



VERTIV™

Third Quarter 2021 Results

October 27, 2021

Architects of Continuity™

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NYSE

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These risk factors and those identified elsewhere in this presentation, among others, could cause actual results to differ materially from historical performance and include, but are not limited to: competition; the ability of the Company to grow and manage growth profitably; maintain relationships with customers and suppliers; retain its management and key employees; factors relating to the business, operations and financial performance of Vertiv and its subsidiaries, including: global economic weakness, uncertainty and volatility; risks relating to the continued growth of Vertiv's customers' markets; failure to meet or anticipate technology changes; the unpredictability of Vertiv's future operational results, including the ability to grow and manage growth profitably; disruption of Vertiv's customers' orders or Vertiv's customers' markets; less favorable contractual terms with large customers; risks associated with governmental contracts; failure to mitigate risks associated with long-term fixed price contracts; risks associated with information technology disruption or security; risks associated with the implementation and enhancement of information systems; failure to properly manage Vertiv's supply chain or difficulties with third-party manufacturers; competition in the infrastructure technologies industry; failure to realize the expected benefit from any rationalization and improvement efforts; disruption of, or changes in, Vertiv's independent sales representatives, distributors and original equipment manufacturers; failure to obtain performance and other guarantees from financial institutions; failure to realize sales expected from Vertiv's backlog of orders and contracts; changes to tax law and the costs and liabilities associated with such changes and any tax audits that may arise; risks associated with future legislation and regulation of Vertiv's customers' markets both in the United States and abroad; costs or liabilities associated with product liability; Vertiv's ability to attract, train and retain key members of its leadership team and other qualified personnel; the adequacy of Vertiv's insurance coverage; a failure to benefit from future acquisitions; failure to realize the value of goodwill and intangible assets; the global scope of Vertiv's operations; risks associated with Vertiv's sales and operations in emerging markets; exposure to fluctuations in foreign currency exchange rates; Vertiv's ability to comply with various laws and regulations, including but not limited to, laws and regulations relating to environmental, data protection, data privacy, anti-corruption and international trade and the costs associated with legal compliance; adverse outcomes to any legal claims and proceedings filed by or against us; Vertiv's ability to protect or enforce its proprietary rights on which its business depends; third-party intellectual property infringement claims; liabilities associated with environmental, health and safety matters, including risks associated with the COVID-19 pandemic; risks associated with litigation or claims against Vertiv; Vertiv's limited history of operating as an independent company; potential net losses in future periods; failure to remediate internal controls over financial reporting; our ability to realize cost savings in connection with our restructuring program; Vertiv's level of indebtedness and the ability to incur additional indebtedness; Vertiv's ability to comply with the covenants and restrictions contained in our credit agreements including restrictive covenants that restrict operational flexibility; Vertiv's ability to comply with the covenants and restrictions contained in our credit agreements is not fully within our control; Vertiv's ability to access funding through capital markets; the significant ownership and influence certain stockholders have; risks associated with Vertiv's obligations to pay portions of the tax benefits relating to pre-Business Combination tax assets and attributes; resales of Vertiv's securities may cause volatility in the market price of our securities; Vertiv's Organizational Documents contain provisions that may discourage unsolicited takeover proposals; Vertiv's Certificate of Incorporation includes a forum selection clause, which could discourage or limit stockholders' ability to make a claim against it; the ability of Vertiv's subsidiaries to pay dividends; volatility in Vertiv's stock price due to various market and operational factors; Vertiv's ability to maintain its listing on the NYSE and comply with listing requirements; risks associated with the failure of industry analysts to provide coverage of Vertiv's business or securities, the timing and consummation of the proposed acquisition of E+I (the "Transaction"); the expected expenses related to the Transaction; the possible diversion of management time on issues related to the Transaction and other risks and uncertainties indicated in Vertiv's SEC reports or documents filed or to be filed with the SEC by Vertiv.

This presentation also includes certain non-GAAP financial measures, such as organic net sales, adjusted operating profit, adjusted operating profit margin, adjusted EPS and free cash flow, that may not be directly comparable to other similarly titled measures used by other companies and therefore may not be comparable among companies. The Company has provided reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures and our reconciliations on pages 15-18 of this presentation and our current earnings release dated October 27, 2021, which are available on the Company's website at www.vertiv.com. Information reconciling certain forward-looking GAAP measures to non-GAAP measures related to Q4 and full year 2021 guidance, including organic net sales growth and free cash flow and certain E+I and Heavy Industrial UPS metrics, is not available without unreasonable effort due to high variability, complexity and uncertainty with respect to forecasting and quantifying certain amounts that are necessary for such reconciliations. For the same reasons, we are unable to compute the probable significance of the unavailable information, which could have a potentially unpredictable, and potentially significant, impact on our future GAAP financial results.

Third quarter 2021 key messages

Demand continues to be strong with third quarter 2021 orders up 17% vs. third quarter 2020. Third quarter sales of \$1,229M are 6% higher (+4% organic) than last year's third quarter.

Third quarter adjusted operating profit of \$131M is \$64M higher than third quarter 2020

Third quarter free cash flow of \$44M. Year-to-date free cash flow of \$128M is \$140M higher than same period last year.

