



# innventure

---

## First Quarter 2025 Earnings

May 15, 2025

# Disclaimer

The material that follows is a presentation ("Presentation") of information about Innventure, Inc. and its subsidiaries (together referred to herein as "Innventure," the "Company," "us," "our," or "we") as of the date of this presentation. The Presentation does not purport to contain all information that may be required or desired by a party interested in investigating the Company, its business or prospects, and it shall not be deemed to be a complete description of the state of affairs of the Company historically, at its stated date or in the future. None of the Company or any of its respective affiliates, officers, directors, employees, representatives or agents make any representation or warranty, express or implied, as to the accuracy, completeness or reliability of the information contained in this Presentation.

This Presentation shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of any such securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction. No offer of securities shall be made except by means of a written definitive agreement. This Presentation was prepared solely for informational purposes and does not constitute, and is not to be construed as, an offer, or invitation, or solicitation of an offer, to subscribe for or purchase or sell any securities. Likewise, it does not give and should not be treated as giving investment advice, and it has no regard to the specific investment objectives, financial situation or particular needs of any recipient. Neither this Presentation nor anything contained herein shall form the basis of any contract or commitment whatsoever.

## Caution Regarding Forward-Looking Information

This Presentation contains forward-looking statements, including statements regarding the Company's, its subsidiaries' or its management's expectations, hopes, beliefs, intentions, plans, prospects or strategies regarding the future, including the anticipated benefits of the technology that its subsidiaries intend to develop and commercialize, growth and performance expectations, the commercialization of products and services, and long-term goals. Any statements contained herein that are not statements of historical fact are forward-looking statements. Forward-looking statements appear in a number of places in this Presentation. In addition, any statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. Forward-looking statements are typically identified by words such as "anticipate," "believe," "continue," "could," "estimate," "expect," "forecast," "intend," "may," "might," "outlook," "plan," "possible," "potential," "predict," "project," "should," "will," "would" and other similar words and expressions, but the absence of these words does not mean that a statement is not forward-looking. These forward-looking statements are based on the current expectations and beliefs of the management of the Company in light of factors they believe are appropriate in the circumstances. There can be no assurance that future developments affecting the Company will be those that we have anticipated. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond the control of the Company) or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements, including those discussed and identified in the public filings made or to be made with the SEC by the Company, and the following:

- the Company's and its subsidiaries' ability to obtain funding for their operations and future growth and to continue as going concerns;
- the Company and its subsidiaries' ability to generate liquidity and maintain sufficient capital to operate as anticipated;
- the Company's and its subsidiaries' ability to execute on strategies and achieve future financial performance, including their respective future business plans, expansion and acquisition plans or objectives, prospective performance and opportunities and competitors, revenues, products and services, pricing, operating expenses, market trends, liquidity, cash flows and uses of cash, capital expenditures, and the Company's and its subsidiaries' ability to invest in growth initiatives;
- the Company's and its subsidiaries' future capital requirements and sources and uses of cash;

# Disclaimer (cont.)

- the Company's access to funds under the Standby Equity Purchase Agreement with YA II PN, Ltd. due to certain conditions, restrictions and limitations set forth therein;
- certain restrictions and limitations set forth in the Company's debt instruments, which may impair the Company's financial and operating flexibility;
- the risk that the technology solutions that the Company and its subsidiaries license or acquire from third parties or develop internally may not function as anticipated or provide the benefits anticipated;
- developments and projections relating to the Company's and its subsidiaries' competitors and industry;
- the ability of the Company and its subsidiaries to scale the operations of their businesses;
- the ability of the Company and its subsidiaries to establish substantial commercial sales of their products;
- the ability of the Company and its subsidiaries to compete against companies with greater capital and other resources or superior technology or products; the Company and its subsidiaries' ability to meet, and to continue to meet, applicable regulatory requirements for the use of their respective products and the numerous regulatory requirements generally applicable to their businesses;
- the outcome of any legal proceedings against the Company or its subsidiaries;
- the Company's ability to find future opportunities to license or acquire breakthrough technology solutions from multinational corporations or other third parties ("Technology Solutions Provider") and to satisfy the requirements imposed by or to avoid disagreements with its current and future Technology Solutions Providers;
- the risk that the launch of new companies distracts the Company's management from its other subsidiaries and their operations;
- the risk that the Company may be deemed an investment company under the Investment Company Act, which would impose burdensome compliance requirements and restrictions on its activities;
- the ability of the Company and its subsidiaries to sufficiently protect their intellectual property rights and to avoid or resolve in a timely and cost-effective manner any disputes that may arise relating to its use of the intellectual property of third parties;
- the risk of a cyber-attack or a failure of the Company's or its subsidiaries' information technology and data security infrastructure;
- geopolitical risk and changes in applicable laws or regulations;
- potential adverse effects of other economic, business, and/or competitive factors;

