of operations and financial condition should be read in conjunction with our condensed consolidated financial statements and related notes appearing elsewhere in this Quarterly Report on Form 10-Q. This discussion contains forward-looking statements. Actual results may differ materially from those discussed below. See "Forward-Looking Statements" at the end of this discussion and Item 1A. "Risk Factors" for a discussion of the uncertainties, risks and assumptions associated with this discussion.

Overview

We are a leading independent global leader in the design, engineering, and manufacturing of process technologies and equipment for gas and liquid molecule handling for the Nexus of Clean™ – clean power, clean water, clean food, and clean industrials, regardless of molecule. Our unique product and solution portfolio across stationary and rotating equipment is used in every phase of the liquid gas supply chain, including engineering, service and repair from installation to preventive maintenance and digital monitoring. Chart is a leading provider of technology, equipment and services related to liquefied natural gas, hydrogen, biogas and CO2 Capture among other applications. We are committed to excellence in environmental, social and corporate governance (ESG) issues both for our company as well as our customers. With 64 global manufacturing locations and over 50 service centers (Chart had eight service centers within non-manufacturing locations prior to the Howden Acquisition) from the United States to Asia, Australia, India, Europe and South America, we maintain accountability and transparency to our team members, suppliers, customers and communities.

Macroeconomic Impacts

The current conflict between Russia and Ukraine and the related sanctions imposed by countries against Russia, as well as along with the heightened tensions between the U.S. and China and recent unrest in the Middle East continue to create uncertainty in the global economy. We are unable to predict the impact these actions will have on the global economy or on our business, financial condition and results of operations. These events did not have a material adverse effect on our reported results for the second third quarter of 2023, however we will continue to actively monitor in terms of their potential impact on our results of operations beyond the second third quarter of 2023.

Foreign currency rate fluctuations, as determined by comparing current period revenue in USD to current period revenue in local currency converted to USD using the same foreign exchange rates as second quarter of 2022, had a negative impact on consolidated sales of $11.3 million for the three months ended June 30, 2023, primarily due to the U.S. dollar appreciating versus the Chinese Yuan and South African Rand.

Environmental, Social, Governance

Chart is proud to be at the forefront of the clean energy transition as a leading provider of technology, equipment and services related to liquefied natural gas (LNG), hydrogen, biogas, carbon capture and water treatment, among other applications. We also have a unique offering for the Nexus of Clean™ – clean power, clean water, clean food and clean industrials. This leadership position is possible not only because we have the broadest offering of clean innovative solutions for the various end markets we serve, but also because we are committed to global responsibility. Reporting our ESG performance is one of the ways we demonstrate accountability and transparency to our team members, suppliers, customers, shareholders and communities. Below are some highlights of our ESG efforts, and further information can be found in our fourth Annual Sustainability report with scorecard which was released in April 2023.

- We reported Safety: total recordable incident rate (TRIR) of 0.52 as of September 30, 2023 an improvement from 0.57 as at June 30, 2023
  - a 0.57 combined Total Recordable Incident Rate (TRIR), our Lost time incident rate (LTIR) of 0.20 is the lowest in company our history and 71%
  - 70% of our locations sites are injury accident free for more than one year or more, with emphasis on
  - Our Changzhou site has gone 3,257,020 hours accident free (benchmark is one million hours for heavy engineering/industrial)
  - Two of our Chart China personnel have been appointed as safety as experts at the Changzhou city level
- Our teams worked together to improve our #1 priority and focus on all team members being empowered and authorized 2023 Ecovadis Sustainability ratings from bronze to stop work if they see an unsafe or potentially unsafe situation. silver for certain EU sites.
  - S&P Global Platts Energy Awards Corporate Impact - Comprehensive Portfolio finalist 2023
- We measure progress through Sustainability Accounting Standards Board (SASB) and Task Force on Climate-Related Financial Disclosures (TCFD) indices, as well as contributing to the Global Reporting Initiative (GRI) and United Nations Sustainable Development Goals (SDGs).
- We utilize Riskmethods analytics to proactively monitor our supply chain for proper governance in our supplier network including their climate targets and other ESG activities.
- We have a Global ESG Committee, Global Safety Council, and Global Diversity & Inclusion Committee, all comprised of team member volunteers and engagement from our global locations. Howden has similar committees across their global organization.

- Our Global ESG Committee has five sub-committees focused on energy management, zero waste, electrification, renewable energy and water management.
- We have recently entered into a sustainability-linked banking agreement with covenants tied to our greenhouse gas ("GHG") emission reductions' actual performance.

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- In 2021, we set a target to reduce our greenhouse gas intensity 30% across company owned operations by 2030 compared to our 2020 baseline. In 2021, we made progress towards achieving our target by reducing GHG Intensity by almost 14% year-over-year. In 2022, we reached and exceeded this goal eight years before 2030 (our goal horizon). In 2022, we reduced our greenhouse gas emissions not only on an intensive basis (relative to sales), but also reduced absolute emissions by 5.8%. In 2022, we set a new target to reduce greenhouse gas (GHG) intensity 50% by 2030 (relative to 2020).
- In 2021, we set a target to achieve carbon neutrality by 2050, and we remain committed to this goal.
- The Howden team reduced carbon emissions 23% in 2022 on an absolute basis and are well on-track to 50% reduction by 2030.
- The Howden team had 28% of its operations with zero waste to landfill in 2022.
- Howden's mains water usage was down 7% in 2022 compared to 2021.
- Howden joined the Carbon Disclosure Project (CDP) in 2021. They received a C score in 2021 and a B score in 2022.
- Howden has the following social targets in place, which the broader Chart organization has also adopted in 2022:
  - Increase female representation to 40% on our management team by 2030.
  - Increase female representation to 35% in senior roles by 2030.
  - Achieve team member volunteer participation of 25% as part of our community program by 2030.
- In terms of lowering our own emissions, we made plant improvements including energy efficient upgrades for various equipment, replacing diesel powered equipment with electric and installing LED lighting in office spaces.
- We are our helping customers to achieve their own sustainability targets in a number of different ways whether that's through reducing the amount of plastic used in packaging to lowering greenhouse gas emissions by enabling the transition towards cleaner fuels.
- Howden's installed base of products enables the avoidance of over 245 million tons of CO_2 a year. This is equivalent to removing 52 million fossil-fueled cars from the road in the same period.
- In 2022, Chart products treated over 4.5 billion gallons of water a day in the U.S.; produced about 65 million tons of LNG to replace coal fired power generation (non-U.S.); reduced over 600 million liters of diesel used by over-the-road trucks; and helped eliminate nearly 280 million pounds of PET (plastic) used in water bottles in the U.S.

- We have an independent Board of Directors that is comprised of ten directors (four of our ten directors are female and four of our ten are diverse) and governed with a separate independent Chairwoman and CEO.
- We hold quarterly reviews on ESG and cybersecurity with our Board of Directors.
- In 2022, Howden launched their second annual Compliance Week – a week of activities focused on building awareness and personal ownership of key aspects of compliance including anti-bribery, anti-trust, data privacy, trade compliance, agents, intellectual property, and more.
- We link our executives and their direct reports short-term incentive payout (25% of the strategic and operational goals) to a metric driven, percentage-reduction ESG metric, and have done this for two years.
- Our team volunteers in their communities with a focus on supporting children and families, ending hunger and improving health. We offer every team member worldwide one paid day off each year to volunteer in our communities. In 2021, Chart started matching employee donations up to $250 per employee per year to charitable organizations.
- 2022 was the first full year of Howden's global community volunteering program, Bright Futures. In 2022, 80% of Howden locations actively developed Bright Futures initiatives; there were 120 Bright Futures projects carried out; and 13% of team members were involved in volunteering. In 2022, Howden made donations of $76,000 in support of these communities.
- The Howden team achieved an employee engagement Net Promoter Score (eNPS) of 33, putting them in the top 25% of manufacturing companies.
- We have an employee relief fund for our own team members that need assistance.
- Our team members raised over $25,000 in 2022 to support women through Dress For Success.
- In 2022, we received the following ESG-oriented recognition:
  - S&P Global Platts Energy Awards 2022 "Energy Transition - LNG" Finalist
  - S&P Global Platts Energy Awards 2022 "Deal of the Year - Strategic" Finalist
  - 2022 Frost & Sullivan Institute Enlightened Growth Leadership Award
  - goBeyondProfit's 2022 "In Good Company Report - One of the Most Generous Companies in Georgia (USA)"
  - Hydrogen Future Awards "Hydrogen Rising Star Company of the Year" Winner (Howden)
  - Hydrogen Future Awards "Hydrogen Transport of the Year" Award (Howden)

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Second Third Quarter 2023 Highlights

As previously announced, on June 12, 2023 August 18, 2023, we signed a definitive agreement to divest completed the sale of our Roots™ business. We sold the Roots™ business, which is was within the our Specialty Products, Cryo Tank Solutions and Repair, Service & Leasing segments, to Ingersoll Rand Inc. ("buyer") with proceeds totaling $291.9 million. Pursuant

Also, as previously announced, on July 26, 2023 we signed a definitive agreement to sell our Cofimco fans business to PX3 Partners, the Purchase Agreement and subject to the terms and conditions set forth therein, the business will be sold to the buyer London headquartered private equity firm, for $300.0 million, subject to customary adjustments. an $80.0 million purchase price. The transaction which is subject to customary closing conditions, is expected anticipated to close no later than August 18, 2023.

Our Roots™ business, on October 31, 2023, and as of September 30, 2023 met the criteria to be held for sale. Furthermore, we

We previously determined that the assets held for sale related to Roots™ qualify for discontinued operations. The financial information presented and discussion of results that follows is presented on a continuing operations basis.

With our acquisition of Howden (the "Howden Acquisition") on March 17, 2023, our second quarter third quarter 2023 results include the first two full quarter quarters of Howden ownership. Strong order activity contributed to record ending total backlog of $3,964.8 million $4,140.7 million as of June 30, 2023 September 30, 2023 compared to $1,953.3 million $2,254.1 million as of June 30, 2022 September 30, 2022 and $3,858.3 million $3,964.9 million as of March 31, 2023 June 30, 2023, representing increases of which reflect a big LNG award and the broad-based demand we continue to see year-over-year and quarter-over-quarter across our product categories. In addition to record ending combined backlog, Chart standalone and Howden standalone We had record backlog as of June 30, 2023. Strong order activity in our Specialty Products segment of $469.1 million for the three months ended September 30, 2023 compared to $202.9 million and $293.2 million for the three months ended June 30, 2023 compared to $265.7 million September 30, 2022 and $179.5 million for the three months ended June 30, 2022 and March 31, 2023 June 30, 2023, respectively, was mainly driven by a full quarter of Howden ownership and strong synergy order intake for clean energy applications during the three months ended June 30, 2023 September 30, 2023. Specialty Products segment backlog was a record $1,460.7 million as of September 30, 2023, compared to $666.1 million and $1,259.6 million as of September 30, 2022 and June 30, 2023, compared to $570.4 million and $1,316.0 million as of June 30, 2022 and March 31, 2023, respectively. Strong order activity in our Repair Service & Leasing segment backlog totaled a record $609.7 million as of $319.7 million for the three months ended June 30, 2023 September 30, 2023 compared to $47.4 million $41.6 million as of September 30, 2022 and $121.5 million for the three months ended June 30, 2022 and March 31, 2023 $580.7 million as of June 30, 2023, respectively, was mainly driven by strong order intake for fans aftermarket, parts, repairs, and services, and field services for the acquired Howden business during the three months ended September 30, 2023 where orders totaled a record of $331.2 million, compared to $61.7 million and $319.7 million for the three months ended September 30, 2022 and June 30, 2023. , respectively. Heat Transfer Systems segment backlog was at September 30, 2023 remained strong and totaled $1,657.5 million, compared to $1,225.4 million as of September 30, 2022 and $1,708.9 million as of June 30, 2023. Cryo Tank Solutions segment backlog at September 30, 2023 also remained strong and totaled $449.4 million, compared to $355.2 million as of September 30, 2022 and $452.7 million as of June 30, 2023. Cryo Tank Solutions segment orders were a record as $155.6 million for the three months ended September 30, 2023 compared to $1,003.8 million $120.2 million and $1,590.2 million as of June 30, 2022 $155.0 million for the three months ended September 30, 2022 and March 31, 2023 June 30, 2023, respectively.

Consolidated sales increased were $897.9 million in the three months ended September 30, 2023 compared to a record $412.1 million in the three months ended September 30, 2022 and $908.1 million in the three months ended June 30, 2023 from $404.8 million . Compared to the same quarter in the three months ended June 30, 2022 and $531.5 million in the three months ended March 31, 2023, representing 2022 this represents increases with record sales in our Heat Transfer Systems segment driven by favorable sales in big and small-scale LNG. Sales increased to a record in our Repair, Service, & Leasing segment with favorable sales in our lifecycle business, leasing business and aftermarket fans and in our Specialty Products segment with favorable sales in space applications and hydrogen and helium applications. The consolidated sales increase was bolstered by sales from Howden in the first full quarter of ownership. Consolidated gross profit increased during the three months ended June 30, 2023 compared to the three months ended June 30, 2022, and gross profit margin for the three months ended June 30, 2023 September 30, 2023 of 30.9% 30.8% increased from 23.4% 25.4% for the three months ended June 30, 2022 September 30, 2022, resulting from our ongoing cost out actions, productivity, early synergy achievement and pricing actions.

Consolidated Results for the Three Months Ended June 30, 2023 September 30, 2023 and 2022, and March 31, 2023 June 30, 2023

The following table includes key metrics used to evaluate our business and measure our performance and represents selected financial data for our operating segments for the three months ended June 30, 2023 September 30, 2023 and 2022 and March 31, 2023 June 30, 2023 (dollars in millions). The The following financial data which for the current period reflects our first two full quarter quarters of ownership of Howden and exclude excludes the Roots™ business financial results for our entire ownership period of March 17, 2023 through June 30, 2023 August 18, 2023, has been included therefore the movements compared to provide additional information regarding our September 30, 2022 do not solely reflect organic business trends on both a prior year same quarter basis and a prior sequential quarter basis. trends.

