

Q3 2025 Earnings Release

October 28, 2025

CECO
ENVIRONMENTAL



Forward-looking statements and Non-GAAP information

This presentation contains forward-looking statements with predictions, projections and other statements about future events. These statements are made on the basis of management's views and assumptions regarding future events and business performance. We use words such as "believe," "expect," "anticipate," "intends," "estimate," "forecast," "project," "will," "plan," "should" and similar expressions to identify forward-looking statements. Forward-looking statements involve risks and uncertainties that may cause actual results to differ materially from any future results, performance or achievements expressed or implied by such statements. Potential risks and uncertainties, among others, that could cause actual results to differ materially are discussed under "Part I – Item 1A. Risk Factors" of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024 and may be included in subsequently filed Quarterly Reports on Form 10-Q, and include, but are not limited to: the effect of the divestiture of our Fluid Handling business on business relationships, operating results, and business generally, disruption of current plans and operations and potential difficulties in employee retention as a result of the transaction, diversion of management's attention from ongoing business operations in connection with the integration of recent acquisitions, the amount of the costs, fees, expenses and other charges related to the transaction, the achievement of the anticipated benefits of transactions, our ability to successfully integrate acquired businesses and realize the synergies from acquisitions, as well as a number of factors related to our business, including the sensitivity of our business to economic and financial market conditions generally and economic conditions in CECO's service areas; the potential for fluctuations in prices for manufactured components and raw materials, including as a result of tariffs and surcharges, and rising energy costs; inflationary pressures relating to rising raw material costs and the cost of labor; dependence on fixed price contracts and the risks associated therewith, including actual costs exceeding estimates and method of accounting for revenue; the effect of growth on our infrastructure, resources, and existing sales; the ability to expand operations in both new and existing markets; the potential for contract delay or cancellation as a result of on-going or worsening supply chain challenges or other customer considerations; liabilities arising from faulty services or products that could result in significant professional or product liability, warranty, or other claims; changes in or developments with respect to any litigation or investigation; failure to meet timely completion or performance standards that could result in higher cost and reduced profits or, in some cases, losses on projects; the substantial amount of debt incurred in connection with our strategic transactions and our ability to repay or refinance it or incur additional debt in the future; the impact of federal, state or local government regulations; our ability to repurchase shares of our common stock and the amounts and timing of repurchases; our ability to successfully realize the expected benefits of our restructuring program; economic and political conditions generally; our ability to optimize our business portfolio by identifying acquisition targets, executing upon any strategic acquisitions or divestitures, integrating acquired businesses and realizing the synergies from strategic transactions; and the unpredictability and severity of catastrophic events, including cyber security threats, acts of terrorism or outbreak of war or hostilities or public health crises, as well as management's response to any of the aforementioned factors. Many of these risks are beyond management's ability to control or predict. Should one or more of these risks or uncertainties materialize, or should any related assumptions prove incorrect, actual results may vary in material aspects from those currently anticipated. Investors are cautioned not to place undue reliance on such forward-looking statements as they speak only to our views as of the date the statement is made. Except as required under the federal securities laws or the rules and regulations of the Securities and Exchange Commission, we undertake no obligation to update or review any forward-looking statements, whether as a result of new information, future events or otherwise.

While we report our results in accordance with generally accepted accounting principles in the U.S. ("GAAP"), comments made during this conference call and these materials may include the following "non-GAAP" financial measures: organic revenue, non-GAAP gross profit, non-GAAP operating income, non-GAAP net income, adjusted EBITDA, adjusted free cash flow, adjusted net free cash flow, non-GAAP gross profit margin, non-GAAP operating margin, non-GAAP earnings per basic and diluted share, adjusted EBITDA margin and selected measures expressed on a constant currency basis. These measures are included to provide additional useful information regarding our financial results and are not a substitute for their comparable GAAP measures. Management believes that these measures provide individuals with additional information to better compare the Company's results over multiple periods. Explanations of these non-GAAP measures and reconciliations of these non-GAAP measures to their directly comparable GAAP measures, to the extent the reconciliation be performed without unreasonable efforts, are included in the accompanying "Appendix." Descriptions of many of these non-GAAP measures are also included in our SEC reports.