# Disclaimer (cont.)

- operational risks related to the Company and its subsidiaries that have limited or no operating history; and
- limited liquidity and trading of the Company's securities

Should one or more of these risks or uncertainties materialize, or should any of our assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements.

All subsequent written and oral forward-looking statements concerning the Company and the Innventure Companies or other matters addressed in this Presentation and attributable to the Company or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this Presentation. Except to the extent required by applicable law or regulation, the Company undertakes no obligation to update these forward-looking statements to reflect events or circumstances after the date of this Presentation or to reflect the occurrence of unanticipated events.

## **Risk Factors**

The risks discussed and identified in the public filings made or to be made with the SEC by the Company and those outlined above are certain of the general risks related to the business of the Company and its subsidiaries, and such list is not exhaustive. The occurrence of one or more of the events or circumstances identified as risk factors, alone or in combination with other events or circumstances, may have a material adverse effect on the business, cash flow, financial condition and results of operations of the Company and its subsidiaries. The Company may face additional risks and uncertainties that are not currently known, or that are currently deemed immaterial, which may also impair the Company's and its subsidiaries business, prospects, financial condition or operating results. Potential investors are encouraged to perform their own investigation with respect to the business, prospects, financial condition and operating results of the Company and its subsidiaries.

## **Market and Industry Data**

Certain market, industry and other data used herein have been obtained or derived from third-party sources and publications as well as from research reports prepared for other purposes. Although the information from these third-party sources is believed to be reliable, none of the Company or its management has independently verified the data obtained from these sources, and no assurances can be made regarding the accuracy or completeness of such data. Forecasts and other forward-looking information obtained from these sources are subject to the same qualifications and the additional uncertainties regarding the other forward-looking statements contained herein.

## **Trademarks**

In addition to trademarks, service marks, trade names, copyrights and logos of Innventure and its subsidiaries contained herein, this presentation contains trademarks, service marks, trade names, copyrights and logos of other companies, which are the property of their respective owners. Unless otherwise stated, the use of these other trademarks, service marks, trade names, copyrights and logos herein does not imply an affiliation with, or endorsement of the information contained herein by, the owners of such trademarks, service marks, trade names, copyrights and logos.

# Non-GAAP Financial Measures

We use certain financial measures that are not calculated in accordance with generally accepted accounting principles in the U.S. (GAAP) to supplement our consolidated financial statements. These non-GAAP financial measures provide additional information to investors to facilitate comparisons of past and present operating results, identify trends in our underlying operating performance, and offer greater transparency on how we evaluate our business activities. These measures are integral to our processes for budgeting, managing operations, making strategic decisions, and evaluating our performance.

Our primary non-GAAP financial measures are EBITDA and Adjusted EBITDA. We define EBITDA as net income before interest, income taxes, and depreciation and amortization. Adjusted EBITDA is defined as EBITDA further adjusted to exclude certain non-cash items, non-recurring expenses, and other items that are not indicative of our core operating activities. These may include stock-based compensation, acquisition costs, and other financial items. We believe Adjusted EBITDA is valuable for investors and analysts as it provides additional insight into our operational performance, excluding the impacts of certain financing, investing, and other non-operational activities. This measure helps in comparing our current operating results with prior periods and with those of other companies in our industry. It is also used internally for allocating resources efficiently, assessing the economic outcomes of acquisitions and strategic decisions, and evaluating the performance of our management team.

