

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 10-Q

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

For the Quarterly Period Ended April 3, 2026

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 - 001-41297

ESAB Corporation

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

87-0923837

(I.R.S. Employer
Identification Number)

909 Rose Avenue, 8th Floor

North Bethesda, Maryland

(Address of principal executive offices)

20852

(Zip Code)

(301) 323-9099

(Registrant's telephone number, including area code)

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 \$0.001 per share	ESAB	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 No

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 such files). Yes No

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 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 Exchange Act). Yes No

As of April 28, 2026, there were 60,881,712 shares of the registrant's common stock, par value \$0.001 per share, outstanding.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

ESAB CORPORATION
CONSOLIDATED AND CONDENSED STATEMENTS OF OPERATIONS
Dollars in thousands, except per share amounts
(Unaudited)

	Three Months Ended	
	April 3, 2026	April 4, 2025
Net sales	\$ 745,597	\$ 678,138
Cost of sales	470,485	422,936
Gross profit	275,112	255,202
Selling, general and administrative expense	174,472	140,858
Restructuring and other related charges	10,161	4,499
Operating income	90,479	109,845
Interest expense and other, net	25,577	16,782
Income from continuing operations before income taxes	64,902	93,063
Income tax expense	13,111	20,499
Net income from continuing operations	51,791	72,564
Loss from discontinued operations, net of taxes	(2,554)	(2,732)
Net income	49,237	69,832
Income attributable to noncontrolling interest, net of taxes	(1,593)	(2,469)
Net income attributable to ESAB Corporation	\$ 47,644	\$ 67,363
<i>Earnings (loss) per share – basic</i>		
Income from continuing operations	\$ 0.82	\$ 1.15
Loss on discontinued operations	(0.04)	(0.05)
Net income per share – basic	\$ 0.78	\$ 1.10
<i>Earnings (loss) per share – diluted</i>		
Income from continuing operations	\$ 0.82	\$ 1.14
Loss on discontinued operations	(0.04)	(0.04)
Net income per share – diluted	\$ 0.78	\$ 1.10

See Notes to Consolidated and Condensed Financial Statements.

ESAB CORPORATION
CONSOLIDATED AND CONDENSED STATEMENTS OF COMPREHENSIVE INCOME
Dollars in thousands
(Unaudited)

	Three Months Ended	
	April 3, 2026	April 4, 2025
Net income	\$ 49,237	\$ 69,832
Other comprehensive (loss) income:		
Foreign currency translation, net of tax expense (benefit) of \$2,897 and \$(4,322)	(18,753)	79,330
Unrealized loss on derivatives designated and qualifying as cash flow hedges, net of tax benefit of \$— and \$(497)	—	(1,816)
Defined benefit pension and other post-retirement plan activity, net of tax expense of \$87 and \$11	369	321
Other comprehensive (loss) income	(18,384)	77,835
Comprehensive income	30,853	147,667
Comprehensive income attributable to noncontrolling interest	(506)	(2,587)
Comprehensive income attributable to ESAB Corporation	<u>\$ 30,347</u>	<u>\$ 145,080</u>

See Notes to Consolidated and Condensed Financial Statements.

ESAB CORPORATION
CONSOLIDATED AND CONDENSED BALANCE SHEETS
Dollars in thousands, except share and per share amounts
(Unaudited)

	April 3, 2026	December 31, 2025
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 1,004,790	\$ 185,863
Trade receivables, less allowance for credit losses of \$21,638 and \$21,765	488,460	451,298
Inventories, net	520,597	481,765
Prepaid expenses	79,022	66,103
Other current assets	77,289	76,876
Total current assets	2,170,158	1,261,905
Property, plant and equipment, net	377,352	381,876
Goodwill	1,930,604	1,949,702
Intangible assets, net	655,922	673,006
Lease assets - right of use	106,178	113,310
Other assets	384,455	386,295
Total assets	\$ 5,624,669	\$ 4,766,094
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Current portion of long-term debt	\$ 3,788	\$ 2,412
Accounts payable	398,501	360,391
Accrued liabilities	327,707	301,986
Total current liabilities	729,996	664,789
Long-term debt	2,032,436	1,232,540
Other liabilities	626,569	657,236
Total liabilities	3,389,001	2,554,565
Equity:		
Common stock - \$0.001 par value - 600,000,000 shares authorized, 60,881,557 and 60,721,079 shares outstanding as of April 3, 2026 and December 31, 2025, respectively	61	61
Additional paid-in capital	1,905,399	1,904,889
Retained earnings	842,343	800,806
Accumulated other comprehensive loss	(557,013)	(539,716)
Total ESAB Corporation equity	2,190,790	2,166,040
Noncontrolling interest	44,878	45,489
Total equity	2,235,668	2,211,529
Total liabilities and equity	\$ 5,624,669	\$ 4,766,094

See Notes to Consolidated and Condensed Financial Statements.

ESAB CORPORATION
CONSOLIDATED AND CONDENSED STATEMENTS OF EQUITY
Dollars in thousands, except share and per share amounts
(Unaudited)

	Common Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Noncontrolling Interest	Total
	Shares	Amount					
Balance at December 31, 2025	60,721,079	\$ 61	\$ 1,904,889	\$ 800,806	\$ (539,716)	\$ 45,489	\$ 2,211,529
Net income	—	—	—	47,644	—	1,593	49,237
Dividends declared (\$0.10 per share)	—	—	—	(6,107)	—	—	(6,107)
Distributions to noncontrolling owners	—	—	—	—	—	(1,117)	(1,117)
Other comprehensive loss, net of tax expense of \$(2,984)	—	—	—	—	(17,297)	(1,087)	(18,384)
Common stock-based award activity	160,478	—	510	—	—	—	510
Balance at April 3, 2026	60,881,557	\$ 61	\$ 1,905,399	\$ 842,343	\$ (557,013)	\$ 44,878	\$ 2,235,668

	Common Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Noncontrolling Interest	Total
	Shares	Amount					
Balance at December 31, 2024	60,517,574	\$ 61	\$ 1,901,337	\$ 597,180	\$ (729,574)	\$ 39,245	\$ 1,808,249
Net income	—	—	—	67,363	—	2,469	69,832
Dividends declared (\$0.08 per share)	—	—	—	(4,868)	—	—	(4,868)
Distributions to noncontrolling owners	—	—	—	—	—	(1,168)	(1,168)
Other comprehensive income, net of tax benefit of \$4,808	—	—	—	—	77,717	118	77,835
Common stock-based award activity	105,162	—	512	—	—	—	512
Balance at April 4, 2025	60,622,736	\$ 61	\$ 1,901,849	\$ 659,675	\$ (651,857)	\$ 40,664	\$ 1,950,392

See Notes to Consolidated and Condensed Financial Statements.

ESAB CORPORATION
CONSOLIDATED AND CONDENSED STATEMENTS OF CASH FLOWS
Dollars in thousands
(Unaudited)

	Three Months Ended	
	April 3, 2026	April 4, 2025
Cash flows from operating activities:		
Net income	\$ 49,237	\$ 69,832
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, amortization and other impairment charges	23,868	17,491
Net gain on sale of property, plant and equipment	(56)	(5,665)
Stock-based compensation expense	3,948	5,361
Deferred income tax benefit	(4,771)	(2,774)
Amortization of debt issuance costs	5,764	628
Changes in operating assets and liabilities:		
Trade receivables, net	(33,819)	(32,026)
Inventories, net	(40,123)	(35,393)
Accounts payable	39,662	21,405
Other operating assets and liabilities	3,205	(3,449)
Net cash provided by operating activities	46,915	35,410
Cash flows from investing activities:		
Purchases of property, plant and equipment	(13,703)	(7,294)
Proceeds from sale of property, plant and equipment	275	4,605
Net cash used in investing activities	(13,428)	(2,689)
Cash flows from financing activities:		
Proceeds from borrowings on Senior Notes	1,000,000	—
Repayments of borrowings on Term Loans	—	(2,500)
Proceeds from borrowings on revolving credit facilities and other	131,217	—
Repayments of borrowings on revolving credit facilities and other	(317,374)	—
Payment of debt issuance costs	(17,017)	—
Payment of dividends	(6,092)	(4,861)
Distributions to noncontrolling interest holders	(1,117)	(1,168)
Other financing	(3,438)	(4,590)
Net cash provided by (used in) financing activities	786,179	(13,119)
Effect of foreign exchange rates on Cash and cash equivalents	(739)	22,388
Increase in Cash and cash equivalents	818,927	41,990
Cash and cash equivalents, beginning of period	185,863	249,358
Cash and cash equivalents, end of period	\$ 1,004,790	\$ 291,348

See Notes to Consolidated and Condensed Financial Statements.

ESAB CORPORATION
NOTES TO CONSOLIDATED AND CONDENSED FINANCIAL STATEMENTS
(Unaudited)

1. Organization and Basis of Presentation

Founded in 1904, ESAB Corporation (“ESAB” or the “Company”) is a focused premier industrial compounder. ESAB provides its partners with fabrication technology advanced equipment, consumables, gas control equipment, robotics and digital solutions. The Company’s rich history of innovative products, workflow solutions and its business management system, ESAB Business Excellence (“EBXai”), enables the Company’s purpose of *Shaping the world we imagine™*. The Company’s products are utilized to solve challenges in a wide range of industries, including cutting, joining and automated welding and gas control. The Company conducts its operations through two reportable segments. These segments consist of the “Americas,” which includes operations in North America and South America, and “EMEA & APAC,” which includes Europe, the Middle East, India, Africa and Asia Pacific.

The Company’s fiscal year ends December 31. The Company’s first quarter ends on the last business day of the 13th complete week after the end of the prior quarter. As used herein, the first quarter results for 2026 and 2025 refer to the 13-week periods ended April 3, 2026 and April 4, 2025, respectively.

Russia and Ukraine Conflict

The invasion of Ukraine by Russia and the sanctions imposed in response have increased the level of economic and political uncertainty. While ESAB continues to closely monitor the situation and evaluate options, the Company is meeting current contractual obligations while addressing applicable laws and regulations. For the three months ended April 3, 2026, Russia represented approximately 4% of the Company’s Net sales and contributed approximately \$1 million of net losses to the Company’s Net income. Russia also has approximately 5% of the Company’s total net assets as of April 3, 2026, including approximately \$42 million of Cash and cash equivalents that may be subject to delays in withdrawing from Russia, based upon the current environment at that time. In case of the disposition of the Russia business, a portion of goodwill would need to be allocated and disposed of at the relative fair value attributable to the Russia business. Russia has a cumulative translation loss of approximately \$108 million as of April 3, 2026, which would be realized upon a transition out. The Company is closely monitoring developments in Ukraine and Russia. Changes in laws and regulations or other factors impacting the Company’s ability to fulfill contractual obligations could have an adverse effect on the results of operations and cash flows.

Basis of Presentation

The Consolidated and Condensed Financial Statements included herein have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”). Certain information and footnote disclosures normally included in the financial statements prepared in accordance with the accounting principles generally accepted in the United States (“U.S. GAAP”) have been condensed or omitted pursuant to SEC rules and regulations; however, the Company believes that the disclosures are adequate to make the information presented not misleading.

The Consolidated and Condensed Financial Statements reflect, in the opinion of management, all adjustments, which consist solely of normal recurring adjustments, necessary to present fairly the Company’s financial position and results of operations as of and for the periods indicated. Intercompany transactions and accounts are eliminated in consolidation.

In the normal course of business, the Company incurs research and development costs related to new product development, which are expensed as incurred and included in Selling, general and administrative expense on the Company’s Consolidated and Condensed Statements of Operations. Research and development costs were \$12.5 million during the three months ended April 3, 2026 and \$10.1 million for the three months ended April 4, 2025. These amounts do not include development and application engineering costs incurred in conjunction with fulfilling customer orders and executing customer projects, nor do they include costs related to securing third party product rights. The Company expects to continue making significant expenditures for research and development to maintain and improve its competitive positions.

The accompanying interim Consolidated and Condensed Financial Statements and the related notes should be read in conjunction with the Company’s Annual Report on Form 10-K for the year ended December 31, 2025 (the “2025 Form 10-K”), filed with the SEC on February 20, 2026.

ESAB CORPORATION
NOTES TO CONSOLIDATED AND CONDENSED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

Recently Issued Accounting Pronouncements Not Yet Adopted

In November 2024, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, which expands disclosure requirements for more detailed information about the types of expenses in commonly presented expense captions. The ASU is effective for fiscal years beginning after December 15, 2026, and interim reporting periods within annual reporting periods beginning after December 15, 2027. Early adoption is permitted and the amendments may be applied either prospectively or retrospectively. The Company is currently evaluating the effect the adoption of the ASU may have on its disclosures.

In September 2025, the FASB issued ASU No. 2025-06, *Intangibles - Goodwill and Other Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*, which modernizes the accounting for costs incurred to develop internal-use software including which costs are required to be recognized as an asset. The ASU is effective for annual and interim reporting periods beginning after December 15, 2027. The Company is currently evaluating the effect the adoption of the ASU may have on its consolidated financial statements and disclosures.

2. Discontinued Operations

The Company holds certain asbestos-related contingencies and insurance coverages from divested businesses for which it does not have an interest in the ongoing operations. The Company has classified asbestos-related activity included in its Consolidated and Condensed Statements of Operations as part of Loss from discontinued operations, net of taxes. This activity consists primarily of expected settlements, legal and administrative expenses associated with the above liabilities. Discontinued operations consist primarily of Selling, general and administrative expense, with an associated tax impact that is considered immaterial. See Note 13, “Commitments and Contingencies” for further information.

Cash used in operating activities related to discontinued operations was \$4.3 million for the three months ended April 3, 2026 and \$2.3 million for the three months ended April 4, 2025.

3. Acquisitions

The Company continually evaluates potential acquisitions that either strategically fit with its existing portfolio or expand its portfolio into a new and attractive business area. The Company makes appropriate adjustments to purchase price allocations prior to completion of the applicable measurement period, as required. Only facts and circumstances that existed as of the acquisition date are considered for subsequent adjustment. Refer to Note 5, “Acquisitions” in the Company’s 2025 Form 10-K for further information on the Company’s accounting treatment of acquisitions.

On January 31, 2026, the Company entered into an agreement to acquire Eddyfi Technologies (“Eddyfi”), a global leader in advanced inspection and monitoring technologies headquartered in Quebec, Canada, for a purchase price of approximately \$1.45 billion (the “Acquisition”). The Acquisition is expected to be funded with a combination of cash on hand, debt (refer to Note 9, “Debt” for additional information) and approximately \$318 million of fully committed equity, consisting of the Mandatory Convertible Preferred Stock and common stock issuances described below. The Acquisition is expected to be completed in mid-2026, subject to the receipt of applicable regulatory approvals and customary closing conditions.

Furthermore, in relation to the Acquisition, on February 2, 2026, the Company offered and agreed to issue and sell 175,000 shares (the “Preferred Shares”) of a newly created series of convertible preferred stock, designated as 6.50% Series A Mandatory Convertible Preferred Stock, par value \$0.001 per share (the “Mandatory Convertible Preferred Stock”), to certain investors (the “Preferred Stock Purchasers”), pursuant to a preferred stock purchase agreement (the “Preferred Stock Purchase Agreement”), for an aggregate liquidation preference of \$175.0 million. The Preferred Stock Purchasers include one or more entities affiliated with Mitchell Rales, the Chairman of our Board, and one or more entities affiliated with Steven Rales, Mitchell’s brother, who have agreed to purchase \$100.0 million and \$25.0 million, respectively, of the Mandatory Convertible Preferred Stock for investment purposes, and the remaining \$50.0 million has been agreed to be purchased by other third parties. The transactions with the entities affiliated with Mitchell Rales and the entities affiliated with Steven Rales were on the same terms as the transactions with unaffiliated third parties. The Preferred Shares were offered at a price of \$1,000 per Preferred Share and the net proceeds to the Company, after deducting the fees payable to the placement agents but before deducting other offering expenses, are expected to be approximately \$172 million.

ESAB CORPORATION
NOTES TO CONSOLIDATED AND CONDENSED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

The Mandatory Convertible Preferred Stock will be issued on the acquisition closing date and will automatically convert into common stock on the conversion date, which is approximately three years from issuance, unless earlier converted by the holder or upon a fundamental change. The shares accrue cumulative dividends at a rate of 6.50% per annum, payable quarterly when and if declared. Each share will convert at a rate ranging from 7.1806 to 8.2576 shares of common stock, depending on the average market price during the specified settlement period and subject to certain customary anti-dilution and other protective adjustment provisions. Holders may elect early conversion at the minimum conversion rate, subject to adjustments for unpaid dividends. The preferred stock has a liquidation preference senior to common equity and is not redeemable, except for limited redemptions required to address regulatory ownership restrictions. Management believes these shares could be dilutive to the Company's GAAP earnings per share after the Acquisition has closed.