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Selected Financial Information (1)

		Three Months Ended			Current Quarter vs. Prior Year Same Quarter		Current Quarter vs. Prior Sequential Quarter	
		June 30, 2023	June 30, 2022	March 31, 2023	Variance ($)	Variance (%)	Variance ($)	Variance (%)
Sales	**Sales**							
Cryo Tank Solutions	Cryo Tank Solutions	$152.7	$ 132.9	$123.5	$ 19.8	14.9 %	$ 29.2	23.6 %
Heat Transfer Systems	Heat Transfer Systems	236.0	102.9	167.5	133.1	129.3 %	68.5	40.9 %
Specialty Products	Specialty Products	236.7	115.3	126.2	121.4	105.3 %	110.5	87.6 %
Repair, Service & Leasing	Repair, Service & Leasing	298.7	55.4	118.5	243.3	439.2 %	180.2	152.1 %
Intersegment eliminations	Intersegment eliminations	(16.0)	(1.7)	(4.2)	(14.3)	841.2 %	(11.8)	281.0 %
Consolidated	Consolidated	$908.1	$ 404.8	$531.5	$ 503.3	124.3 %	$ 376.6	70.9 %
Gross Profit	**Gross Profit**							
Cryo Tank Solutions	Cryo Tank Solutions	$ 28.8	$ 21.6	$ 21.5	$ 7.2	33.3 %	$ 7.3	34.0 %
Heat Transfer Systems	Heat Transfer Systems	67.3	14.8	41.3	52.5	354.7 %	26.0	63.0 %
Specialty Products	Specialty Products	61.0	39.4	35.9	21.6	54.8 %	25.1	69.9 %
Repair, Service & Leasing	Repair, Service & Leasing	123.5	19.0	50.6	104.5	550.0 %	72.9	144.1 %
Consolidated	Consolidated	$280.6	$ 94.8	$149.3	$ 185.8	196.0 %	$ 131.3	87.9 %
Gross Profit Margin	**Gross Profit Margin**							
Cryo Tank Solutions	Cryo Tank Solutions	18.9 %	16.3 %	17.4 %				
Heat Transfer Systems	Heat Transfer Systems	28.5 %	14.4 %	24.7 %				
Specialty Products	Specialty Products	25.8 %	34.2 %	28.4 %				

	Three Months Ended			Current Quarter vs. Prior Year Same Quarter	
	September 30, 2023	September 30, 2022	June 30, 2023	Variance ($)	Variance (%)
Sales					
Cryo Tank Solutions	$ 159.0	$ 126.9	$152.7	$ 32.1	25.3 %
Heat Transfer Systems	232.5	132.1	236.0	100.4	76.0 %
Specialty Products	240.0	108.1	236.7	131.9	122.0 %
Repair, Service & Leasing	271.3	49.7	298.7	221.6	445.9 %
Intersegment eliminations	(4.9)	(4.7)	(16.0)	(0.2)	4.3 %
Consolidated	$ 897.9	$ 412.1	$908.1	$ 485.8	117.9 %
Gross Profit					
Cryo Tank Solutions	$ 35.2	$ 22.8	$ 28.8	$ 12.4	54.4 %
Heat Transfer Systems	61.5	28.5	67.3	33.0	115.8 %
Specialty Products	62.0	34.2	61.0	27.8	81.3 %
Repair, Service & Leasing	117.5	19.1	123.5	98.4	515.2 %
Consolidated	$ 276.2	$ 104.6	$280.6	$ 171.6	164.1 %
Gross Profit Margin					
Cryo Tank Solutions	22.1 %	18.0 %	18.9 %		
Heat Transfer Systems	26.5 %	21.6 %	28.5 %		
Specialty Products	25.8 %	31.6 %	25.8 %		

Repair, Service & Leasing	Repair, Service & Leasing	41.3 %	34.3 %	42.7 %	Repair, Service & Leasing	43.3 %	38.4 %	41.3 %
Consolidated	Consolidated	30.9 %	23.4 %	28.1 %	Consolidated	30.8 %	25.4 %	30.9 %

		Three Months Ended			Current Quarter vs. Prior Year Same Quarter		Current Quarter vs. Prior Sequential Quarter							
		September 30, 2023	September 30, 2022	June 30, 2023	Variance ($)	Variance (%)	Variance ($)	Variance (%)						
SG&A Expenses	**SG&A Expenses**								**SG&A Expenses**					
Cryo Tank Solutions	Cryo Tank Solutions	$ 17.5	$ 11.0	$ 15.3	$ 6.5	59.1 %	$ 2.2	14.4 %	Cryo Tank Solutions	$ 16.5	$ 9.8	$ 17.5	$ 6.7	68.4 %
Heat Transfer Systems	Heat Transfer Systems	12.9	5.3	9.0	7.6	143.4 %	3.9	43.3 %	Heat Transfer Systems	14.6	6.5	12.9	8.1	124.6 %
Specialty Products	Specialty Products	30.5	14.8	6.9	15.7	106.1 %	23.6	342.0 %	Specialty Products	22.8	14.7	30.5	8.1	55.1 %
Repair, Service & Leasing	Repair, Service & Leasing	40.5	3.6	9.8	36.9	1,025.0 %	30.7	313.3 %	Repair, Service & Leasing	36.8	3.9	40.5	32.9	843.6 %
Corporate	Corporate	39.3	18.8	51.9	20.5	109.0 %	(12.6)	(24.3)%	Corporate	32.1	17.4	39.3	14.7	84.5 %
Consolidated	Consolidated	$140.7	$ 53.5	$ 92.9	$ 87.2	163.0 %	$ 47.8	51.5 %	Consolidated	$ 122.8	$ 52.3	$140.7	$ 70.5	134.8 %
SG&A Expenses (% of Sales)	**SG&A Expenses (% of Sales)**								**SG&A Expenses (% of Sales)**					
Cryo Tank Solutions	Cryo Tank Solutions	11.5 %	8.3 %	12.4 %					Cryo Tank Solutions	10.4 %	7.7 %	11.5 %		
Heat Transfer Systems	Heat Transfer Systems	5.5 %	5.2 %	5.4 %					Heat Transfer Systems	6.3 %	4.9 %	5.5 %		
Specialty Products	Specialty Products	12.9 %	12.8 %	5.5 %					Specialty Products	9.5 %	13.6 %	12.9 %		
Repair, Service & Leasing	Repair, Service & Leasing	13.6 %	6.5 %	8.3 %					Repair, Service & Leasing	13.6 %	7.8 %	13.6 %		
Consolidated	Consolidated	15.5 %	13.2 %	17.5 %					Consolidated	13.7 %	12.7 %	15.5 %		

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Operating Income (Loss) (2)	**Operating Income (Loss)** (2)								**Operating Income (Loss)** (2)							
Cryo Tank Solutions	Cryo Tank Solutions	$10.5	$ 9.9	$ 4.3	$ 0.6	6.1 %	$ 6.2	126.5 %	Cryo Tank Solutions	$ 17.1	$12.2	$10.5	$ 4.9	40.2 %	$6.6	62.9 %
Heat Transfer Systems	Heat Transfer Systems	49.8	5.7	27.3	44.1	773.7 %	22.5	82.4 %	Heat Transfer Systems	43.4	18.3	49.8	25.1	137.2 %	(6.4)	(12.9)%
Specialty Products (3)	Specialty Products (3)	29.1	20.8	21.8	8.3	39.9 %	7.3	33.0 %	Specialty Products (3)	33.7	16.7	29.1	17.0	101.8 %	4.6	15.8 %
Repair, Service & Leasing	Repair, Service & Leasing	45.6	12.0	33.1	33.6	280.0 %	12.5	37.0 %	Repair, Service & Leasing	42.3	12.0	45.6	30.3	252.5 %	(3.3)	(7.2)%
Corporate (4)	Corporate (4)	(39.3)	(18.8)	(51.9)	(20.5)	109.0 %	12.6	(24.3)%	Corporate (4)	(32.1)	(17.5)	(39.3)	(14.6)	83.4 %	7.2	(18.3)%
Consolidated	Consolidated	$95.7	$29.6	$34.6	$66.1	223.3 %	$61.1	168.8 %	Consolidated	$104.4	$41.7	$95.7	$62.7	150.4 %	$8.7	9.1 %
Operating Margin	**Operating Margin**								**Operating Margin**							
Cryo Tank Solutions	Cryo Tank Solutions	6.9 %	7.4 %	3.5 %					Cryo Tank Solutions	10.8 %	9.6 %	6.9 %				
Heat Transfer Systems	Heat Transfer Systems	21.1 %	5.5 %	16.3 %					Heat Transfer Systems	18.7 %	13.9 %	21.1 %				
Specialty Products	Specialty Products	12.3 %	18.0 %	17.3 %					Specialty Products	14.0 %	15.4 %	12.3 %				
Repair, Service & Leasing	Repair, Service & Leasing	15.3 %	21.7 %	27.9 %					Repair, Service & Leasing	15.6 %	24.1 %	15.3 %				

Consolidated	Consolidated	10.5 %	7.3 %	6.5 %	Consolidated	11.6 %	10.1 %	10.5 %

(1) Results for the three months ended June September 30, 2023 and June 30, 2023 include our first full quarter of ownership the results of Howden after from the acquisition date of March 17, 2023.

(2) Restructuring costs costs/(credits) for the three months ended:

- September 30, 2023 were $4.2 ($2.3 - Corporate, $0.9 - Repair, Service & Leasing, $0.5 - Heat Transfer Systems, $0.4 - Specialty Products and $0.1 - Cryo Tank Solutions).
- September 30, 2022 were $(1.4) ($(1.3) - Repair, Service & Leasing and $(0.1) - Specialty Products).
- June 30, 2023 were $5.4 ($3.7 - Corporate, $0.7 - Repair, Service & Leasing, $0.5 - Specialty Products, $0.3 - Cryo Tank Solutions and $0.2 - Heat Transfer Systems).
- June 30, 2022 were $0.2 ($0.1 - Cryo Tank Solutions and $0.1 - Specialty Products).
- March 31, 2023 were $1.6 ($0.8 - Cryo Tank Solutions and $0.8 - Repair, Service & Leasing).

(3) Acquisition-related contingent consideration adjustments in our Specialty Products segment for the three months ended:

- September 30, 2023 were a decrease in fair value of $2.3.
- September 30, 2022 were a decrease in fair value of $1.7.
- June 30, 2023 were an increase in fair value of $1.1.
- June 30, 2022 were a decrease in fair value of $0.2.
- March 31, 2023 were a decrease in fair value of $7.4.

(4) Includes deal-related and integration costs of $11.3 $5.9 for the three months ended June 30, 2023 which includes costs related to the Howden Acquisition such as interest, deal advisory September 30, 2023 and financing costs $6.7 and $5.1 and $81.7 for $11.3 for the three months ended June 30, 2022 September 30, 2022 and March 31, 2023 June 30, 2023, respectively.

Results of Operations for the Three Months Ended June 30, 2023 September 30, 2023 and 2022, and March 31, 2023 June 30, 2023

Sales for the second third quarter of 2023 compared to the same quarter in 2022 increased by $503.3 million $485.8 million, from $404.8 million $412.1 million to $908.1 million $897.9 million, or 124.3% 117.9% and increased decreased by $376.6 million $10.2 million, from $531.5 million $908.1 million to $908.1 million $897.9 million, or 70.9% 1.1% compared to the three months ended March 31, 2023 June 30, 2023. ThisThe increase compared to the same quarter in 2022 was primarily driven by second quarter of 2023 reflecting the first full quarter of Howden ownership and strong big and small-scale LNG sales in our Heat Transfer Systems segment. As previously noted sales in segment, and the slight decline from the second quarter 2023 was primarily the result of 2023 received customer timing with a significant boost from our complete ownership of Howden for few orders being pushed to the entire quarter, as opposed to a two week period in the first fourth quarter.

Gross profit for the second third quarter of 2023 compared to the same quarter in 2022 increased by $185.8 million $171.6 million from $94.8 million $104.6 million to $280.6 million $276.2 million or 196.0% 164.1%. Gross profit margin of 30.9% 30.8% for the second third quarter of 2023 increased from 23.4% 25.4% in the second third quarter of 2022. The increase in gross profit and the related margin was primarily driven by the second third quarter of 2023 being the first second full quarter of Howden ownership. ownership and the accompanying product mix.

Consolidated SG&A expenses increased by $87.2 million $70.5 million or 163.0% 134.8% during the second third quarter of 2023 compared to the same quarter in 2022. This increase is due to the second impact of Howden in the third quarter of 2023 being the first full quarter of Howden ownership. 2023.

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Interest Expense, Net and Financing Costs Amortization

Interest expense, net for the three months ended June 30, 2023 September 30, 2023 and 2022 was $79.5 million $85.7 million and $4.4 million $5.7 million, respectively, representing an increase of $75.1 million $80.0 million. The increase in interest expense, net, is primarily due to higher borrowings outstanding, specifically our senior secured notes due 2030 and senior unsecured notes due 2031, both issued on December 22, 2022 with interest payments due semi-annually, as well as borrowings related to our term loan, drawn on March 17, 2023 for the Howden Acquisition and an additional incremental term loan drawn on June 30, 2023, compared to borrowings outstanding during the second third quarter of 2022. The increase in interest expense, net was also driven by higher average interest rates during the second third quarter of 2023 as compared to the second third quarter of 2022. The increase in interest expense, net was partially offset by $0.4 million interest income from our cross-currency swaps entered into on September 16, 2022. Interest expense, net for the three months ended June 30, 2023 September 30, 2023 included $27.4 million $27.3 million, $12.1 million and $34.2 million $41.3 million, in interest related to our senior secured notes, senior unsecured notes and term loan, respectively, none of which were outstanding during the second third quarter of 2022. Interest expense, net for both the three months ended June 30, 2023 September 30, 2023 and 2022 included $0.7 million $0.6 million of 1.0% cash interest expense related to our convertible notes due November 2024 and $11.8 million $9.2 million and $5.0 million $6.4 million, respectively, in interest related to borrowings on our senior secured revolving credit facility due 2026.