There are limitations to Adjusted EBITDA, including its exclusion of cash expenditures, future requirements for capital expenditures and contractual commitments, and changes in or cash requirements for working capital needs. Adjusted EBITDA also omits significant interest expenses and related cash requirements for interest and payments. While depreciation and amortization are non-cash charges, the associated assets will often need to be replaced in the future, and Adjusted EBITDA does not reflect the cash required for such replacements. Additionally, Adjusted EBITDA does not account for income or other taxes or necessary cash tax payments.

Investors should use caution when comparing our non-GAAP measure to similar metrics used by other companies, as definitions can vary. Adjusted EBITDA should not be considered in isolation or as a substitute for GAAP financial measures.

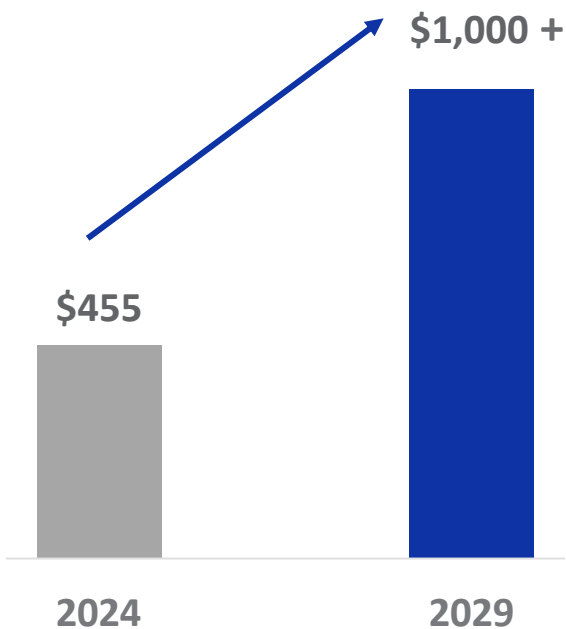
In presenting Adjusted EBITDA, we aim to provide investors with an additional tool for assessing the operational performance of our business. It serves as a useful complement to our GAAP results, offering a more comprehensive understanding of our financial health and operational efficiencies.