Parts availability and increased costs remain a challenge with elevated costs and part shortages expected to continue into 2022. However, expect net pricing/inflation tailwind for full year 2022.

E+I acquisition: finalized financing mid-October and anticipate transaction closing by November 1st. Signed agreement to sell Heavy Industrial UPS business with expected closing late fourth quarter.

Increasing full year net sales guidance by \$90M including \$35M from "base" Vertiv and \$55M from M&A activity. Increasing full year adjusted operating profit by \$13M for M&A activity – with "base" Vertiv flat from prior guidance.

Demand remains strong • supply environment challenging • investing for the future

Market environment

SEGMENT	Vertiv Sales Exposure ¹	AMERICAS		APAC		EMEA	
		June-21	Oct-21	June-21	Oct-21	June-21	Oct-21
CLOUD / HYPERSCALE	~20%	●	●	●	●	●	●
COLOCATION		●	●	●	●	●	●
ENTERPRISE / SMALL & MEDIUM BUSINESS	~50%	●	●	●	●	●	●
COMMUNICATION NETWORKS	~20%	●	●	●	●	●	●
COMMERCIAL & INDUSTRIAL	~10%	●	●	●	●	●	●

Note: ¹Sales Revenue FY2020 estimated by customer segments

Positive momentum in America's Enterprise and EMEA Communications segments.

Customer demand and supply chain update

CUSTOMER DEMAND

- Overall market demand remains robust and consistent with expectations. **Third quarter orders up 17% compared to same period last year and up 21% YTD.**
- Continued strength in cloud and colocation markets with larger project-based orders. Enterprise segment continues to strengthen
- Customers providing more visibility to future demand
- **Backlog a new record level of \$2.4B at end of September, 34% higher** than end of 2020
- Very positive customer reaction to the E+I acquisition will also bolster our long-term growth prospects

SUPPLY CHAIN & PRICING UPDATE

- Supply chain challenges accelerated in the third quarter with no improvement expected in the fourth quarter
 - Critical part shortages driving additional spot buys and customer delivery challenges
 - Supply chain issues impacting all regions, but more significantly in Americas
 - Anticipate pressure from supply chain and parts shortages to continue through first half 2022
- Prior pricing guidance intact with additional actions being implemented in the fourth quarter and into 2022
- Expect pricing actions to deliver net pricing/inflation tailwind for 2022

Market demand continues to be strong. However, supply chain constraints limit delivery.

Mergers & acquisitions update

E+I ENGINEERING

- Deal anticipated to close ahead of schedule by November 1st
- Issued \$850M seven-year, senior secured notes at 4.125% on October 22nd. ~\$7M additional interest expense in 4Q. Will issue ~23.1M shares as part of transaction.
- Integration planning activities commenced immediately post signing with Vertiv personnel present in each E+I facility
- Personal outreach to hundreds of customers with overwhelming support for the acquisition
- Demand profile for the business is strong. Dealing with some electrical parts challenges.
- One-time costs include ~\$43M cash expenses excluding debt issuance costs and purchase accounting impact

HEAVY INDUSTRIAL UPS SALE

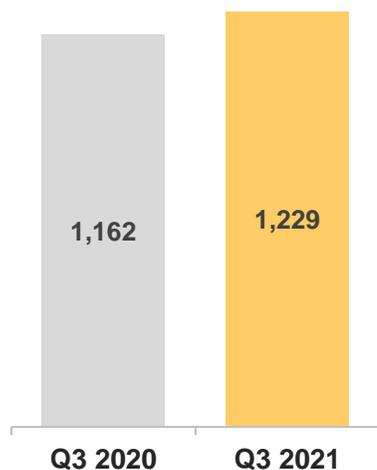
- Signed definitive agreement to divest business to InnovaFonds along with management team participation
- Heavy Industrial applications (i.e.. upstream oil and gas) are not synergistic to Vertiv's strategy
- The company will be led by the existing management team which will provide excellent customer continuity
- Deal expected to close by the end of fourth quarter 2021
- One-time costs include ~\$2M cash expenses and ~\$9M asset impairment taken in third quarter
- FY2021 estimated results:
 - ~\$80M net sales
 - ~\$5M adj. operating profit