Financing costs amortization was $4.4 million $4.8 million and $0.7 million for the three months ended June 30, 2023 September 30, 2023 and 2022, respectively. The increase of $3.7 million $4.1 million was primarily due to the amendment of our senior secured revolving credit facility due 2026, the issuance of senior secured notes due 2030 and senior unsecured notes due 2031 during the fourth quarter of 2022 as well as the issuance of incremental term loans on March 17, 2023 and June 30, 2023, all of which increased deferred debt issuance costs.

Unrealized Loss On Investments In Equity Securities

During the second third quarter of 2023, we recognized an unrealized loss on investments in equity securities of $4.6 million $5.2 million, which was driven by an unrealized loss of $6.6 million $4.0 million on the mark-to-market adjustment of our investment in McPhy partially offset and a $1.2 million unrealized loss on the mark-to-market adjustment of our investment in Stabilis. During third quarter of 2022, we recognized an unrealized gain of $1.3 million, which was driven by a $2.0 million $5.4 million unrealized gain on the mark-to-market adjustment of our investment in Stabilis. During second quarter of 2022, we recognized an unrealized loss of $9.6 million, which was driven Stabilis, offset by a $8.2 million $4.1 million unrealized loss on the mark-to-market adjustment of our investment in McPhy, partially offset by a $1.4 million unrealized gain on the mark-to-market adjustment of our investment in Stabilis. McPhy.

Foreign Currency (Gain) Loss

For the three months ended June 30, 2023 September 30, 2023, foreign currency gain was $4.1 million $2.9 million, and for the three months ended June 30, 2022 September 30, 2022 foreign currency gain was $1.7 million $2.5 million. The variance between periods was primarily driven by fluctuations in the U.S. dollar as compared to the euro, Chinese yuan, and South African rand. Foreign currency (gain) loss relates to transaction gains and losses arising from fluctuations in currency exchange rates on transactions denominated in currencies other than the functional currency.

Income Tax Expense

Income tax (benefit) expense of $2.4 million $0.1 million and $3.5 million $(1.6) million for the three months ended June 30, 2023 September 30, 2023 and 2022, respectively, represents taxes on both U.S. and foreign earnings at a combined effective income tax rate of 22.9% 1.0% and 20.5% (4.0)%, respectively. The effective income tax rate of 22.9% 1.0% for the three months ended June 30, 2023 September 30, 2023 differed from the U.S. federal statutory rate of 21% primarily due to one-time impacts from acquisitions and income earned by our certain foreign entities being taxed at higher rates than the U.S. federal statutory rate, offset by research and development credits and excess tax benefits associated with share-based compensation.

The effective income tax rate of 20.5% (4.0)% for the three months ended June 30, 2022 September 30, 2022 differed from the U.S. federal statutory rate of 21% primarily due to income incurred by some of our foreign operations for which no detriment was recorded, partially offset by the effect of income earned by our certain foreign entities being taxed at higher rates than the U.S. federal statutory rate and rates, more than offset by the release of a valuation allowance on certain foreign entities, excess tax benefits associated with share-based compensation. compensation and global R&D tax credits. The release of the valuation allowance is due to continued improvement of on-going results in certain foreign jurisdictions over the prior three years and the current year resulting in the recognition of deferred tax assets (and the related deferred tax benefit) that were generated in prior years and year to date that had not been previously recognized.

Net Income Attributable to Chart Industries, Inc. from Continuing Operations

As a result of the foregoing, net income attributable to Chart Industries, Inc. from continuing operations for the three months ended June 30, 2023 September 30, 2023 and 2022 was $6.6 million $9.4 million and $13.0 million $41.2 million, respectively.

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Consolidated Results for the Six Nine Months Ended June 30, 2023 September 30, 2023 and 2022

The following table includes key metrics used to evaluate our business and measure our performance and represents selected financial data for our operating segments for the six nine months ended June 30, 2023 September 30, 2023 and 2022 (dollars in millions). The following financial data, which reflects reflect our first two full quarter quarters of ownership of Howden and exclude the exclude Roots™ business financial results for our entire ownership period of March 17, 2023 through June 30, 2023 the divestiture date, August 18, 2023, has been included to provide additional information regarding our business trends on a prior year-to-date period basis:

Selected Financial Information

		Six Months Ended		Current Year-to-date vs. Prior Year-to-date Period			Nine Months Ended		Current Year-to-date vs. Prior Year-to-date Period	
		June 30, 2023	June 30, 2022	Variance ($)	Variance (%)		September 30, 2023	September 30, 2022	Variance ($)	Variance (%)
Sales	**Sales**					**Sales**				
Cryo Tank Solutions	Cryo Tank Solutions	$ 276.2	$ 251.0	$ 25.2	10.0 %	Cryo Tank Solutions	$ 435.2	$ 377.9	$ 57.3	15.2 %
Heat Transfer Systems	Heat Transfer Systems	403.5	182.2	221.3	121.5 %	Heat Transfer Systems	636.0	314.3	321.7	102.4 %
Specialty Products	Specialty Products	362.9	222.8	140.1	62.9 %	Specialty Products	602.9	330.9	272.0	82.2 %
Repair, Service & Leasing	Repair, Service & Leasing	417.2	104.7	312.5	298.5 %	Repair, Service & Leasing	688.5	154.4	534.1	345.9 %
Intersegment eliminations	Intersegment eliminations	(20.2)	(1.8)	(18.4)	1,022.2 %	Intersegment eliminations	(25.1)	(6.5)	(18.6)	286.2 %
Consolidated	Consolidated	$ 1,439.6	$ 758.9	$ 680.7	89.7 %	Consolidated	$ 2,337.5	$ 1,171.0	$ 1,166.5	99.6 %
Gross Profit	**Gross Profit**					**Gross Profit**				
Cryo Tank Solutions	Cryo Tank Solutions	$ 50.3	$ 47.0	$ 3.3	7.0 %	Cryo Tank Solutions	$ 85.5	$ 69.8	$ 15.7	22.5 %
Heat Transfer Systems	Heat Transfer Systems	108.6	24.9	83.7	336.1 %	Heat Transfer Systems	170.1	53.4	116.7	218.5 %

Specialty Products	Specialty Products	96.9	72.0	24.9	34.6 %	Specialty Products	158.9	106.2	52.7	49.6 %
Repair, Service & Leasing	Repair, Service & Leasing	174.1	34.6	139.5	403.2 %	Repair, Service & Leasing	291.6	53.7	237.9	443.0 %
Consolidated	Consolidated	$ 429.9	$ 178.5	$ 251.4	140.8 %	Consolidated	$ 706.1	$ 283.1	$ 423.0	149.4 %
Gross Profit Margin	**Gross Profit Margin**					**Gross Profit Margin**				
Cryo Tank Solutions	Cryo Tank Solutions	18.2 %	18.7 %			Cryo Tank Solutions	19.6 %	18.5 %		
Heat Transfer Systems	Heat Transfer Systems	26.9 %	13.7 %			Heat Transfer Systems	26.7 %	17.0 %		
Specialty Products	Specialty Products	26.7 %	32.3 %			Specialty Products	26.4 %	32.1 %		
Repair, Service & Leasing	Repair, Service & Leasing	41.7 %	33.0 %			Repair, Service & Leasing	42.4 %	34.8 %		
Consolidated	Consolidated	29.9 %	23.5 %			Consolidated	30.2 %	24.2 %		
SG&A Expenses	**SG&A Expenses**					**SG&A Expenses**				
Cryo Tank Solutions	Cryo Tank Solutions	$ 32.8	$ 21.7	$ 11.1	51.2 %	Cryo Tank Solutions	$ 49.3	$ 31.5	$ 17.8	56.5 %
Heat Transfer Systems	Heat Transfer Systems	21.9	11.8	10.1	85.6 %	Heat Transfer Systems	36.5	18.3	18.2	99.5 %
Specialty Products	Specialty Products	37.4	28.8	8.6	29.9 %	Specialty Products	60.2	43.5	16.7	38.4 %
Repair, Service & Leasing	Repair, Service & Leasing	50.3	7.6	42.7	561.8 %	Repair, Service & Leasing	87.1	11.5	75.6	657.4 %
Corporate	Corporate	91.2	37.1	54.1	145.8 %	Corporate	123.3	54.5	68.8	126.2 %
Consolidated	Consolidated	$ 233.6	$ 107.0	$ 126.6	118.3 %	Consolidated	$ 356.4	$ 159.3	$ 197.1	123.7 %

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		Six Months Ended		Current Year-to-date vs. Prior Year-to-date Period			Nine Months Ended		Current Year-to-date vs. Prior Year-to-date Period	
		June 30, 2023	June 30, 2022	Variance ($)	Variance (%)		September 30, 2023	September 30, 2022	Variance ($)	Variance (%)
SG&A Expenses % of Sales	**SG&A Expenses % of Sales**					**SG&A Expenses % of Sales**				
Cryo Tank Solutions	Cryo Tank Solutions	11.9 %	8.6 %			Cryo Tank Solutions	11.3 %	8.3 %		
Heat Transfer Systems	Heat Transfer Systems	5.4 %	6.5 %			Heat Transfer Systems	5.7 %	5.8 %		
Specialty Products	Specialty Products	10.3 %	12.9 %			Specialty Products	10.0 %	13.1 %		
Repair, Service & Leasing	Repair, Service & Leasing	12.1 %	7.3 %			Repair, Service & Leasing	12.7 %	7.4 %		
Consolidated	Consolidated	16.2 %	14.1 %			Consolidated	15.2 %	13.6 %		
Operating Income (Loss) (1)	**Operating Income (Loss)** (1)					**Operating Income (Loss)** (1)				
Cryo Tank Solutions	Cryo Tank Solutions	$ 14.8	$ 24.0	$ (9.2)	(38.3) %	Cryo Tank Solutions	$ 31.9	$ 36.2	$ (4.3)	(11.9) %
Heat Transfer Systems	Heat Transfer Systems	77.1	5.5	71.6	1,301.8 %	Heat Transfer Systems	120.5	23.8	96.7	406.3 %
Specialty Products (2)	Specialty Products (2)	50.9	37.0	13.9	37.6 %	Specialty Products (2)	84.6	53.7	30.9	57.5 %
Repair, Service & Leasing	Repair, Service & Leasing	78.7	20.3	58.4	287.7 %	Repair, Service & Leasing	121.0	32.3	88.7	274.6 %
Corporate (3)	Corporate (3)	(91.2)	(37.1)	(54.1)	145.8 %	Corporate (3)	(123.3)	(54.6)	(68.7)	125.8 %

Consolidated	Consolidated	$ 130.3	$ 49.7	$ 80.6	162.2 %	Consolidated	$ 234.7	$ 91.4	$ 143.3	156.8 %
Operating Margin	**Operating Margin**					**Operating Margin**				
Cryo Tank Solutions	Cryo Tank Solutions	5.4 %	9.6 %			Cryo Tank Solutions	7.3 %	9.6 %		
Heat Transfer Systems	Heat Transfer Systems	19.1 %	3.0 %			Heat Transfer Systems	18.9 %	7.6 %		
Specialty Products	Specialty Products	14.0 %	16.6 %			Specialty Products	14.0 %	16.2 %		
Repair, Service & Leasing	Repair, Service & Leasing	18.9 %	19.4 %			Repair, Service & Leasing	17.6 %	20.9 %		
Consolidated	Consolidated	9.1 %	6.5 %			Consolidated	10.0 %	7.8 %		

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(1) Restructuring costs costs/(credits) for the six nine months ended:

- June September 30, 2023 were $7.0$11.2 ($1.5 6.0 - Corporate, $2.4 Repair, Service and Leasing, $1.1 $1.2 - Cryo Tank Solutions, $0.2 $0.9 - Specialty Products and $0.7 - Heat Transfer Systems and $3.7 - Corporate).
- June September 30, 2022 were $0.3 $(1.1) ($(1.3) - Repair, Service and Leasing, $0.1 - Cryo Tank Solutions and $0.1 - Heat Transfer Systems and $0.1 - Specialty Products) Systems).

(2) Includes acquisition-related contingent consideration (credits)/charges of (6.5)(8.8) and $(1.0) $(2.7) in our Specialty Products segment for the six nine months ended June 30, 2023 September 30, 2023 and 2022, respectively.

(3) Includes deal-related and integration costs of $93.0 $98.9 and $16.0 for the six nine months ended June 30, 2023 September 30, 2023 . and 2022, respectively.

Results of Operations for the Six Nine Months Ended June 30, 2023 September 30, 2023 and 2022

Sales for the first six nine months of 2023 compared to the same period in 2022 increased by $680.7 million $1,166.5 million, from $758.9 million $1,171.0 million to $1,439.6 million $2,337.5 million. Similar to the comments in the results of operations for the three months ended June 30, 2023 September 30, 2023 and 2022 section above, this increase is driven by the sales contribution from the Howden acquisition and strong big and small-scale LNG volumeswithin our Heat Transfer Segment, partially offset by lower sales volumes in our Specialty Products segment due to lower water treatment sales.Segment.