In addition, on February 2, 2026, the Company offered and agreed to issue and sell 1,254,255 shares of its Common Stock, par value \$0.001 per share, to certain institutional investors (the "Common Stock Purchasers" and, together with the Preferred Stock Purchasers, the "Purchasers"), pursuant to a common stock purchase agreement (the "Common Stock Purchase Agreement" and, together with the Preferred Stock Purchase Agreement, the "Purchase Agreements"), at a price of \$114.00 per share, for an aggregate purchase price of approximately \$143 million. The net proceeds to the Company, after deducting the fees payable to the placement agents but before deducting other offering expenses, are expected to be approximately \$140.1 million. In connection with the Common Stock Purchase Agreement, the Company has agreed to provide the Common Stock Purchasers with certain customary registration rights with respect to the shares of Common Stock to be issued thereunder.

Under the terms of the Purchase Agreements, the obligation of the Purchasers to purchase the shares is conditioned upon, among other things, the substantially concurrent consummation of the Acquisition. The Purchase Agreements may be terminated by either the Company or the Purchasers if the closing does not occur on or before November 30, 2026. The issuance of the Preferred Shares and the shares of Common Stock described above, together with the related net proceeds, are each expected to occur concurrently with, and are conditioned upon, the closing of the Acquisition.

For a description of the Company's acquisition activity for the year ended December 31, 2025, reference is made to the financial statements as of and for the year ended December 31, 2025 and Note 5, "Acquisitions" thereto in the Company's 2025 Form 10-K.

4. Revenue

The Company provides fabrication technology advanced equipment, consumables, gas control equipment, robotics and digital solutions. Substantially all revenue is recognized at a point in time. The Company disaggregates its revenue into the following product groups:

	Three Months Ended	
	April 3, 2026	April 4, 2025
	(In thousands)	
Equipment	\$ 264,733	\$ 232,488
Consumables	480,864	445,650
	<u>\$ 745,597</u>	<u>\$ 678,138</u>

The sales mix in the above table is relatively consistent across both reportable segments. The consumables product grouping generally has less production complexity and shorter production cycles than equipment products.

Given the nature of the business, the total amount of unsatisfied performance obligations with an original contract duration of greater than one year as of April 3, 2026 is immaterial. In some circumstances, customers are billed in advance of revenue recognition, resulting in contract liabilities. As of December 31, 2025 and December 31, 2024, total contract liabilities were \$19.7 million and \$26.4 million, respectively, and were included in Accrued liabilities on the Consolidated Balance Sheets. During the three months ended April 3, 2026, revenue recognized that was included in the contract liabilities balance at the beginning of the year was \$10.4 million. During the three months ended April 4, 2025, revenue recognized that was included in the contract liabilities balance at the beginning of the year was \$9.9 million. As of April 3, 2026 and April 4, 2025, total contract liabilities were \$33.9 million and \$25.3 million, respectively.

ESAB CORPORATION
NOTES TO CONSOLIDATED AND CONDENSED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

Allowance for Credit Losses

A summary of the activity in the Company's allowance for credit losses included within Trade receivables in the Consolidated and Condensed Balance Sheets is as follows:

	Three Months Ended April 3, 2026				
	Balance at Beginning of Period	Charged to Expense, net	Write-Offs and Deductions	Foreign Currency Translation	Balance at End of Period
	(In thousands)				
Allowance for credit losses	\$ 21,765	\$ 117	\$ (359)	\$ 115	\$ 21,638

5. Earnings per Share from Continuing Operations

The Company has unvested share-based payment awards with a right to receive non-forfeitable dividends, which are considered participating securities. The Company allocates earnings to participating securities and computed earnings per share using the two-class method as follows:

	Three Months Ended	
	April 3, 2026	April 4, 2025
	(In thousands, except share and per share data)	
<i>Computation of earnings per share from continuing operations – basic:</i>		
Income from continuing operations attributable to ESAB Corporation ⁽¹⁾	\$ 50,198	\$ 70,095
Distributed and undistributed earnings allocated to nonvested shares	(247)	(249)
Income from continuing operations attributable to common stockholders	\$ 49,951	\$ 69,846
Weighted-average shares of Common stock outstanding – basic	60,781,212	60,562,584
Income per share from continuing operations – basic	\$ 0.82	\$ 1.15
<i>Computation of earnings per share from continuing operations – diluted:</i>		
Income from continuing operations attributable to common stockholders	\$ 49,951	\$ 69,846
Weighted-average shares of Common stock outstanding – basic	60,781,212	60,562,584
Net effect of potentially dilutive securities ⁽²⁾	484,616	718,534
Weighted-average shares of Common stock outstanding – dilution	61,265,828	61,281,118
Net income per share from continuing operations – diluted	\$ 0.82	\$ 1.14

⁽¹⁾ Net income from continuing operations attributable to ESAB Corporation for the respective periods is calculated using Net income from continuing operations, less Income attributable to noncontrolling interest, net of taxes, of \$1.6 million for the three months ended April 3, 2026 and \$2.5 million for the three months ended April 4, 2025.

⁽²⁾ Potentially dilutive securities include stock options, performance-based restricted stock units and non-performance-based restricted stock units.

6. Income Taxes

During the three months ended April 3, 2026, Income from continuing operations before income taxes was \$64.9 million while Income tax expense was \$13.1 million. The effective tax rate was 20.2% for the three months ended April 3, 2026. The effective tax rate differed from the 2026 U.S. federal statutory rate of 21.0% primarily due to the U.S. tax benefit for qualifying Foreign-Derived Deduction Eligible Income (“FDDEI”).

During the three months ended April 4, 2025, Income from continuing operations before income taxes was \$93.1 million while Income tax expense was \$20.5 million. The effective tax rate was 22.0% for the three months ended April 4, 2025. The effective tax rate differed from the 2025 U.S. federal statutory rate of 21.0% primarily due to the mix of income outside of the U.S. taxed at higher statutory tax rates.

ESAB CORPORATION
NOTES TO CONSOLIDATED AND CONDENSED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

7. Inventories, Net

Inventories, net consisted of the following:

	<u>April 3, 2026</u>	<u>December 31, 2025</u>
	(In thousands)	
Raw materials	\$ 186,279	\$ 173,458
Work in process	46,640	40,033
Finished goods	324,085	307,517
	<u>557,004</u>	<u>521,008</u>
Allowance for excess, slow-moving and obsolete inventory	(36,407)	(39,243)
	<u>\$ 520,597</u>	<u>\$ 481,765</u>

8. Accrued and Other Liabilities

Accrued and Other liabilities in the Consolidated and Condensed Balance Sheets consisted of the following:

	<u>April 3, 2026</u>		<u>December 31, 2025</u>	
	<u>Current</u>	<u>Noncurrent</u>	<u>Current</u>	<u>Noncurrent</u>
	(In thousands)			
Accrued taxes and deferred tax liabilities	\$ 58,078	\$ 176,314	\$ 53,728	\$ 182,898
Compensation and related benefits	66,880	51,511	68,535	52,706
Asbestos liability	44,101	263,012	42,242	269,829
Contract liabilities	33,885	—	19,663	—
Lease liabilities	22,317	81,537	22,081	88,141
Warranty liability	12,540	—	12,573	—
Third-party commissions	13,398	—	19,371	—
Restructuring liability	15,919	—	17,297	319
Accrued interest	19,792	—	8,570	—
Other	40,797	54,195	37,926	63,343
	<u>\$ 327,707</u>	<u>\$ 626,569</u>	<u>\$ 301,986</u>	<u>\$ 657,236</u>

Accrued Warranty Liability

A summary of the activity in the Company's warranty liability included in Accrued liabilities in the Company's Consolidated and Condensed Balance Sheets is as follows:

	<u>Three Months Ended</u>	
	<u>April 3, 2026</u>	<u>April 4, 2025</u>
	(In thousands)	
Warranty liability, beginning of period	\$ 12,573	\$ 12,794
Accrued warranty expense	2,652	1,967
Changes in estimates related to pre-existing warranties	433	465
Cost of warranty service work performed	(3,099)	(2,885)
Foreign exchange translation effect and other	(19)	261
Warranty liability, end of period	<u>\$ 12,540</u>	<u>\$ 12,602</u>

ESAB CORPORATION
NOTES TO CONSOLIDATED AND CONDENSED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

Accrued Restructuring Liability

The Company's restructuring programs include a series of actions to reduce the structural costs of the Company. A summary of the activity in the Company's restructuring liability included in Accrued liabilities and Other liabilities in the Consolidated and Condensed Balance Sheets is as follows:

	Three Months Ended April 3, 2026				
	Balance at Beginning of Period	Charges	Payments	Foreign Currency Translation and Other	Balance at End of Period
	(In thousands)				
<i>Americas:</i>					
Termination benefits ⁽¹⁾	\$ 8,827	\$ 1,176	\$ (1,049)	\$ (89)	\$ 8,865
Facility closure costs and other ⁽²⁾	1,677	5,186	(6,057)	—	806
Subtotal	10,504	6,362	(7,106)	(89)	9,671
Non-cash charges ⁽²⁾		2,619			
		8,981			
<i>EMEA & APAC:</i>					
Termination benefits ⁽¹⁾	6,223	687	(1,322)	(62)	5,526
Facility closure costs and other ⁽²⁾	889	493	(709)	49	722
Subtotal	7,112	1,180	(2,031)	(13)	6,148
Non-cash charges ⁽²⁾		—			
		1,180			
<i>Total</i>	\$ 17,616	7,542	\$ (9,137)	\$ (102)	\$ 15,919
Non-cash charges ⁽²⁾		2,619			
Total Provision		\$ 10,161			

⁽¹⁾ Includes severance and other termination benefits, including outplacement services.

⁽²⁾ Includes the cost of relocating associates, relocating equipment, lease termination expenses, impairment of long-lived assets and other costs in connection with the closure and optimization of facilities and product lines.

9. Debt

The following table shows the components of the Company's debt:

	April 3, 2026	December 31, 2025
	(In thousands)	
Term loans	\$ 350,000	\$ 350,000
Senior unsecured notes	1,700,000	700,000
Revolving credit facility	—	185,000
Other debt	6,801	8,215
Total debt	2,056,801	1,243,215
Current portion of debt	(3,788)	(2,412)
Unamortized deferred financing fees	(20,577)	(8,263)
Long-term debt	\$ 2,032,436	\$ 1,232,540

Senior Notes, Term Loans and Revolving Credit Facility

On April 4, 2022, the Company entered into a credit agreement that initially consisted of (i) a \$750 million revolving credit facility with a maturity date of April 4, 2027, (ii) a senior term loan A-1 facility with an initial aggregate principal amount of \$400 million with a maturity date of April 4, 2027 and (iii) a \$600 million 364-day senior term loan A-2 facility with a maturity date of April 3, 2023. The senior term loan A-2 facility was subsequently refinanced in June 2022 extending its maturity date to April 3, 2025 to become a senior term loan A-3 facility.

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On April 9, 2024, the Company issued \$700 million in aggregate principal amount of 6.25% senior notes due 2029 (the “2029 Senior Notes”) governed by an indenture (the “2029 Indenture”). The 2029 Senior Notes have a contractual maturity interest rate of 6.25% and maturity date of April 15, 2029. The Company used the net proceeds from the 2029 Senior Notes to pay off its senior term loan A-3 facility and pay fees associated with the offering.

On October 16, 2025, the Company entered into an Amended and Restated Credit Agreement (the “A&R Credit Agreement”) that, among other things, provides for (i) a senior term loan A facility (the “Term Loan A Facility”) in an aggregate principal amount of \$350 million and (ii) a senior revolving credit facility (the “Revolving Facility”) in the amount of \$1.05 billion to replace the Company’s existing \$400 million senior term loan A-1 facility and \$750 million revolving credit facility and pay off the outstanding principal and interest thereunder. Both facilities mature on October 16, 2030, subject to a springing maturity date under certain circumstances. The Revolving Facility contains a \$300 million foreign currency sublimit and a \$50 million swing line loan sub-facility.

On March 26, 2026, the Company issued \$1.0 billion in aggregate principal amount of 5.625% senior notes due 2031 (the “2031 Senior Notes” and, together with the 2029 Senior Notes, the “Senior Notes”) governed by an indenture (the “2031 Indenture” and together with the 2029 Indenture, the “Indentures”). The 2031 Senior Notes have a contractual maturity interest rate of 5.625% and maturity date of April 1, 2031. The Company used a portion of the net proceeds to pay down the revolving line of credit for a total of \$240 million and plans to use the remaining net proceeds from the sale of the 2031 Senior Notes to pay a portion of the acquisition of Eddyfi and associated costs and expenses. The 2031 Senior Notes are subject to a special mandatory redemption at a redemption price equal to 100% of the initial issue price of the 2031 Senior Notes, plus any accrued and unpaid interest to, but not including, the date of such special mandatory redemption, if (i) the Acquisition is not consummated on or prior to the outside date as set forth under the related share purchase agreement or (ii) the Company notifies the trustee that the share purchase agreement has been terminated in accordance with its terms or upon the occurrence of certain other events prior to the outside date as set forth under the share purchase agreement. Refer to Note 3, “Acquisitions” for additional information. The Indentures also provide for certain optional or mandatory redemptions or prepayments in other circumstances, none of which are currently expected by management as of April 3, 2026.

The A&R Credit Agreement and the Indentures contain customary covenants. These covenants limit the ability of the Company and its subsidiaries to, among other things, incur debt or liens, merge or consolidate with others, dispose of assets, make investments or pay dividends. In addition, the A&R Credit Agreement requires that the Company maintains certain financial covenants and the Company was in compliance with all of its debt covenants as of April 3, 2026. The A&R Credit Agreement and the Indentures contain various events of default (including failure to comply with the covenants under the A&R Credit Agreement) and upon an event of default the lenders may, subject to various customary cure rights, require the immediate payment of all amounts outstanding under the Term Loan A Facility, Senior Notes and the Revolving Facility. Certain United States subsidiaries of the Company have agreed to guarantee the obligations of the Company under the A&R Credit Agreement and Senior Notes.

Loans made under the Term Loan A Facility will bear interest, at the election of the Company, at either the base rate (as defined in the A&R Credit Agreement) or at the term Secured Overnight Financing Rate (“SOFR”) plus an adjustment (as defined in the A&R Credit Agreement), in each case, plus the applicable interest rate margin. Loans made under the Revolving Facility will bear interest, at the election of the Company, at either the base rate or, (i) in the case of loans denominated in dollars, the term SOFR plus an adjustment or the daily simple SOFR plus an adjustment, (ii) in the case of loans denominated in euros, the adjusted Euro Interbank Offered Rate (“EURIBOR”) rate and, (iii) in the case of loans denominated in sterling, Sterling Overnight Index Average (“SONIA”) plus an adjustment (as all such rates are defined in the A&R Credit Agreement), in each case, plus the applicable interest rate margin. The applicable interest rate margin changes based upon the Company’s total leverage ratio (consolidated total net debt divided by EBITDA, as defined in the credit agreement and ranging from 1.125% to 1.750% or in the case of the base rate margin, 0.125% to 0.750%). Each swing line loan denominated in dollars will bear interest at the base rate plus the applicable interest rate margin.

To manage exposures to currency exchange rates and interest rates arising in Long-term debt, the Company entered into cross-currency swap agreements. Refer to Note 10, “Derivatives” for additional information.

As of April 3, 2026, the weighted-average interest rate of borrowings under the Credit Agreement and Indentures was 5.45%, including the net impact from the cross-currency swaps and excluding accretion of deferred financing fees, and there

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was \$1,050 million of borrowing capacity available under the Revolving Facility, subject to the Company meeting financial covenants and other requirements.

Bridge Loan Commitment Letter

On January 31, 2026, the Company entered into a commitment letter with JPMorgan Chase Bank, N.A. to provide a \$1.0 billion aggregate principal senior unsecured bridge term loan facility (the “Bridge Loan”) to fund the Acquisition and related fees and expenses. On March 26, 2026, following the issuance of the 2031 Senior Notes, the Company terminated the Bridge Loan. The Company never drew down on the Bridge Loan and paid \$4.8 million for customary upfront fees related to the Bridge Loan that were expensed through Interest expense and other, net upon termination of the Bridge Loan.

Other Indebtedness

In addition to the debt agreements discussed above, the Company also has the ability to incur \$73.1 million of indebtedness pursuant to certain uncommitted credit lines, consisting primarily of an uncommitted credit line that the Company has used from time to time in the past for short-term working capital needs.

The Company is party to letter of credit facilities with an aggregate capacity of \$114.3 million. Total letters of credit of \$37.2 million were outstanding as of April 3, 2026.

Deferred Financing Fees

The Company had total deferred financing fees of \$24.5 million included in its Consolidated and Condensed Balance Sheets as of April 3, 2026, which will be charged to Interest expense and other, net, over the term of the related debt instruments. The costs associated with the Term Loan A Facility and Senior Notes noted above will be amortized over the contractual term of the related facility and the costs associated with these will be amortized over the life of the A&R Credit Agreement or the Indentures, respectively. Of the \$24.5 million, \$3.9 million of deferred financing fees relating to the Revolving Facility are included in Other assets and \$20.6 million of deferred financing fees relating to the Term Loan A Facility and Senior Notes are recorded as a contra-liability within Long-term debt. The deferred financing fees related to the 2031 Senior Notes make up approximately \$13 million of the \$20.6 million.