Q3 2025 Earnings Call Executive Summary

Q3 2025

Introducing 2026 Outlook

Q3 2025 = High-Performance

- +64% Backlog, +44% Orders, +46% Revenue
- +62% Adj EBITDA
- Adj EBITDA margin up 120bps

> \$1B

Orders

\$850 – 950M

Revenue

\$110 – 130M

Adj. EBITDA

Reaffirm Full Year 2025 Outlook

- Orders B2B of > 1.2x (even with record revenues)
- Revenue +35% YoY (Midpoint of Guidance)
- Adj. EBITDA expected up ~ 50% YoY



Record Pipeline and Record Backlog



Market Fundamentals Remain Very Strong



Proven Operating Model

Another Great Quarter ... Outlook Remains Very Strong

Q3 2025 Results: Maintaining High-Performance

(\$MM)

Metric	Result	Performance YoY
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CECO Solutions In Demand for Robust Markets ...

- Backlog reaches another record level
- Sales/Order Pipeline* increased to ~ \$5.8B
- Strong Orders up 44%... Book-to-Bill ~ 1.2x

Backlog \$720 **+64%**

Continued Record Revenue Growth ...

- Up 44% YoY and 7% sequentially as market position, M&A and growth investments deliver
- YTD 2025 revenue surpasses FY 2024 (FY'24 was previous record)

Orders \$233 **+44%**

Delivering Stronger Income / Margin Profile ...

- YoY margin expansion of 120 bps on continued focus on cost management and G&A leverage
- Strong Q3 FCF = \$19M ... Inline with expected strong 2H FCF

Revenue \$198 **+46%**

Adj. EBITDA \$23.2 **+62%**

Adj. EPS \$0.26 **+86%**

New Record Backlog Adds to Sustainable High Growth Momentum

Full Year 2025 Outlook Reaffirmed

(\$MM)

FY 2024

		Full Year Outlook	Comments
~1.2x	Orders/B-2-B (book to bill)	>1.2x	<p>Orders</p> <ul style="list-style-type: none"> • 2025 continues multi-year streak of B2B > 1.1 • Expect Q4 bookings to be > \$250M
558	Revenue	725 – 775	<p>Revenue</p> <ul style="list-style-type: none"> • Continued momentum with record backlog • Full Year Up ~35% YoY ... with 20% Organic Growth
~63	Adj EBITDA	90 – 100 Margins: 12.5% - 13.0% Up YoY ~ +150bps	<p>Adjusted EBITDA</p> <ul style="list-style-type: none"> • Maintaining Range ... Up ~ 50% YoY
12%	Free Cash Flow* % of Adj. EBITDA	> 60%	<p>Adj. Free Cash Flow</p> <ul style="list-style-type: none"> • Q3 FCF of \$19M aligned with guided 2H performance

*See definition in Appendix.

Well-Positioned For Strong Market Dynamics With Known Risks



- + Power Markets: Remains in Super-cycle mode
- + Natural Gas / Energy Infrastructure
- + Global Industrial Water and Wastewater



- = Reshoring Industrial and Global Semiconductor & Electronics
- = CECO Pricing and Supply Chains
- = M&A Pipeline