Gross profit increased during the first six nine months of 2023 compared to the first six nine months of 2022 by $251.4 million $423.0 million or 140.8% 149.4%, while gross profit margin of 29.9% 30.2% for the first six nine months of 2023 increased from 23.5% 24.2% in the first six nine months of 2022. Similar to the comments in the results of operations for the three months ended June 30, 2023 September 30, 2023 and 2022 section above, the increase in gross profit margin for the first six nine months of 2023 compared to the same period in 2022 was primarily driven by the Howden acquisition, as noted above. Restructuring costs (credits) recorded to cost of sales were $0.0 million $0.2 million and $0.3 million $(1.1) million for the six nine months ended June 30, 2023 September 30, 2023 and 2022, respectively.

Consolidated SG&A expenses increased by $126.6 million $197.1 million or 118.3% 123.7% during the first sixnine months of 2023 compared to the same period in 2022 primarily driven by the inclusion of Howden SG&A expenses in the current period in addition to expenses incurred in connection with the acquisition. Additionally the Company recognized higher restructuring costs recorded to

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to consolidated SG&A expenses, which were $7.0 million $11.0 million and $0.0 million for the six nine months ended June 30, 2023 September 30, 2023 and 2022, respectively.

Interest Expense, Net and Financing Costs Amortization

Interest expense, net for the six nine months ended June 30, 2023 September 30, 2023 and 2022 was $105.0 million $190.7 million and $7.6 million $13.3 million, respectively, representing an increase of $97.4 million $177.4 million. The increase in interest expense, net, is primarily due to higher borrowings outstanding, specifically our senior secured notes due 2030 and senior unsecured notes due 2031, both issued on December 22, 2022 with interest payments due semi-annually, as well as borrowings related to our term loan, drawn on March 17, 2023 for the Howden Acquisition and an additional incremental term loan drawn on June 30, 2023, compared to borrowings outstanding during the same period in 2022. The increase in interest expense, net was also driven by higher average interest rates during the six nine months ended June 30, 2023 September 30, 2023 as compared to the six nine months ended June 30, 2022 September 30, 2022. Th. The e increase in interest expense, net was partially offset by interest income of $20.7 million $21.4 million earned primarily from deposit of proceeds from the senior secured notes due 2030, senior unsecured notes due 2031, common stock and preferred stock offerings into interest bearing accounts until the consummation of the Howden Acquisition, and $0.8 million $1.2 million interest income from our cross-currency swaps entered into on September 16, 2022. Interest expense, net for the six nine months ended June 30, 2023 September 30, 2023 included $54.8 million $82.1 million, $24.2 million $36.3 million and $39.7 million $81.0 million, in interest related to our senior secured notes, senior unsecured notes and term loan, respectively, none of which were outstanding during the same period in 2022. Interest expense, net for both the six nine months ended June 30, 2023 September 30, 2023 and 2022 included $1.3 million $1.9 million of 1.0% cash interest expense related to our convertible notes due November 2024 and $54.1 million $104.6 million and $8.3 million $14.7 million, respectively, in interest related to borrowings on our current senior secured revolving credit facility due 2026 and previous senior secured revolving credit facility and term loan due 2024.

Financing costs amortization was $7.2 million $12.0 million for the six nine months ended June 30, 2023 September 30, 2023 as compared to $1.4 million $2.1 million for the six nine months ended June 30, 2022 September 30, 2022. The increase of $5.8 million $9.9 million was primarily due to the amendment of our senior secured revolving credit facility due 2026, the issuance of senior secured notes due 2030 and senior unsecured notes due 2031 during the fourth quarter of 2022 as well as the issuance of incremental term loans on March 17, 2023 and June 30, 2023, all of which increased deferred debt issuance costs.

Unrealized *Unrealized Loss On Investments In Equity Securities*

During the first six nine months of 2023, we recognized an unrealized loss on investments in equity securities of $6.6 million $11.8 million, which was driven by an unrealized loss of $6.2 million $10.2 million on the mark-to-market adjustment of our investment in McPhy and a $0.4 million $1.6 million unrealized loss on the mark-to-market adjustment of our investment in Stabilis. During the first six nine months of 2022, we recognized an unrealized gain loss on investments in equity securities of $12.2 million $10.9 million, which was driven by an unrealized loss of $11.9 million $16.1 million on the mark-to-market adjustment of our investment in McPhy and a $0.3 million $5.2 million unrealized loss gain on the mark-to-market adjustment of our investment in Stabilis.

Foreign Currency (Gain) LossGain

For the six nine months ended June 30, 2023 September 30, 2023, foreign currency gain was $5.2 million $8.1 million and for the six nine months ended June 30, 2022 September 30, 2022 foreign currency gain was $0.1 million $2.6 million.

Income Tax Expense

Income tax (benefit) expense of $(4.3) $(4.2) million and $5.6 million $4.0 million for the six nine months ended June 30, 2023 September 30, 2023 and 2022, respectively, represents taxes on both U.S. and foreign earnings at a combined effective income tax rate of 39.1% 840.0% and 18.8% 5.8%, respectively. The effective income tax rate of 39.1% 840.0% for the sixnine months ended June 30, 2022 September 30, 2023 differed from the U.S. federal statutory rate of 21% primarily due to income earned by our certain foreign entities being taxed at higher rates than the U.S. federal statutory rate offset by excess tax benefits associated with share-based compensation and global research and development tax credits.

The effective income tax rate of 18.8% 5.8% for the six nine months ended June 30, 2022 September 30, 2022 differed from the U.S. federal statutory rate of 21% primarily due to excess tax benefits associated with share-based compensation and income incurred by certain of our foreign operations with a full valuation allowance, partially offset by income earned by our certain foreign entities being taxed at higher rates than the U.S. federal statutory rate. rate offset by the release of a valuation allowance on certain foreign entities, excess tax benefits associated with share-based compensation and global R&D tax credits. The release of the valuation allowance is due to continued improvement of on-going results in certain foreign jurisdictions over the prior three years and the current year resulting in the recognition of deferred tax assets (and the related deferred tax benefit) that were generated in prior years and year to date that had not been previously recognized.

Net (Loss) Income Attributable to Chart Industries, Inc. from Continuing Operations

As a result of the foregoing, net (loss) income attributable to Chart Industries, Inc. for the six nine months ended June 30, 2023 September 30, 2023 and 2022 was $(9.3) million $0.1 million and $23.2 million $64.4 million, respectively.

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Segment Results

Our reportable and operating segments include: Cryo Tank Solutions, Heat Transfer Systems, Specialty Products and Repair, Service & Leasing. Corporate includes operating expenses for executive management, accounting, tax, treasury, corporate development, human resources, information technology, investor relations, legal, internal audit, risk management and share-based compensation expenses. Corporate support functions are not currently allocated to the segments. For further information, refer to Note 3, "Reportable Segments" of our unaudited condensed consolidated financial statements included under Item 1, "Financial Statements" in this report. The following tables include key metrics used to evaluate our business and measure our performance and represent selected financial data for our operating segments for the three and nine months ended June 30, 2023 September 30, 2023 and 2022 (dollars in millions):

Cryo Tank Solutions — Results of Operations for the Three Months Ended June 30, 2023 September 30, 2023 and 2022

		Three Months Ended		Current Quarter vs. Prior Year Same Quarter			Three Months Ended		Current Quarter vs. Prior Year Same Quarter	
		June 30, 2023	June 30, 2022	Variance ($)	Variance (%)		September 30, 2023	September 30, 2022	Variance ($)	Variance (%)
Sales	Sales	$ 152.7	$ 132.9	$ 19.8	14.9 %	Sales	$ 159.0	$ 126.9	$ 32.1	25.3 %
Gross Profit	Gross Profit	28.8	21.6	7.2	33.3 %	Gross Profit	35.2	22.8	12.4	54.4 %
Gross Profit Margin	Gross Profit Margin	18.9 %	16.3 %			Gross Profit Margin	22.1 %	18.0 %		
SG&A Expenses	SG&A Expenses	$ 17.5	$ 11.0	$ 6.5	59.1 %	SG&A Expenses	$ 16.5	$ 9.8	$ 6.7	68.4 %
SG&A Expenses (% of Sales)	SG&A Expenses (% of Sales)	11.5 %	8.3 %			SG&A Expenses (% of Sales)	10.4 %	7.7 %		

Operating Income	Operating Income	$ 10.5	$ 9.9	$ 0.6	6.1 %	Operating Income	$ 17.1	$ 12.2	$ 4.9	40.2 %
Operating Margin	Operating Margin	6.9 %	7.4 %			Operating Margin	10.8 %	9.6 %		

For the second third quarter of 2023, Cryo Cryo Tank Solutions net sales increased by $19.8 million $32.1 million as compared to the same quarter in 2022. The increase is primarily driven by the Howden acquisition, partially offset by lower engineered increased demand in bulk tanks, sales volume. rail cars and increased demand in Europe.

During the second third quarter of 2023, Cryo Tank Solutions segment gross profit increased by $7.2 million $12.4 million as compared to the same quarter in 2022, and gross profit margin increased by 260 410 basis points. The increase in gross profit and the related margin was mainly driven by price improvement and increased demand in bulk tanks, rail cars and increased demand in Europe, as mentioned above, and the first full quarter of Howden ownership. accompanying product mix.

Cryo Tank Solutions segment SG&A expenses increased by $6.5 million $6.7 million during the second third quarter of 2023 as compared to the same quarter in 2022. The increase in SG&A expenses was mainly due a to the first second full quarter of Howden SG&A.

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Cryo Tank Solutions — Results of Operations for the Six Nine Months Ended June 30, 2023 September 30, 2023 and 2022

		Six Months Ended		Current Year-to-date vs. Prior Year-to-date Period			Nine Months Ended		Current Year-to-date vs. Prior Year-to-date Period	
		June 30, 2023	June 30, 2022	Variance ($)	Variance (%)		September 30, 2023	September 30, 2022	Variance ($)	Variance (%)
Sales	Sales	$ 276.2	$ 251.0	$ 25.2	10.0 %	Sales	$ 435.2	$ 377.9	$ 57.3	15.2 %
Gross Profit	Gross Profit	50.3	47.0	3.3	7.0 %	Gross Profit	85.5	69.8	15.7	22.5 %
Gross Profit Margin	Gross Profit Margin	18.2 %	18.7 %			Gross Profit Margin	19.6 %	18.5 %		
SG&A Expenses	SG&A Expenses	$ 32.8	$ 21.7	$ 11.1	51.2 %	SG&A Expenses	$ 49.3	$ 31.5	$ 17.8	56.5 %
SG&A Expenses (% of Sales)	SG&A Expenses (% of Sales)	11.9 %	8.6 %			SG&A Expenses (% of Sales)	11.3 %	8.3 %		
Operating Income	Operating Income	$ 14.8	$ 24.0	$ (9.2)	(38.3) %	Operating Income	$ 31.9	$ 36.2	$ (4.3)	(11.9) %
Operating Margin	Operating Margin	5.4 %	9.6 %			Operating Margin	7.3 %	9.6 %		

For the first six nine months of 2023, Cryo Tank Solutions sales increased by $25.2 million $57.3 million compared to the same period in 2022. As mentioned in the results of operations for the three months ended June 30, 2023 September 30, 2023 and 2022 comments above, this increase was is primarily due to the impact of the Howden acquisition. driven by increased demand in bulk tanks, rail cars and increased demand in Europe.

During the first six nine months of 2023, Cryo Tank Solutions segment gross profit increased by $3.3 million $15.7 million as compared to the same period in 2022. 2022, and the gross profit margin increased by 110 basis points. The increase in gross profit and the related margin was mainly driven by the impact of the Howden acquisition. price improvements and increased demand in bulk tanks, train cars and increased demand in Europe, as mentioned above.

Cryo Tank Solutions segment SG&A expenses increased by $11.1 million $17.8 million during the first six nine months of 2023 as compared to the same period in 2022. The increase in SG&A expenses was mainly due to the impact of the Howden acquisition.

Heat Transfer Systems — Results of Operations for the Three Months Ended June 30, 2023 September 30, 2023 and 2022

		Three Months Ended		Current Quarter vs. Prior Year Same Quarter			Three Months Ended		Current Quarter vs. Prior Year Same Quarter	
		June 30, 2023	June 30, 2022	Variance ($)	Variance (%)		September 30, 2023	September 30, 2022	Variance ($)	Variance (%)
Sales	Sales	$ 236.0	$ 102.9	$ 133.1	129.3 %	Sales	$ 232.5	$ 132.1	$ 100.4	76.0 %
Gross Profit	Gross Profit	67.3	14.8	52.5	354.7 %	Gross Profit	61.5	28.5	33.0	115.8 %
Gross Profit Margin	Gross Profit Margin	28.5 %	14.4 %			Gross Profit Margin	26.5 %	21.6 %		
SG&A Expenses	SG&A Expenses	$ 12.9	$ 5.3	$ 7.6	143.4 %	SG&A Expenses	$ 14.6	$ 6.5	$ 8.1	124.6 %

SG&A Expenses (% of Sales)	SG&A Expenses (% of Sales)	5.5 %	5.2 %			SG&A Expenses (% of Sales)	6.3 %	4.9 %		
Operating Income (Loss)	Operating Income (Loss)	$ 49.8	$ 5.7	$ 44.1	773.7 %	Operating Income (Loss)	$ 43.4	$ 18.3	$ 25.1	137.2 %
Operating Margin	Operating Margin	21.1 %	5.5 %			Operating Margin	18.7 %	13.9 %		

For the second third quarter of 2023, Heat Transfer Systems segment sales increased by $133.1 million $100.4 million as compared to the same quarter in 2022. Similar to the comments previously mentioned in the consolidated results section, the The increase was primarily driven by the Howden acquisition LNG products that utilized brazed aluminum heat exchangers and favorable sales in air coolers, and conversion of backlog relative to big LNG, floating LNG and small-scale LNG. small scale LNG applications as well as traditional energy applications.