10. Derivatives

The Company uses derivative instruments to manage exposures to currency exchange rates arising in connection with Long-term debt and the normal course of business. The Company has established policies and procedures that govern the risk management of these exposures. Both at inception and on an ongoing basis, the derivative instruments that qualify for hedge accounting are assessed as to their effectiveness, when applicable.

The Company is subject to the credit risk of counterparties to derivative instruments. Counterparties include a number of major banks and financial institutions. None of the concentrations of risk with an individual counterparty was considered significant as of April 3, 2026. The Company does not expect any counterparties to fail to meet their obligations. The Company records derivatives in the Consolidated and Condensed Balance Sheets at fair value.

Net Investment Hedges

On July 22, 2022, the Company entered into two cross-currency swap agreements, set to mature in April 2025, to partially hedge its net investment in its Euro-denominated subsidiaries against adverse movements in exchange rates between the U.S. Dollar and the Euro. The cross-currency swap agreements included provisions to exchange fixed-rate payments in U.S. Dollar for fixed-rate payments in Euro and were designated and qualified as a net investment hedge. These contracts had a Euro aggregate notional amount of approximately €270 million and a U.S. Dollar aggregate notional amount of \$275 million.

Prior to the maturity of these two cross-currency swaps, on June 25, 2024, the Company de-designated these swaps and entered into four new cross-currency swaps for the same above notional amounts that mature in October 2026.

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NOTES TO CONSOLIDATED AND CONDENSED FINANCIAL STATEMENTS — (Continued)
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On August 22, 2024, the Company entered into two additional cross-currency swap agreements, set to mature in October 2026. These contracts have a Euro aggregate notional amount of approximately €90 million and a U.S. dollar aggregate notional amount of \$100 million. These swaps are designated and accounted for as a net investment hedge.

The changes in the spot rate of these instruments are recorded in Accumulated Other Comprehensive Loss (“AOCL”) in equity, partially offsetting the foreign currency translation adjustment of the Company’s related net investment that is also recorded in AOCL. The Company uses the spot method of assessing hedge effectiveness and as such, the initial value of the hedge components excluded from the assessment of effectiveness is recognized in the Interest expense and other, net line item in the Consolidated and Condensed Statements of Operations under a systematic and rational method over the life of the cross-currency swap agreements. Any ineffective portions of net investment hedges are reclassified from AOCL into earnings during the period of change. Due to the de-designation transaction above on June 25, 2024, the Company will keep the balance in AOCL related to the original derivative for the duration that the investment is held. The Company did not have any ineffectiveness related to net investment hedges during the three months ended April 3, 2026.

The cash inflows and outflows associated with the excluded components of the Company’s cross-currency swap agreements designated as net investment hedges are classified in operating activities in the accompanying Consolidated and Condensed Statements of Cash Flows.

The table below shows the fair value of the derivatives recognized in the Consolidated and Condensed Balance Sheets:

Designated as Hedging Instruments	April 3, 2026		December 31, 2025	
	Other Liabilities	Other Assets	Other Liabilities	Other Assets
	(In thousands)			
Cross-currency swap agreements	\$ 40,092	\$ —	\$ 48,778	\$ —

Derivatives Not Designated as Hedging Instruments

The Company has certain foreign currency contracts that are not designated as hedges. As of April 3, 2026 and December 31, 2025, the Company had foreign currency contracts related to purchases and sales with notional values of \$142.3 million and \$105.2 million, respectively.

The table below shows the fair value of derivative instruments not designated in a hedging relationship recognized in the Consolidated and Condensed Balance Sheets:

Not Designated as Hedging Instruments	April 3, 2026		December 31, 2025	
	Accrued Liabilities	Other Current Assets	Accrued Liabilities	Other Current Assets
	(In thousands)			
Foreign currency contracts	\$ 1,159	\$ 163	\$ 183	\$ 780

The amounts in the table above as of April 3, 2026 reflect the fair value of the Company’s foreign currency contracts on a net basis where allowable under master netting agreements. Had these amounts been recognized on a gross basis, the impact would have been a \$0.4 million increase in Other current assets with a corresponding increase in Accrued liabilities.

The gains or losses on foreign currency contracts are usually offset by foreign exchange exposure on cash and intercompany positions, all of which are recognized in Interest expense and other, net, in the Consolidated and Condensed Statements of Operations.

11. Financial Instruments and Fair Value Measurements

The carrying values of financial instruments, including Trade receivables and Accounts payable, approximate their fair values due to their short-term maturities. The estimated fair values may not represent actual values of the financial instruments that could be realized as of the balance sheet date or that will be realized in the future.

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NOTES TO CONSOLIDATED AND CONDENSED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

A summary of the Company's assets and liabilities that are measured at fair value for each fair value hierarchy level for the periods presented is as follows:

	April 3, 2026				December 31, 2025			
	Level One	Level Two	Level Three	Total	Level One	Level Two	Level Three	Total
(In thousands)								
<i>Assets:</i>								
Cash equivalents	\$ 765,917	\$ —	\$ —	\$ 765,917	\$ 11,965	\$ —	\$ —	\$ 11,965
Foreign currency contracts	—	519	—	519	—	857	—	857
Deferred compensation plans	—	7,099	—	7,099	—	7,214	—	7,214
	<u>\$ 765,917</u>	<u>\$ 7,618</u>	<u>\$ —</u>	<u>\$ 773,535</u>	<u>\$ 11,965</u>	<u>\$ 8,071</u>	<u>\$ —</u>	<u>\$ 20,036</u>
<i>Liabilities:</i>								
Foreign currency contracts	\$ —	\$ 1,515	\$ —	\$ 1,515	\$ —	\$ 260	\$ —	\$ 260
Cross-currency swap agreements	—	40,092	—	40,092	—	48,778	—	48,778
Deferred compensation plans	—	7,099	—	7,099	—	7,214	—	7,214
	<u>\$ —</u>	<u>\$ 48,706</u>	<u>\$ —</u>	<u>\$ 48,706</u>	<u>\$ —</u>	<u>\$ 56,252</u>	<u>\$ —</u>	<u>\$ 56,252</u>

The Company measures the fair value of foreign currency contracts and cross-currency swap agreements using Level Two inputs based on observable spot and forward rates in active markets. Additionally, the fair value of derivatives designated in hedging relationships includes a credit valuation adjustment to appropriately incorporate nonperformance risk for the Company and the respective counterparty. For the three months ended April 3, 2026, the impact of the credit valuation adjustment on the Company's derivatives is immaterial. Refer to Note 10, "Derivatives" for additional information. There were no transfers in or out of Level One, Two or Three during the three months ended April 3, 2026.

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12. Equity

Share Repurchase Program

On August 13, 2024, the Board of Directors authorized and approved a stock repurchase program to repurchase up to five million shares of the Company's Common stock, par value \$0.001 per share, from time-to-time on the open market, in privately negotiated transactions or as may otherwise be determined by the Company's management in its discretion. No repurchases of the Company's Common stock have been made through the share repurchase program through the three months ended April 3, 2026 since inception. The timing and amount of any shares repurchased will be determined by the Company's management based on its evaluation of market conditions, applicable legal requirements and other factors. There is no term associated with the repurchase authorization.

Accumulated Other Comprehensive Loss

The following tables present the changes in the balances of each component of AOCL including reclassifications out of AOCL for the three months ended April 3, 2026 and April 4, 2025. All amounts are net of tax and noncontrolling interest, if any.

	Accumulated Other Comprehensive Loss Components			
	Net Unrecognized Pension and Other Post-Retirement Benefit Cost	Foreign Currency Translation Adjustment	Net Investment Hedges	Total
	(In thousands)			
Balance at December 31, 2025	\$ (51,677)	\$ (450,325)	\$ (37,714)	\$ (539,716)
Other comprehensive income (loss) before reclassifications:				
Foreign currency translation adjustment	110	(29,642)	6,729	(22,803)
Gain on long-term intra-entity foreign currency transactions	—	5,137	—	5,137
Other comprehensive income (loss) before reclassifications	110	(24,505)	6,729	(17,666)
Amounts reclassified from Accumulated other comprehensive loss ⁽¹⁾	369	—	—	369
Net current period Other comprehensive income (loss)	479	(24,505)	6,729	(17,297)
Balance at April 3, 2026	<u>\$ (51,198)</u>	<u>\$ (474,830)</u>	<u>\$ (30,985)</u>	<u>\$ (557,013)</u>

⁽¹⁾ The amounts on this line within the Net Unrecognized Pension and Other Post-Retirement Benefit Cost column are included in the computation of net periodic benefit cost.

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NOTES TO CONSOLIDATED AND CONDENSED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

	Accumulated Other Comprehensive Loss Components				Total
	Net Unrecognized Pension and Other Post-Retirement Benefit Cost	Foreign Currency Translation Adjustment	Net Investment Hedges	Cash Flow Hedges	
	(In thousands)				
Balance at December 31, 2024	\$ (50,352)	\$ (679,791)	\$ (1,247)	\$ 1,816	\$ (729,574)
Other comprehensive (loss) income before reclassifications:					
Net actuarial loss	48	—	—	—	48
Foreign currency translation adjustment	(421)	94,613	(15,371)	—	78,821
Gain on long-term intra-entity foreign currency transactions	—	391	—	—	391
Unrealized gain on cash flow hedges	—	—	—	16	16
Other comprehensive (loss) income before reclassifications	(373)	95,004	(15,371)	16	79,276
Amounts reclassified from Accumulated other comprehensive loss ⁽¹⁾⁽²⁾	273	—	—	(1,832)	(1,559)
Net current period Other comprehensive (loss) income	(100)	95,004	(15,371)	(1,816)	77,717
Balance at April 4, 2025	<u>\$ (50,452)</u>	<u>\$ (584,787)</u>	<u>\$ (16,618)</u>	<u>\$ —</u>	<u>\$ (651,857)</u>

⁽¹⁾ The amounts on this line within the Net Unrecognized Pension and Other Post-Retirement Benefit Cost column are included in the computation of net periodic benefit cost.

⁽²⁾ The amount within the Cash Flow Hedges column is a component of Interest expense and other, net. See Note 10, "Derivatives" for additional details.

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13. Commitments and Contingencies

Asbestos Contingencies

Certain subsidiaries of the Company are the legal obligor, or owner, for certain asbestos obligations including long-term asbestos insurance assets, long-term asbestos insurance receivables, accrued asbestos liabilities, long-term asbestos liabilities, asbestos indemnity expenses, asbestos-related defense costs and asbestos insurance recoveries related to the asbestos obligations of the Company's legacy industrial businesses. As a result, the Company holds certain asbestos-related contingencies and insurance coverages.

These subsidiaries are each one of many defendants in a large number of lawsuits that claim personal injury as a result of exposure to asbestos from products manufactured or used with components that are alleged to have contained asbestos. Such components were acquired from third-party suppliers, and were not manufactured by any of the Company's subsidiaries, nor were the subsidiaries producers or direct suppliers of asbestos. The manufactured products that are alleged to have contained or used asbestos generally were provided to meet the specifications of the subsidiaries' customers, including the United States Navy. The subsidiaries settle asbestos claims for amounts the Company considers reasonable given the facts and circumstances of each claim. For additional information on these asbestos claims, refer to Note 19, "Commitments and Contingencies" thereto in the Company's 2025 Form 10-K.

The annual number of cases and average settlement payment per asbestos claimant has fluctuated during the past several years. The Company expects such settlement value fluctuations to continue in the future based upon, among other things, the number and type of claims settled in a particular period and the jurisdictions in which such claims arise. To date, the majority of settled claims have been dismissed for no payment to plaintiffs.

The Company has classified asbestos-related activity in Loss from discontinued operations, net of taxes in the Consolidated and Condensed Statements of Operations.

The Company has projected each subsidiary's future asbestos-related liability costs with regard to pending and future unasserted claims based upon the Nicholson methodology. The Nicholson methodology is a standard approach used by experts and has been accepted by numerous courts. It is ESAB's policy to record a liability for asbestos-related liability costs for the longest period of time that ESAB management can reasonably estimate.

The Company believes that it can reasonably estimate the asbestos-related liability for pending and future claims that will be resolved in the next 15 years and has recorded that liability at its best estimate. While it is reasonably possible that the subsidiaries will incur costs after this period, the Company does not believe the reasonably possible loss or a range of reasonably possible losses is estimable at the current time. Accordingly, no accrual has been recorded for any costs that may be paid after the next 15 years. Defense costs associated with asbestos-related liabilities as well as costs incurred related to efforts to recover insurance from the subsidiaries' insurers are expensed as incurred.

Each subsidiary has separate insurance coverage that was acquired prior to Company ownership. The Company estimates the insurance assets for each subsidiary based upon the applicable policy language, expected recoveries and allocation methodologies, and law pertaining to the affected subsidiary's insurance policies.

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NOTES TO CONSOLIDATED AND CONDENSED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

Asbestos-related claims activity since December 31 is as follows:

	Three Months Ended	
	April 3, 2026	April 4, 2025
	(Number of claims)	
Claims unresolved, beginning of period	14,836	13,758
Claims filed ⁽¹⁾	1,498	887
Claims resolved ⁽²⁾	(622)	(542)
Claims unresolved, end of period	15,712	14,103

⁽¹⁾ Claims filed include all asbestos claims for which notification has been received or a file has been opened.

⁽²⁾ Claims resolved include all asbestos claims that have been settled, dismissed or that are in the process of being settled or dismissed based upon agreements or understandings in place with counsel for the claimants.

The Company's Consolidated and Condensed Balance Sheets included the following amounts related to asbestos-related litigation:

	April 3, 2026		December 31, 2025	
	(In thousands)			
Long-term asbestos insurance asset ⁽¹⁾	\$	231,700	\$	235,361
Long-term asbestos insurance receivable ⁽¹⁾		16,337		16,811
Accrued asbestos liability ⁽²⁾		44,101		42,242
Long-term asbestos liability ⁽³⁾		263,012		269,829

⁽¹⁾ Included in Other assets in the Consolidated and Condensed Balance Sheets.

⁽²⁾ Represents current accruals for probable and reasonably estimable asbestos-related liability costs that the Company believes the subsidiaries will pay and unpaid legal costs related to defending themselves against asbestos-related liability claims and legal action against the Company's insurers, which is included in Accrued liabilities in the Consolidated and Condensed Balance Sheets.

⁽³⁾ Included in Other liabilities in the Consolidated and Condensed Balance Sheets.

Management's analyses are based on currently known facts and assumptions. Projecting future events, such as new claims to be filed each year, the average cost of resolving each claim, coverage issues among layers of insurers, the method in which losses will be allocated to the various insurance policies, interpretation of the effect on coverage of various policy terms and limits and their interrelationships, the continuing solvency of various insurance companies, the amount of remaining insurance available, as well as the numerous uncertainties inherent in asbestos litigation could cause the actual liabilities and insurance recoveries to be higher or lower than those projected or recorded that could materially affect the Company's financial condition, results of operations or cash flow. From time to time, other asbestos allegations related to the Company's legacy industrial businesses are brought against the Company. Management currently believes no loss is probable or estimable for these other matters.

General Litigation

The Company is involved in various pending legal proceedings arising out of the ordinary course of the Company's business. None of these legal proceedings are expected to have a material adverse effect on the financial condition, results of operations or cash flow of the Company. With respect to these proceedings, and the litigation and claims described in the preceding paragraphs, management of the Company believes that it will either prevail, has adequate insurance coverage or has established appropriate accruals to cover potential liabilities. Legal costs related to proceedings or claims are recorded when incurred. Other costs that management estimates may be paid related to the claims are accrued when the liability is considered probable and the amount can be reasonably estimated. There can be no assurance, however, as to the ultimate outcome of any of these matters, and if all or substantially all of these legal proceedings were to be determined adverse to the Company, there could be a material adverse effect on the financial condition, results of operations or cash flow of the Company.

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14. Segment Information

The Company conducts its operations through two reportable segments. These segments consist of the “Americas,” which includes operations in North America and South America, and “EMEA & APAC,” which includes Europe, the Middle East, India, Africa and Asia Pacific.

The Company’s management considers its Chief Operating Decision Maker (“CODM”) to be Shyam Kambeyanda, President, Chief Executive Officer and Director. The Company’s management and CODM evaluate the operating results of each reportable segment, including assessment of profit or loss, performance and allocation of resources, based upon Net sales and Adjusted EBITDA, which represents Net income from continuing operations excluding the impact of Income tax expense, Interest expense and other, net, Restructuring and other related charges, acquisition - amortization and other related charges and depreciation and other amortization. Segment results reflect the allocation of overhead costs, which primarily consist of Selling, general and administrative expense.