- ? Tariffs & Inflation Heading into 2026
- ? U.S. Government Shutdown Impact



Financial Review

Q3 2025 and TTM Financial Performance

TTM = Trailing 12 Month
B2B = Book to Bill

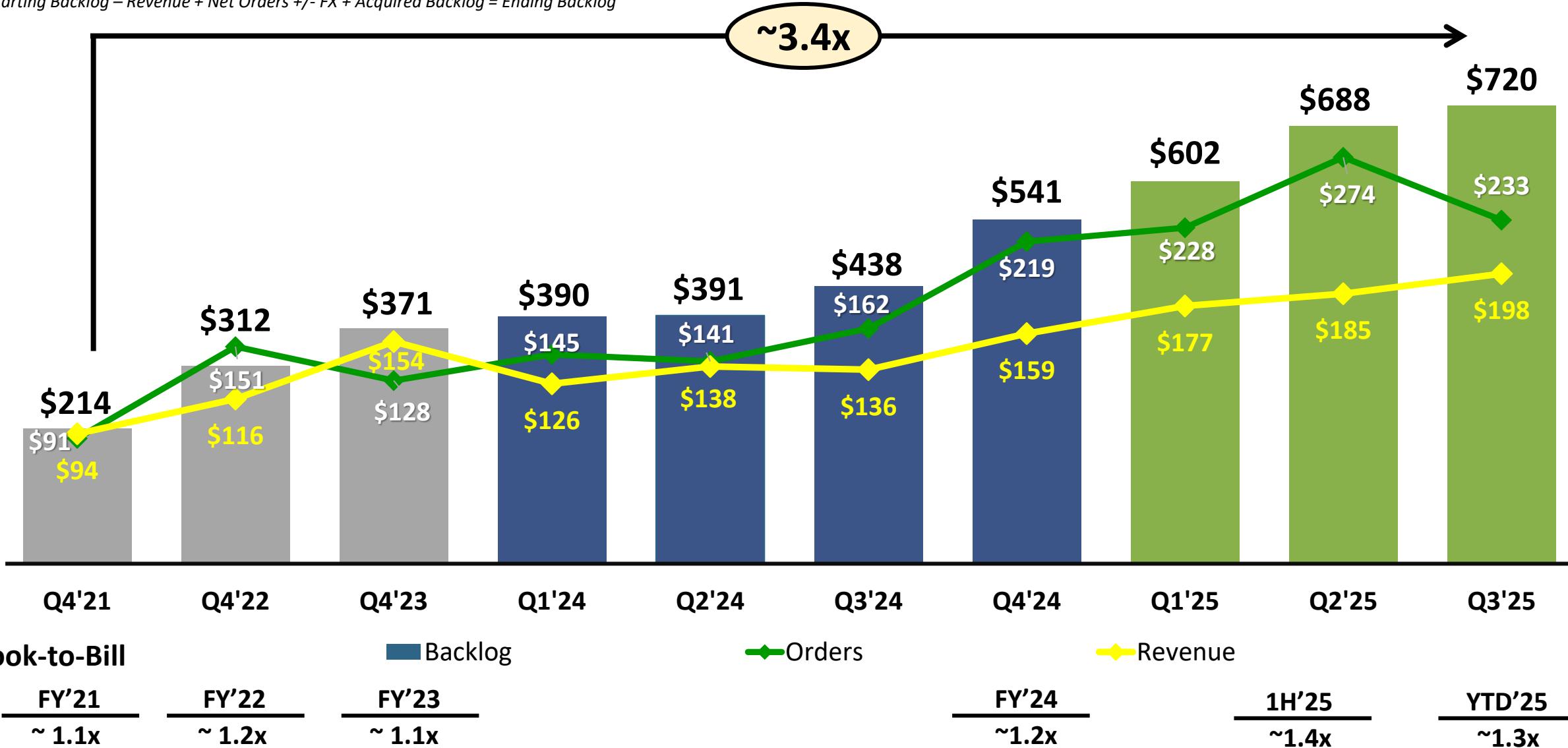
	Q3'25	YoY	Q3 TTM	YoY	Highlights
Backlog	\$720M	64%	\$720M	64%	<ul style="list-style-type: none"> • Record Backlog ... Broad-based end market demand
Orders <i>Book to Bill</i>	\$233M <i>1.18x</i>	44%	\$954M <i>1.33x</i>	65%	<ul style="list-style-type: none"> • Continued Orders Momentum ... up ~ \$70M YoY; Strength in Power, Semicon, Water, and Natural Gas Infrastructure • PowerGen orders of significant size, continue to be booked • 4th consecutive quarter > \$200M; average ~\$238M
Revenue	\$198M	46%	\$718M	30%	<ul style="list-style-type: none"> • YoY: Up ~ \$62M ... double-digit growth in both organic and inorganic • Seq: Up ~ \$12M / +7% on early revenues from Power orders booked in prior quarters
Adj. EBITDA <i>Margin %</i>	\$23.2M <i>11.8%</i>	62% <i>+118bps</i>	\$79.6M <i>11.1%</i>	26% <i>(31bps)</i>	<ul style="list-style-type: none"> • Gross Margins ~33%, flat YoY with continued productivity and project execution offset by mix and seasonal absorption dynamics • Adj EBITDA up 62% YoY and margins up ~ 120bps • Adj EBITDA margin down sequentially on lower gross profit offset by lower G&A/Corporate spend rate
Adj. EPS	0.26	86%	0.86	18%	<ul style="list-style-type: none"> • Adj EPS up 86%, driven by volume and operational excellence, partially offset by higher interest expenses.