During the second third quarter of 2023, Heat Transfer Systems segment gross profit increased by $52.5 million $33.0 million as compared to the same quarter in 2022, while gross profit margin increased by 1,410 490 basis points. The increase in gross profit was primarily due to higher volume and the related margin increased increase is mainly due to overall product and project volume mix as well as the impact of the first full quarter of Howden ownership. mix.

Heat Transfer Systems segment SG&A expenses increased by $8.1 million during the second third quarter of 2023 as compared to the same quarter in 2022 while SG&A expenses as a percentage of sales increased by 30 basis points. 2022. The increase in SG&A expenses was mainly due to the impact of the Howden acquisition and remains consistent as a percentage of sales. acquisition.

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Heat Transfer Systems — Results of Operations for the Six Nine Months Ended June 30, 2023 September 30, 2023 and 2022

		Six Months Ended		Current Year-to-date vs. Prior Year-to-date Period			Nine Months Ended		Current Year-to-date vs. Prior Year-to-date Period	
		June 30, 2023	June 30, 2022	Variance ($)	Variance (%)		September 30, 2023	September 30, 2022	Variance ($)	Variance (%)
Sales	Sales	$ 403.5	$ 182.2	$ 221.3	121.5 %	Sales	$ 636.0	$ 314.3	$ 321.7	102.4 %
Gross Profit	Gross Profit	108.6	24.9	83.7	336.1 %	Gross Profit	170.1	53.4	116.7	218.5 %
Gross Profit Margin	Gross Profit Margin	26.9 %	13.7 %			Gross Profit Margin	26.7 %	17.0 %		
SG&A Expenses	SG&A Expenses	$ 21.9	$ 11.8	$ 10.1	85.6 %	SG&A Expenses	$ 36.5	$ 18.3	$ 18.2	99.5 %
SG&A Expenses (% of Sales)	SG&A Expenses (% of Sales)	5.4 %	6.5 %			SG&A Expenses (% of Sales)	5.7 %	5.8 %		
Operating Income (Loss)	Operating Income (Loss)	$ 77.1	$ 5.5	$ 71.6	1,301.8 %	Operating Income (Loss)	$ 120.5	$ 23.8	$ 96.7	406.3 %
Operating Margin	Operating Margin	19.1 %	3.0 %			Operating Margin	18.9 %	7.6 %		

For the first six nine months of 2023, Heat Transfer Systems segment sales increased by $221.3 million $321.7 million as compared to the same period in 2022. In line with the comments of the quarter, the increasewas primarily driven by incremental sales contributed by the Howden acquisition LNG products that utilized brazed aluminum heat exchangers and strong sales in process systems related air coolers, and conversion of backlog relative to big LNG, floating LNG and small-scale LNG. small scale LNG applications as well as traditional energy applications.

During the first six nine months of 2023, Heat Transfer Systems segment gross profit increased by $83.7 million $116.7 million as compared to the same period in 2022 and gross profit margin increased by 13,200 970 basis points. The increase in Heat Transfer Systems segment gross profit was primarily due to higher volume and the related margin increase is mainly due to overall product and project volume mix during the period. mix.

Heat Transfer Systems segment SG&A expenses increased by $18.2 million slightly during the first six nine months of 2023 as compared to the same period in 2022 mainly due to the acquired Howden business.

Specialty Products — Results of Operations for the Three Months Ended June 30, 2023 September 30, 2023 and 2022

	Three Months Ended	Current Quarter vs. Prior Year Same Quarter	Three Months Ended	Current Quarter vs. Prior Year Same Quarter

		June 30, 2023	June 30, 2022	Variance ($)	Variance (%)		September 30, 2023	September 30, 2022	Variance ($)	Variance (%)
Sales	Sales	$ 236.7	$ 115.3	$ 121.4	105.3 %	Sales	$ 240.0	$ 108.1	$ 131.9	122.0 %
Gross Profit	Gross Profit	61.0	39.4	21.6	54.8 %	Gross Profit	62.0	34.2	27.8	81.3 %
Gross Profit Margin	Gross Profit Margin	25.8 %	34.2 %			Gross Profit Margin	25.8 %	31.6 %		
SG&A Expenses	SG&A Expenses	$ 30.5	$ 14.8	$ 15.7	106.1 %	SG&A Expenses	$ 22.8	$ 14.7	$ 8.1	55.1 %
SG&A Expenses (% of Sales)	SG&A Expenses (% of Sales)	12.9 %	12.8 %			SG&A Expenses (% of Sales)	9.5 %	13.6 %		
Operating Income	Operating Income	$ 29.1	$ 20.8	$ 8.3	39.9 %	Operating Income	$ 33.7	$ 16.7	$ 17.0	101.8 %
Operating Margin	Operating Margin	12.3 %	18.0 %			Operating Margin	14.0 %	15.4 %		

Specialty Products segment sales increased by $121.4 million $131.9 million during the second third quarter of 2023 as compared to the same quarter in 2022. The increase in Specialty Products sales was driven by the inclusion of the acquired Howden business in the current period and also conversion of backlog relative to hydrogen applications.

Specialty Products segment gross profit increased by $27.8 million during the third quarter of 2023 as compared to the same quarter in 2022 largely due to the Howden acquisition and volume, while gross profit margin decreased by 580 basis points due to product mix.

Specialty Products segment SG&A expenses increased by $8.1 million during the third quarter of 2023 as compared to the same quarter in 2022 primarily driven by the second full quarter of Howden ownership.

Specialty Products — Results of Operations for the Nine Months Ended September 30, 2023 and 2022

	Nine Months Ended		Current Year-to-date vs. Prior Year-to-date Period	
	September 30, 2023	September 30, 2022	Variance ($)	Variance (%)
Sales	$ 602.9	$ 330.9	$ 272.0	82.2 %
Gross Profit	158.9	106.2	52.7	49.6 %
Gross Profit Margin	26.4 %	32.1 %		
SG&A Expenses	$ 60.2	$ 43.5	$ 16.7	38.4 %
SG&A Expenses (% of Sales)	10.0 %	13.1 %		
Operating Income	$ 84.6	$ 53.7	$ 30.9	57.5 %
Operating Margin	14.0 %	16.2 %		

Specialty Products segment sales increased by $272.0 million during the first nine months of 2023 as compared to the same period in 2022. The increase in Specialty Products sales was driven by the inclusion of the acquired Howden business in the current period. period and also conversion of backlog relative to hydrogen applications.

Specialty Products segment gross profit increased by $21.6 million during the second quarter of 2023 as compared to the same quarter in 2022 largely due to the Howden acquisition, while gross profit margin decreased by 840 basis points due to product mix.

Specialty Products segment SG&A expenses increased by $15.7 million during the second quarter of 2023 as compared to the same quarter in 2022 primarily driven by the first full quarter of Howden ownership

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Specialty Products — Results of Operations for the Six Months Ended June 30, 2023 and 2022

	Six Months Ended		Current Year-to-date vs. Prior Year-to-date Period	
	June 30, 2023	June 30, 2022	Variance ($)	Variance (%)

Sales	$ 362.9	$ 222.8	$ 140.1	62.9 %
Gross Profit	96.9	72.0	24.9	34.6 %
Gross Profit Margin	26.7 %	13.7 %		
SG&A Expenses	$ 37.4	$ 28.8	$ 8.6	29.9 %
SG&A Expenses (% of Sales)	10.3 %	12.9 %		
Operating Income	$ 50.9	$ 37.0	$ 13.9	37.6 %
Operating Margin	14.0 %	16.6 %		

Specialty Products segment sales increased by $140.1 million $52.7 million during the first six months of 2023 as compared to the same period in 2022. The increase in Specialty Products sales driven by the inclusion of the acquired Howden business in the current period.

Specialty Products segment gross profit increased by $24.9 million during the first six nine months of 2023 as compared to the same period in 2022 primarily due to higher volume as a result of the Howden acquisition.

Specialty Products segment SG&A expenses increased by $8.6 million $16.7 million during the first six nine months of 2023 as compared to the same period in 2022 primarily driven by the Howden acquisition.

Repair, Service & Leasing — Results of Operations for the Three Months Ended June 30, 2023 September 30, 2023 and 2022

		Three Months Ended		Current Quarter vs. Prior Year Same Quarter			Three Months Ended		Current Quarter vs. Prior Year Same Quarter	
		June 30, 2023	June 30, 2022	Variance ($)	Variance (%)		September 30, 2023	September 30, 2022	Variance ($)	Variance (%)
Sales	Sales	$ 298.7	$ 55.4	$ 243.3	439.2 %	Sales	$ 271.3	$ 49.7	$ 221.6	445.9 %
Gross Profit	Gross Profit	123.5	19.0	104.5	550.0 %	Gross Profit	117.5	19.1	98.4	515.2 %
Gross Profit Margin	Gross Profit Margin	41.3 %	34.3 %			Gross Profit Margin	43.3 %	38.4 %		
SG&A Expenses	SG&A Expenses	$ 40.5	$ 3.6	$ 36.9	1,025.0 %	SG&A Expenses	$ 36.8	$ 3.9	$ 32.9	843.6 %
SG&A Expenses (% of Sales)	SG&A Expenses (% of Sales)	13.6 %	6.5 %			SG&A Expenses (% of Sales)	13.6 %	7.8 %		
Operating Income	Operating Income	$ 45.6	$ 12.0	$ 33.6	280.0 %	Operating Income	$ 42.3	$ 12.0	$ 30.3	252.5 %
Operating Margin	Operating Margin	15.3 %	21.7 %			Operating Margin	15.6 %	24.1 %		

For the second third quarter of 2023, Repair, Service & Leasing segment sales increased by $243.3 million or 439.2% (5.8% organically) $221.6 million as compared to the same quarter in 2022. The increase is primarily driven by the first second full quarter of Howden ownership.

During the second third quarter of 2023, Repair, Service & Leasing segment gross profit increased by $104.5 million $98.4 million as compared to the same quarter quarter in 2022, and gross profit margin increased by 700 490 basis points. The increase in gross profit and gross profit margin was driven by the Howden acquisition.

Repair, Service & Leasing segment SG&A expenses increased by $36.9 million $32.9 million during the second third quarter of 2023 and SG&A expenses as a percentage of sales increased by 710 basis points mainly due to the Howden acquisition. In connection with the acquisition the restructuring costs recorded in Repair, Service & Leasing segment SG&A expenses was $0.7 million $0.9 million.

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Repair, Service & Leasing — Results of Operations for the Six Nine Months Ended June 30, 2023 September 30, 2023 and 2022

		Six Months Ended		Current Year-to-date vs. Prior Year-to-date Period			Nine Months Ended		Current Year-to-date vs. Prior Year-to-date Period	
		June 30, 2023	June 30, 2022	Variance ($)	Variance (%)		September 30, 2023	September 30, 2022	Variance ($)	Variance (%)
Sales	Sales	$ 417.2	$ 104.7	$ 312.5	298.5 %	Sales	$ 688.5	$ 154.4	$ 534.1	345.9 %
Gross Profit	Gross Profit	174.1	34.6	139.5	403.2 %	Gross Profit	291.6	53.7	237.9	443.0 %
Gross Profit Margin	Gross Profit Margin	41.7 %	33.0 %			Gross Profit Margin	42.4 %	34.8 %		
SG&A Expenses	SG&A Expenses	$ 50.3	$ 7.6	$ 42.7	561.8 %	SG&A Expenses	$ 87.1	$ 11.5	$ 75.6	657.4 %

SG&A Expenses (% of Sales)	SG&A Expenses (% of Sales)	12.1 %	7.3 %			SG&A Expenses (% of Sales)	12.7 %	7.4 %		
Operating Income	Operating Income	$ 78.7	$ 20.3	$ 58.4	287.7 %	Operating Income	$ 121.0	$ 32.3	$ 88.7	274.6 %
Operating Margin	Operating Margin	18.9 %	19.4 %			Operating Margin	17.6 %	20.9 %		

For the first six nine months of 2023, Repair, Service & Leasing segment sales increased by $312.5 million $534.1 million as compared to the same period in 2022. As noted previously the increase in this segment is primarily due to the Howden acquisition reflected in the current period.

During the first six nine months of 2023, Repair, Service & Leasing segment gross profit increased by $139.5 million $237.9 million as compared to the same period in 2022, and gross profit margin increased by 870 760 basis points. The increase in gross profit and gross profit margin w maras gin was driven by Howden.

Repair, Service & Leasing segment SG&A expenses increased by $42.7 million $75.6 million during the first six nine months of 2023 as compared to the same period in 2022, driven by the inclusion of the Howden acquisition note in the current period and restructuring associated with the acquisition integration.

Corporate

Corporate SG&A expenses increased by $20.5 million $14.7 million during the second third quarter of 2023 as compared to the same quarter in 2022 mainly due to higher employee-related costs. consulting, legal and other professional fees. Corporate SG&A expenses increased by $54.1 million $68.8 million in the first six nine months of 2023 compared to the same period in 2022 , as mentioned above, this is primarily due to higher acquisition consulting, legal and employee-related costs. other professional fees.

Liquidity and Capital Resources

Debt Instruments and Related Covenants

Our debt instruments and related covenants are described in Note 9, "Debt and Credit Arrangements" to our unaudited condensed consolidated financial statements included under Item 1, "Financial Statements" in this report.