The Company’s segment results were as follows:

	Three Months Ended	
	April 3, 2026	April 4, 2025
	(In thousands)	
<i>Net sales:</i>		
Americas	\$ 288,365	\$ 280,665
EMEA & APAC	457,232	397,473
	<u>\$ 745,597</u>	<u>\$ 678,138</u>
<i>Cost of sales:</i>		
Americas	\$ 176,870	\$ 170,608
EMEA & APAC	293,615	252,328
	<u>\$ 470,485</u>	<u>\$ 422,936</u>
<i>Allocated operating expense:</i>		
Americas	\$ 13,470	\$ 17,440
EMEA & APAC	21,352	26,794
	<u>\$ 34,822</u>	<u>\$ 44,234</u>
<i>Other operating expense:</i>		
Americas	\$ 42,020	\$ 38,097
EMEA & APAC	61,711	38,971
	<u>\$ 103,731</u>	<u>\$ 77,068</u>
<i>Adjusted EBITDA⁽¹⁾:</i>		
Americas	\$ 56,005	\$ 54,520
EMEA & APAC	80,554	79,380
	<u>\$ 136,559</u>	<u>\$ 133,900</u>
<i>Depreciation, amortization and other impairment charges:</i>		
Americas	\$ 8,673	\$ 8,204
EMEA & APAC	15,195	9,287
	<u>\$ 23,868</u>	<u>\$ 17,491</u>
<i>Capital expenditures:</i>		
Americas	\$ 4,392	\$ 3,735
EMEA & APAC	9,311	3,559
	<u>\$ 13,703</u>	<u>\$ 7,294</u>

⁽¹⁾ The following is a reconciliation of Net income from continuing operations to Adjusted EBITDA.

ESAB CORPORATION
NOTES TO CONSOLIDATED AND CONDENSED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

	Three Months Ended	
	April 3, 2026	April 4, 2025
	(In thousands)	
Net income from continuing operations	\$ 51,791	\$ 72,564
Income tax expense	13,111	20,499
Interest expense and other, net	25,577	16,782
Restructuring and other related charges ⁽¹⁾	10,161	4,499
Acquisition - amortization and other related charges ⁽²⁾	22,794	9,601
Depreciation and other amortization	13,125	9,955
Adjusted EBITDA	<u>\$ 136,559</u>	<u>\$ 133,900</u>

⁽¹⁾ Includes severance and other termination benefits, including outplacement services, as well as the cost of relocating associates, relocating equipment, lease termination expenses, impairment of long-lived assets and other costs in connection with the closure and optimization of facilities and product lines.

⁽²⁾ Includes transaction, diligence and integration expenses totaling \$10.3 million for the three months ended April 3, 2026 and \$1.4 million for the three months ended April 4, 2025. Additionally, it includes amortization of intangibles and fair value step up on acquired inventories totaling \$12.5 million for the three months ended April 3, 2026 and \$8.2 million for the three months ended April 4, 2025.

The Company's investments in equity method investees and total assets by segment were as follows:

	April 3, 2026	December 31, 2025
	(In thousands)	
<i>Investments in equity method investees:</i>		
Americas	\$ —	\$ —
EMEA & APAC	29,251	29,558
	<u>\$ 29,251</u>	<u>\$ 29,558</u>
<i>Total assets:</i>		
Americas	\$ 2,131,068	\$ 1,717,390
EMEA & APAC	3,493,601	3,048,704
	<u>\$ 5,624,669</u>	<u>\$ 4,766,094</u>

The Company's property, plant and equipment, net by geography were as follows:

	April 3, 2026	December 31, 2025
	(In thousands)	
<i>Property, plant and equipment, net⁽¹⁾:</i>		
United States	\$ 72,375	\$ 72,617
Czech Republic	72,207	75,028
Germany	46,759	48,245
India	31,497	31,437
Mexico	24,795	23,464
Other foreign countries	129,719	131,085
	<u>\$ 377,352</u>	<u>\$ 381,876</u>

⁽¹⁾ As the Company does not allocate all long-lived assets, specifically intangible assets, to each individual country, evaluation of long-lived assets in total is impracticable.

15. Subsequent Event

The dividend of \$6.1 million included in Accrued liabilities in the Consolidated and Condensed Balance Sheets at April 3, 2026 was paid on April 17, 2026 to stockholders of record as of April 2, 2026.

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

The following discussion of the financial condition and results of operations of ESAB Corporation (“ESAB,” the “Company,” “we,” “our” and “us”) should be read in conjunction with the Consolidated and Condensed Financial Statements and related footnotes included in Part I. Item 1. “Financial Statements” of this Quarterly Report on Form 10-Q for the quarterly period ended April 3, 2026 (this “Form 10-Q”) and the Consolidated Financial Statements and related footnotes included in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2025 (the “2025 Form 10-K”). You should review the discussion titled “Special Note Regarding Forward-Looking Statements” for a discussion of forward-looking statements. Our actual results, outcomes or the timing of results or outcomes could differ materially from those discussed in the forward-looking statements.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

All statements contained in this Form 10-Q that are not historical facts are forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 21E of the Exchange Act. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date this Form 10-Q is filed with the Securities and Exchange Commission (the “SEC”). Statements that could be deemed to be forward-looking statements, include statements regarding: the pending acquisition of Eddyfi Technologies and its anticipated benefits, the impact of the war in Ukraine and conflicts in the Middle East and the resulting escalating geopolitical tensions on our business; projections of revenue, profit margins, expenses, tax provisions and tax rates, earnings or losses from operations, impact of foreign exchange rates, cash flows, pension and benefit obligations and funding requirements, synergies or other financial items; plans, strategies and objectives of our management for future operations, including statements relating to potential acquisitions, compensation plans or purchase commitments; developments, performance, industry or market rankings relating to products or services; future economic conditions or performance, including the impact of inflationary pressures, tariffs and trade policies, foreign exchange fluctuations and commodity prices; the outcome of outstanding claims or legal proceedings, including asbestos-related liabilities and insurance coverage litigation; potential gains and recoveries of costs; assumptions underlying any of the foregoing; and any other statement that addresses activities, events or developments that we intend, expect, project, believe or anticipate will or may occur in the future. Forward-looking statements may be, but are not always, characterized by terminology such as “believe,” “anticipate,” “should,” “would,” “could,” “intend,” “plan,” “will,” “expect,” “estimate,” “project,” “positioned,” “strategy,” “targets,” “aims,” “seeks,” “sees” or similar expressions. These statements are based on assumptions and assessments made by our management as of the filing date of this Form 10-Q in light of their experience and perception of historical trends, current conditions, expected future developments and other factors they believe to be appropriate. These forward-looking statements are subject to a number of risks and uncertainties and actual results or outcomes, or the timing of results or outcomes, could differ materially due to numerous factors, including but not limited to the following:

- the war in Ukraine and conflicts in the Middle East, escalating geopolitical tensions and the potential for an extended regional war and the related impact on energy supplies and prices;
- changes in the general economy, including disruptions caused by geopolitical conflicts, as well as the cyclical nature of the markets we serve;
- supply chain constraints and backlogs and risks affecting the availability and prices for raw materials, parts and components, including tariffs and trade disputes, labor shortages and inefficiencies, freight and logistical challenges and inflation in raw material, part, component, freight and delivery costs and our ability to increase our prices to account for increased costs;
- volatility in the commodity markets and certain commodity prices, including oil and steel;
- our ability to identify, finance, acquire and successfully integrate attractive acquisition targets;
- our exposure to unanticipated liabilities resulting from acquisitions;
- significant movements in foreign currency exchange rates or inflation rates;

- the impact of natural or man-made disasters, adverse or extreme weather events or conditions, epidemics, pandemics and other global health events;
- our ability and the ability of our customers to access required capital at a reasonable cost;
- our ability to accurately estimate the cost of or realize savings from our restructuring programs;
- the amount of, and our ability to estimate and manage, our asbestos-related liabilities;
- the solvency of our insurers and the likelihood of their payment for asbestos-related costs;
- material disruptions at any of our manufacturing facilities;
- noncompliance with various laws and regulations associated with our international operations, including anti-bribery laws, export control regulations and sanctions and embargoes;
- risks associated with our international operations, including risks from tariffs and other trade protection measures and other changes in trade relations;
- risks associated with the representation of our employees by trade unions and works councils;
- our exposure to product liability claims;
- potential costs and liabilities associated with environmental, health and safety laws and regulations;
- failure to maintain, protect and defend our intellectual property rights;
- our ability to attract and retain our employees, including the loss of key members of our leadership team;
- restrictions in our financing arrangements that may limit our flexibility in operating our business;
- impairment in the value of intangible assets;
- the funding requirements or obligations of our defined benefit pension plans and other postretirement benefit plans;
- new regulations and customer preferences reflecting an increased focus on environmental, social and governance issues, including regulations related to climate change and the use of conflict minerals;
- service interruptions, data corruption, cyber-based attacks or network security breaches affecting our electronic information systems;
- risks arising from changes in technology, including failure to successfully integrate new technologies such as artificial intelligence;
- the competitive environment in our industries;
- changes in our tax rates, realizability of deferred tax assets or exposure to additional income tax liabilities;
- our ability to manage and grow our business and execution of our business and growth strategies;
- the level of capital investment and expenditures by our customers in our strategic markets;
- our financial performance;
- difficulties and delays in integrating or fully realizing projected cost savings and benefits of our acquisitions; and

- other risks and factors set forth under “Risk Factors” in Part II. Item 1A of this Form 10-Q and “Risk Factors” in Part I. Item 1A. in our 2025 Form 10-K.

See Part I. Item 1.A. “Risk Factors” in our 2025 Form 10-K for a further discussion regarding reasons that actual results and outcomes, and the timing of results and outcomes, may differ materially from the results, developments and business decisions contemplated by our forward-looking statements. Forward-looking statements speak only as of the date of this Form 10-Q. We do not assume any obligation to update or revise any forward-looking statement, whether because of new information, future events and developments or otherwise.

Overview

Please see Part I. Item 1. “Business” in our 2025 Form 10-K, for a discussion of ESAB’s objectives and methodologies for delivering stockholder value.

We are a focused premier industrial compounder. Our rich history of innovative products, workflow solutions and our business system, ESAB Business Excellence (“EBXai”), enables our purpose of *Shaping the world we imagine*TM. We conduct our operations through two reportable segments. These segments consist of the “Americas,” which includes operations in North America and South America, and “EMEA & APAC,” which includes Europe, the Middle East, India, Africa and Asia Pacific. We serve a global customer base across multiple markets through a combination of direct sales and third-party distribution channels. Our customer base is highly diversified in the industrial end markets.

Outlook

We believe that we are well positioned to grow our businesses organically over the long term by enhancing our product offerings and expanding our customer base. We believe our business mix is well balanced between sales in high growth and developed markets, and equipment and consumables. We believe that our geographic and end market diversity helps mitigate the effects from cyclical industrial market exposures. Given this balance, management does not use indices other than general economic trends and business initiatives to predict the overall outlook for the Company. Instead, our individual businesses monitor key competitors and customers, including to the extent possible their sales, to gauge relative performance and outlook for the future.

We expect strategic acquisitions to contribute to our growth. We believe that our extensive experience of acquiring and effectively integrating acquisition targets should enable us to capitalize on future opportunities. We believe our recent acquisitions are aligned with this strategic direction. On January 31, 2026, the Company entered into an agreement to acquire Eddyfi Technologies (“Eddyfi”), a global leader in advanced inspection and monitoring technologies headquartered in Quebec, Canada, for a purchase price of approximately \$1.45 billion. For the year ended December 31, 2025, Eddyfi’s Revenues totaled approximately \$240 million. Refer to Note 3, “Acquisitions” in the accompanying Notes contained elsewhere in this Form 10-Q for additional information.

Because our products and services are available worldwide, we rely on a global supply chain to source raw materials, parts and components. The majority of our sales are derived from international operations and, as such, we are subject to specific risks associated with changes in the United States policy regarding international trade and other retaliatory trade measures that the United States and foreign governments may take, including the imposition of tariffs, sanctions, export or import controls and other measures that restrict international trade. The United States has announced significant new tariffs on imports from a wide range of countries, including China, which was followed by retaliatory tariffs by China and a number of countries and a cycle of further retaliatory announcements and trade actions. While certain of the tariffs have been and may be delayed, others have taken or may take effect. Further, tariffs announced or imposed by the United States could be altered or delayed through presidential action, bilateral negotiations, judicial orders or congressional actions, and tariffs announced by other countries can be affected by similar developments. These and future changes in tariffs and trade policies have resulted and could result in additional costs and pricing pressures, supply chain disruptions, volatile or unpredictable customer spending patterns and increased economic or geopolitical risks, any or all of which could adversely affect our business, financial condition and results of operations, perhaps materially or in ways that we cannot predict.

ESAB operates a diversified global supply chain and sources parts and materials globally. In February 2026, the United States Supreme Court (the “Court”) ruled that the International Emergency Economic Powers Act (“IEEPA”), which the United States administration (the “administration”) relied on to impose certain tariffs, does not authorize the administration to impose

tariffs. On March 4, 2026, the United States Court of International Trade ordered the United States Customs and Border Protection (“CBP”) to process refunds of the IEEPA tariffs, although the Court immediately suspended the order while the CBP determines a refund process. The IEEPA tariffs remain subject to ongoing litigation between the administration and other parties. In response to the Court ruling mentioned above, the administration announced plans to implement new tariffs under alternative statutory authority. The full impact of the Court’s ruling and the administration’s response remains uncertain. In addition, the process for addressing requests for refunds of the IEEPA tariffs has recently begun, and the actual timing and extent of any such refunds remain uncertain at this time. Accordingly, we have not recorded any anticipated recovery of IEEPA tariffs paid as of April 3, 2026. We continue to actively monitor and evaluate these developments and the potential impacts of trade policy and tariffs on our business, supply chain and results of operations. We maintain operations worldwide, including in the jurisdictions impacted by the announced and contemplated tariffs. Refer to Part I. Item 1.A. “Risk Factors” in our 2025 Form 10-K for additional information. The full impact of the matters noted above on the Company, our customers and suppliers, the overall economy and capital markets remains uncertain.

The discussion that follows includes a comparison of our results of operations and liquidity and capital resources for the three months ended April 3, 2026 and April 4, 2025.

Results of Operations

The following discussion of our Results of Operations addresses the comparison of the periods presented. Our management evaluates the operating results of each of its reportable segments based upon Net sales, Adjusted EBITDA and Core adjusted EBITDA as defined in the “Non-GAAP Measures” section.

Items Affecting Comparability of Reported Results

The comparability of our operating results for the three months ended April 3, 2026 and April 4, 2025 is affected by the following significant factors:

Russia and Ukraine Conflict

The invasion of Ukraine by Russia and the sanctions and other actions taken by governments in response to this crisis have increased the level of economic and political uncertainty. Refer to Note 1, “Organization and Basis of Presentation” in the accompanying Notes contained elsewhere in this Form 10-Q as well as Part I. Item 1.A. “Risk Factors” section of the 2025 Form 10-K for additional information.

The Middle East Conflict

The conflict in the Middle East and the related impacts, such as logistics challenges from the closing of the Strait of Hormuz, have increased the level of economic and political uncertainty. As reflected in the discussions that follow, these logistics challenges have had a variety of impacts on our results of operations during the three months ended April 3, 2026, including decreased sales levels and increased inventory costs. Refer to Part I. Item 1.A. “Risk Factors” section of the 2025 Form 10-K for additional information.

Tariffs

The Company continues to actively monitor the changes in United States policy regarding international trade, including the recent progress in reaching or progressing international trade agreements with major counterparties. As reflected in the discussions that follow, the United States policy regarding international trade and actions taken in response to it have had a variety of impacts on our results of operations during 2025 and the first quarter of 2026, including decreased sales levels and increased raw material costs. For additional information on the risks of United States policy regarding international trade to the Company’s operations, refer to Part I. Item 1.A. “Risk Factors” section of the 2025 Form 10-K for additional information.

Acquisitions

We complement our organic growth with acquisitions and other investments. Acquisitions can affect our reported results, and we report the change in our Net sales between periods both from existing and acquired businesses. The change in Net sales due to acquisitions for the periods presented in this filing represents the incremental sales as a result of acquisitions. For

additional information on our acquisitions, refer to Note 3, “Acquisitions” in the accompanying Notes contained elsewhere in this Form 10-Q and Note 5, “Acquisitions” in the Company’s 2025 Form 10-K.

Foreign Currency Fluctuations

A significant portion of our Net sales, 79% for the three months ended April 3, 2026 are outside the United States, with the majority of those sales denominated in currencies other than the U.S. Dollar. Because much of our manufacturing and employee costs are outside the United States, a significant portion of our costs are also denominated in currencies other than the U.S. Dollar. Changes in foreign exchange rates can impact our results of operations and are quantified when significant.

For the three months ended April 3, 2026 compared to the three months ended April 4, 2025, fluctuations in foreign currencies increased Net sales by 5.5% and Gross profit by 5.5% and increased Selling, general and administrative expenses by 6.1%.