Strong Across the Board ... TTM Orders up 65% (B2B = 1.33)

Record Backlog Trend Continues

(\$MM)
B2B = Book to Bill

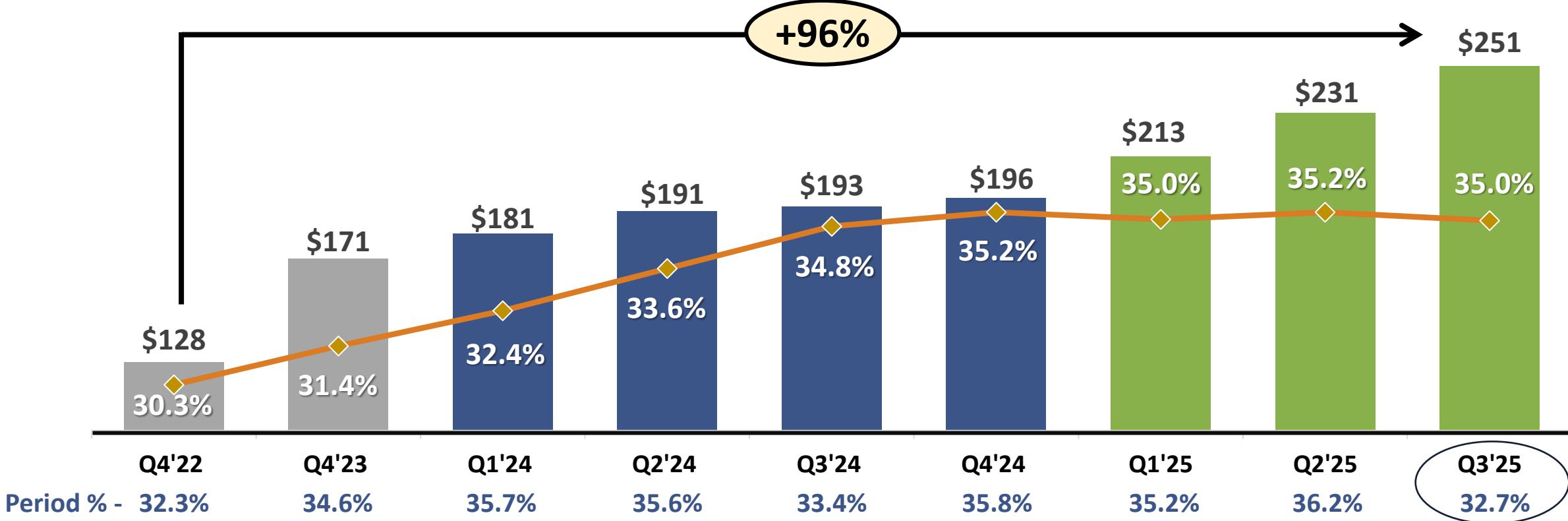
* Starting Backlog – Revenue + Net Orders +/- FX + Acquired Backlog = Ending Backlog



Sustaining Strong Gross Margin Levels

(\$MM)
TTM = Trailing 12 Month

TTM basis (TTM GP/TTM Revenue)



Q3 Comments

- Q3 seasonal dynamics impacted GP% - reduction of working days, and revenue mix
- Q3 GM's typically lower-than-average

2026+ Actions

- Sustained Execution and Sourcing Focus
- Price and Cost Actions to Mitigate Inflation
- Focus on EBITDA Margin
- G&A / Corporate Expense control

YTD 2025 Cash Flow and Indebtedness Update

(\$MM)

Free Cash Flow			
	YTD 2024	YTD 2025	YoY
GAAP Net Income (incl. NCI)	\$8.1	\$47.0	\$38.9
D&A	\$10.5	\$18.7	
Gain on Sale	--	\$(63.7)	
Working Capital	\$(5.3)	\$(14.4)	
Other Net Operating Assets	\$9.7	\$22.1	
Operating Cash Flow	\$23.0	\$9.7	\$(13.3)
CapEx	\$(11.2)	\$(8.7)	\$2.5
Free Cash Flow	\$11.8	\$0.9	\$(10.9)

Notes:

- “Borrowing Capacity” is the lower of 1) EBITDA x Sr. Lev. Ratio Cap less Revolver Debt or 2) Total Revolver Capacity less Revolver Debt + Letters of Credit.
- Cash Proceeds from GPS Divestiture are classified as Investing Cash Flows.
- See definition of Adjusted Cash Flow in Appendix.