Sources and Uses of Cash

Our cash, cash equivalents, restricted cash, and restricted cash equivalents totaled $202.3 million $159.9 million at June 30, 2023 September 30, 2023, a decrease of $2,403.0 million $2,445.4 million from the balance at December 31, 2022. The December 31, 2022 cash balance was high as a result of various capital raising activities used during December 2022 in anticipation of the closing of the Howden acquisition. Our foreign subsidiaries held cash of approximately $129.0 million $137.0 million and $66.7 million, at June 30, 2023 September 30, 2023, and December 31, 2022, respectively, to meet their liquidity needs. No material restrictions exist to accessing cash held by our foreign subsidiaries. We expect to meet our U.S. funding needs without repatriating non-U.S. cash and incurring incremental U.S. taxes, although we will repatriate cash from time to time. Cash equivalents are primarily invested in money market funds that invest in high quality, short-term instruments, such as U.S. government obligations, certificates of deposit, repurchase obligations, and commercial paper issued by corporations that have been highly rated by at least one nationally recognized rating organization, and in the case of cash equivalents in China, obligations of local banks. We believe that our existing cash and cash equivalents, funds available under our senior secured revolving credit facility due October 2026 or other financing alternatives, and cash provided by operations will be sufficient to meet our normal working capital needs, capital expenditures and investments for the foreseeable future. future as well as 2024 debt service needs which include interest payments, convertible notes principal maturity, preferred shares dividends and our Term Loan B amortization. We expect to continue to pay down debt with cash proceeds of $380 million from recently announced divestitures.

Cash provided by operating activities was $59.5 million $36.9 million for the six nine months ended June 30, 2023 September 30, 2023, an increase a decrease of $47.0 million $13.4 million compared to cash provided by operating activities of $12.5 million $50.3 million for the six nine months ended June 30, 2022 September 30, 2022

primarily due to an increase higher acquisition-related costs and higher interest payments as a result of debt raised in cash generated from operations during connection with the six months ended June 30, 2023. Howden Acquisition.

Cash used in investing activities was $4,397.8 million $4,154.9 million and $55.7 million $70.3 million for the six nine months ended June 30, 2023 September 30, 2023 and 2022, respectively. During the six nine months ended June 30, 2023 September 30, 2023, we used $4,339.8 million $4,322.3 million for the Howden Acquisition, $54.4 million

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$118.0 million for capital expenditures and $2.6 million $8.8 million mainly for an investment investments in Avina and Hylium Industries. During the six nine months ended June 30, 2022 September 30, 2023, we received $291.9 million in proceeds from the sale of our Roots™ business. During the nine months ended September 30, 2022, we used $25.3 million approximately $25.8 million for the acquisitions of Fronti Fabrications, CSC Cryogenic Service Center and 100% of a joint venture in AdEdge India $3.9 million and a working capital settlement related to our 2021 acquisition of AdEdge. We used $4.9 million for investments in Hy24 and Gold Hydrogen LLC, and paid $0.8 million in working capital settlements related to our 2021 acquisition of AdEdge, partially offset by $3.6 million $9.4 million cash received from settlement of our April 1, 2022 April 1, June 7 and July 8, 2022 cross-currency swap. swaps.

Cash provided by financing activities was $1,933.4 million and $70.2 million $1,678.0 million for the six nine months ended June 30, 2023 September 30, 2023 and 2022, respectively. cash used in financing activities was $9.4 million for the nine months ended September 30, 2022. In connection with the Howden Acquisition, we borrowed incremental term loans in the aggregate principal amount of $1,534.8 million and borrowed incremental term loans in the aggregate principal amount of $250.0 million for general corporate purposes during the six nine months ended June 30, 2023 September 30, 2023. During the six nine months ended June 30, 2023 September 30, 2023, we borrowed $722.8 million $1,334.3 million on revolving credit facilities and raised $11.7 million in proceeds for the issuance of common stock, primarily to fund the Howden Acquisition and repaid $384.8 million $1,234.3 million in borrowings on our credit facilities. A portion of debt repayments was funded with the proceeds from the divestiture of RootsTM. During the six nine months ended June 30, 2023 September 30, 2023 we paid $133.4 $133.5 in debt issuance costs and paid $13.7 million $20.5 million of dividends on our mandatory convertible preferred stock, neither of which occurred during the six nine months ended June 30, 2022 September 30, 2022. We also paid $8.4 million $12.2 million in dividend distributions to noncontrolling interest owners during the six nine months ended June 30, 2023 September 30, 2023. During the six nine months ended June 30, 2022 September 30, 2022, we borrowed $433.3 million $503.3 million on credit facilities and repaid $361.2 million $511.2 million in borrowings on credit facilities primarily driven by debt positioning related to the rate swap agreements. agreements, to pay down outstanding debt, to fund the acquisitions of Fronti Fabrications, CSC Cryogenic Service Center, and 100% of a joint venture in AdEdge India and investments in Hy24 and Gold Hydrogen LLC.

Cash Requirements

We do not currently anticipate any unusual cash requirements for working capital needs for the year ending December 31, 2023. Management anticipates we will be able to satisfy cash requirements for our ongoing business for the foreseeable future with cash generated by operations, existing cash balances and available borrowings under our credit facilities.

Orders and Backlog

We consider orders to be those for which we have received a firm signed purchase order or other written contractual commitments from the customer. Backlog is comprised of the portion of firm signed purchase orders or other written contractual commitments from customers for which work has not been performed, or is partially completed, that we have not recognized as revenue and excludes unexercised contract options and potential orders. Our backlog as of June 30, 2023 September 30, 2023 was $3,964.8 million $4,140.7 million, compared to $1,953.3 million $2,254.1 million as of June 30, 2022 September 30, 2022 and $3,858.3 million $3,964.9 million as of March 31, 2023 June 30, 2023.

The tables below represent orders received and backlog by segment for the periods indicated (dollars in millions):

	Three Months Ended		
	June 30, 2023	June 30, 2022	March 31, 2023
Orders			
Cryo Tank Solutions	$ 155.0	$ 106.1	$ 140.6
Heat Transfer Systems	302.2	470.1	311.2
Specialty Products	293.2	265.7	179.5
Repair, Service & Leasing	319.7	47.4	121.5
Intersegment eliminations	(7.0)	(1.5)	(12.1)
Consolidated	$ 1,063.1	$ 887.8	$ 740.7

	As of		
	June 30, 2023	June 30, 2022	March 31, 2023
Backlog			
Cryo Tank Solutions	$ 452.7	$ 331.9	$ 473.2
Heat Transfer Systems	1,708.9	1,003.8	1,590.2
Specialty Products	1,259.6	570.4	1,316.0
Repair, Service & Leasing	580.7	48.5	524.3
Intersegment eliminations	(37.0)	(1.3)	(45.4)
Consolidated	$ 3,964.8	$ 1,953.3	$ 3,858.3

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	Three Months Ended		
	September 30, 2023	September 30, 2022	June 30, 2023
Orders			
Cryo Tank Solutions	$ 155.6	$ 120.2	$ 155.0
Heat Transfer Systems	176.1	357.7	302.2
Specialty Products	469.1	202.9	293.2

Repair, Service & Leasing	331.2	61.7	319.7
Intersegment eliminations	(4.7)	(13.1)	(7.0)
Consolidated	$ 1,127.3	$ 729.4	$ 1,063.1

	As of		
	September 30, 2023	September 30, 2022	June 30, 2023
Backlog			
Cryo Tank Solutions	$ 449.4	$ 355.2	$ 452.7
Heat Transfer Systems	1,657.5	1,225.4	1,708.9
Specialty Products	1,460.7	666.1	1,259.6
Repair, Service & Leasing	609.7	41.6	580.7
Intersegment eliminations	(36.6)	(34.2)	(37.0)
Consolidated	$ 4,140.7	$ 2,254.1	$ 3,964.9

Cryo Tank Solutions segment orders for the three months ended June 30, 2023 September 30, 2023 were $155.0 million a record $155.6 million compared to $106.1 million $120.2 million for the three months ended June 30, 2022 September 30, 2022 and $140.6 million $155.0 million for the three months ended March 31, 2023 June 30, 2023. The increase in Cryo Tank Solutions segment orders during the three months ended June 30, 2023 September 30, 2023 when compared to the same quarter last year and prior quarter was primarily driven by higher order intake due to the first second full quarter of Howden ownership. Cryo Tank Solutions segment backlog at June 30, 2023 September 30, 2023 totaled $452.7 million $449.4 million compared to $331.9 million $355.2 million as of June 30, 2022 September 30, 2022 and $473.2 million $452.7 million as of March 31, 2023 June 30, 2023.

Heat Transfer Systems segment orders for the three months ended June 30, 2023 September 30, 2023 were $302.2 million compared $176.1 million compared to $470.1 million $357.7 million for the three months ended June 30, 2022 September 30, 2022 and $311.2 million $302.2 million for the three months ended March 31, 2023 June 30, 2023. The decrease in orders was mainly driven by a number of large orders in the three months ended June 30, 2022 September 30, 2022, including big and mid-scale LNG liquefaction systems and cold box projects, which has not been repeated to the same extent in the three months ended June 30, 2023 September 30, 2023. H This was also the primary driving factor in the decreased orders when compared to the three months ended June 30, 2023. Excluding big LNG, HTS orders for the three months ended September 30, 2023 increased compared to eat three months ended September 30, 2022.

Heat Transfer Systems segment backlog at June 30, 2023 September 30, 2023 totaleda record $1,708.9 million $1,657.5 million, up 70.2% over as compared to $1,225.4 million and $1,708.9 million as of September 30, 2022 and June 30, 2023, respectively. The increase compared to the second quarter of same period in 2022 and up 7.5% over the first quarter of 2023 is driven by a big LNG award, multiple small, mid-size and large projects, along with the inclusion of Howden.

Specialty Products segment orders for the three months ended June 30, 2023 September 30, 2023 were $293.2 milliona record $469.1 million compared to $265.7 million $202.9 million for the three months ended June 30, 2022 September 30, 2022 and $179.5 million $293.2 million for the three months ended March 31, 2023 June 30, 2023. The increase in Specialty Products segment orders during the three months ended June 30, 2023 September 30, 2023 is driven by by the first second full quarter of Howden ownership. ownership and strong synergy orders in hydrogen and carbon capture. The increased in Specialty Products segment orders during the three months ended September 30, 2023 compared to the three months ended June 30, 2023 is mainly due to the hydrogen and helium segment. Specialty Products segment backlog $1,259.6 million totaled a record $1,460.7 million as of June 30, 2023 September 30, 2023, compared to $570.4 million $666.1 million as of June 30, 2022 September 30, 2022 and $1,316.0 million $1,259.6 million as of March 31, 2023 June 30, 2023.

Repair, Service & Leasing segment orders for the three months ended June 30, 2023 September 30, 2023 were $319.7 million $331.2 million compared to $47.4 million $61.7 million for the three months ended June 30, 2022 September 30, 2022 and $121.5 million $319.7 million for the three months ended March 31, 2023 June 30, 2023. The increase in orders was mainly driven by by the first second full period of Howden ownership. Repair, Service & Leasing segment backlog totaled a record $580.7 million $609.7 million as of June 30, 2023 September 30, 2023, compared to $48.5 million $41.6 million as of June 30, 2022 September 30, 2022 and $524.3 million $580.7 million as of March 31, 2023 June 30, 2023.

Application of Critical Accounting Policies

Our unaudited condensed consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles. As such, some accounting policies have a significant impact on amounts reported in these unaudited condensed consolidated financial statements. A summary of those significant accounting policies can be found in our Annual Report on Form 10-K for the year ended December 31, 2022. In particular, judgment is used in areas such as revenue from contracts with customers, goodwill, indefinite-lived intangibles, long-lived assets (including finite-lived intangible assets), product warranty costs, and pensions. There have been no significant changes to our critical accounting policies since December 31, 2022.

Forward-Looking Statements

We are making this statement in order to satisfy the "safe harbor" provisions contained in the Private Securities Litigation Reform Act of 1995. This Quarterly Report on Form 10-Q includes "forward-looking statements." These forward-looking statements include statements relating to our business, including statements regarding completed and pending acquisitions and investments and related accretion or statements with respect to the use of proceeds or redeployment of capital from recent or planned divestitures, as well as statements regarding our 2023 sales outlook, revenues, cost and commercial synergies and efficiency savings, objectives, future orders, margins, segment sales mix, earnings or performance, liquidity and cash flow, inventory levels, capital expenditures, supply chain challenges, inflationary pressures including materials costs and pricing increases, business trends, clean energy market opportunities including addressable market and projected industry-wide investments, carbon and GHG emission targets, governmental initiatives, including executive orders and other information that is not historical in nature. In some cases, forward-looking statements may be identified by terminology such as "may," "will", "should," "expects," "anticipates," "believes," "projects," "forecasts," "outlook," "guidance," "target," "continue" or the negative of such terms or comparable terminology. Forward-looking statements contained herein (including future cash contractual obligations, liquidity, cash flow, orders, results of operations, projected revenues, margins, capital expenditures, industry and business, trends, clean energy and other new market or expansion opportunities, cost and commercial synergies and savings objectives, and government initiatives among other matters) or in other statements made by us are made based on management's expectations and beliefs concerning future events impacting us and are subject to uncertainties and factors relating to our operations and business environment, all of which are difficult to predict and many of which are beyond our control, that could cause our actual results to differ materially from those matters expressed or implied by forward-looking statements.

These include: the other factors discussed in Item 1A. "Risk Factors" and the factors discussed in Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" of our Annual Report on Form 10-K for the year

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ended December 31, 2022, which should be reviewed carefully; risks relating to regional conflicts including the conflict current turmoil in the Middle East and between Russia and Ukraine; risks relating to derivative instruments and hedging programs; Chart's ability to successfully integrate recent acquisitions, and achieve the anticipated revenue, earnings, accretion and other benefits from these acquisitions; the Company's ability to successfully close on its identified divestitures and achieve the anticipated proceeds from these divestitures; slower than anticipated growth and market acceptance of new clean energy product offerings; inability to achieve expected pricing increases or continued supply chain challenges including volatility in raw materials cost and supply; estimated segment revenues, future revenue, earnings, cash flows and margin targets and run rates. These factors should not be construed as exhaustive and there may also be other risks that we are unable to predict at this time.