Non-GAAP Measures

Adjusted EBITDA is a non-GAAP performance measure that we include in this Form 10-Q because it is a key metric used by our management to assess our operating performance. ESAB presents this non-GAAP financial measure including and excluding Russia due to economic and political volatility caused by the Russia and Ukraine conflict, which we believe results in enhanced investor interest in these alternative presentations. Adjusted EBITDA excludes from Net income from continuing operations the effect of Income tax expense, Interest expense and other, net, Restructuring and other related charges, acquisition transaction, due diligence and integration expenses, amortization of intangibles and fair value step up on acquired inventories and depreciation and other amortization. We also present Adjusted EBITDA margin, which is subject to the same adjustments as Adjusted EBITDA. Further, we present these non-GAAP performance measures on a segment basis subject to the same adjustments described above. We also present Core adjusted EBITDA and Core adjusted EBITDA margin, which are subject to the same adjustments as Adjusted EBITDA and Adjusted EBITDA margin, respectively, and which removes the impact of Russia for the three months ended April 3, 2026 and April 4, 2025. Adjusted EBITDA and Core adjusted EBITDA assist management in comparing our operating performance over time because certain items may obscure underlying business trends and make comparisons of long-term performance difficult, as they are of a nature and/or size that occur with inconsistent frequency or relate to unusual events or discrete restructuring plans and other initiatives that are fundamentally different from our ongoing productivity and core business. Management also believes that presenting these measures allows investors to view our performance using the same measures that we use in evaluating our financial and business performance and trends.

Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information calculated in accordance with the accounting principles generally accepted in the United States (“U.S. GAAP”). Investors are encouraged to review the reconciliation of these non-GAAP measures to their most directly comparable U.S. GAAP financial measures.

The following tables set forth a reconciliation of Net income from continuing operations, the most directly comparable GAAP financial measure, to Adjusted EBITDA, Adjusted EBITDA margin, Core adjusted EBITDA and Core adjusted EBITDA margin by segment for the three months ended April 3, 2026 and April 4, 2025.

Three Months Ended April 3, 2026			
	Americas	EMEA & APAC	Total
	(Dollars in millions)⁽¹⁾		
Net income from continuing operations (GAAP)			\$ 51.8
Income tax expense			13.1
Interest expense and other, net			25.6
Operating income (GAAP)	\$ 35.2	\$ 55.3	\$ 90.5
Adjusted to add:			
Restructuring and other related charges ⁽²⁾	9.0	1.2	10.2
Acquisition-amortization and other related charges ⁽³⁾	7.7	15.1	22.8
Depreciation and other amortization	4.2	8.9	13.1
Adjusted EBITDA (non-GAAP)	56.0	80.6	136.6
Adjusted EBITDA attributable to Russia (non-GAAP) ⁽⁴⁾	—	0.7	0.7
Core adjusted EBITDA (non-GAAP)	<u>\$ 56.0</u>	<u>\$ 79.9</u>	<u>\$ 135.9</u>
Adjusted EBITDA margin (non-GAAP)	19.4 %	17.6 %	18.3 %
Core adjusted EBITDA margin (non-GAAP) ⁽⁵⁾	19.4 %	18.7 %	19.0 %

⁽¹⁾ Numbers may not sum due to rounding.

⁽²⁾ Includes severance and other termination benefits, including outplacement services as well as the cost of relocating associates, relocating equipment, lease termination expenses, impairment of long-lived assets and other costs in connection with the closure and optimization of facilities and product lines.

⁽³⁾ Includes transaction, diligence and integration expenses totaling \$10.3 million for the three months ended April 3, 2026 and amortization of intangibles and fair value step up on acquired inventories totaling \$12.5 million for the three months ended April 3, 2026.

⁽⁴⁾ Numbers calculated following the same definition as Adjusted EBITDA for total Company.

⁽⁵⁾ Net sales were \$31.1 million relating to Russia for the three months ended April 3, 2026.

Three Months Ended April 4, 2025			
	Americas	EMEA & APAC	Total
	(Dollars in millions)⁽¹⁾		
Net income from continuing operations (GAAP)			\$ 72.6
Income tax expense			20.5
Interest expense and other, net			16.8
Operating income (GAAP)	\$ 43.2	\$ 66.6	\$ 109.8
Adjusted to add:			
Restructuring and other related charges ⁽²⁾	1.7	2.8	4.5
Acquisition-amortization and other related charges ⁽³⁾	5.6	4.0	9.6
Depreciation and other amortization	3.9	6.0	10.0
Adjusted EBITDA (non-GAAP)	54.5	79.4	133.9
Adjusted EBITDA attributable to Russia (non-GAAP) ⁽⁴⁾	—	6.0	6.0
Core adjusted EBITDA (non-GAAP)	<u>\$ 54.5</u>	<u>\$ 73.4</u>	<u>\$ 127.9</u>
Adjusted EBITDA margin (non-GAAP)	19.4 %	20.0 %	19.7 %
Core adjusted EBITDA margin (non-GAAP) ⁽⁵⁾	19.4 %	20.0 %	19.8 %

⁽¹⁾ Numbers may not sum due to rounding.

⁽²⁾ Includes severance and other termination benefits, including outplacement services as well as the cost of relocating associates, relocating equipment, lease termination expenses, impairment of long-lived assets and other costs in connection with the closure and optimization of facilities and product lines.

⁽³⁾ Includes transaction, diligence and integration expenses totaling \$1.4 million for the three months ended April 4, 2025 and amortization of intangibles and fair value step up on acquired inventories totaling \$8.2 million for the three months ended April 4, 2025.

⁽⁴⁾ Numbers calculated following the same definition as Adjusted EBITDA for total Company.

⁽⁵⁾ Net sales were \$31.3 million relating to Russia for the three months ended April 4, 2025.

Total Company

Sales

The following table presents the components of changes in our Net sales for the three months ended April 3, 2026 compared to the prior year period.

	Three Months Ended	
	Net Sales	Change %
	(Dollars in millions)	
For the three months ended April 4, 2025	\$ 678.1	
<i>Components of Change:</i>		
Existing businesses (organic sales) ⁽¹⁾	(12.6)	(1.9)%
Acquisitions ⁽²⁾	42.8	6.3 %
Foreign currency translation ⁽³⁾	37.3	5.5 %
Total Net sales growth	67.5	9.9 %
For the three months ended April 3, 2026	<u>\$ 745.6</u>	

⁽¹⁾ Excludes the impact of acquisitions and foreign exchange rate fluctuations, thus providing a measure of change due to organic growth factors such as price, product mix and volume.

⁽²⁾ Represents the incremental sales in comparison to the portion of the prior period during which we did not own the business.

⁽³⁾ Represents the difference between prior year sales valued at the actual prior year foreign exchange rates and prior year sales valued at current year foreign exchange rates.

Net sales from existing businesses decreased by \$12.6 million during the three months ended April 3, 2026, compared to the prior year period, due to a \$21.7 million decrease in sales volume due to drivers such as tariffs in the Americas, logistics challenges in Middle East related to the war in Iran and lower volumes in Russia partially offset by customer pricing increases of \$9.0 million. The increase in net sales from acquisitions was attributable to Bavaria Schweisstechnik (“Bavaria”), DeltaP s.r.l. (“DeltaP”), Aktiv Technologies Private Limited (“Aktiv”) and EWM GmbH (“EWM”). The changes in foreign exchange rates resulted in a \$37.3 million favorable currency translation impact.

Sales excluding Russia

The following table presents the components of changes in our Net sales excluding Russia (“Core sales”) for the three months ended April 3, 2026 compared to the prior year period.

	Three Months Ended	
	Core Sales⁽⁴⁾	Change %
	(Dollars in millions)	
For the three months ended April 4, 2025	\$ 646.9	
<i>Components of Change:</i>		
Existing businesses (organic sales) ⁽¹⁾	(7.4)	(1.1)%
Acquisitions ⁽²⁾	42.8	6.6 %
Foreign currency translation ⁽³⁾	32.2	5.0 %
Total Core sales growth	67.6	10.5 %
For the three months ended April 3, 2026	<u>\$ 714.5</u>	

⁽²⁾ Excludes the impact of acquisitions and foreign exchange rate fluctuations, thus providing a measure of change due to organic growth factors such as price, product mix and volume.

⁽³⁾ Represents the incremental sales in comparison to the portion of the prior period during which we did not own the business.

⁽⁴⁾ Represents the difference between prior year sales valued at the actual prior year foreign exchange rates and prior year sales valued at current year foreign exchange rates.

⁽⁵⁾ Net sales relating to Russia were \$31.1 million and \$31.3 million for the three months ended April 3, 2026 and April 4, 2025, respectively.

Core Sales from existing businesses decreased by \$7.4 million during the three months ended April 3, 2026, compared to the prior year period, primarily due to a \$17.0 million decrease in sales volume due to drivers such as tariffs in the Americas and logistics delays in Middle East related to the war in Iran partially offset by \$9.5 million of customer pricing increases. The increase in net sales from acquisitions was attributable to Bavaria, DeltaP, Aktiv and EWM. The changes in foreign exchange rates resulted in a \$32.2 million favorable currency translation impact.

Operating Results

The following table summarizes our results for the comparable periods.

	Three Months Ended	
	April 3, 2026	April 4, 2025
	(Dollars in millions)	
Gross profit	\$ 275.1	\$ 255.2
Gross profit margin	36.9 %	37.6 %
Selling, general and administrative expense	\$ 174.5	\$ 140.9
Net income from continuing operations	\$ 51.8	\$ 72.6
Net income margin from continuing operations	6.9 %	10.7 %
Adjusted EBITDA (non-GAAP)	\$ 136.6	\$ 133.9
Adjusted EBITDA margin (non-GAAP)	18.3 %	19.7 %
Core adjusted EBITDA (non-GAAP)	\$ 135.9	\$ 127.9
Core adjusted EBITDA margin (non-GAAP)	19.0 %	19.8 %
Items excluded from Adjusted EBITDA:		
Restructuring and other related charges ⁽¹⁾	\$ 10.2	\$ 4.5
Acquisition-amortization and other related charges ⁽²⁾	22.8	9.6
Interest expense and other, net	25.6	16.8
Income tax expense	13.1	20.5
Depreciation and other amortization	13.1	10.0
Items excluded from Core adjusted EBITDA:		
Adjusted EBITDA attributable to Russia (non-GAAP) ⁽³⁾	\$ 0.7	\$ 6.0

⁽¹⁾ Includes severance and other termination benefits, including outplacement services as well as the cost of relocating associates, relocating equipment, lease termination expenses, impairment of long-lived assets and other costs in connection with the closure and optimization of facilities and product lines.

⁽²⁾ Includes transaction, diligence and integration expenses totaling \$10.3 million for the three months ended April 3, 2026 and \$1.4 million for the three months ended April 4, 2025. Additionally, it includes amortization of intangibles and fair value step up on acquired inventories totaling \$12.5 million for the three months ended April 3, 2026 and \$8.2 million for the three months ended April 4, 2025.

⁽³⁾ Numbers calculated following the same definition as Adjusted EBITDA for total Company.

Three Months Ended April 3, 2026 Compared to Three Months Ended April 4, 2025

Gross profit increased \$19.9 million in the three months ended April 3, 2026 compared to the prior year period primarily attributable to acquisitions and foreign exchange partially offset by tariff-related cost increases, net of customer pricing, product mix and a decrease in sales volume. The decline of gross profit margin was primarily due to the dilutive effect in the Americas segment caused by tariff-related price pass-through to customers as well as higher freight and material costs due to oil price increases from the war in Iran. Selling, general and administrative expense increased \$33.6 million in the three months ended April 3, 2026 compared to the prior year period primarily due to acquisitions and related transaction costs and foreign exchange impact. Interest expense and other, net increased by \$8.8 million due to \$4.8 million of costs associated with the Bridge Loan that the Company entered into to fund the Eddyfi acquisition as well as a higher average outstanding debt balance. The effective tax rate of 20.2% for the three months ended April 3, 2026 differed from the effective tax rate of 22.0% for the same period ended April 4, 2025 due to favorable provisions related to FDDEI under the One Big Beautiful Bill Act that were effective beginning with the 2026 tax year.

Net income from continuing operations decreased \$20.8 million in the three months ended April 3, 2026 compared to the prior year period primarily due to the aforementioned factors as well as higher Restructuring and other related charges primarily driven by strategic initiatives to improve margins in the Americas and the integration of the recent EWM acquisition and higher Acquisition-amortization and other related charges related to the recent acquisition and integration activity. Adjusted EBITDA

increased \$2.7 million in the three months ended April 3, 2026 compared to the prior year period primarily due to the aforementioned. Core adjusted EBITDA increased by \$8.0 million compared to the same period in the prior year primarily due to the aforementioned factors. Adjusted EBITDA attributable to Russia decreased by \$5.3 million largely due to relocating the Russia manufacturing plant from an owned property to a leased property and expenses associated with this relocation project as well as shifting of product mix from higher to lower margin products in response to shifts in demand and decreases in customer pricing while material costs continue to increase. The decline of Core adjusted EBITDA margin was primarily due to dilution from the EWM acquisition as well as higher freight and material costs due to oil price increases from the war in Iran.

Reportable Segments

We report results in two reportable segments: Americas and EMEA & APAC.

Americas

The following table summarizes selected financial data for our Americas segment:

	Three Months Ended	
	April 3, 2026	April 4, 2025
	(Dollars in millions)	
Net sales	\$ 288.4	\$ 280.7
Gross profit	\$ 111.5	\$ 110.1
Gross profit margin	38.7 %	39.2 %
Selling, general and administrative expense	\$ 67.4	\$ 65.1
Adjusted EBITDA (non-GAAP)	\$ 56.0	\$ 54.5
Adjusted EBITDA margin (non-GAAP)	19.4 %	19.4 %
Items excluded from Adjusted EBITDA:		
Restructuring and other related charges	\$ 9.0	\$ 1.7
Acquisition - amortization and other related charges	7.7	5.6
Depreciation and other amortization	\$ 4.2	\$ 3.9

Three Months Ended April 3, 2026 Compared to Three Months Ended April 4, 2025

Net sales in our Americas segment increased \$7.7 million in the three months ended April 3, 2026 compared with the prior year period. Net sales from existing business decreased \$2.1 million due to reduced sales volumes primarily driven by tariffs and related impacts partially offset by pricing increases. In addition, there was a \$9.8 million favorable increase in currency translation. Gross profit increased \$1.4 million attributable to favorable foreign exchange impact and price increases partially offset by higher material costs and volume. The decline of gross profit margin was primarily due to the dilutive effect in the Americas segment, which was caused by tariff-related price pass-through to customers. Selling, general and administrative expense increased \$2.3 million compared with the prior year period primarily due to foreign exchange impact. Restructuring and other related charges increased \$7.3 million in the three months ended April 3, 2026 compared with the prior year period primarily driven by strategic initiatives to improve margins in the Americas. Adjusted EBITDA increased \$1.5 million compared to the prior year period primarily due to the aforementioned factors.

EMEA & APAC

The following table summarizes the selected financial data for our EMEA & APAC segment:

	Three Months Ended	
	April 3, 2026	April 4, 2025
	(Dollars in millions)	
Net sales	\$ 457.2	\$ 397.5
Gross profit	\$ 163.6	\$ 145.1
Gross profit margin	35.8 %	36.5 %
Selling, general and administrative expense	\$ 107.1	\$ 75.8
Adjusted EBITDA (non-GAAP)	\$ 80.6	\$ 79.4
Adjusted EBITDA margin (non-GAAP)	17.6 %	20.0 %
Core adjusted EBITDA (non-GAAP)	\$ 79.9	\$ 73.4
Core adjusted EBITDA margin (non-GAAP)	18.7 %	20.0 %
Items excluded from Adjusted EBITDA:		
Restructuring and other related charges	\$ 1.2	\$ 2.8
Acquisition - amortization and other related charges	15.1	4.0
Depreciation and other amortization	8.9	6.0
Items excluded from Core adjusted EBITDA:		
Adjusted EBITDA attributable to Russia (non-GAAP)	\$ 0.7	\$ 6.0

Three Months Ended April 3, 2026 Compared to Three Months Ended April 4, 2025

Net sales in our EMEA & APAC segment increased \$59.8 million in the three months ended April 3, 2026 compared with the prior year period. Net sales from existing business decreased \$10.5 million primarily resulting from volume decreases from logistics challenges in the Middle East related to the war in Iran and lower volumes in Russia. This decrease was more than offset by \$42.8 million of Net sales from the Bavaria, DeltaP, Aktiv and EWM acquisitions and \$27.5 million in favorable foreign currency impact. Gross profit increased \$18.5 million in the three months ended April 3, 2026 compared with the prior year period due to acquisitions and favorable foreign exchange impact partially offset by lower volumes and higher material costs. The decline of gross profit margin was primarily attributable to higher freight and material costs due to oil price increases from the war in Iran as well as plant relocation costs and an unfavorable product mix in Russia in 2026. Selling, general and administrative expense increased \$31.3 million in the three months ended April 3, 2026 compared with the prior year period primarily due to acquisitions and related costs and foreign exchange impact. Acquisition - amortization and other related charges increased \$11.1 million in the three months ended April 3, 2026 compared with the prior year period primarily driven by the EWM acquisition. Adjusted EBITDA increased \$1.2 million and Core adjusted EBITDA increased \$6.5 million in the three months ended April 3, 2026 compared with the prior year period primarily due to the aforementioned factors. The decline of Core adjusted EBITDA margin was primarily due to dilution from the EWM acquisition as well as higher freight and material costs due to oil price increases from the war in Iran.