Gross Debt Position	
Dec 31, 2024	\$216.9
Cash Used / (Generated) from Ops	\$(9.7)
M&A + CapEx Investments [Net]	\$(1.5)
Net Bank Debt Activity	\$0.9
Other Cash Used / (Generated)	\$10.3
Sept 30, 2025	\$216.9
Leverage Ratio ¹	Capacity ²
2.6x	\$109
2.3x	\$69

Dec 31. 2024 Sept 30. 2025 Dec 31. 2024 Sept 30. 2025

1/ Leverage Ratio = Net Debt / TTM Bank EBITDA; Net Debt = \$216.9 – 30.6 = \$186.3

2/ Capacity = Current RCF Capacity + Net US and Canada Cash



Looking Ahead: 2026 Outlook

Many Positives For Q4'25 and Heading Into 2026

Energy Transition	Industrial Water	Industrial Air
<ul style="list-style-type: none">• Nat Gas Power-Gen Capacity Growth<ul style="list-style-type: none">– Electrification + Baseload Needs– Significant Q4'25 and 2026 Opportunities in Pipeline• More Nuclear and Geothermal• Robust LNG Plant and Midstream Gas Transport Opportunities• Permit Efficiency Improved	<ul style="list-style-type: none">• Targeting Mega-Jobs (\$30M+) in Industrial Wastewater and International Produced Water• CECO's Ind'l Water M&A Advanced Key EPC Relationships and Reference Jobs• Water Reuse and Water Scarcity Major Themes In Growing Markets	<ul style="list-style-type: none">• Global Semiconductor Strength plus Onshoring Fabs Gaining Real Investment• More Industrial Reshoring with Significant Automation Investments• CECO's Industrial Air Leadership Enables More Global Industrial Market Penetration

Operations | Supply Chain | Macro

(-) Fluctuating Tariff and Commercial Policy

+ Strong Execution and Margin Expansion

(-) Inflation Pressure Increases

(-) / + Skilled / Key Resource Availability

(-) / + Regulatory Policy

+ M&A = Remain Programmatic

Introducing Full Year 2026 Outlook

(\$MM)

	2025 Outlook	2026 Outlook	Key Items
Orders/B-2-B (book to bill)	> 1.2X	> 1.1x > \$1B	<ul style="list-style-type: none">Record opportunity pipeline of ~ \$5.8BExpecting Strong Q4'25 & Q1'26 High Value bookings currently in active bidding process
Revenue	725 – 775	850 – 950 Up 15% to 25% YoY	<ul style="list-style-type: none">Record backlog levels entering 2026Strong execution track record
Adj EBITDA	90 – 100	110 – 130 Up 20% to 40% YoY +100 – 150 bps YoY	<ul style="list-style-type: none">G&A leverage and continued sourcing and operational savingsMaintain multi-year margin expansionOperating Excellence + Introducing 80/20
Adj. Free Cash Flow* % of Adj. EBITDA	> 60%	50% - 60%	<ul style="list-style-type: none">Continue to drive working capital programsExpect typical EBITDA to cash conversion cycle

*See definition in Appendix.

Maintaining Strong Double-Digit Organic Growth

Sustainable Transformation ... Maintaining High Performance

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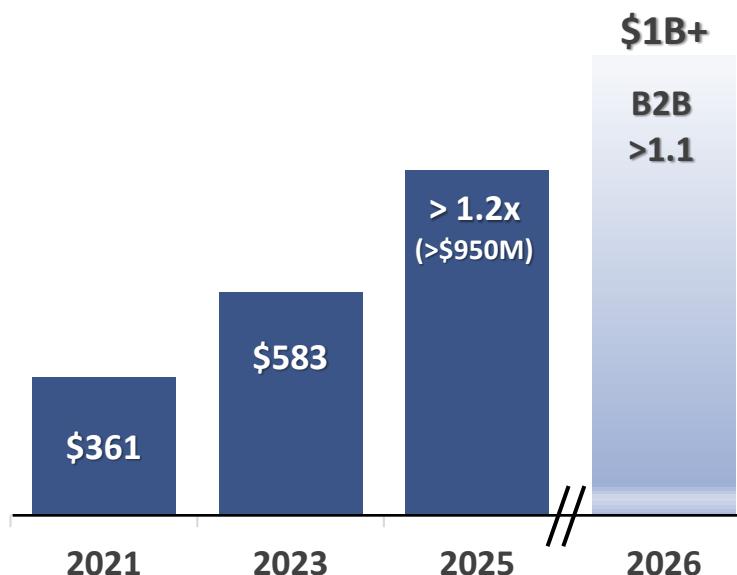
Orders