# OPERATING COMPANY SPOTLIGHT – ACCELSIUS

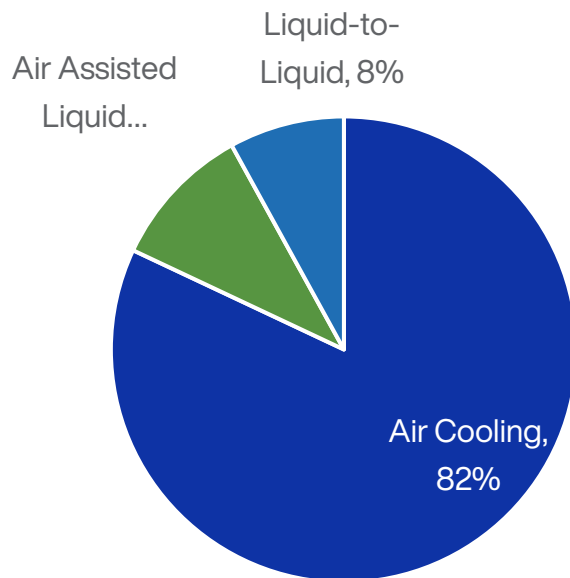


# Sizable Market with Compelling Secular Growth Tailwinds

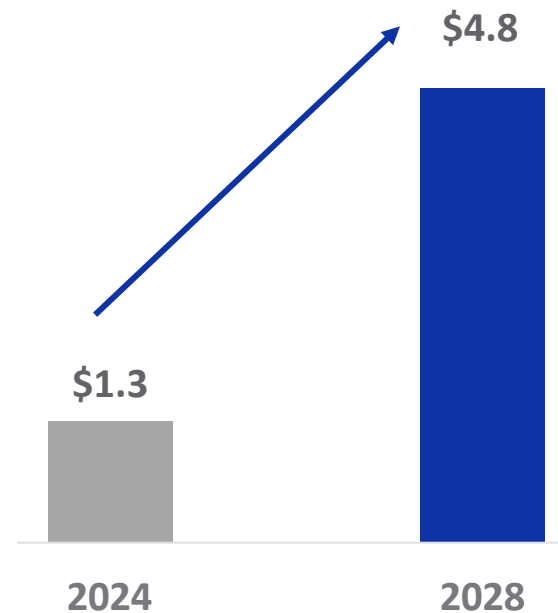
### Worldwide Data Center CapEx Forecast (\$B)<sup>(1)</sup>



### 2024 Data Center Cooling Technology<sup>(2)</sup>



### Liquid Cooling Market Forecast (\$B)<sup>(2)</sup>



(1) Dell'Oro Group Data Center IT Capex 5-Year January 2025 Forecast Report

(2) Dell'Oro Group Data Center Liquid Cooling ARR, 2024

# Existing Liquid Cooling Solutions

## One-Phase Water Direct-to-Chip

- Water/glycol or water/oil mix
- Harmful to IT equipment (ITE)
- Requires cold facility water temperatures
- High flow rates
- Constant monitoring and frequent maintenance

## Immersion One-Phase & Two-Phase

- Horizontal form factor with ITE submerged in “baths”
- Expensive and subject to governmental regulations
- Infrastructure changes and costly maintenance plans

## Two-Phase Direct-to-Chip

- **Eco-friendly, ITE-safe refrigerant**
- **40x less refrigerant than immersion**
- **Easy and convenient maintenance cycles**
- **4-9x lower flow rate and up to 45°C facility water**

# Why NEUCOOL™ Wins Over One-Phase, Direct-to-Chip

Superior Heat Removal

Offers **6°C more headroom** than one-phase, direct-to-chip; **38% better thermal resistance** at the chip level due to thermal uniformity benefits

Non-Conductive Fluid

**R1233zd(e): GWP <1, A-1 safety-rated (non-toxic) dielectric** refrigerant that **protects IT equipment from leaks**

Warranty

**We have a 2 and 5- year limited warranty backed by CNA** with a consequential damages' coverage up to **\$100,000 per rack**

Lower OPEX

**We prefer warmer facility water (up to 45°C)** so operators can run their chillers less and utilize free-cooling

Ease of Maintenance

**Hot-swappable** components; **two-phase does not need to be constantly monitored/flushed** to prevent corrosion unlike one-phase



# Comprehensive Solution to Today's Data Center Challenges

## Today's Data Center Challenges

- ❑ AI workloads & high TDP processors
- ❑ Increased data center regulations
- ❑ Exhausted power budgets
- ❑ Evolution of server & rack architectures

## NEUCOOL™

- ✓ **Fully supports AI workloads and current/future chip TDPs**
- ✓ **Free up to 25% of total pPower**
- ✓ **Flexible solution with in-rack & multi-rack form factors**
- ✓ **Optimize facility infrastructure & maximize free cooling**

# Flexible Solutions for Every Data Center Environment

## IR80 & IR150



An in-rack two-phase, direct-to-chip cooling solution. Enables up to 80 kW & 150 kW of mechanical cooling per rack. Compatible with various FW setups, racks, and thermal requirements.

IR80- H100/H200, HPC, & enterprise clients; IR150- modular, NVL72 & high-density GPU deployments.

## MR250



2P D2C solution that sits between racks. Cools (2) racks at 125 kW or (1) rack at 250 kW with direct mechanical cooling.