Third quarter 2021 financial results

\$Millions

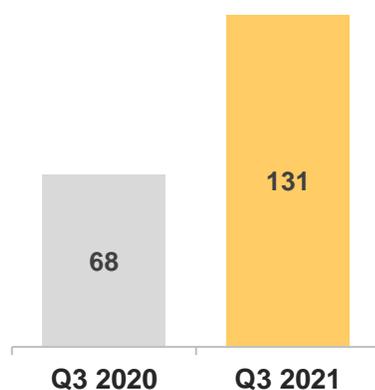
Net Sales

Up 6%
Organic +4%



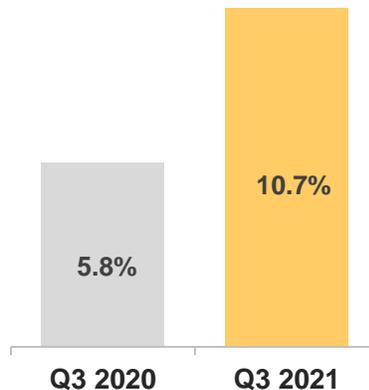
Adj. Operating Profit

Up ~94%



Adj. Operating Margin

Up 490 bps



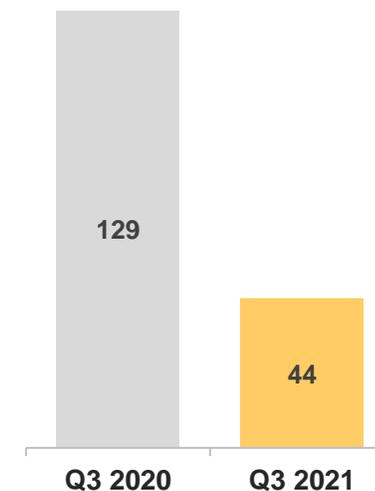
Adjusted EPS

Up \$0.15



Free Cash Flow

Down (\$85M)



- + Double digit organic growth in EMEA with AMER and APAC approximately flat
- + ~\$20M FX tailwind
- + Includes ~\$15M of pricing benefit vs. 3Q 2020
- + Orders +17% vs. 3Q 2020

- ~\$40M lower contribution margin:
 - + ~\$10M organic volume growth
 - ~(\$40M) material and freight inflation partially offset by pricing
 - ~(\$10M) FX, mix and other
- + ~\$95M lower fixed costs:
 - + ~\$80M benefit from 2020 restructuring reserve and asset write-off
 - + ~\$15M cost reductions partially offset by growth and R&D investments

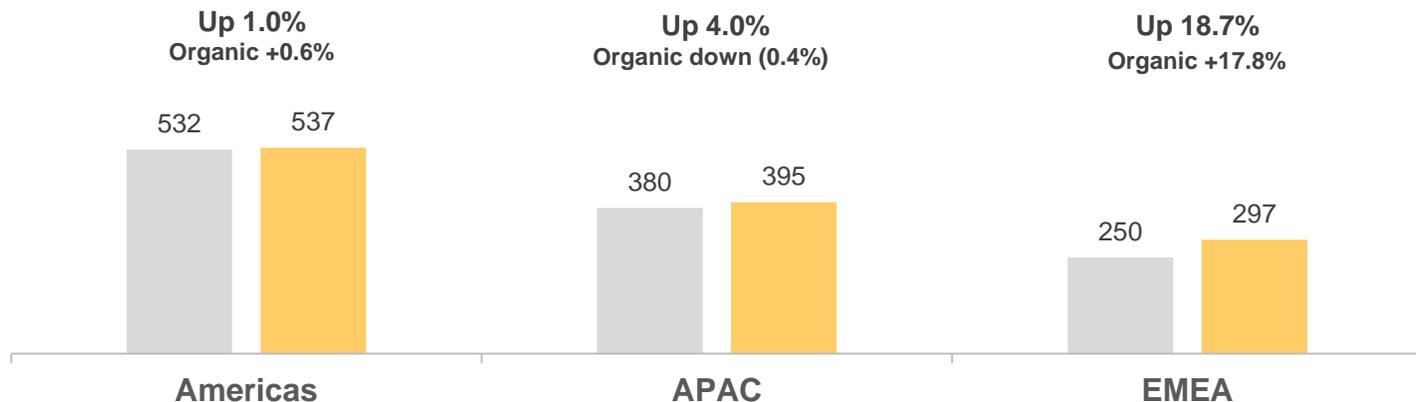
- + \$0.22 restructuring / asset impairment
- + \$0.03 FX
- (\$0.04) growth/ER&D investment
- (\$0.03) Q3 2020 COVID actions
- (\$0.03) taxes, interest, and other

- (\$43M) inventory build
- (\$16M) adj. operating profit net of 2020 pro-forma adjustments
- (\$10M) higher capex
- (\$9M) cash M&A expenses
- (\$6M) higher cash taxes

Third quarter 2021 segment results

\$Millions

Net sales



Adjusted operating margin



Three months ended ■ Sep 30, 2020 ■ Sep 30, 2021

Americas

- Strong services growth offset by supply challenges for manufactured products. Backlog remains at record level.
- Operating margins unfavorable due to supply chain headwinds partially offset by pricing, fixed cost reductions and non-repeat of ~\$23M 3Q 2020 restructuring charges

APAC

- Organic sales ~flat with Covid recovery in India offset by lower sales in China (Q3 2020 government investment programs for 5G rollout and wind power not repeated)
- Operating margin benefits from lower fixed costs and non-repeat of ~\$11M restructuring charge in Q3 2020

EMEA

- Sales increased primarily due to large colocation data center projects and strong execution on backlog.
- Operating margin improvement driven by volume leverage and non-repeat of ~\$41M restructuring charge in Q3 2020