YE '25 Est. Backlog > \$700M

Backlog 4-year CAGR > 34%

B-2-B Consistently > 1.1x Since 2021

5-Year Orders CAGR 23%+



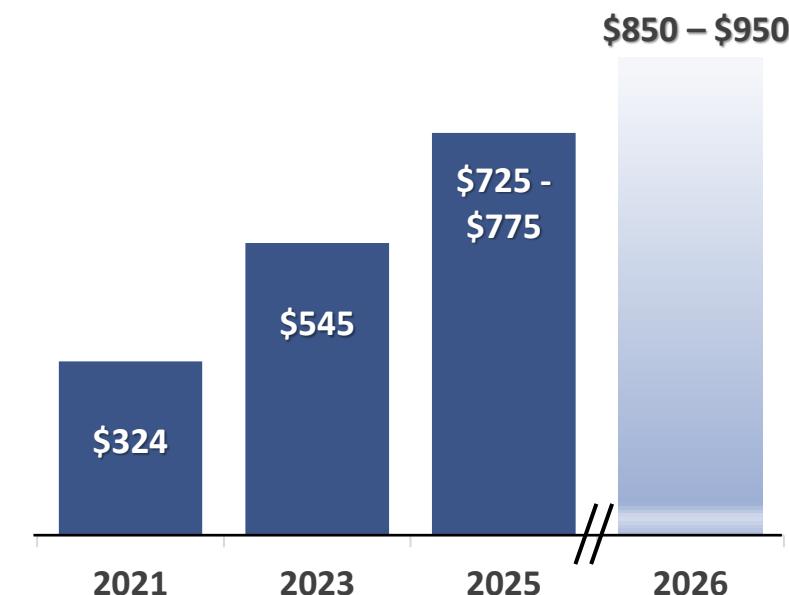
Revenue

More Short-Cycle Business Mix

Global Diversity Adds Balance

Revenue at Higher Gross Margins

5-Year Revenue CAGR 23%+



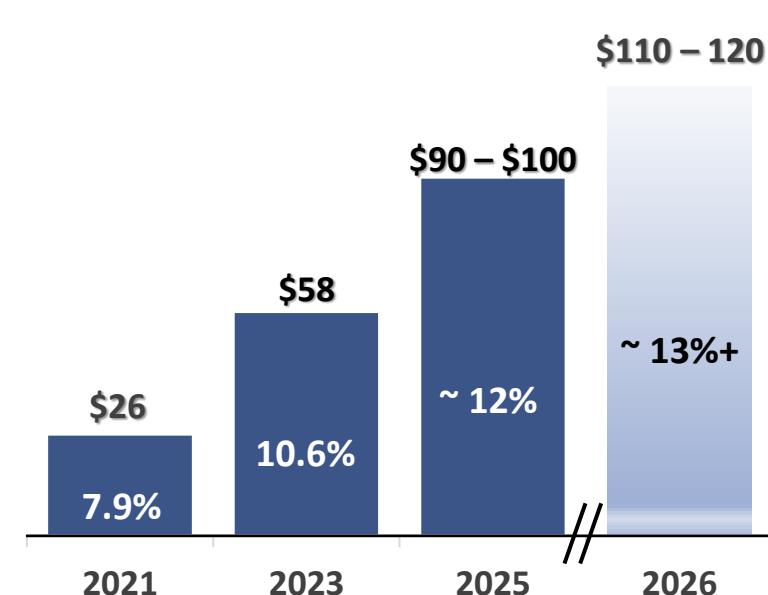
Adj. EBITDA

Margin Expansion 500+ bps

Operating Excellence / Productivity

Investments in Talent + Process + Footprint

5-Year Adj EBITDA CAGR 36%+



%s = Adjusted EBITDA Margin

Q3 2025 Summary

CECO Environmental
Protecting People, the Environment and
Industrial Equipment

Well-Positioned in Very Strong Markets

- Sales Pipeline of \$5.8B grew \$300M in past quarter
- Strong customer engagement
- Balanced across end markets and regions
- Limited impact from trade and geopolitical tensions

Strong Q3 and YTD Performance

- +64% Backlog, +44% Orders, +46% Revenue
- +62% Adj EBITDA, up 120bps in margin
- Acquisitions contributing nicely

Reaffirmed Full Year 2025 Outlook

- Orders B2B of > 1.2x even with record revenues
- Revenue tracking toward high-end ... +38% YoY
- Adj. EBITDA expected up ~ 50% YoY ... even with investments