Liquidity and Capital Resources

Overview

We expect to finance our working capital requirements through cash flows from operating activities. We expect that our primary ongoing requirements for cash will be for working capital, funding of acquisitions, capital expenditures, restructuring and asbestos-related cash outflows, debt service and required principal payments, stock repurchase and, subject to approval from the Board of Directors, payment of cash dividends.

As of April 3, 2026, we were in compliance with the covenants under the A&R Credit Agreement and the Indentures. The Company's weighted average interest rate of borrowings under the Credit Agreement and the Indentures was 5.45%, excluding accretion of deferred financing fees. As of the end of the first quarter, we had the capacity for additional indebtedness of up to \$1,050 million available on the Revolving Facility. Additionally, we have the ability to incur \$73.1 million of indebtedness pursuant to certain uncommitted credit lines, consisting primarily of an uncommitted credit line that we currently have in place, which we have used from time to time in the past for short-term working capital needs. Refer to Note 9, "Debt" and Note 10, "Derivatives" in the accompanying Notes contained elsewhere in this Form 10-Q for more information related to the Company's debt and derivative instruments. We believe that we could raise additional funds in the form of debt or equity if it were determined to be appropriate for strategic acquisitions or other corporate purposes. We believe that our sources of liquidity between debt and cash flows from operating activities are adequate to fund our operations for the next twelve months and thereafter.

In connection with the pending Eddyfi acquisition, the Company has committed equity financing of approximately \$318 million, consisting of the issuance of the Mandatory Convertible Preferred Stock for an aggregate liquidation preference of approximately \$175 million and the concurrent issuance of common stock to institutional investors at a purchase price of approximately \$143 million, both of which are expected to close concurrently with the Acquisition. Refer to Note 3, "Acquisitions" for additional information.

Stock Repurchase Program

On August 13, 2024, the Board of Directors authorized and approved a stock repurchase program to repurchase up to five million shares of the Company's Common stock, par value \$0.001 per share, from time-to-time on the open market, in privately negotiated transactions or as may otherwise be determined by the Company's management in its discretion. No repurchases of the Company's Common stock have been made through the share repurchase program since inception. The timing and amount of any shares repurchased will be determined by the Company's management based on its evaluation of market conditions, applicable legal requirements and other factors. There is no term associated with the remaining repurchase authorization.

Cash Flows

As of April 3, 2026, the Company had \$1.0 billion of Cash and cash equivalents, an increase of \$818.9 million from the balance of \$185.9 million as of December 31, 2025.

The following table summarizes the change in Cash and cash equivalents during the periods indicated:

	Three Months Ended	
	April 3, 2026	April 4, 2025
	(In millions) ⁽¹⁾	
Net cash provided by operating activities	\$ 46.9	\$ 35.4
Purchases of property, plant and equipment	(13.7)	(7.3)
Proceeds from sale of property, plant and equipment	0.3	4.6
Net cash used in investing activities	(13.4)	(2.7)
Proceeds from borrowings on Senior Notes	1,000.0	—
Repayments of borrowings on Term Loans	—	(2.5)
Proceeds from borrowings on revolving credit facilities and other	131.2	—
Repayments of borrowings on revolving credit facilities and other	(317.4)	—
Payment of debt issuance costs	(17.0)	—
Payment of dividends	(6.1)	(4.9)
Distributions to noncontrolling interest holders	(1.1)	(1.2)
Other financing	(3.4)	(4.6)
Net cash provided by (used in) financing activities	786.2	(13.1)
Effect of foreign exchange rates on Cash and cash equivalents	(0.7)	22.4
Increase in Cash and cash equivalents	\$ 818.9	\$ 42.0

⁽¹⁾ Numbers may not sum due to rounding.

Cash flows from operating activities can fluctuate significantly from period to period due to changes in working capital and the timing of payments for items such as pension funding, asbestos-related costs and restructuring program funding. Changes in significant operating cash flow items are discussed below.

- Operating cash flow for the three months ended April 3, 2026 increased compared to the same period in the prior year primarily due to favorable working capital movements and higher non-cash expenses related to depreciation and amortization partially offset by the decline in net income.
- Discontinued operations for the three months ended April 3, 2026 and April 4, 2025 included outflows of \$4.3 million and \$2.3 million, respectively, which were primarily asbestos-related.
- Restructuring initiative payments were \$9.1 million and \$3.3 million for the three months ended April 3, 2026 and April 4, 2025, respectively. Refer to Note 8, “Accrued and Other liabilities” in the accompanying Notes contained elsewhere in this Form 10-Q for additional information.

Cash flows used in investing activities during the three months ended April 3, 2026 and April 4, 2025 are primarily comprised of purchases of property, plant and equipment.

Cash flows provided by financing activities during the three months ended April 3, 2026 are primarily comprised of the proceeds from borrowings on the 2031 Senior Notes partially offset by net repayments of borrowings on the revolving facilities and debt issuance costs.

Our Cash and cash equivalents as of April 3, 2026 included \$193.8 million held in jurisdictions outside the United States. Cash repatriation of non-United States cash into the United States may be subject to withholding taxes, other local statutory restrictions and minority owner distributions.

Critical Accounting Policies and Estimates

The methods, estimates and judgments that we use in applying our critical accounting policies have a significant impact on our results of operations and financial position. We evaluate our estimates and judgments on an ongoing basis. Our estimates are based upon our historical experience, our evaluation of business and macroeconomic trends and information from other outside sources, as appropriate. Our experience and assumptions form the basis for our judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may vary from what our management anticipates, and different assumptions or estimates about the future could have a material impact on our results of operations and financial position.

There have been no other significant additions or changes to the methods, estimates and judgments included in “Management’s Discussion and Analysis of Financial Condition and Results of Operations-Critical Accounting Policies” in the 2025 Form 10-K.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risk from changes in foreign currency exchange rates and commodity prices that could impact our results of operations and financial condition. We address our exposure to these risks through our normal operating and financing activities. We do not enter into derivative contracts for trading purposes.

Interest Rate Risk

In 2025, we entered into a term loan facility and a revolving credit facility pursuant to the terms of the A&R Credit Agreement. Refer to Note 9, "Debt" in the accompanying Notes contained elsewhere in this Form 10-Q for additional information. We are exposed to interest rate risk on the variable-rate term loans under these facilities. A hypothetical increase in interest rates of 1% during the three months ended April 3, 2026 would have increased annual interest expense by approximately \$3.6 million. A hypothetical increase in interest rates of 1% during the three months ended April 4, 2025 would have increased annual interest expense by approximately \$3.8 million.

Exchange Rate Risk

We have manufacturing sites throughout the world and sell our products globally. As a result, we are exposed to movements in the exchange rates of various currencies against the U.S. Dollar and against the currencies of other countries in which we manufacture and sell products and services. During the three months ended April 3, 2026, approximately 79% of our sales were derived from operations outside the United States. We have significant manufacturing operations in European countries that are not part of the Eurozone. Sales are more highly weighted toward the Euro and U.S. Dollar. We also have significant contractual obligations in U.S. Dollars that are met with cash flows in other currencies as well as U.S. Dollars. To better match revenue and expense as well as cash needs from contractual liabilities, we regularly enter into currency swaps and forward contracts.

We also face exchange rate risk from our investments in subsidiaries owned and operated in foreign countries. The effect of a change in currency exchange rates on our net investment in international subsidiaries is reflected in the AOCL component of Equity. A 10% depreciation in major currencies relative to the U.S. Dollar as of April 3, 2026 would result in a reduction in Equity of approximately \$244 million. A 10% depreciation in major currencies relative to the U.S. Dollar as of April 4, 2025 would result in a reduction in Equity of approximately \$183 million. As of April 3, 2026, we have six fixed-to-fixed cross-currency swaps, which are expected to provide a hedge to a portion of our European net asset position. See Note 10, "Derivatives" in our Notes contained elsewhere in this Form 10-Q for additional information.

We also face exchange rate risk from intercompany transactions between affiliates. Although we use the U.S. Dollar as our functional currency for reporting purposes, we have manufacturing sites throughout the world, and a substantial portion of our costs are incurred and sales are generated in foreign currencies. Costs incurred and sales recorded by subsidiaries operating outside of the United States are translated into U.S. Dollars using exchange rates effective during the respective period. As a result, we are exposed to movements in the exchange rates of various currencies against the U.S. Dollar. Similarly, tax costs may increase or decrease as local currencies strengthen or weaken against the U.S. Dollar.

Commodity Price Risk

We are exposed to changes in the prices of raw materials used in our production processes. To manage commodity price risk, we periodically enter into fixed price contracts directly with suppliers.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our Chief Executive Officer (our principal executive and interim principal financial officer), we have evaluated the effectiveness of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), as of April 3, 2026. Based upon that evaluation, our Chief Executive Officer concluded that our disclosure controls and procedures were effective in providing reasonable assurance that the information required to be disclosed in this report on Form 10-Q has been recorded, processed, summarized and reported as of the end of the period covered by this report on Form 10-Q.

Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission’s rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f)) identified in connection with the evaluation required by Rule 13a-15(d) of the Exchange Act that occurred during the period covered by this Quarterly Report on Form 10-Q that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

A discussion of legal proceedings is incorporated by reference to Note 13, “Commitments and Contingencies” in the Notes included in Part I. Item 1. “Financial Statements” of this Quarterly Report on Form 10-Q.

Item 1A. Risk Factors

In addition to the information set forth in this Quarterly Report on Form 10-Q, including under “Management Discussion and Analysis of Financial Condition and Results of Operations - Special Note Regarding Forward Looking Statements,” in Part I. Item 2, you should carefully consider the factors discussed in the “Risk Factors” section of the Company’s 2025 Form 10-K filed with the SEC on February 20, 2026, as supplemented below with respect to the acquisition of Eddyfi Technologies (the “Acquisition” or “Eddyfi”).

The parties to the Acquisition may be unable to satisfy the conditions to the completion of the Acquisition and the Acquisition may not be completed.

Completion of the Acquisition is conditioned on, among other things, (i) the accuracy of the representations and warranties of each party to the Share Purchase Agreement (the “SPA”), dated as of January 31, 2026, among ESAB, 9559-2796 Québec Inc., a corporation governed by the laws of the Province of Québec and a wholly owned indirect subsidiary of ESAB (the “Purchaser”), the vendors party thereto, and certain of their affiliates and representatives party thereto (subject to specified materiality standards); (ii) compliance by each party in all material respects with its covenants; (iii) regulatory approvals, (iv) there being no order by a governmental authority prohibiting or restricting the consummation of the Acquisition and the other transactions contemplated by the SPA, and (v) the delivery of certain items as set out in the SPA to the relevant parties. These and other conditions to the completion of the Acquisition may fail to be satisfied.

Satisfying the conditions to and completion of the Acquisition may take longer, and could cost more, than we expect. Any delay in completing the Acquisition or any additional conditions imposed in order to complete the Acquisition may materially adversely affect the synergies and other benefits that we expect to achieve if the Acquisition and the integration of the Eddyfi business are completed within the expected timeframe.

We may fail to realize all of the anticipated benefits of the Acquisition or those benefits may take longer to realize than expected.

We believe that there are significant operational and financial benefits resulting from the Acquisition. However, the efforts to realize these benefits could be a complex process and the failure to do so effectively or in a timely manner may negatively affect our earnings. The full benefits of the Acquisition, including the anticipated operational synergies and market expansion, may not be realized as expected or may not be achieved within the anticipated time frame, or at all. Failure to achieve the anticipated benefits of the Acquisition could adversely affect our results of operations or cash flows, cause dilution to our earnings per share and decrease or delay any accretive effect of the Acquisition. In addition, we have diverted, and will continue to divert, significant management resources towards the completion of the Acquisition, which could adversely affect our business and results of operations.

Eddyfi may have liabilities that are not known, probable or estimable at this time.

As a result of the Acquisition, we will effectively assume some or all of Eddyfi’s liabilities, whether or not currently known. There may be claims, assessments or liabilities that we did not discover or identify in the course of performing due diligence investigations of Eddyfi. In addition, there may be liabilities that are neither probable nor estimable at this time, which may become probable and estimable in the future. Any such liabilities, individually or in the aggregate, could have a material adverse effect on our business. We may uncover additional information about Eddyfi that adversely affects, such as unknown, unasserted or contingent liabilities and issues relating to compliance with applicable laws.

We have incurred, and expect to continue to incur, transaction costs in connection with the Acquisition.

In connection with the Acquisition, we have incurred and expect to continue to incur costs and expenses, including financial advisory, legal, accounting, consulting and other advisory fees and expenses and other related charges. In addition, we may incur one-time charges as a result of costs associated with the Acquisition. We will not be able to quantify the exact amount of these charges or the period in which they will be incurred until after the Acquisition is completed. Some of the factors affecting the costs associated with the Acquisition include the timing of the completion of the Acquisition. While we have assumed that a certain level of expenses will be incurred in connection with the Acquisition, there are many factors that could affect the total amount. There may also be additional unanticipated significant costs in connection with the Acquisition that we do not anticipate and may not be able to fully recover. These costs and expenses could reduce the benefits and income we expect to achieve from the Acquisition.

Historical financial statements of Eddyfi and pro forma financial information about the Acquisition have not been disclosed to investors and will not be made available until after the Acquisition has been completed.

We have not publicly disclosed the historical financial statements of Eddyfi or pro forma financial information about the Acquisition and investors do not have the benefit of such historical financial statements or pro forma financial information in deciding to invest in our common stock. Accordingly, when deciding whether to purchase our common stock, you should consider the fact that there is very limited public information related to Eddyfi or its anticipated impact on our financial results. We are required to file historical financial statements of Eddyfi and pro forma financial information with the SEC no later than 75 days after the closing of the Acquisition. Once the financial results of Eddyfi have been included in our financial results, our financial statements will differ significantly from our historical financial statements.

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

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

(a) Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On May 5, 2026, Olivier Biebuyck, President, Fabrication Technology of the Company, notified the Company that he is resigning to pursue an opportunity as the Chief Executive Officer at another company. Mr. Biebuyck's last day of employment with the Company is expected to be on or about May 31, 2026.

Separately, on May 7, 2026, the Company announced the appointment of Ranjana Bhagwakar as Executive Vice President, Business Operations effective early July 2026. Ms. Bhagwakar currently serves as Chief Lean & Transformation Officer at GE Healthcare, leading the company's global business transformation efforts. She previously held leadership roles at Veralto Corporation and Danaher Corporation, where she served as Group Chief Financial Officer and Vice President across multiple platforms.

(c) Trading Plans

During the three months ended April 3, 2026, none of our directors or officers adopted, modified or terminated a Rule 10b5-1 or non-Rule 10b-5 trading arrangement as defined in Item 408 of Regulation S-K.

Item 6. Exhibits

<u>Exhibit No.</u>	<u>Exhibit Description</u>
2.1	Share Purchase Agreement, dated January 31, 2026, by and among the Company, the Purchaser, the Vendors and the Vendors' Representatives. (incorporated by reference to Exhibit 2.1 to ESAB Corporation's Form 8-K (File No. 001-41297) as filed with the SEC on February 2, 2026).
4.1	Indenture, dated as of March 26, 2026, by and among ESAB Corporation, as issuer, the guarantors named therein, and U.S. Bank Trust Company, National Association, as trustee (incorporated by reference to Exhibit 4.1 to ESAB Corporation's Form 8-K (File No. 001-41297) as filed with the SEC on March 26, 2026).
4.2	Form of Global Note (included in Exhibit 4.1). (incorporated by reference to Exhibit 4.2 to ESAB Corporation's Form 8-K (File No. 001-41297) as filed with the SEC on March 26, 2026).
10.1#	ESAB Corporation Amended and Restated Executive Severance Plan
10.2#	Offer letter from ESAB Corporation to Brent Jones, dated March 30, 2026
31.1	Certification of Chief Executive Officer and Interim Principal Financial Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer and Interim Principal Financial Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File - The cover page from this Quarterly Report on Form 10-Q for the quarter ended April 3, 2026 is formatted in Inline XBRL (included as Exhibit 101).

Indicates management contract or compensatory plan, contract 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.

Registrant: ESAB Corporation

By:

<u>/s/ Shyam P. Kambeyanda</u>	President and Chief Executive Officer (Principal Executive Officer and Interim Principal Financial Officer)	May 7, 2026
Shyam P. Kambeyanda		

<u>/s/ Julie Han</u>	Controller and Chief Accounting Officer (Principal Accounting Officer)	May 7, 2026
Julie Han		

ESAB Corporation
Amended and Restated Executive Officer Severance Plan
and
Summary Plan Description



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Section 1. Purpose.