Corporate

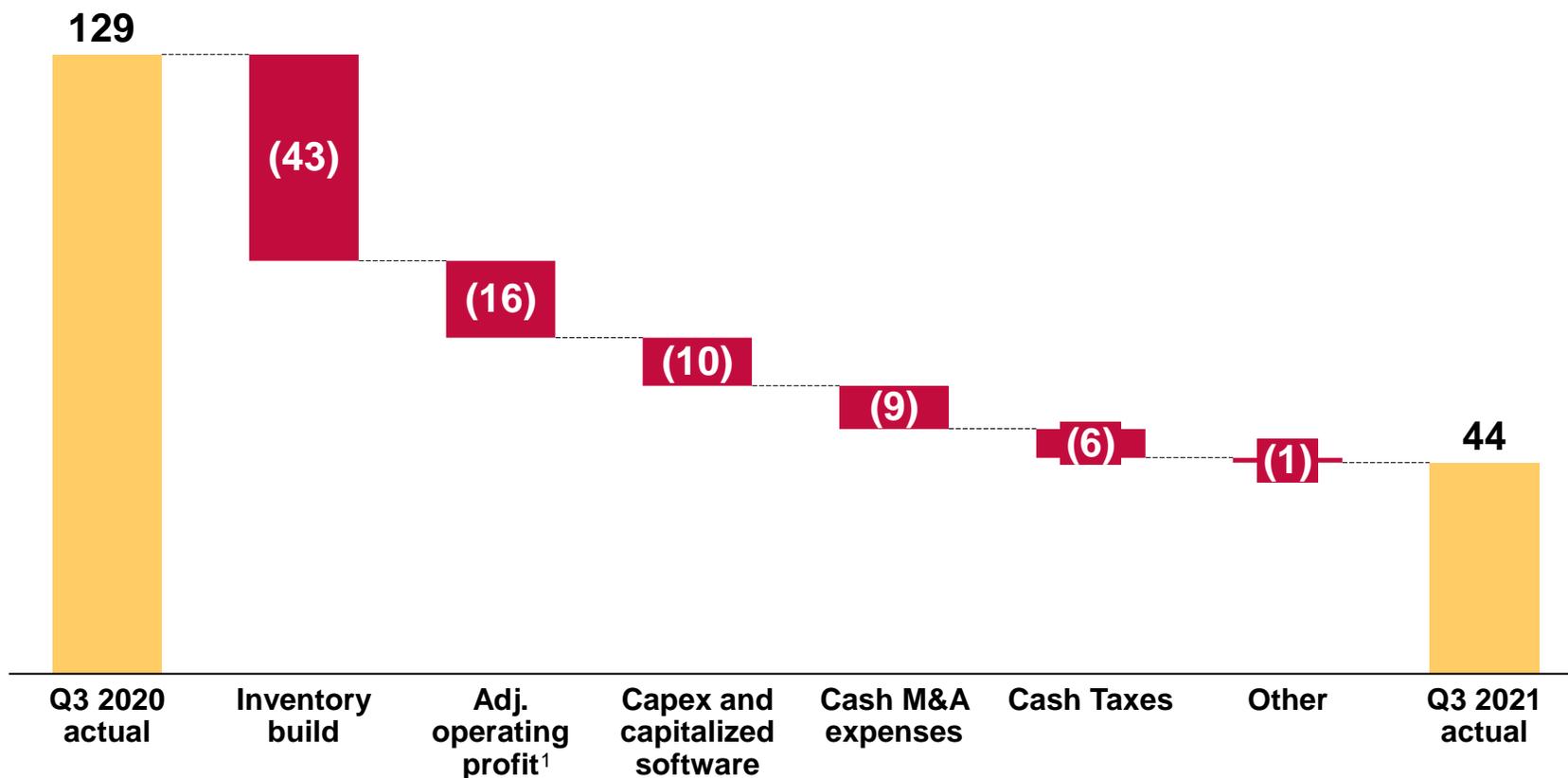
- Corporate fixed costs flat with cost reductions offsetting incremental R&D investments
- \$10M improvement in restructuring expense



Note: see "Non-GAAP Financial Measures" beginning on Slide 15 of the Appendix. See exhibit 99.1 of our press release dated October 27, 2021 for a full segment reconciliation.

Third quarter 2021 free cash flow & liquidity

\$Millions



- Liquidity of \$1,178M at quarter end
➤ 2.3x net leverage
- Large inventory build in Q3 2021 to protect customer deliveries given parts availability challenges
- Cash taxes higher driven by timing and higher expected full year 2021 earnings compared to 2020
- Capex increase due to abnormally low spending level in Q3 2020 due to COVID-19
- Expecting \$36M of cash M&A expenses in the fourth quarter (\$45M full year)

(1) \$64M increase in adjusted operating profit less \$80M 2020 pro-forma adjustments (\$71M restructuring reserve and \$9M asset impairment)

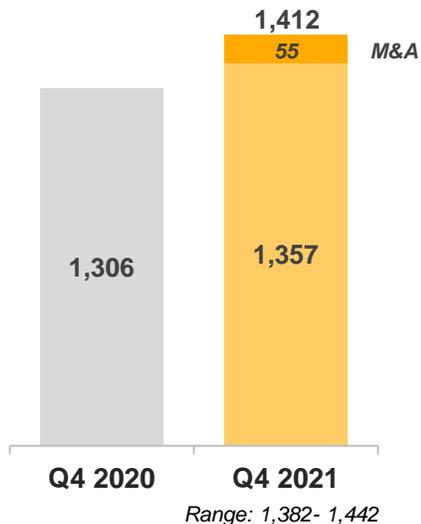
**Third quarter free cash flow (\$85M) lower than prior year.
Year-to-date free cash flow of \$128M is \$140M higher than same period in 2020.**