Introducing 2026 Outlook: Strong Topline and Bottomline Growth

- Expect to enter 2026 with record backlog + sales pipeline

Appendix

Non-GAAP Reconciliation Tables and
Supplemental Materials



Revenue Excluding Acquisitions

(dollars in millions)	Annual	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Annual	TTM
	2023	2024	2024	2024	2024	2024	2025	2025	2025	2025	
Revenue as reported in accordance with GAAP	\$ 544.9	\$ 126.3	\$ 137.5	\$ 135.5	\$ 158.6	\$ 558.0	\$ 176.7	\$ 185.4	\$ 197.6	\$ 559.7	\$ 718.3
Revenue attributable to divestitures	-	-	-	-	-	-	-	8.1	8.5	16.6	16.6
Revenue attributable to acquisitions	(51.1)	(10.0)	(4.7)	(7.9)	(10.6)	(33.2)	(34.3)	(40.3)	(33.3)	(107.8)	(118.4)
Organic Revenue	\$ 493.8	\$ 116.3	\$ 132.8	\$ 127.6	\$ 148.0	\$ 524.8	\$ 142.4	\$ 153.2	\$ 172.9	\$ 468.5	\$ 616.5

NOTE: Amounts are computed independently each quarter. Accordingly, the sum of each quarter's amounts may not equal the total amounts for the respective year.

Non-GAAP Operating Income and Margin

(dollars in millions)	Annual		Q1		Q2		Q3		Q4		Annual		Q1		Q2		Q3		Annual		TTM
	2023	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2025	2025	2025	2025	2025	2025	2025	2025		
Operating Income as reported in accordance with GAAP	\$ 34.7	\$ 7.7	\$ 9.3	\$ 7.2	\$ 11.3	\$ 35.4	\$ 61.9	\$ 18.1	\$ 9.4	\$ 89.3	\$ 100.6										
Operating Margin in accordance with GAAP	6.4%	6.1%	6.8%	5.3%	7.1%	6.3%	35.0%	9.8%	4.8%	16.0%	14.0%										
Acquisition and integration expense	2.5	0.2	0.5	1.2	2.3	4.2	8.1	-	0.3	8.4	10.7										
Amortization expense	7.5	2.2	2.2	2.2	2.2	8.8	3.1	2.9	6.1	12.2	14.3										
Earn-out and retention expense (income)	0.7	-	-	0.5	(0.2)	0.3	-	(6.6)	-	(6.5)	(6.8)										
Gain on divestiture	-	-	-	-	-	-	(64.5)	-	0.8	(63.7)	(63.7)										
Restructuring expense	1.3	0.1	0.4	(0.1)	-	0.5	-	0.5	0.2	0.7	0.7										
Divestiture expense	-	-	-	-	-	-	-	-	0.6	-	0.6										
Executive transition expense	1.4	-	-	-	-	-	-	-	0.2	0.7	0.9										
Asbestos and other legal matter expense	-	-	0.2	-	-	0.2	-	-	2.6	-	2.6										
Non-GAAP Operating Income	\$ 48.1	\$ 10.2	\$ 12.6	\$ 11.0	\$ 15.6	\$ 49.4	\$ 8.6	\$ 18.3	\$ 17.5	\$ 44.5	\$ 59.9										
Non-GAAP Operating Margin	8.8%	8.1%	9.2%	8.1%	9.8%	8.9%	4.9%	9.9%	8.9%	8.0%	8.3%										

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Non-GAAP Net Income, Adjusted EBITDA, and Margin