Ideal for high volume NVL144 deployments and larger high density GPU compute clusters.

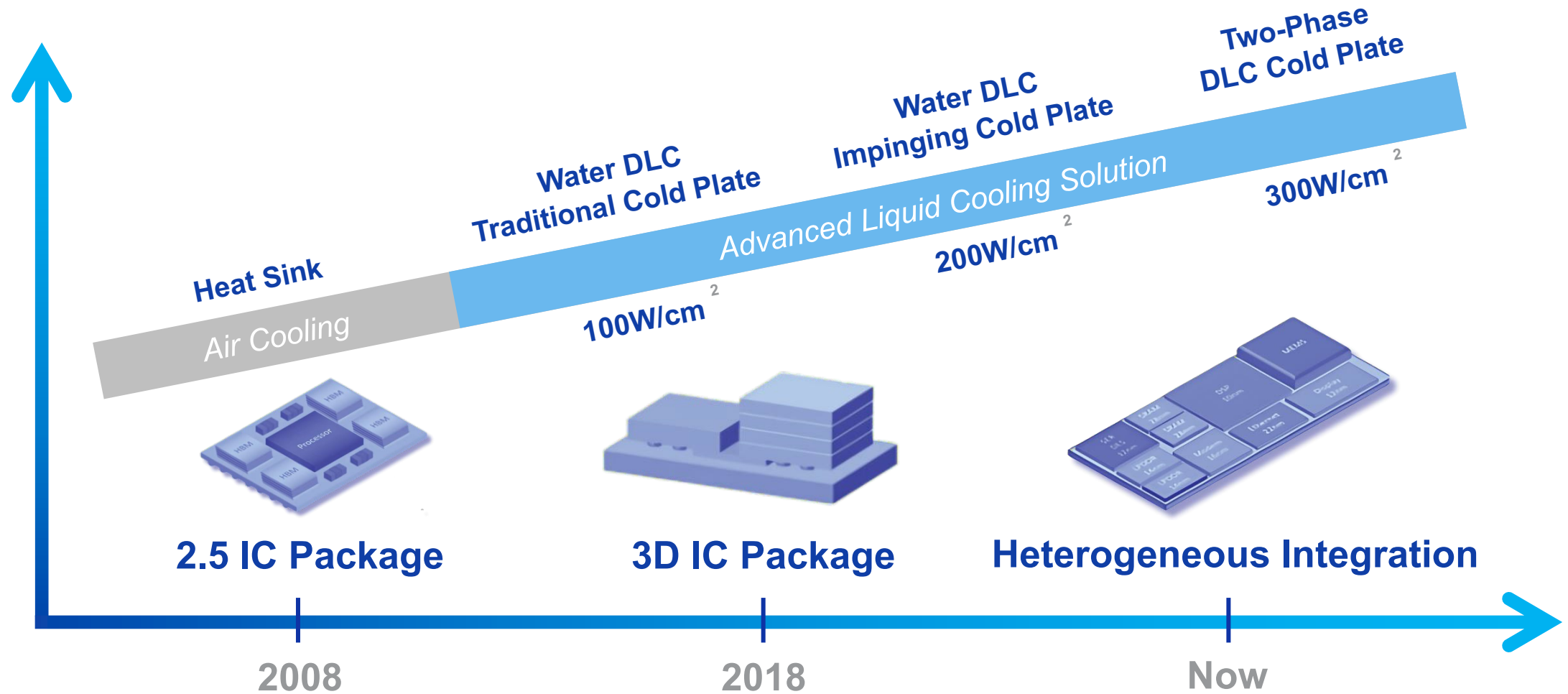
## LSS & TSR



Simulation Sleds and Racks that replicate high-density server loads (ranging from 30 kW- 250 kW per rack) . Using advanced monitoring tools, operators can validate and test equipment.