Fourth quarter 2021 financial guidance

\$Millions; midpoint of guidance range unless otherwise specified

Net Sales

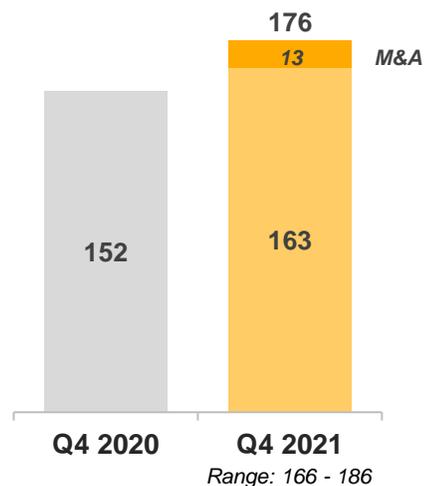
Up 8%
Organic +5%



- + Includes ~\$30M of pricing benefit vs. 4Q 2020
- + Organic sales growth in all regions
- + \$55M net benefit from acquisitions and divestitures
- ~(\$10M) FX headwind

Adj. Operating Profit

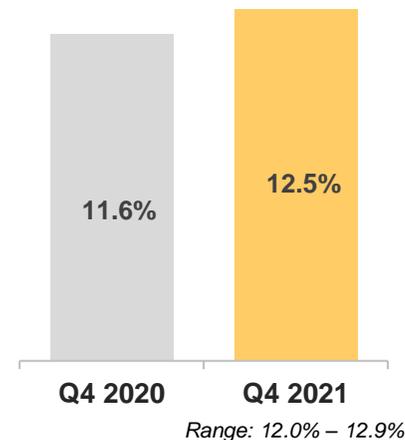
Up ~16%



- + ~\$13M net benefit of acquisitions and divestitures
- + ~\$12M favorable organic volume growth
- + ~\$12M fixed costs reductions less growth and R&D investments
- + ~\$10M mix, FX and other
- ~(\$25M) material and freight inflation net of pricing offsets

Adj. Operating Margin

Up 90 bps



Adjusted EPS

Down (\$0.02)



- + \$0.06 from operations
- + \$0.02 FX
- + \$0.01 lower interest expense
- (\$0.06) higher income taxes
- (\$0.04) growth/ER&D investment

No net adjusted EPS from M&A

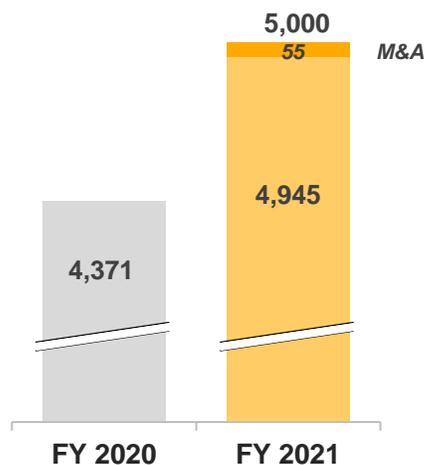
Holding prior adjusted operating profit guidance with incremental revenue offsetting higher inflation

Updated full year 2021 financial guidance

\$Millions; midpoint of guidance range unless otherwise specified

Net Sales

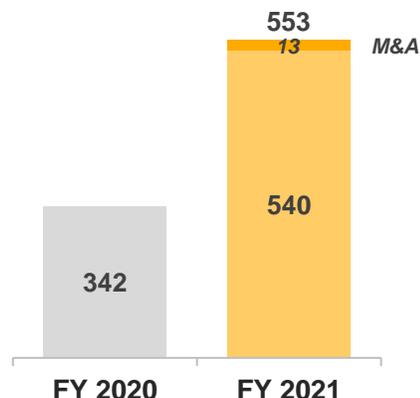
Up 14%
Organic +11%



Range: 4,970 – 5,030

Adj. Operating Profit

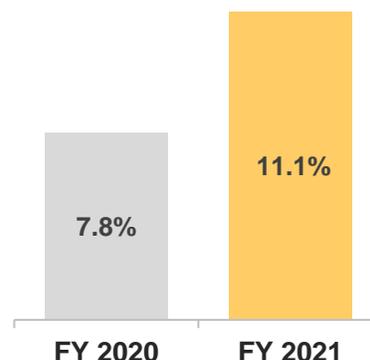
Up 62%



Range: 543 – 563

Adj. Operating Margin

Up 330 bps



Range: 10.9% - 11.2%

Adjusted EPS

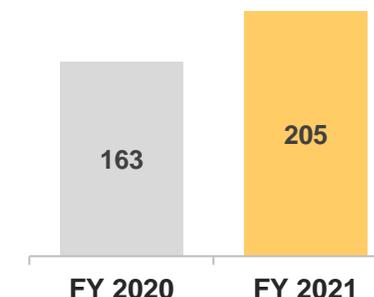
Up \$1.15



Range: \$0.97 - \$1.03

Free Cash Flow

Up \$42M



Range: 190 - 220

- + Increase of \$35M from prior guidance based on continued strong order flow
- + Organic growth in all regions
- + \$55M net benefit of acquisitions and divestitures
- + ~\$85M tailwind from FX