(dollars in millions)	Annual 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Annual 2024	Q1 2025	Q2 2025	Q3 2025	Annual 2025	TTM
Net Income as reported in accordance with GAAP	\$ 12.9	\$ 1.5	\$ 4.5	\$ 2.1	\$ 4.9	\$ 13.0	\$ 36.0	\$ 9.5	\$ 1.5	\$ 47.0	\$ 51.9
Acquisition and integration expense	2.5	0.2	0.5	1.2	2.3	4.2	8.1	-	0.3	8.4	10.7
Amortization expense	7.5	2.2	2.2	2.2	2.2	8.8	3.1	2.9	6.1	12.2	14.3
Earn-out and retention expense (income)	0.7	-	-	0.5	(0.2)	0.3	-	(6.6)	-	(6.5)	(6.8)
Gain on divestiture	-	-	-	-	-	-	(64.5)	-	0.8	(63.7)	(63.7)
Restructuring expense	1.3	0.1	0.4	(0.1)	-	0.5	-	0.5	0.2	0.7	0.7
Divestiture expense	-	-	-	-	-	-	-	0.6	-	0.6	0.6
Executive transition expense	1.4	-	-	-	-	-	-	0.2	0.7	0.9	0.9
Asbestos and other legal matter expense	-	-	0.2	-	-	0.2	-	2.6	-	2.6	2.6
Foreign currency remeasurement	(1.0)	0.9	0.6	0.3	2.4	4.2	0.6	(1.4)	2.0	1.2	3.6
Tax benefit (cost) of expenses	1.3	(0.9)	(1.0)	(1.0)	(1.7)	(4.6)	20.2	0.4	(2.3)	18.3	16.6
Non-GAAP Net Income	\$ 26.6	\$ 4.0	\$ 7.4	\$ 5.2	\$ 9.9	\$ 26.7	\$ 3.5	\$ 8.7	\$ 9.3	\$ 21.7	\$ 31.4
Depreciation expense	5.1	1.3	1.3	1.4	1.8	5.8	2.0	2.1	2.3	6.4	8.3
Non-cash stock compensation	4.5	1.7	2.2	1.9	1.7	7.5	3.4	2.9	3.3	9.6	11.2
Other (income) / expense	0.8	0.6	0.1	0.1	(0.3)	0.5	0.0	-	0.1	0.1	(0.3)
Interest expense	13.4	3.4	3.3	2.6	3.7	13.0	6.2	4.9	5.1	16.2	19.9
Income tax expense	5.7	1.6	1.4	2.6	2.3	7.9	(1.6)	4.1	2.8	5.3	7.6
Non-Controlling Interest	1.6	0.6	0.4	0.5	-	1.5	0.5	0.6	0.3	1.4	1.4
Adjusted EBITDA	\$ 57.7	\$ 13.2	\$ 16.1	\$ 14.3	\$ 19.1	\$ 62.8	\$ 14.0	\$ 23.3	\$ 23.2	\$ 60.7	\$ 79.5
<i>Non-GAAP Operating Margin</i>	10.6%	10.5%	11.7%	10.6%	12.0%	11.3%	7.9%	12.6%	11.7%	10.8%	11.1%
Basic Shares Outstanding	34,665,473	34,844,838	34,918,412	34,966,625	34,978,382	34,927,313	35,028,301	35,286,065	35,359,969	35,225,740	35,163,179
Diluted Shares Outstanding	35,334,090	36,175,998	36,302,664	36,488,788	36,559,198	36,381,910	36,689,320	36,558,493	36,396,693	36,549,130	36,550,926
Earnings per share:											
Basic	\$ 0.37	\$ 0.04	\$ 0.13	\$ 0.06	\$ 0.14	\$ 0.37	\$ 1.03	\$ 0.27	\$ 0.04	\$ 1.33	\$ 1.48
Diluted	\$ 0.37	\$ 0.04	\$ 0.12	\$ 0.06	\$ 0.13	\$ 0.36	\$ 0.98	\$ 0.26	\$ 0.04	\$ 1.29	\$ 1.42
Non-GAAP earnings per share:											
Basic	\$ 0.77	\$ 0.11	\$ 0.21	\$ 0.15	\$ 0.28	\$ 0.76	\$ 0.10	\$ 0.25	\$ 0.26	\$ 0.62	\$ 0.89
Diluted	\$ 0.75	\$ 0.11	\$ 0.20	\$ 0.14	\$ 0.27	\$ 0.73	\$ 0.09	\$ 0.24	\$ 0.26	\$ 0.59	\$ 0.86

NOTE: Amounts are computed independently each quarter. Accordingly, the sum of each quarter's amounts may not equal the total amounts for the respective year.

Adjusted Free Cash Flow

(dollars in millions)	Annual		Q1		Q2		Q3		Q4		Annual		Q1		Q2		Q3		Annual	
	2023	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2025	2025	2025	2025	2025	2025	TTM	
Cash provided by (used in) operating activities	\$ 44.6	\$ 1.2	\$ 6.7	\$ 15.1	\$ 1.8	\$ 24.8	\$ (11.7)	\$ (7.7)	\$ 15.3	\$ (4.1)	\$ (2.3)									
Capital Expenditures	(8.4)	(3.1)	(4.1)	(4.0)	(6.2)	(17.4)	(3.4)	(1.1)	(4.2)	(8.7)	(14.9)									
Other adjustments*	-	-	-	-	-	-	-	-	5.8	7.9	13.7									
Adjusted Free Cash Flow	\$ 36.2	\$ (1.9)	\$ 2.6	\$ 11.1	\$ (4.4)	\$ 7.4	\$ (15.1)	\$ (3.0)	\$ 19.0	\$ 0.9	\$ (3.5)									

NOTE: Amounts are computed independently each quarter. Accordingly, the sum of each quarter's amounts may not equal the total amounts for the respective year.

* Other Adjustment: excluding tax payments related to tax gain on the divestiture of GPS business in Q1 2025. Payments are expected to occur through Q1 2026.