ESAB Corporation (the “**Company**”) establishes and adopts this Amended and Restated Executive Officer Severance Plan, as the same may be amended from time to time (the “**Plan**”) effective as of May 5, 2026 (the “**Effective Date**”). The purpose of the Plan is to enable the Company to provide severance pay and certain other benefits to eligible Participants in connection with a Qualifying Termination under the Plan, thereby aiding the Company in attracting and retaining highly qualified executive officer level employees who are essential to its success.

This document sets out the Plan’s provisions on the Effective Date. This document constitutes both the Plan’s formal plan document and a summary plan description, which describes the severance benefits provided under the Plan. The Plan is designed to qualify as a severance pay arrangement within the meaning of Section 3(2)(B)(i) of ERISA and is intended to be excepted from the definitions of “employee pension benefit plan” and “pension plan” set forth under Section 3(2) of ERISA and is intended to meet the descriptive requirements of a plan constituting a “severance pay plan” within the meaning of the regulations published by the Secretary of Labor. In addition, the Plan is intended to be a plan that is primarily for the purpose of providing benefits to a select group of management or highly compensated employees within the meaning of ERISA Sections 201(2), 301(a)(3) and 401(a)(1).

Section 2. Definitions.

- a. “**Accrued Obligations**” means, with respect to any Participant, the Participant’s (i) Base Pay earned through, but unpaid as of, the Termination Date, (ii) business expenses reimbursable under the applicable policies of the Company Group then in effect that have been properly submitted and documented but that are unreimbursed as of the Termination Date, (iii) subject to Section 4(b), any Bonus earned and payable as of the Termination Date in respect of any performance period completed prior to the Termination Date and that remains unpaid as of the Termination Date, and (iv) other amounts earned or accrued through the Participant’s Termination Date under the Company Group’s applicable health, welfare, retirement, or other benefit programs as required by their terms or by applicable law. The Company Group shall pay the Participant the Accrued Obligations on the dates such amounts would have been payable under the Company Group’s applicable policies if the Participant’s employment had not terminated, but in no event more than sixty (60) days after the Termination Date or, with respect to the payments and benefits pursuant to subclause (iii) of this definition, at the same time that such Bonuses are paid by the Company Group to its similarly-situated employees, or in each case sooner if required by applicable law. The Participant’s benefits and rights under any of the Company Group’s benefit plans shall be determined in accordance with the applicable provisions of such plans, as may be in effect at the Termination Date.
- b. “**Base Pay**” means a Participant’s annual base salary at the rate in effect as of the effective date of the Participant’s Termination Date (determined without regard to any reduction to the Participant’s annual base salary rate that lead to circumstances constituting Good Reason).
- c. “**Board**” means the Board of Directors of the Company.
- d. “**Bonus**” means, to the extent that a Participant is eligible for an annual cash bonus under any annual cash bonus plan of the Company Group, such Participant’s annual cash bonus for the year in which the Participant’s Termination Date occurs as determined under such annual cash bonus plan. If a Participant is not eligible for an annual cash bonus under an annual cash bonus plan of the Company Group as of the Participant’s Termination Date, references to “Bonus” hereunder shall be disregarded.
- e. “**Cause**” means a Participant’s:
 - i. indictment for, conviction of or plea of guilty or *nolo contendere* to a felony (or state law equivalent) or any crime involving moral turpitude;
 - ii. commission of any act of gross negligence, willful misconduct, breach of fiduciary duty, theft, fraud, embezzlement or misappropriation against the Company Group or its subsidiaries or affiliates or against any other party to the extent that such action results or would reasonably be expected to result in financial or reputational harm to the Company Group or its subsidiaries or affiliates;
 - iii. willful or repeated failure or refusal to substantially perform the Participant’s duties (other than due to Disability), which is not cured (if capable of cure) within ten (10) calendar days following notice from the Company; or
 - iv. material violation of the Company’s written policies or codes of conduct, including written policies related to discrimination, harassment, performance of illegal or unethical activities, and ethical

misconduct, or material breach of a written agreement between the Participant and the Company Group, including, without limitation, any breach of a confidentiality, non-competition, non-solicitation, non-disparagement, or similar agreement.

- f. **“COBRA”** means the Consolidated Omnibus Reconciliation Act of 1985, as amended, and any similar state law.
- g. **“Code”** means the Internal Revenue Code of 1986, as amended.
- h. **“Committee”** means the Compensation Committee of the Board or another duly constituted committee of the Board designated by the Board as the Plan Administrator hereunder.
- i. **“Company Group”** means, collectively, the Company and each Participating Employer.
- j. **“Disability”** means a permanent and total disability as defined in Section 22(e)(3) of the Code, without regard to the last sentence thereof.
- k. **“ERISA”** means the Employee Retirement Income Security Act of 1974, as amended.
- l. **“Good Reason”** means the occurrence of any one or more of the following events which occur without a Participant’s express written consent:
 - i. A material reduction in the Participant’s annual base salary or target annual cash bonus opportunity (for the avoidance of doubt, failure to earn an annual cash bonus in respect of any given fiscal year due to failure to attain applicable performance goals (whether based on corporate, individual or other factors) shall not constitute a material reduction in target annual cash bonus opportunity), in each case other than an across-the-board reduction proportionately impacting similarly-situated Participants;
 - ii. A material diminution in the Participant’s duties, responsibilities, and authorities; except the foregoing will not constitute Good Reason if occurring (A) in connection with the termination of the Participant’s employment for Cause, Disability, or as a result of the Participant’s death, or (B) as a result of reasonable adjustments in the Participant’s range of duties, responsibilities and authorities as needed to accommodate a change in the size of the Company Group (which is to include a change in title or reporting to another senior executive officer); or
 - iii. The Company Group requires the Participant to relocate the Participant’s principal place of employment by more than fifty (50) miles from the Participant’s then-current principal place of employment, and which increases the Participant’s one-way commute by at least fifty (50) miles. Notwithstanding the foregoing, any assertion by a Participant of a termination of employment for “Good Reason” shall not be effective unless all of the following conditions are satisfied: (A) the Participant provides written notice to the Company of the condition claimed to constitute Good Reason within thirty (30) days of the initial existence of such condition and (B) the Company fails to remedy such condition within thirty (30) days of receiving such written notice thereof; and provided, further, that in all events the termination of the Participant’s employment with the Company shall not be treated as a termination for “Good Reason” unless such termination occurs not more than ninety (90) days following the initial existence of the condition claimed to constitute “Good Reason.”
- m. **“Non-Qualifying Events”** means any of the following: (i) the Participant is primarily providing services to a business unit, as determined by the Plan Administrator, which is directly or indirectly sold, licensed or transferred, or all or substantially all of the assets of the Company Group are sold or otherwise disposed of, and upon or within one hundred twenty (120) days following the closing of such sale, license or transfer, the Participant (A) accepts a position with the purchaser or any of its affiliates or (B) is offered employment with the purchaser or any of its affiliates which employment maintains the Participant’s principal place of employment within fifty (50) miles of the Participant’s principal place of employment as of immediately prior to such closing and offers materially comparable base salary and target annual cash bonus opportunity; (ii) the Participant is placed on administrative leave or furlough not exceeding nine (9) months; or (iii) the Participant’s employment is transferred to, or the Participant accepts employment with, any subsidiary or affiliate of the Company and the terms and conditions of such employment do not otherwise give rise to “Good Reason” hereunder.
- n. **“Participating Employer”** means a subsidiary or affiliate of the Company that participates in the Plan.
- o. **“Plan Administrator”** means the Committee.

- p. “**Qualifying Termination**” means an involuntary termination of the Participant’s employment with the Company Group without Cause (excluding by reason of death or Disability) or by the Participant for Good Reason.
- q. “**Severance Benefits**”, with respect to a Participant, means:
 - i. A fixed amount in cash equal to the sum of (A) twelve (12) months of the Participant’s Base Pay and (B) a pro-rata portion of the target amount of the Bonus based on the number of days the Participant is employed during the calendar year in which the Termination Date occurs, payable in equal installments over twelve (12) months in accordance with the Company’s normal payroll practices beginning on the Company’s first regular payroll date that is at least five (5) business days following the date on which the Release becomes effective and irrevocable; provided, that if the period during which the Release could become effective and irrevocable spans two calendar years, payments of such installments shall not commence until the first normal payroll date in the second calendar year; provided, further that the first installment shall include as a lump sum all payments (without interest) that accrued from the Termination Date until such first payroll date;
 - ii. To the extent the Participant and/or the Participant’s covered dependent(s) timely elect to continue to participate in the Company’s medical, dental and/or vision plans pursuant to COBRA after the Termination Date, the payment or reimbursement by the Company of the employer portion of all applicable COBRA premiums, for a period ending on the earliest of: (A) the twelve (12) month anniversary of the Termination Date, (B) the Participant becoming eligible for other employer-sponsored group health benefits or Medicare (it being understood that the Participant shall be obligated to keep the Company informed as to the terms and conditions of any subsequent employment and the corresponding benefits that relate to such employment and/or the Participant’s Medicare eligibility status), or (C) the date the Participant ceases to be eligible for COBRA continuation coverage for any reason; provided, however, that if the Employer reasonably determines that it cannot pay such amounts to the group health plan provider(s) or the COBRA provider (if applicable) without potentially violating applicable law (including Section 2716 of the Public Health Service Act), then the Employer shall convert such payments to payroll payments directly to the Participant for the time period specified above on the Employer’s regular payroll dates (subject to tax withholdings as applicable); and
 - iii. Outplacement services for twelve (12) months with one of the Company Group’s preferred providers in accordance with the Company Group’s outplacement services programs or arrangements that are in effect for Participants as of the Termination Date.
- r. “**Participant**” means an executive officer (as such term is defined under Rule 3b-7 of the Securities Exchange Act of 1934, as amended) of the Company. The Company may designate additional eligible participants for benefits under all or any portion of this Plan, regardless of whether such individual is an executive officer, and once so designated such individual shall be referred to as a “Participant” herein; provided that such designated individual shall be a member of management or highly compensated employee within the meaning of ERISA Sections 201(2), 301(a)(3) and 401(a)(1).
- s. “**Termination Date**” means the date on which a Participant’s employment with the Company Group and all of its respective subsidiaries and affiliates terminates for any reason. Unless otherwise determined by the Plan Administrator in its sole discretion, a Participant being placed on administrative leave or furlough not exceeding nine (9) months shall not constitute a termination of such Participant’s employment hereunder. To the extent that any payments or benefits under the Plan constitute “nonqualified deferred compensation” subject to Section 409A of the Code, the determination of whether a Participant’s Termination Date has occurred (or whether a Participant has otherwise had a termination of employment) shall be made in accordance with the provisions of Section 409A of the Code (including the definition of “separation from service” thereunder) and the guidance issued thereunder without application of any alternative levels of reductions of bona fide services permitted thereunder.

Section 3. Eligibility. Each Participant who meets the following requirements is eligible to participate in the Plan and receive the Severance Benefits hereunder:

- a. the Participant is not a party to an individual arrangement or a written employment agreement providing severance compensation other than pursuant to the Plan (for the avoidance of doubt, Participants party to such an arrangement or agreement as of the Effective Date are not eligible to participate until such arrangement or agreement ends or is otherwise terminated and it is the intention of the Company to not enter into non-Plan based severance arrangements from the effective date hereof); and

- b. the Participant is not covered by a local practice or local law outside the U.S. that provides for severance payments and/or benefits in connection with a voluntary or involuntary termination of employment that are greater than the severance payments and/or benefits set forth in the Plan.

Section 4. Severance Benefits.

- a. **Qualifying Termination.** Upon a Participant's Qualifying Termination, in addition to any Accrued Obligations, subject to Section 4(c), such Participant will be eligible to receive the Severance Benefits.
- b. **Other Termination.** In the event that a Participant's employment is terminated other than as the result of a Qualifying Termination, then such Participant shall not be entitled to receive any payments or benefits under the Plan other than the Accrued Obligations; provided that if a Participant's termination of employment is due to a termination by the Company for Cause, the Participant shall not be entitled to the Accrued Obligations described in subclause (iii) of the definition of "Accrued Obligations". A Participant shall not be deemed to have experienced a Qualifying Termination and shall not be entitled to receive any payments or benefits under this Plan in the event that such Participant's employment is terminated by the Company for Cause or such Participant resigns without Good Reason (including as a result of a retirement), such Participant dies, such Participant terminates employment as a result of Disability, or such Participant experiences a Non-Qualifying Event.
- c. **Conditions to Severance Benefits.** Payment of the Severance Benefits to a Participant who experiences a Qualifying Termination hereunder shall be subject to (i) such Participant's execution (and non-revocation) of a general release of claims in a form reasonably satisfactory to the Company and provided to such Participant by the Company prior to or upon the Termination Date (the "**Release**") with such execution to occur no earlier than the Termination Date and otherwise within the time period specified in the Release, (ii) the Release becoming effective and irrevocable in accordance with its terms, and (iii) the Participant's continued compliance with all restrictive covenants to which the Participant is bound in favor of the Company Group or any of its subsidiaries or affiliates.
- d. **Offset.**
 - a. The amount of the total cash portion of the Severance Benefits to which a Participant is entitled under the Plan will be reduced (but not below zero) for U.S. expatriates by an amount equal to any payments of severance required to be paid by law in any country other than the U.S., and the payments and benefits under the Plan are conditioned upon any such payments required to be paid by law being offset. Any offset shall be applied in a manner consistent with Section 409A of the Code to the extent that either the applicable portion of the Severance Benefits or the payments required to be paid constitute "nonqualified deferred compensation" subject to Section 409A of the Code.
 - b. If a Participant owes the Company Group money for any reason, the Company Group may offset the amount of the debt from such Participant's Severance Benefits to the extent permitted by law; provided, however, that, any such offset shall be applied in a manner consistent with Section 409A of the Code to the extent that either the applicable portion of the Severance Benefits or the payments required to be paid constitute "nonqualified deferred compensation" subject to Section 409A of the Code.

Section 5. Administration.

The Plan shall be administered by the Plan Administrator in its sole and absolute discretion, and all determinations by the Plan Administrator shall be final, binding and conclusive on all parties and be given the maximum possible deference allowed by law. The Plan Administrator shall have the discretionary authority and responsibility, consistent with the terms of the Plan for, among other things, (a) determining eligibility for benefits and construing and interpreting the terms of the Plan, (b) interpreting, administering, reconciling any inconsistency, correcting any defect and/or supplying any omission in the Plan, (c) establishing, amending, suspending or waiving any rules and procedures with respect to the Plan, and (d) making any other determination and take any other action that the Plan Administrator deems necessary or desirable for administration of the Plan, including, without limitation, the timing and amount of payments. In addition, unless prohibited by applicable law, the rules of any applicable securities exchange on which the shares of the Company's common stock are traded at such time, or the Company's by-laws or articles of incorporation or applicable Board or Committee charter documents, the Plan Administrator may, at its discretion, at any time or from time to time delegate to one or more officers of the Company the authority to act on behalf of the Plan Administrator, with such delegation to be effective for such time and until revoked by the Plan Administrator.

Section 6. Amendment and Plan Termination.

The Plan Administrator reserves the right to terminate or amend the Plan, in whole or in part, at any time in the Plan Administrator's sole discretion. The Plan Administrator reserves the right to implement changes even if the changes have not been reprinted or substituted in this document.

Section 7. Employment At-Will.

The Plan does not constitute a contract of employment, and nothing in the Plan or any other act of the Plan Administrator, the Company Group provides or may be construed to provide that participation in the Plan is a guarantee of continued employment with the Company Group or any of its respective subsidiaries or affiliates.

Section 8. Withholding; Taxes.

The Company Group will withhold from any amounts payable under the Plan all federal, state, local or other taxes that are legally required to be withheld therefrom and any other required payroll deductions.

Section 9. No Effect on Other Benefits.

Neither the provisions of this Plan nor the Severance Benefits will reduce any amounts otherwise payable to a Participant under any incentive, retirement, stock option, stock bonus, stock ownership, group insurance or other benefit plan or agreement, except as expressly provided in such plan or agreement.

Section 10. Validity and Severability.

The invalidity or unenforceability of any provision of the Plan will not affect the validity or enforceability of any other provision of the Plan, which will remain in full force and effect, and any prohibition or unenforceability in any jurisdiction will not invalidate that provision, or render it unenforceable, in any other jurisdiction.

Section 11. Unfunded Obligation.

The obligations of the Company Group under the Plan constitute unfunded obligations of the Company Group. Payment of any Severance Benefit will be made, as due, from the general funds of the Company Group. The Plan constitutes solely an unsecured promise by the Company Group to provide severance benefits to Participants who experience a Qualifying Termination under the Plan, to the extent provided in the Plan, and nothing contained herein shall give any Participant any right, title or interest in any property of the Company Group or any of its subsidiaries or affiliates. For avoidance of doubt, any medical or dental insurance coverage to which a Participant may be entitled under the Plan will be provided under other applicable employee benefit plans of the Company Group.

Section 12. Governing Law.

