

# CECO

## ENVIRONMENTAL

(Q1 2023 PROFILE)



### COMPANY PROFILE



- A leading environmentally focused diversified industrial company providing engineered solutions that protect people, industrial equipment and the environment.
- Industry-leading brands with decades of accumulated proprietary know-how and applications expertise in Industrial Air, Industrial Water, and Energy Transition solutions.
- Global footprint with headquarters in Dallas, Texas, and locations in Europe, UAE, India and Asia.
- ≈ 900 employees.
- Low capex operating model delivering robust cash flows.
- Healthy balance sheet
- Balanced capital deployment

### INVESTMENT HIGHLIGHTS

**Market leader in attractive niche applications with distinct competitive advantages:**

- Opportunity pipeline > \$2.5B
- Large Installed Base > \$7B
- Global Presence

**Balanced growth across Industrial Air, Industrial Water and Energy end markets**

- Well positioned for high organic growth
- Q4'22 Orders of \$151M, up 66% y/y
- FY'22 orders up 46%

**Improving operating margins**

- Mid-teens Adj EBITDA margin by 2025

**Sustained Value Creator**

- \$20M, 3-year share repurchase program
- Inaugural ESG Report published Q2'22
- ~\$50M deployed on accretive M&A
- Selective organic investments

### LARGE AND GROWING ADDRESSABLE CUSTOMER MARKETS

#### INDUSTRIAL AIR

~\$7.5B MARKET SIZE    5-7% CAGR

##### SOLUTIONS:

Air Filtration, Dust Collectors, Fume Removal, Oil Mist Elimination Silencers, Thermal Oxidizers, Wet/Dry Scrubbers, Noise Abatement

##### KEY BRANDS:



#### INDUSTRIAL WATER

~\$2.5B MARKET SIZE    4-6% CAGR

##### SOLUTIONS:

Produced Water Treatment, Oily Water Separation, UHP Water Supply, Elastomeric Shutoff and Non-return Valves, Expansion Joints, Centrifugal Pumps

##### KEY BRANDS:



#### ENERGY TRANSITION

~\$3.5B MARKET SIZE    3-5% CAGR

##### SOLUTIONS:

Gas & Liquid Separation, Natural Gas Pre-Treatment, Catalyst Recovery, RNG/CO<sub>2</sub> Separation and Upgrading, Emissions & Exhaust Management

##### KEY BRANDS:





Trailing 12-month performance as of 12.30.2022

## ORDERS

**\$527M, +46%<sup>YoY</sup>**

## REVENUE

**\$423M, +30%<sup>YoY</sup>**

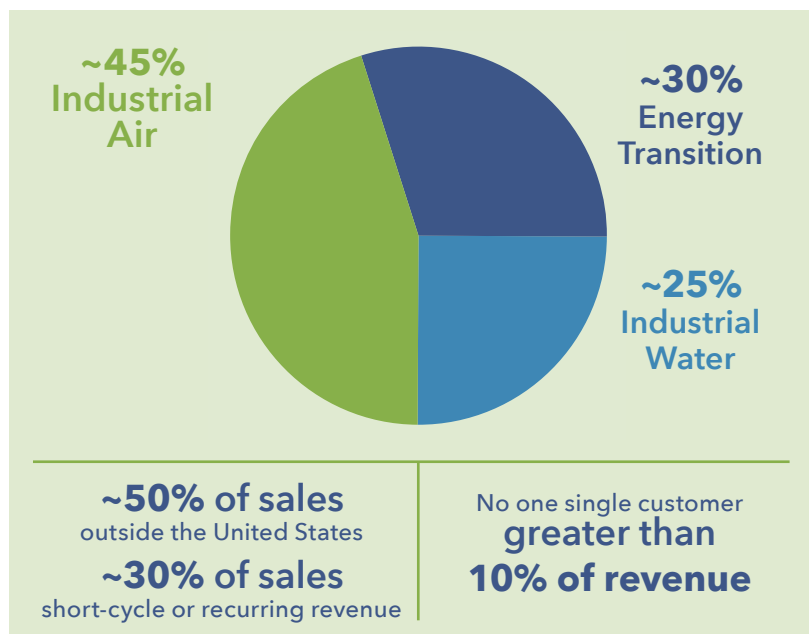
## ADJ EBITDA

**\$42.2M, +65%<sup>YoY</sup>**

## VALUE CREATION PRIORITIES

- Sustain above-market organic growth with commercial excellence programs
- Deliver operating improvements generating 100+ bps per year of EBITDA margin expansion
- Increase short-cycle and recurring revenue business mix
- Programmatic M&A building niche leadership in focused markets and increasing short cycle revenue
- Disciplined capital deployment with robust operating cash flows
- Rebalance portfolio end market exposure

## BALANCED PROFILE



## INVESTMENT DATA

(as of 3/7/23)

**NASDAQ:** CECO

**FISCAL YEAR END:** December 31

**MARKET CAP:** \$514 M

**RECENT STOCK PRICE:** \$14.99

**52-WEEK PRICE RANGE:** \$4.09 - \$16.73

**SHARES OUTSTANDING:** 34.7M (diluted)

**AVG VOLUME (3 Month):** 379,760 shares

## INVESTOR INFORMATION

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