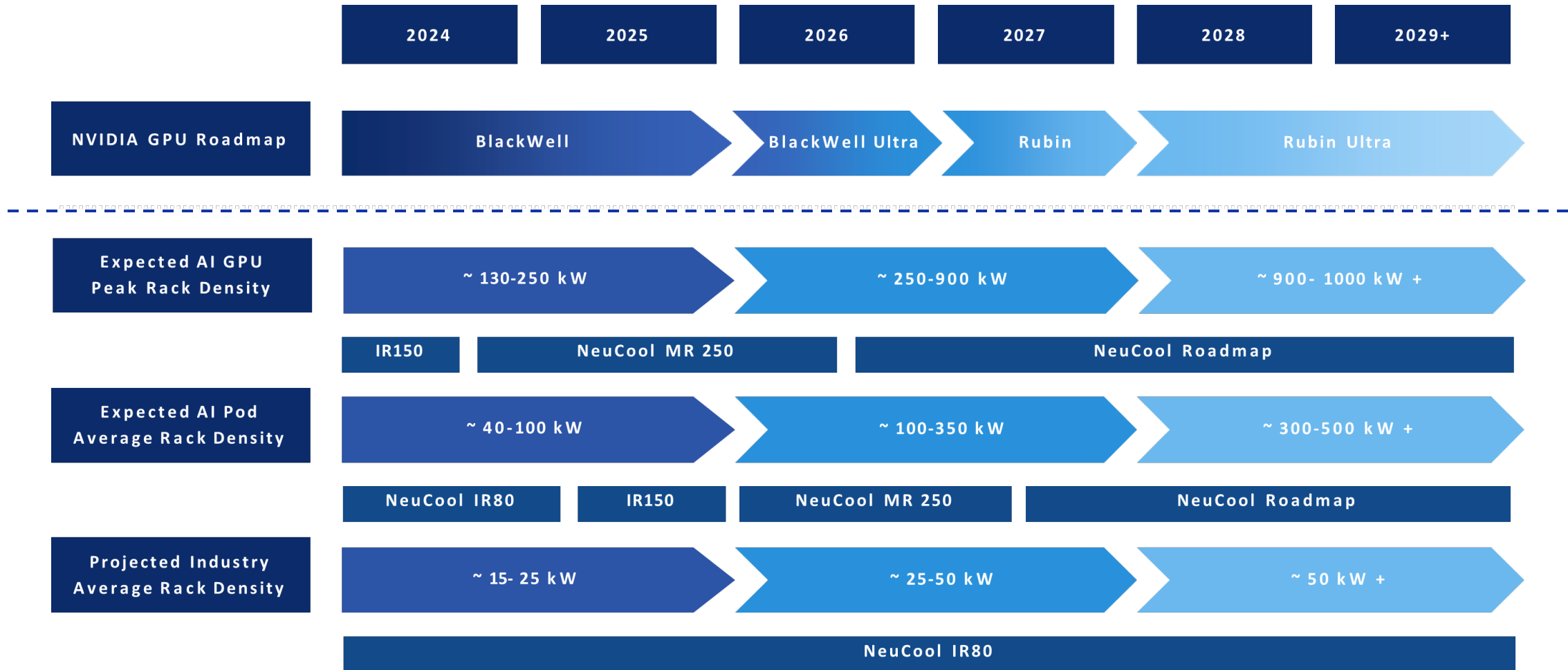
Cost effective R&D, solution/configuration testing, and site commissioning equipment.