The Plan and all rights under it will be governed and construed in accordance with ERISA and, to the extent not preempted by federal law, with the laws of the State of Delaware, excluding choice of law rules.

Section 13. Section 409A.

- a. **Compliance.** Notwithstanding anything herein to the contrary, the Plan is intended to be interpreted and applied so that the payments and benefits set forth herein either shall be exempt from the requirements of Section 409A of the Code or shall comply with the requirements of Section 409A of the Code, and accordingly, to the maximum extent permitted, the Plan shall be interpreted to be exempt from or in compliance with Section 409A of the Code. To the extent that the Company determines that any provision of the Plan would cause a Participant to incur any additional tax or interest under Section 409A of the Code, the Company shall be entitled to reform such provision to attempt to comply with or be exempt from Section 409A of the Code. To the extent that any provision hereof is modified in order to comply with Section 409A of the Code, such modification shall be made in good faith and shall, to the maximum extent reasonably possible, maintain the original intent and economic benefit to Participants and the Company without violating the provisions of Section 409A of the Code. Notwithstanding any of the foregoing to the contrary, none of the Company Group or any of its subsidiaries or affiliates, or any of their respective officers, directors, members, employees, agents, advisors, predecessors, successors, or equity holders shall have any liability for the failure of the Plan to be exempt from, or to comply with, the requirements of Section 409A of the Code. Each payment and/or benefit provided hereunder shall be a payment in a series of separate payments for purposes of Section 409A of the Code.

- b. **Separation from Service.** Notwithstanding anything in the Plan to the contrary, with respect to any payment or benefits hereunder that constitute “nonqualified deferred compensation” under Section 409A of the Code, a termination of employment shall not be deemed to have occurred for purposes of any provision of this Plan unless such termination is also a “separation from service” within the meaning of Section 409A of the Code.
- c. **Specified Employees.** Notwithstanding any other provision of the Plan to the contrary, if any payment or benefit under the Plan constitutes “nonqualified deferred compensation” subject to Section 409A of the Code, and if such payment or benefit is to be paid or provided on account of a Participant’s “separation from service” (within the meaning of Section 409A of the Code) and if such Participant is a “specified employee” (within the meaning of Section 409A of the Code) and if any such payment or benefit is required to be made or provided prior to the first day of the seventh month following such Participant’s separation from service, such payment or benefit shall be delayed until the earlier of (i) first business day of the seventh month following such Participant’s separation from service, or (ii) such Participant’s death, and shall at that time be paid on a lump sum (or, in the case of a non-cash benefit, shall be provided in a manner that is consistent with Section 409A of the Code).

Section 14. Certain Excise Taxes.

Notwithstanding anything to the contrary in the Plan, if a Participant is a “disqualified individual” (as defined in Section 280G(c) of the Code), and the Severance Benefits provided for under this Plan, together with any other payments and benefits which a Participant has the right to receive from the Company Group or any of its subsidiaries or affiliates, would constitute a “parachute payment” (as defined in Section 280G(b)(2) of the Code), then the Severance Benefits provided for under the Plan shall be either (a) reduced (but not below zero) so that the present value of such total amounts and benefits received by such Participant from the Company Group will be one dollar (\$1.00) less than three (3) times such Participant’s “base amount” (as defined in Section 280G(b)(3) of the Code) so that no portion of such amounts and benefits received by such Participant shall be subject to the excise tax imposed by Section 4999 of the Code, or (b) paid in full, whichever produces the better net after-tax position to such Participant (taking into account any applicable excise tax under Section 4999 of the Code and any other applicable taxes). The determination as to whether any such reduction is necessary shall be made by a nationally recognized accounting or consulting firm selected by the Company in good faith. If a reduced payment is made or provided and through error or otherwise that payment, when aggregated with other payments and benefits used in determining if a parachute payment has been made, exceeds one dollar (\$1.00) less than three times such Participant’s base amount, then such Participant shall immediately repay such excess to the Company upon notification that an overpayment has been made. Nothing in this Plan shall require the Company Group or any of its subsidiaries or affiliates, or any of their respective officers, directors, members, employees, agents, advisors, predecessors, successors, or equity holders to be responsible for, or have any liability or obligation with respect to, any Participant’s excise tax liabilities under Section 4999 of the Code.

Section 15. Successors and Assigns.

- a. The Company shall require any successor (whether direct or indirect, by purchase, merger, reorganization, consolidation, acquisition of property or stock, liquidation, or otherwise) of all or a significant portion of the assets of the Company by agreement to expressly assume and agree to perform under the Plan in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place. The terms of the Plan shall be binding upon any successor in accordance with the operation of law and such successor shall be deemed the “Company” for purposes of the Plan.
- b. The Plan will inure to the benefit of, and will be enforceable by, each Participant’s personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If a Participant should die while any amount is still payable to such Participant under the Plan had such Participant continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of the Plan to such Participant’s estate. A Participant’s rights under the Plan will not otherwise be transferable or subject to lien or attachment.

Section 16. Entire Agreement.

The Plan supersedes all prior understandings, whether written or oral, with respect to the subject matter hereof. The Plan replaces any and all severance pay plans, policies, practices, agreements, arrangements or programs, written or unwritten, that the Company or any predecessor of the Company may have had in effect for eligible Participants from time to time prior to the Effective Date.

Section 17. Claims Procedures

If a Participant believes that such Participant is entitled to payments and benefits under the Plan that are not provided to the Participant, or the Participant disagrees with any other action taken by the Plan Administrator with respect to the Plan,

then the Participant may submit a claim to the Plan Administrator in writing. A claim must be made in writing and submitted within six (6) months of the Participant's Termination Date. In the event a Participant makes a claim for benefits beyond six (6) months of the Participant's Termination Date, then the Participant is expressly precluded from receiving any severance payments and/or benefits under the Plan.

a. **Claims Review Procedures**

A Participant will be notified in writing by the Plan Administrator if the Participant's claim under the Plan is denied.

If a claim for benefits under the Plan is denied in full or in part, the Participant may appeal the decision to the Plan Administrator.

To appeal a decision, the Participant must submit a written document through the U.S. Postal Service or other courier service appealing the denial of the claim within sixty (60) days after the Participant receives notice of the claim denial described above. The Participant may also include information or other documentation in support of the Participant's claim.

The Participant will be notified of a decision within ninety (90) days (which may be extended to one hundred eighty (180) days, if required) of the date the Participant's appeal is received. To the extent applicable, this notice will include the reasons for the denial and the specific provision(s) on which the denial is based, a description of any additional information needed to resubmit the claim, and an explanation of the claims review procedure. If the Plan Administrator requires an extension of time to respond to the Participant's appeal, the Participant will receive notice of the reason for the extension within the initial ninety (90) day period and a date by which the Participant can expect a decision.

If the original denial is upheld on first appeal, the Participant may request a review of this decision. The Participant may submit a written request for reconsideration to the Plan Administrator (as listed in [Section 19](#)) within sixty (60) days after receiving the denial.

A Participant can review all plan documents in preparing the Participant's appeal and the Participant may have a qualified person represent the Participant during the appeal process. Any documents or records that support the Participant's position must be submitted with the Participant's appeal letter.

The case will be reviewed, and the Participant will receive written notice of the decision within sixty (60) days (which may be extended to one hundred twenty (120) days, if required). The written notice will include the specific reasons for the decision and specific reference to the Plan provision(s) on which the decision is based.

Any decision on final appeal will be final, conclusive and binding upon all parties. If the final appeal is denied, however, the Participant will be advised of the Participant's right to file a claim in court. It is the Company's intent that in any challenge to a denial of benefits on final appeal under these procedures, the court of law or a professional arbitrator conducting the review will apply to a deferential ("arbitrary and capricious") standard and not a *de novo* review.

b. **Legal Action**

A Participant may not bring a lawsuit to recover benefits under the Plan until the Participant has exhausted the internal administrative process described above. No legal action may be commenced at all unless commenced no later than one (1) year following the issuance of a final decision on the claim for benefits, or the expiration of the appeal decision period if no decision is issued. This one (1) year statute of limitations on suits for all benefits will apply in any forum where the Participant may initiate such a suit.

c. **Participating Employers**

A complete list of the Company's subsidiaries or divisions that participate in the Plan may be obtained from the Plan Administrator by written request. See the chart at the end of [Section 19](#) for the name and address of the Plan Administrator.

Section 18. Statement of ERISA Rights.

Participants in the Plan are entitled to certain rights and protection under Employee Retirement Income Security Act of 1974, as amended ("ERISA"). ERISA provides that Participants shall be entitled to:

Receive Information about the Plan and Benefits

Examine, without charge, at the Company's offices and at other specified locations all documents governing the Plan filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan and updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.

Enforcing Rights

If the claim for a welfare benefit is denied or ignored, in whole or in part, a Participant has a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps a Participant can take to enforce the above rights. For instance, if the Participant requests a copy of Plan documents or the latest annual report from the Plan and does not receive them within thirty (30) days, the Participant may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay the Participant up to \$110 a day until the Participant receives the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.

If a Participant has a claim for benefits which is denied or ignored, in whole or in part, the Participant may file suit in a state or Federal court.

If it should happen that a Participant is discriminated against for asserting his or her rights, the Participant may seek assistance from the U.S. Department of Labor, or the Participant may file suit in a federal court. The court will decide who should pay court costs and legal fees. If the Participant is successful, the court may order the person sued to pay these costs and fees. If the Participant loses, the court may order the Participant to pay these costs and fees, for example, if it finds the Participant's claim is frivolous.

Assistance with Questions

If a Participant has any questions about the Plan, the Participant should contact the Plan Administrator. If a Participant has any questions about this statement or about rights under ERISA, or needs assistance in obtaining documents from the Plan Administrator, the Participant should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in the telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210.

Participants may also obtain certain publications about their rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration at 1-866-444-EBSA (3272) or accessing their website at <http://www.dol.gov/ebsa>.

Section 19. General Plan Information

Severance Plan

Name of Plan	ESAB Corporation Amended and Restated Executive Officer Severance Plan
Type of Plan	ERISA “welfare plan” that is a severance pay arrangement
Plan Records	Kept on a calendar-year basis
Plan Year	January 1 — December 31
Plan Funding	Unfunded—Company and Participating Employers provide severance benefits from general assets.
Plan Sponsor	ESAB Corporation
Plan Sponsor’s Employer Identification Number	87-0923837
Plan Administrator and Named Fiduciary	ESAB Corporation 909 Rose Avenue, Suite 800 North Bethesda, Maryland 20852
Agent for Service of Legal Process on the Plan	ESAB Corporation c/o General Counsel 909 Rose Avenue, Suite 800 North Bethesda, Maryland 20852
Trustee	Not applicable
Insurance Company	Not applicable



ESAB Corporation
909 Rose Avenue
8th Floor
N. Bethesda, MD 20852
ESABCorporation.com

Exhibit 10.2

March 30, 2026

R. Brent Jones
Via E-Mail

Strictly private and confidential

Dear Brent,

Congratulations! We are incredibly pleased to extend an employment offer for the position of **Executive Vice President & Chief Financial Officer**, reporting to me at our World Headquarters in North Bethesda, MD.

We are excited about you joining our team as you bring a unique set of skills, experiences, and overall talent to our Company. We believe that you will grow and thrive within our organization, enabling you to further your career success and grow wealth as you and the Company both continue to prosper together.

At ESAB, we build our company culture on foundations from our purpose, values, and our Code of Business Conduct. Our purpose is *Shaping the world we imagine*, and it speaks to the belief we hold as a company that the progress we make today, makes the world we imagine possible. Our values outline how we work together as associates and are summarized by the acronym SHAPE: Shared Success, Help Each Other Win, Always Improving, Purposeful Leadership, and Every Voice Valued. And finally, our attached Code of Business Conduct ensures that we remain committed to the highest ethical standards across all our global operations.

Date of Employment:

- TBD

Base Salary:

- Your starting annual salary will be **\$660,000** (less applicable taxes and deductions) payable biweekly. Beginning in 2027, you will be eligible for annual merit increases consistent with our annual merit cycle, based on benchmarks and Company merit increase guidelines.

Annual Cash Bonus:

- Beginning in 2026, you will be eligible to participate in our Annual Incentive Compensation Plan with a target of **80%** of your base salary. Your potential payout will be based upon the full 2026 performance period and will not be pro-rated based on your date of employment. The actual payout will take place in Q1 2027 and is based on the achievement of ESAB Corporation financial performance against pre-set thresholds, targets, maximums, and your individual performance. The terms and conditions of any payout will be in accordance with ESAB's Annual Incentive Plan.

Transition Bonus:

- You will receive a transition bonus of **\$1,000,000** (less applicable taxes and deductions). This bonus will be paid in two (2) installments. The first installment payment of \$500,000 will be paid within 30 days of hire or as soon as administratively possible. The second installment payment of \$500,000 will be paid in the first payroll after the first anniversary of your hire date. In the event you choose to terminate the employment relationship with the company prior to the expiration of two (2) years after each installment, you shall repay the Company a pro-rata portion of the amount that has been paid.
-

Equity Awards:

- You will receive an equity grant of **\$3,000,000** on hire. The grant will take place as soon as administratively possible. This initial grant will be delivered in 100% restricted stock units and will vest 33 1/3% each year on the 1st, 2nd, and 3rd anniversaries of the grant.
- You will also receive an annual stock award of **\$1,800,000** for 2026. Starting in Q1 2027 you will be eligible for annual stock awards based on your position and performance in accordance with our equity guidelines. The current annual target for your position is **\$1,800,000**. Your award can be more or less than this target depending on your performance and company affordability. The terms and conditions of equity awards will be in accordance with ESAB's Omnibus Incentive Plan and are subject to the Company's stock ownership policy which sets forth minimum ownership requirements for ESAB common stock.

Relocation:

- You will be eligible for ESAB's relocation managed by our relocation vendor. The package is competitive and designed to make your transition to the North Bethesda, MD area as simple as possible. See the attached relocation policy for more information regarding the benefits provided. Part of your relocation is taxable and part of it is non-taxable in accordance with IRS guidelines. Additionally, if you resign from the company within the first two years of employment, you are required to reimburse the company for amounts paid on your behalf at a rate of 100% of the total cost paid by the company within one year and 50% of the total cost after that up to the end of year two.

401(k):

- You will have the opportunity to participate in the ESAB 401(k) Retirement Savings Plan with matching contributions. ESAB matches 100% of the first 4% that you contribute, and these matching contributions vest immediately. In addition, at its discretion, ESAB will make non-elective contributions of 2% into your account, vesting immediately.

No Deferred Comp:

- You will have the opportunity to defer up to 50% of base salary and 75% of bonus in the non-qualified deferred compensation plan to optimize the company matching contribution above the IRS limit in the 401(k). ESAB matches 100% of the first 4% that you contribute, and these matching contributions vest immediately. In addition, at its discretion, ESAB will make non-elective contributions of 2% into your account as long as you contribute at least 1% of base salary. These non-elective contributions vest immediately. Eligibility to participate in this plan is driven by criteria updated by the IRS on an annual basis. You will receive an invitation to participate in this plan in Q4 2026 for calendar year 2027.

Perquisites:

- ESAB will reimburse you for (i) up to \$10,000 per year for financial planning, and (ii) up to \$4,000 per year in out-of-pocket costs for an executive physical examination or concierge medicine membership fees.

Supplemental Disability:

- You will be eligible for supplemental income protection through disability insurance provided by ESAB at no cost to you. When combined with the group long-term disability benefit, also provided by the company, this plan will cover 65% of your pre-tax total cash compensation up to a combined maximum monthly benefit of \$30,000.

Health Benefits:

- You and your family will be eligible to participate in the health & welfare benefits including medical, dental, vision, short and long- term disability, life and accidental death and dismemberment insurance. You will have the opportunity to enroll within 30 days of hire. Benefits will be eligible on your hire date with ESAB.

Executive Severance:

- You will be eligible for the ESAB Corporation Executive Officer Severance Plan as may be amended from time to time.

Vacation & Holidays :

- You will be eligible for **25** days of vacation in addition to company-paid holidays.
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CERTIFICATIONS

I, Shyam P. Kambeyanda, certify that:

1. I have reviewed this quarterly report on Form 10-Q of ESAB Corporation;
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.

Dated: May 7, 2026

/s/ Shyam P. Kambeyanda

Shyam P. Kambeyanda
President and Chief Executive Officer
(Principal Executive Officer and Interim Principal Financial Officer)

**Certification Pursuant to 18 U.S.C. Section 1350
(as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002)**

I, Shyam P. Kambeyanda, as President and Chief Executive Officer of ESAB Corporation (the "Company"), certify, pursuant to 18 U.S.C. Section 1350 (as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002), that to my knowledge:

1. the quarterly report on Form 10-Q of the Company for the period ended April 3, 2026 (the "Report"), filed with the U.S. Securities and Exchange Commission, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 7, 2026

/s/ Shyam P. Kambeyanda

Shyam P. Kambeyanda
President and Chief Executive Officer
(Principal Executive Officer and Interim Principal Financial Officer)