All forward-looking statements attributable to us or persons acting on our behalf apply only as of the date of this Quarterly Report and are expressly qualified in their entirety by the cautionary statements included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022, as the same may be updated from time to time. We undertake no obligation to update or revise forward-looking statements which may be made to reflect events or circumstances that arise after the filing date of this document or to reflect the occurrence of unanticipated events, except as otherwise required by law.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

In the normal course of business, our operations are exposed to fluctuations in interest rates and foreign currency values that can affect the cost of operating and financing. Accordingly, we address a portion of these risks through a program of risk management.

Interest Rate Risk: Our primary interest rate risk exposure results from various floating rate pricing mechanisms contained in our senior secured revolving credit facility due October 2026 and from our term loan. If interest rates were to increase 100 basis points (1 percent) from the weighted-average interest rate for our senior secured revolving credit facility due 2026 of 6.2% 7.0% at June 30, 2023 September 30, 2023, and assuming no changes in the $442.8 million $203.8 million of borrowings outstanding under the senior secured revolving credit facility due October 2026 at June 30, 2023 September 30, 2023, our additional annual expense would be approximately $4.4 million $2.0 million on a pre-tax basis. If interest rates were to increase 100 basis points (1 percent) from the interest

rate for our term loan of 8.77% 9.2% at June 30, 2023 September 30, 2023, and assuming no changes in the $1,781.0 million $1,776.5 million of borrowings outstanding under the term loan at June 30, 2023 September 30, 2023, our additional annual expense would be approximately $17.8 million on a pre-tax basis.

Foreign Currency Exchange Rate Risk: We operate in the United States and other foreign countries, which creates exposure to foreign currency exchange fluctuations in the normal course of business, which can impact our financial position, results of operations, cash flow, and competitive position. The financial statements of foreign subsidiaries are translated into their U.S. dollar equivalents at end-of-period exchange rates for assets and liabilities, while income and expenses are translated at average monthly exchange rates. Translation gains and losses are components of other comprehensive income as reported in the unaudited condensed consolidated statements of operations and comprehensive income (loss). Translation exposure is primarily with the euro, the Czech koruna, the Chinese yuan, the South African Rand, the British Pound and the Indian rupee. During the second third quarter of 2023, the U.S. dollar strengthened in relation the Chinese yuan by 5%, to the Czech koruna by 1% 5%, the South African Rand by 7%, and weakened in relation to the British Pound by 2% 3% and the euro by 3%. There was no notable movement between the U.S. dollar and the euro. Indian rupee, Chinese yuan or South African Rand. At June 30, 2023 September 30, 2023, a hypothetical 10% strengthening of the U.S. dollar would not materially affect our financial statements.

EUR Revolver Borrowings: Additionally, assuming no changes in the euro $90.0 $88.5 million in EUR Revolver Borrowings outstanding under the senior secured revolving credit facility due October 2026 and an additional 100 basis points (1 percent) strengthening in the U.S dollar in relation to the euro as of the beginning of 2023, during the three months ended June 30, 2023 September 30, 2023, our additional unrealized foreign currency gain would be approximately $1.0 $0.9 million on a pre-tax basis.

Transaction Gains and Losses: Chart's primary transaction exchange rate exposures are with the euro, the Chinese yuan, the Czech koruna, the Indian rupee, the Australian dollar, the British pound, the Canadian dollar, the Japanese yen and the South African rand. Transaction gains and losses arising from fluctuations in currency exchange rates on transactions denominated in currencies other than the functional currency are recognized in the unaudited condensed consolidated statements of operations and comprehensive income (loss) as a component of foreign currency (gain) loss. gain.

Derivative Instruments: We enter into foreign currency contracts not designated as hedging instruments to mitigate foreign currency risk for anticipated and firmly committed foreign currency transactions. At June 30, 2023 September 30, 2023, a hypothetical 10% weakening of the U.S. dollar would not materially affect these outstanding foreign currency contracts. We enter into a combination of cross-currency swaps and foreign exchange collars as a net investment hedge of our investments in certain international subsidiaries that use the euro as their functional currency in order to reduce the volatility caused by changes in exchange rates. As disclosed in Note 9, “Debt and Credit Arrangements,” we purchased an out-of-the-money protective call while writing a put option with a strike price at which the premium received is equal to the premium of the protective call purchased, which involved no initial capital outlay. The call was structured with a strike price higher than our cost basis in such

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investments, thereby limiting any foreign exchange losses to approximately $11.4 million on a pre-tax basis. We do not use derivative financial instruments for speculative or trading purposes. The terms of the contracts are generally one to three years.

Market Price Sensitive Instruments

In connection with the pricing of the 1.00% Convertible Senior Subordinated Notes due November 2024 (the “2024 Notes”), we entered into privately-negotiated convertible note hedge transactions (the “Note Hedge Transactions”) with certain parties, including affiliates of the initial purchasers of the 2024 Notes (the “Option Counterparties”). These Note Hedge Transactions are expected to reduce the potential dilution upon any future conversion of the 2024 Notes.

We also entered into separate, privately-negotiated warrant transactions with the Option Counterparties to acquire up to 4.41 million shares of our common stock. The warrant transactions will have a dilutive effect with respect to our common stock to the extent that the price per share of our common stock exceeds the strike price of the warrants unless we elect, subject to certain conditions, to settle the warrants in cash. The strike price of the warrant transactions related to the 2024 Notes was initially $71.775 per share. Further information is located in Note 9, “Debt and Credit Arrangements” to our unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We performed an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Rule 13a-15 under the Securities and Exchange Act of 1934, as amended (the “Exchange Act”) as of June 30, 2023 September 30, 2023. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that as of June 30, 2023 September 30, 2023, our disclosure controls and procedures were effective to ensure that information required to be disclosed by us in the reports we file or submit under the Exchange Act (1) is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission’s rules and forms and (2) is accumulated and communicated to our management including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow for timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during our most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

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PART II. OTHER INFORMATION

Item 1. Legal Proceedings

As disclosed in Note 18, “Commitments and Contingencies,” Chart was named in lawsuits (including lawsuits filed in the U.S. District Court for the Northern District of California) filed against Chart and other defendants with respect to the alleged failure of a stainless steel cryobiological storage tank (model MVE 808AF-GB) at the Pacific Fertility Center in San Francisco, California. We hereby incorporate by reference into this Item 1 the disclosure under the headings “Note 18, Commitments and Contingencies – Stainless Steel Cryobiological Tank Legal Proceedings.”

We are occasionally subject to various other legal claims related to performance under contracts, product liability, taxes, employment matters, environmental matters, intellectual property, and other matters incidental to the normal course of our business. Based on our historical experience in litigating these claims, as well as our current assessment of the underlying merits of the claims and applicable insurance, if any, management believes that the final resolution of these matters will not have a material adverse effect on our financial position, liquidity, cash flows, or results of operations. Future developments may, however, result in resolution of these legal claims in a way that could have a material adverse effect.

Item 1A. Risk Factors

In addition to the other information set forth in this report, you should carefully consider the risk factors disclosed in Item 1A. “Risk Factors,” of our Annual Report on Form 10-K for the year ended December 31, 2022.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

	Issuer Purchases of Equity Securities

Period	Total Number of Shares Purchased (1)		Average Price Paid Per Share (1)	Total Number of Shares Purchased As Part of Publicly Announced Plans or Programs		Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
April 1 - 30, 2023	—	$	—	—	$	—
May 1 - 31, 2023	455		115.45	—		—
June 1 - 30, 2023	83		157.38	—		—
Total	538		121.92	—	$	—

Period	Issuer Purchases of Equity Securities					
	Total Number of Shares Purchased (1)		Average Price Paid Per Share (1)	Total Number of Shares Purchased As Part of Publicly Announced Plans or Programs		Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
July 1 - 31, 2023	34	$	167.71	—	$	—
August 1 - 31, 2023	90		164.94	—		—
September 1 - 30, 2023	1,393		174.51	—		—
Total	1,517		173.79	—	$	—

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(1) Includes shares of common stock surrendered to us during the second third quarter of 2023 by participants under our share-based compensation plans to satisfy tax withholding obligations relating to the vesting or payment of equity awards for an aggregate purchase price of approximately $65,592. $263,639. The total number of shares repurchased represents the net shares issued to satisfy tax withholding. All such repurchased shares were subsequently retired during the three months ended June 30, 2023 September 30, 2023.

Item 4. Mine Safety Disclosures

Not applicable.

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Item 6. Exhibits

The following exhibits are included with this report:

31.1 Rule 13a-14(a) Certification of the Company's Chief Executive Officer and President (Principal Executive Officer). (x)

31.2 Rule 13a-14(a) Certification of the Company's Vice President and Chief Financial Officer (Principal Financial Officer). (x)

32.1 Section 1350 Certification of the Company's Chief Executive Officer and President (Principal Executive Officer). (xx)

32.2 Section 1350 Certification of the Company's Vice President and Chief Financial Officer (Principal Financial Officer). (xx)

10.1 Amendment No. 4, dated as of June 30, 2023, which amends that certain Fifth Amended and Restated Credit Agreement, dated as of October 18, 2021 (as amended by Amendment No. 1, dated as of November 21, 2022, Amendment No. 2, dated as of March 16, 2023, Amendment No. 3, dated as of March 17, 2023, and as otherwise amended, restated, supplemented or otherwise modified prior to the date hereof), by and among Chart Industries, Inc., the direct or indirect subsidiaries of Chart Industries, Inc. designated as borrowers from time to time thereunder, the lenders named therein, JPMorgan Chase Bank, N.A., as Administrative Agent, Bank of America, N.A., Fifth Third Bank, National Association, HSBC Bank USA, National Association, PNC Bank, National Association and Wells Fargo Bank, National Association, as Co-Syndication Agents, and BMO Harris Bank, N.A., Capital One, N.A., Citizens Bank, N.A., MUFG Union Bank, N.A. and Regions Bank, as Co-Documentation Agents (incorporated by reference to Exhibit 10.1 of the Registrant's Current Report on Form 8-K, filed with the SEC on June 30, 2023 (File No. 001-11442)).

10.2 Letter Agreement dated May 30, 2003, by and between Chart Industries, Inc. and Mr. Joseph Belling **

101.INS XBRL Instance Document *

101.SCH XBRL Taxonomy Extension Schema Document

101.CAL XBRL Taxonomy Extension Calculation Linkbase Document

101.DEF XBRL Taxonomy Extension Definition Linkbase Document

101.LAB XBRL Taxonomy Extension Label Linkbase Document

101.PRE XBRL Taxonomy Extension Presentation Linkbase Document

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(x) Filed herewith.

(xx) Furnished herewith.

* The Instance Document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.

** Management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Chart Industries, Inc.

(Registrant)

Date:	July 28, October 27, 2023	By:	/s/ Jillian C. Evanko
			Jillian C. Evanko Chief Executive Officer, President and a Director (Principal Executive Officer)
Date:	July 28, October 27, 2023	By:	/s/ Joseph R. Brinkman
			Joseph R. Brinkman Vice President and Chief Financial Officer (Principal Financial Officer)

May 30, 2023

Exhibit 10.2

Mr. Joseph Belling

Re: Letter Agreement by and between Chart Industries, Inc. and Mr. Joseph Belling

Pursuant to this letter agreement ("Letter Agreement"), Chart Industries, Inc. (the "Company") desires to provide Joseph Belling, the Company's Chief Commercial Officer ("Employee"), with certain benefits in the event Employee's employment is terminated by the Company, and Employee desires to enter into this Letter Agreement, including the non-competition provisions hereof.

In consideration of the premises and mutual covenants herein and for other good and valuable consideration, the parties to this Letter Agreement agree as follows:

Employee's employment with the Company may be terminated by either party at any time and for any reason.

"Termination of Employment" as used in this Letter Agreement means the separation from service, within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended from time to time (the "Code", any reference in this Letter Agreement to a Section of the Code shall include all lawful regulations and pronouncements promulgated thereunder, as well as any successor Sections of the Code having the same or similar purpose), of Employee with the Company and all of its affiliates, for any reason, including without limitation, quit, discharge, or retirement, or a leave of absence (including military leave, sick leave, or other bona fide leave of absence such as temporary employment by the government if the period of such leave exceeds the greater of six months, or the period for which Employee's right to reemployment is provided either by statute or by contract) or permanent decrease in service to a level that is no more than twenty percent (20%) of its prior level. For this purpose, whether a Termination of Employment has occurred is determined based on whether it is reasonably anticipated that no further services will be performed by Employee after a certain date or that the level of bona fide services Employee will perform after such date (whether as an employee or as an independent contractor) would permanently decrease to no more than twenty percent (20%) of the average level of bona fide services performed (whether as an employee or an independent contractor) over the immediately preceding 36-month period (or the full period of services if Employee has been providing services less than 36 months). The terms "Terminate" or "Terminated," when used in reference to Employee's employment or the Employment Period, shall refer to a Termination of Employment as set forth in this paragraph. "Date of Termination" refers to the effective date of Employee's Termination of Employment.

Employee's employment hereunder may be terminated by the Company with or without Cause at any time. For purposes of this Letter Agreement, "Cause" shall mean Employee's (A) willful failure to perform duties consistent with Employee's position with the Company which failure, if curable, is not cured promptly, or in any event within ten (10) days, following the first written notice of such failure from the Company, (B) commission of, or plea of guilty or no contest to a (x) felony or (y) crime involving moral turpitude, (C) willful malfeasance or misconduct which is demonstrably injurious to the Company or its subsidiaries or affiliates, (D) commission of any act of gross negligence, corporate waste, disloyalty or unfaithfulness to the Company or its subsidiaries which adversely affects the business of the Company or its subsidiaries or affiliates, or (E) any other act or course of conduct which will demonstrably have a material adverse effect on the Company, a subsidiary or affiliate's business.