- + \$170M favorable organic volume impact
- + \$115M fixed costs reductions, FX, and other
- + \$113M 2020 pro-forma adjustments¹
- + ~\$13M net benefit of acquisitions and divestitures
- (\$100M) inflation net of pricing offsets
- (\$60M) growth and ER&D investment
- (\$40M) one-time COVID savings actions in 2020

- + \$0.79 2020 pro-forma adjustments¹
- + \$0.43 from operations
- + \$0.21 interest, FX and income taxes
- (\$0.16) growth/ER&D investment
- (\$0.11) 2020 COVID actions

No net adjusted EPS from M&A

- + ~\$100M higher adj. operating profit vs 2020 pro forma
- + ~\$90M lower cash interest
- ~\$50M higher capex
- ~\$45M M&A transactions costs
- ~\$25M higher cash taxes
- ~\$25M working capital & other

Robust demand drives strong results despite difficult supply environment



(1) Pro-forma adjustments include \$113M operating profit (\$71M restructuring, \$21M asset impairment and \$21M SPAC transaction costs) and \$284 net income (includes operating profit items and non-operating loss on debt extinguishment of \$174M)

Note: see "Non-GAAP Financial Measures" beginning on Slide 15 of the Appendix. Free cash flow equals cash from operations less net capital expenditures.

Early thoughts on 2022

MARKET OUTLOOK & REVENUE

- + Strong backlog should translate into strong sales throughout 2022. Expect backlog to be ~\$500M higher entering 2022 than it was entering 2021.
- + Enterprise market in the Americas now considered “green.” Experiencing nice orders uptick as recovery from impact from COVID continues.
- + Expect continued strong demand from cloud and colocation customers as data usage grows. Telecom should be healthy in Americas and EMEA as 5G rollouts continue.
- + New product introductions through our Vertiv Product Development (VPD) initiatives should accelerate in 2022
- + Expecting sales synergies from E+I acquisition
- Expected continuing electronics parts shortage could constrain sales at least through first half of 2022
- Lack of availability of trades labor could delay timing of some data center builds
- Uncertain COVID impact continues in some geographies which could restrict site access

PROFITABILITY

- + Pricing initiatives continue to accelerate. Expect a favorable net pricing / inflation tailwind for full year 2022.
- + Acquisition of E+I should be accretive to adjusted operating margin and adjusted EPS
- + Vertiv Operating System (VOS) continues its implementation with operational benefits expected in 2022.
- + Long-term targeting “fixed costs constant” while continuing to fund higher R&D and growth initiative spending and other fixed cost headwinds
- Inflation headwinds expected to continue well into 2022 with need for “spot buys” and “premium freight” likely to continue. However, expect to be net pricing / inflation favorable for full year 2022.

Expect continued strong top-line growth in 2022. Net pricing / inflation should be a tailwind.

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Non-GAAP financial reconciliations



Non-GAAP financial measures - third quarter results

Reconciliation of segment operating profit (loss) to operating profit (loss) and adjusted operating profit (loss)

(\$M 3 rd QUARTER)	3Q21	3Q20
Americas	\$113.4	\$133.1
Asia Pacific	69.4	53.6
Europe, Middle East & Africa	59.0	0.9
Total reportable segments	\$241.8	\$187.6
Foreign currency gain (loss)	(4.9)	(11.7)
Corporate and other	(105.5)	(108.3)
Total corporate, other and elimination	(110.4)	(120.0)
Amortization of intangibles	(31.6)	(32.5)
Mergers and acquisitions costs	(18.0)	-
Operating profit (loss)	\$81.8	\$35.1
Amortization of intangibles	31.6	32.5
Mergers and acquisitions costs	18.0	-
Adjusted operating profit (loss)	\$131.4	\$67.6

Reconciliation of Net Sales to Organic Net Sales

(\$M 3 rd QUARTER)	3Q21	3Q20	Δ%	Organic Δ%
Americas	\$537.2	\$532.0	1.0%	0.6%
APAC	394.6	379.6	4.0%	(0.4%)
EMEA	297.1	250.4	18.7%	17.8%
Total	\$1,228.9	\$1,162.0	5.8%	3.9%

Reconciliation from operating profit (loss) margin to adjusted operating profit (loss) margin

(\$M 3 rd QUARTER)	3Q21	3Q20	Δ
Net sales	\$1,228.9	\$1,162.0	\$66.9
Operating profit	81.8	35.1	46.7
Operating margin	6.7%	3.0%	3.7%
Amortization of intangibles	31.6	32.5	(0.9)
Mergers and acquisitions costs	18.0	-	18.0
Adjusted operating profit	131.4	67.6	63.8
Adjusted operating margin	10.7%	5.8%	4.9%

Reconciliation of Net cash provided by (used for) operating activities to Free Cash Flow

(\$M 3 rd QUARTER)	3Q21	3Q20	YTD 21	YTD 20
Net cash provided by (used for) operating activities	\$54.4	\$136.1	\$174.4	\$14.4
Less: Capital expenditures	(12.9)	(8.1)	(43.3)	(21.3)
Less: Investments in capitalized software	(4.1)	1.3	(9.5)	(4.9)
Plus: proceeds from disposition of PP&E	6.1	-	6.1	-
Free cash flow	\$43.5	\$129.3	\$127.7	(\$11.8)

Note: Segment operating profit (loss) is the measure of profitability disclosed in Note 12 to the unaudited condensed consolidated financial statements for the quarter ended September 30, 2021.