# The Evolution of Two-Phase, Direct-to-Chip Liquid Cooling



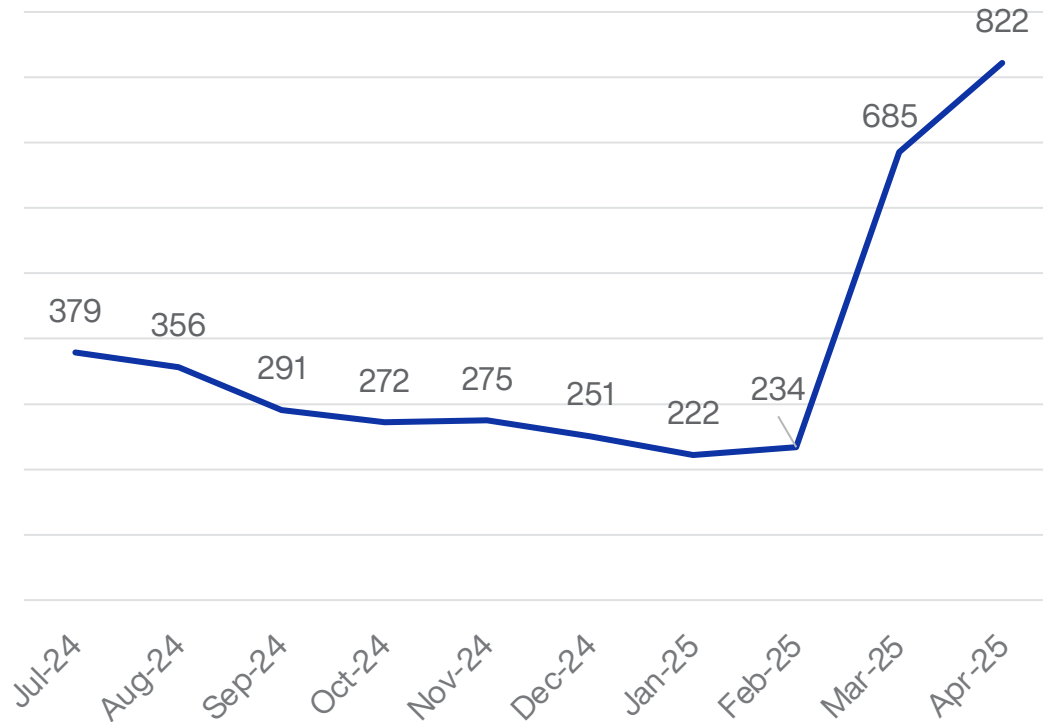
Source: Chen, 2024

# Extreme Anticipated Increases in Rack Densities & NEUCOOL™

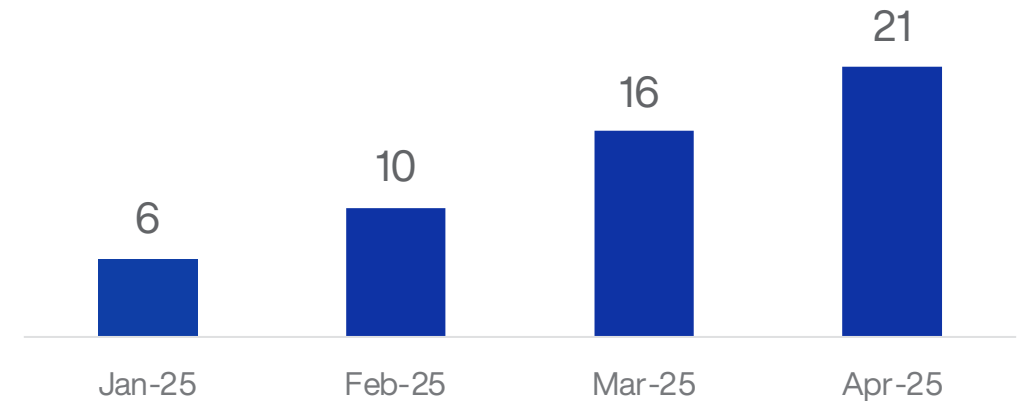


# Palpable Momentum in the Marketplace

## Marketing Lead Generation (3-month Rolling Average)



## Partner Ecosystem Expansion (# of partners)



- Partner Ecosystem has **grown by 194%** since January 1, 2025
- **Over 50%** of opportunities are in cooperation with or originated by a selling partner or manufacturing rep
- Climb & Avnet partnerships provide access to **~ 4,000 VARs globally**