If the Employee's employment is terminated by the Company without Cause (other than by reason of death or disability), Employee shall be entitled to receive, subject to Employee's (x) continued compliance with the provisions of the non-competition provisions of this Letter Agreement and (y) execution and delivery of a general release of claims against the Company and its affiliates in a form reasonably acceptable to the Company (the "Release"), which Release becomes effective and irrevocable no later than sixty (60) days after the date on which Employee's Termination of Employment occurs (the "Release Period"), Employee shall be entitled to receive:

(i) a payment in one lump sum in an amount equal to 12 months of Employee's then current base salary;

(ii) reimbursement, within 60 days following submission by Employee to the Company of appropriate supporting documentation, for any unreimbursed business expenses properly incurred by Employee in accordance with Company policy prior to the date of Employee's Termination of Employment; provided claims for such reimbursement (accompanied by appropriate supporting documentation) are submitted to the Company within 90 days following the date of Employee's Termination of Employment;

(iii) such employee benefits, if any, as to which Employee may be entitled under the employee benefit plans of the Company, including payment for any accrued but unused vacation within 30 days following the date of Employee's Date of Termination; and

(iv) a payment in one lump sum in an amount equal to the normal employee costs associated with 12 months of continuation coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA") for Employee and his eligible dependents who were covered under the Company's health plans as of the date of Employee's Termination of Employment.

If the Employee's employment is terminated by the Company with Cause, Employee shall be entitled to receive, subject to Employee's (x) continued compliance with the provisions of the non-competition provisions of this Letter Agreement and (y) execution and delivery of a Release which becomes effective and irrevocable no later than the end of the Release Period, Employee shall be entitled to receive:

(i) Employee's current base salary through the Date of Termination;

(ii) any annual bonus earned, but unpaid, as of the Date of Termination for the immediately preceding fiscal year (except to the extent payment is otherwise deferred pursuant to any applicable deferred compensation arrangement with the Company);

(iii) reimbursement, within 60 days following submission by Employee to the Company of appropriate supporting documentation, for any unreimbursed business expenses properly incurred by Employee in accordance with Company policy prior to the date of Employee's Termination of Employment; provided claims for such reimbursement (accompanied by appropriate supporting documentation) are submitted to the Company within 90 days following the date of Employee's Termination of Employment; and

(iv) such employee benefits, if any, as to which Employee may be entitled under the employee benefit plans of the Company, including payment for any accrued but unused vacation within 30 days following the date of Employee's Date of Termination.

Following such Termination of Employment by the Company for Cause, Employee shall have no further rights to any compensation or any other benefits under this Letter Agreement.

Any payment hereunder shall be paid no later than five (5) days after the end of the Release Period; provided, however, that if the Release Period begins in one calendar year and ends in the following calendar year, any payment, or portion thereof, considered to be non-qualified deferred compensation under Section 409A of the Code shall be made during the second calendar year.

Employee acknowledges and recognizes the highly competitive nature of the businesses of the Company and its affiliates and accordingly agrees as follows:

During employee's employment with the Company and the twelve (12) months following the date of Employee's Termination of Employment (the "Restricted Period"), Employee will not, whether on Employee's own behalf or on behalf of or in conjunction with any person, firm, partnership, joint venture, association, corporation or other business organization, entity or enterprise whatsoever ("Person"), directly or indirectly solicit or assist in soliciting in competition with the Company, the business of any client or customer or prospective client or customer:

(i) with whom Employee had personal contact or dealings on behalf of the Company during the one-year period preceding the earlier of the Employee's Termination of Employment or such solicitation;

(ii) with whom employees reporting to Employee have had personal contact or dealings on behalf of the Company during the one year immediately preceding the Employee's Termination of Employment; or

(iii) for whom Employee had direct or indirect responsibility during the one year immediately preceding Employee's Termination of Employment.

During the Restricted Period, Employee will not directly or indirectly:

(i) engage in (1) the business of manufacturing equipment used in (x) the production, storage and end-use of hydrocarbon and industrial gases business or (y) low temperature and cryogenic applications, (2) any other businesses which the Company or its subsidiaries engage in during the term of Employee's employment with the Company and (3) any businesses which, as of the date of Employee's Termination of Employment, the Company or its subsidiaries both (x) have specific plans to conduct in the future (and as to which Employee is aware of such planning) and (y) have allocated or invested capital as of the date of such Termination of Employment (a "Competitive Business");

(ii) enter the employ of, or render any services to, any Person (or any division or controlled or controlling affiliate of any Person) who or which engages in a Competitive Business;

(iii) acquire a financial interest in, or otherwise become actively involved with, any Competitive Business, directly or indirectly, as an individual, partner, shareholder, officer, director, principal, agent, trustee or consultant; or

(iv) interfere with, or attempt to interfere with, business relationships (whether formed before, on or after the date of this Letter Agreement) between the Company or any of its affiliates and customers, clients, suppliers, partners, members or investors of the Company or its affiliates.

Notwithstanding anything to the contrary in this Letter Agreement, Employee may, directly or indirectly own, solely as an investment, securities of any Person engaged in the business of the Company or its affiliates which are publicly traded on a national or regional stock exchange or quotation system or on the over-the-counter market if Employee (i) is not a controlling person of, or a member of a group which controls, such person and (ii) does not, directly or indirectly, own 5% or more of any class of securities of such Person.

During the Restricted Period, Employee will not, whether on Employee's own behalf or on behalf of or in conjunction with any Person, directly or indirectly:

(i) solicit or encourage any employee of the Company or its affiliates to leave the employment of the Company or its affiliates; or

(ii) hire any such employee who was employed by the Company or its affiliates as of the date of Employee's Termination of Employment with the Company or who left the employment of the Company or its affiliates coincident with, or within one year prior to or after, the termination of Employee's employment with the Company.

During the Restricted Period, Employee will not, directly or indirectly, solicit or encourage to cease to work with the Company or its affiliates any consultant then under contract with the Company or its affiliates.

It is expressly understood and agreed that although Employee and the Company consider the restrictions contained in this Letter Agreement to be reasonable, if a final judicial determination is made by a court of competent jurisdiction that the time or territory or any other restriction contained in this Letter Agreement is an unenforceable restriction against Employee, the provisions of this Letter Agreement shall not be rendered void but shall be deemed amended to apply as to such maximum time and territory and to such maximum extent as such court may judicially determine or indicate to be enforceable. Alternatively, if any court of competent jurisdiction finds that any restriction contained in this Letter Agreement is unenforceable, and such restriction cannot be amended so as to make it enforceable, such finding shall not affect the enforceability of any of the other restrictions contained herein.

This Letter Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to conflicts of laws principles thereof.

Except as otherwise provided in this Letter Agreement, any controversy, dispute, or claim arising out of, in connection with, or in relation to, the interpretation, performance or breach of this Letter Agreement, including, without limitation, the validity, scope, and enforceability of this section, may at the election of any party, be solely and finally settled by arbitration conducted in Cleveland, Ohio, by and in accordance with the then existing rules for commercial arbitration of the American Arbitration Association, or any successor organization and with the Expedited Procedures thereof (collectively, the "Rules"). Each of the parties hereto agrees that such arbitration shall be conducted by a single arbitrator selected in accordance with the Rules; provided that such arbitrator shall be experienced in deciding cases concerning the matter which is the subject of the dispute. Any of the parties may demand arbitration by written notice to the other and to the Arbitrator set forth herein ("Demand for Arbitration"). Each of the parties agrees that if possible, the award shall be made in writing no more than 30 days following the end of the proceeding. Any award rendered by the arbitrator(s) shall be final and binding and judgment may be entered on it in any court of competent jurisdiction. Each of the parties hereto agrees to treat as confidential the results of any arbitration (including, without limitation, any findings of fact and/or law made by the arbitrator) and not to disclose such results to any unauthorized person. The parties intend that this agreement to arbitrate be valid, enforceable and irrevocable. In the event of any arbitration with regard to this Letter Agreement, each party shall pay its own legal fees and expenses, provided, however, that the Company agrees to pay the cost of the Arbitrator's fees.

This Letter Agreement contains the entire understanding of the parties with respect to the employment of Employee by the Company or its affiliates. There are no restrictions, agreements, promises, warranties, covenants or undertakings between the parties with respect to the subject matter herein other than those expressly set forth herein. This Letter Agreement may not be altered, modified, or amended except by written instrument signed by the parties hereto.

The failure of a party to insist upon strict adherence to any term of this Letter Agreement on any occasion shall not be considered a waiver of such party's rights or deprive such party of the right thereafter to insist upon strict adherence to that term or any other term of this Letter Agreement.

In the event that any one or more of the provisions of this Letter Agreement shall be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions of this Letter Agreement shall not be affected thereby.

This Letter Agreement, and all of Employee's rights and duties hereunder, shall not be assignable or delegable by Employee. Any purported assignment or delegation by Employee in violation of the foregoing shall be null and void ab initio and of no force and effect. This Letter Agreement may be assigned by the Company to a person or entity which is an affiliate or a successor in interest to substantially all of the business operations of the Company.

The Company's obligation to pay Employee the amounts provided hereunder shall be subject to set-off, counterclaim or recoupment of amounts owed by Employee to the Company or its affiliates.

This Letter Agreement shall inure to the benefit of and be binding upon personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees.

For the purpose of this Letter Agreement, notices and all other communications provided for in the Letter Agreement shall be in writing and shall be deemed to have been duly given when delivered by hand or overnight courier or three days after it has been mailed by United States registered mail, return receipt requested, postage prepaid, addressed to the respective addresses set forth below in this Letter Agreement, or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notice of change of address shall be effective only upon receipt.

If to the Company:

Chart Industries, Inc.
3055 Torrington Drive
Ball Ground, GA 30107
Attention: General Counsel

If to Employee:

To the most recent address of Employee set forth in the personnel records of theCompany.

This Letter Agreement supercedes all prior agreements and understandings (including verbal agreements) between Employee and the Company and/or its affiliates regarding the terms and conditions of Employee's employment with the Company and/or its affiliates.

Employee shall provide Employee's reasonable cooperation in connection with any action or proceeding (or any appeal from any action or proceeding) which relates to events occurring during Employee's employment hereunder. This provision shall survive any termination of this Letter Agreement.

The Company may withhold from any amounts payable under this Letter Agreement such Federal, state and local taxes as may be required to be withheld pursuant to any applicable law or regulation.

It is intended that the payments and benefits provided under this Letter Agreement shall either be exempt from application of, or comply with, the requirements of Section 409A of the Code. This Letter Agreement shall be construed, administered, and governed in a manner that effects such intent, and the Company shall not take any action that would be inconsistent with such intent. Notwithstanding anything herein to the contrary, (i) if at the time of Employee's Termination of Employment with the Company Employee is a "specified employee" as defined in Section 409A of the Code, and the deferral of the commencement of any payments or benefits otherwise payable hereunder as a result of such Termination of Employment is necessary in order to prevent the imposition of any accelerated or additional tax under Section 409A of the Code, then the Company will defer the commencement of the payment of any such payments or benefits hereunder (without any reduction in such payments or benefits ultimately paid or provided to Employee) until the date that is six months following Employee's Termination of Employment with the Company (or the earliest date as is permitted under Section 409A of the Code); and (ii) if any other payments of money or other benefits due to Employee hereunder could cause the application of an accelerated or additional tax under Section 409A of the Code, such payments or other benefits shall be deferred if deferral will make such 'payment or other benefits compliant under Section 409A of the Code, or otherwise such payment or other benefits shall be restructured, to the extent possible, in a manner that does not cause such an accelerated or additional tax or result in an additional cost to the Company. Notwithstanding anything herein to the contrary, the tax treatment of the benefits provided under this Letter Agreement is not warranted or guaranteed. Neither the Company, its affiliates nor their respective boards of directors shall be held liable for any taxes, interest, penalties, or other similar monetary amounts owed by Employee or other taxpayers as a result of the Letter Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Letter Agreement as of __________, 2023.

NOTICE TO EMPLOYEE: READ THIS LETTER AGREEMENT CAREFULLY BEFORE SIGNING. AMONG OTHER THINGS, IT IMPOSES NON-COMPETITION COVENANTS ON YOU.

Chart Industries, Inc.
("Company")

/s/ Gerry Vinci
By: Gerry Vinci
Its: Chief Human Resources Officer

Joseph Belling
("Employee")

/s/ Joseph Belling

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Exhibit 31.1

CERTIFICATION

I, Jillian C. Evanko, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Chart Industries, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: July 28, 2023 October 27, 2023

/s/ Jillian C. Evanko

Jillian C. Evanko
Chief Executive Officer and President

Exhibit 31.2

CERTIFICATION

I, Joseph R. Brinkman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Chart Industries, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 28, 2023 October 27, 2023

/s/ Joseph R. Brinkman

Jospeh R. Brinkman

Vice President and Chief Financial Officer

Exhibit 32.1

Certification
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code), the undersigned officer of Chart Industries, Inc., a Delaware corporation (the "Company"), does hereby certify, to such officer's knowledge, that:

(a) The Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2023 September 30, 2023 (the "Form 10-Q") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(b) The information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company as of, and for, the periods presented in the Form 10-Q.

Dated: July 28, 2023 October 27, 2023

/s/ Jillian C. Evanko

Jillian C. Evanko

Chief Executive Officer and President

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Form 10-Q or as a separate disclosure document.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

Certification
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code), the undersigned officer of Chart Industries, Inc., a Delaware corporation (the "Company"), does hereby certify, to such officer's knowledge, that:

(a) The Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2023 September 30, 2023 (the "Form 10-Q") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(b) The information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company as of, and for, the periods presented in the Form 10-Q.

Dated: July 28, 2023 October 27, 2023

/s/ Joseph R. Brinkman

Joseph R. Brinkman

Vice President and Chief Financial Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Form 10-Q or as a separate disclosure document.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

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