Source: Management estimates

Non-GAAP financial measures – third quarter results (cont.)

Reconciliation of GAAP diluted EPS to Non-GAAP adjusted diluted EPS and operating profit (loss) to adjusted operating profit (loss)

(\$M, except EPS 3 rd QUARTER 2021)	Operating profit (loss)	Interest expense, net	Change in warrant liability	Income tax expense	Net income (loss)	Diluted EPS ⁽¹⁾
GAAP	\$81.8	\$22.4	(\$32.5)	\$35.7	\$56.2	\$0.15
Intangible amortization	31.6	-	-	-	31.6	0.09
Change in warrant liability	-	-	32.5	-	(32.5)	(0.09)
Merger and acquisitions costs ⁽²⁾	18.0	-	-	-	18.0	0.05
Pro forma share count ⁽¹⁾	-	-	-	-	-	-
Non-GAAP Adjusted	\$131.4	\$22.4	-	\$35.7	\$73.3	\$0.20

(\$M, except EPS 3 rd QUARTER 2020)	Operating profit (loss)	Interest expense, net	Change in warrant liability	Income tax expense	Net income (loss)	Diluted EPS ⁽³⁾
GAAP	\$35.1	\$26.4	\$87.7	\$24.5	(\$103.5)	(\$0.32)
Intangible amortization	32.5	-	-	-	32.5	0.10
Change in warrant liability	-	-	(87.7)	-	87.7	0.27
Pro forma share count ⁽³⁾	-	-	-	-	-	-
Non-GAAP Adjusted	\$67.6	\$26.4	-	\$24.5	\$16.7	\$0.05

(1) GAAP Diluted and Non-GAAP Adjusted EPS based on 363.2 million shares (includes 352.5 million basic shares and 4.7 million potential dilutive stock options and restricted stock units and 6.0 million dilutive warrants). We believe that this presentation is more representative of operating results by removing the impact of warrant liability accounting and merger and acquisition related costs.

(2) Includes ~\$9M cash expenses and ~\$9M asset impairment related to Heavy Industrial UPS business.

(3) GAAP Diluted EPS based on 328.4 million shares. Non-GAAP Adjusted EPS based on pro forma share count of 362.0 million diluted shares (includes basic shares and potential dilutive warrants, stock options and restricted stock units). We believe that this presentation facilitates comparison to the current period due to the impact of the reverse merger.



Non-GAAP financial measures –fourth quarter guidance

Fourth quarter 2021 reflects midpoint of guidance range

Reconciliation of GAAP diluted EPS to Non-GAAP adjusted diluted EPS and operating profit (loss) to adjusted operating profit (loss)

(\$M, except EPS 4 th QUARTER 2021 ⁽¹⁾)	Operating profit (loss)	Interest expense, net	Change in warrant liability	Income tax expense	Net income (loss)	Diluted EPS ⁽²⁾
GAAP	\$72.9	\$28.0	-	\$44.0	\$0.9	\$0.00
Intangible amortization	52.0	-	-	-	52.0	0.14
Change in warrant liability	-	-	-	-	-	-
Merger and acquisitions costs ⁽³⁾	51.0	-	-	-	51.0	0.14
Pro forma share count ⁽²⁾	-	-	-	-	-	(0.01)
Non-GAAP Adjusted	\$175.9	\$28.0	-	\$44.0	\$103.9	\$0.27
(\$M, except EPS 4 th QUARTER 2020)	Operating profit (loss)	Interest expense, net	Change in warrant liability	Income tax expense	Net income (loss)	Diluted EPS ⁽⁴⁾
GAAP	\$120.1	\$25.0	\$34.4	\$20.2	\$40.5	\$0.12
Intangible amortization	31.6	-	-	-	31.6	0.10
Change in warrant liability	-	-	34.4	-	34.4	0.10
Pro forma share count ⁽⁴⁾	-	-	-	-	-	(0.03)
Non-GAAP Adjusted	\$151.7	\$25.0	-	\$20.2	\$106.5	\$0.29

- Information reconciling certain forward-looking GAAP measures to non-GAAP measures related to Q4 2021 guidance, including organic net sales growth and free cash flow, is not available without unreasonable effort due to high variability, complexity and uncertainty with respect to forecasting and quantifying certain amounts that are necessary for such reconciliations. For the same reasons, we are unable to compute the probable significance of the unavailable information, which could have a potentially unpredictable, and potentially significant, impact on our future GAAP financial results.
- GAAP Diluted EPS based on 372.9 million shares (includes ~352.7 million basic shares, ~5.0 million potential dilutive stock options and restricted stock units and ~15.2M weighted average shares issued for the E+I transaction). Non-GAAP adjusted EPS based on 378.6 million shares (includes ~352.7 million basic shares, ~10.7 million potential dilutive warrants, stock options and restricted stock units and ~15.2M weighted average shares issued for the E+I transaction).
- Includes ~\$36M cash expenses and ~\$15M non-cash purchase accounting adjustments related to E+I.
- GAAP Diluted EPS based on 333.3 million shares. Non-GAAP Adjusted EPS based on pro forma share count of 362.0 million diluted shares (includes basic shares and potential dilutive warrants, stock options and restricted stock units). We believe that this presentation facilitates comparison to the current period due to the impact of the reverse merger.