# FINANCIAL OVERVIEW



# 1<sup>st</sup> Quarter Financial Highlights

- **Revenue in-line with expectations**
  - 1Q 2025 Revenue of \$0.2 million; Adjusted EBITDA loss of \$21.8 million
  - As previously communicated, expected Revenue growth would be weighted to the second half of the year
  - Costs driven by non-cash items and professional service fees, which are expected to decrease over time
- **Termination of related party debt**
  - Executive Chairman Mike Otworth, Chief Strategy Officer John Scott, and another related party terminated approximately \$18 million worth of Innventure and AeroFlexx debt in exchange for approximately 2.3 million Series C preferred shares
  - Underscores founder's commitment to and confidence in business strategy
  - Annual interest expense savings of approximately \$3 million, reduced cash expenditure obligations by approximately \$18 million
- **\$27 million of proceeds from convertible debenture issuance**
  - \$20 million of convertible debentures issued on April 14, 2025, and \$10 million issued on May 15, 2025, for gross proceeds of \$18 million and \$9 million, respectively

Q&A



# Appendix



# Reconciliation of Net Loss to EBITDA and Adjusted EBITDA

The following table provides a reconciliation from Net Loss to EBITDA and Adjusted EBITDA for the specified periods:

	Successor	Predecessor
	Three months ended March 31, 2025	Three months ended March 31, 2024
Net loss	(253,674)	(7,526)
Interest expense, net <sup>(1)</sup>	1,538	405
Depreciation and amortization expense	5,548	--
Income tax benefit	(1,399)	--
EBITDA	<b>(247,987)</b>	<b>(7,121)</b>
Transaction and other related costs <sup>(2)</sup>	--	3,272
Change in fair value of financial liabilities <sup>(3)</sup>	(16,429)	478
Stock-based compensation <sup>(4)</sup>	5,841	396
Goodwill impairment <sup>(5)</sup>	233,213	--
Loss on extinguishment of related party debt <sup>(6)</sup>	3,538	--
Loss on conversion of promissory notes	0	1,119
Adjusted EBITDA	<b>(21,824)</b>	<b>(1,856)</b>

(1) Interest Expense, net, includes interest incurred on our various borrowing facilities and the amortization of debt issuance costs.

(2) Transaction and other related costs – For the three months ended March 31, 2025 (Successor) and three months ended March 31, 2024 (Predecessor), this is comprised of consulting, legal, and other professional fees related to the Business Combination.

(3) Change in fair value of financial liabilities – For the three months ended March 31, 2025 (Successor), the change in fair value of financial liabilities primarily consists of the change in fair value of the warrant liability and the earnout liability. For the three months ended March 31, 2024 (Predecessor), this is comprised entirely of the change in fair value of the embedded derivative associated with the convertible notes.

(4) Stock based compensation – For the three months ended March 31, 2025 (Successor), stock based compensation primarily consisted of awards in the 2024 Equity and Incentive Plan entered into on October 2, 2024 subsequent to the Business Combination. These awards consisted of Stock Options, Restricted Stock Units, and Stock Appreciation Rights. Further, a portion of this expense was related to share based payment employee incentive plans in existence at Innventure LLC and other subsidiaries. For the three months ended March 31, 2024 (Predecessor), stock based compensation was comprised wholly of share based payment employee incentive plans in existence at Innventure LLC and other subsidiaries.

(5) Goodwill impairment - For the three months ended March 31, 2025 (Successor), the Company recognized a goodwill impairment charge due to sustained decreases in the Company's publicly quoted share price and market capitalization, which were, at least in part, sensitive to the general downward volatility experienced in the stock market during late February and March. There was no similar goodwill impairment charge for the three months ended March 31, 2024 (Predecessor).

(6) Loss on extinguishment of related party debt - For the three months ended March 31, 2025 (Successor), the Company extinguished certain related party debts by issuing Series C Preferred Stock. There was no loss on extinguishment of related party debt for the three months ended March 31, 2024 (Predecessor).

innventure

Creating Companies to Transform Tomorrow