Non-GAAP financial measures – updated full year guidance

Full year 2021 at midpoint of guidance range

Reconciliation of GAAP diluted EPS to Non-GAAP adjusted diluted EPS and operating profit (loss) to adjusted operating profit (loss)

(\$M, except EPS FULL YEAR 2021 ⁽¹⁾)	Operating profit (loss)	Interest expense, net	Loss on extinguishment of debt	Change in warrant liability	Income tax expense	Net income (loss)	Diluted EPS ⁽²⁾
GAAP	\$336.7	\$94.5	\$0.4	\$52.3	\$91.0	\$98.5	\$0.27
Intangible amortization	147.3	-	-	-	-	147.3	0.41
Change in warrant liability	-	-	-	(52.3)	-	52.3	0.15
Merger and acquisitions costs ⁽³⁾	69.0	-	-	-	-	69.0	0.19
Pro forma share count ⁽²⁾	-	-	-	-	-	-	(0.02)
Non-GAAP Adjusted	\$553.0	\$94.5	\$0.4	-	\$91.0	\$367.1	\$1.00
(\$M, except EPS FULL YEAR 2020)	Operating profit (loss)	Interest expense, net	Loss on extinguishment of debt	Change in warrant liability	Income tax expense	Net income (loss)	Diluted EPS ⁽⁴⁾
GAAP	\$213.5	\$150.4	\$174.0	\$143.7	\$72.7	(\$327.3)	(\$1.07)
Intangible amortization	128.7	-	-	-	-	128.7	0.42
Change in warrant liability	-	-	-	(143.7)	-	143.7	0.47
Pro forma share count ⁽⁴⁾	-	-	-	-	-	-	0.03
Non-GAAP Adjusted	\$342.2	\$150.4	\$174.0	-	\$72.7	(\$54.9)	(\$0.15)

(1) Information reconciling certain forward-looking GAAP measures to non-GAAP measures related to FY 2021 guidance, including organic net sales growth and free cash flow, is not available without unreasonable effort due to high variability, complexity and uncertainty with respect to forecasting and quantifying certain amounts that are necessary for such reconciliations. For the same reasons, we are unable to compute the probable significance of the unavailable information, which could have a potentially unpredictable, and potentially significant, impact on our future GAAP financial results.

(2) GAAP Diluted EPS based on 360.2 million shares (includes ~351.7 million basic shares, ~4.7 million potential dilutive stock options and restricted stock units and ~3.8M weighted average shares issued for the E+I transaction). Non-GAAP adjusted EPS based on 367.3 million shares (includes ~351.7 million basic shares, ~11.8 million potential dilutive warrants, stock options and restricted stock units and ~3.8M weighted average shares issued for the E+I transaction).

(3) Includes ~\$45M cash expenses, ~\$15M non-cash purchase accounting adjustments related to E+I and ~\$9M asset impairment related to Heavy Industrial UPS business.

(4) GAAP Diluted EPS based on 307.1 million shares. Non-GAAP Adjusted EPS based on pro forma share count of 362.0 million diluted shares (includes basic shares and potential dilutive warrants, stock options and restricted stock units). We believe that this presentation facilitates comparison to the current period due to the impact of the reverse merger.



Full year 2021 inflation and pricing evolution

\$Millions favorable / (unfavorable) vs. prior year

	February Guidance (adj. OP = \$575M)	April Guidance (adj. OP = \$595M)	July Guidance (adj. OP = \$600M)	September Guidance (adj. OP = \$540M)	October Guidance (adj. OP = \$540M) ¹
Material and freight inflation	(\$20)	(\$45)	(\$110)	(\$130)	(\$155)
Pricing actions	15	25	65	55	55
Net material and freight inflation	(\$5)	(\$20)	(\$45)	(\$75)	(\$100)

- Reflects the year-over-year change in contribution margin attributable to material & freight inflation and pricing actions
- Material and freight inflation includes market impacts (higher commodity prices, freight rates, etc.) as well as premiums paid for spot-buys and expedited shipments due to parts availability challenges
- Pricing includes items such as list price increases, discount and rebate reductions, pass through commodity pricing and pricing recovery on outbound freight
- Excludes impact of acquired and divested businesses

(1) Base Vertiv adjusted operating profit guidance excluding impact of M&A. Total adjusted operating profit guidance including impact from M&A is \$553M.

Full year guidance bridge including M&A activity

\$Millions except earnings per share; midpoint of guidance range unless otherwise specified

Net Sales



Adjusted Operating Profit



Adjusted EPS

