UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): October 27, 2022

INNOVATE CORP.

(Exact name of registrant as specified in its charter)

Delaware	001-35210	54-1708481
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

295 Madison Avenue, 12th Floor New York, NY	10017
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (212) 235-2690

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, par value $0.001 per share	VATE	New York Stock Exchange
Preferred Stock Purchase Rights	N/A	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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. ☐

Item 2.02 Results of Operations and Financial Condition

On November 2, 2022, INNOVATE Corp. (the "Company") issued a press release announcing its results for the three and nine months ended September 30, 2022 (the "Earnings Release") and posted the INNOVATE Corp. Third Quarter 2022 Conference Call Investor Presentation to its Investor Relations section of the Company's website at http://www.innovatecorp.com.

A copy of the Earnings Release and the investor presentation are attached hereto as Exhibits 99.1 and 99.2, respectively, and are incorporated herein by reference.

Item 3.01 - Notice of Delisting or Failure to Satisfy a Continued Listing Rule or Standard; Transfer of Listing.

On October 27, 2022, INNOVATE Corp. (the "Company") received a written notice (the "Notice") from the New York Stock Exchange (the "NYSE") that it was not in compliance with the continued listing standard set forth in Section 802.01C of the NYSE's Listed Company Manual ("Section 802.01C"), as the average closing price of the Company's common stock (the "Common Stock") was less than $1.00 per share over a consecutive 30 trading-day period. The Notice has no immediate impact on the listing of the Company's Common Stock on the NYSE, subject to the Company's compliance with the NYSE's other continued listing requirements.

The Company plans to notify the NYSE that it intends to regain compliance and is considering all available options that are in the best interests of the Company and its shareholders. Pursuant to Section 802.01C, the Company has a period of six months following the receipt of the Notice to regain compliance with the minimum share price requirement. The Company may regain compliance at any time during the six-month cure period if on the last trading day of any calendar month during the six-month cure period the Common Stock has a closing share price of at least $1.00 and an average closing share price of at least $1.00 over the 30 trading-day period ending on the last trading day of that month. If the Company is unable to regain compliance with the $1.00 share price rule within this period, the NYSE will initiate procedures to suspend and delist the Common Stock.

Item 7.01 Regulation FD Disclosure

As previously announced, the Company will conduct a conference call today, Wednesday, November 2, 2022 at 4:30 p.m. ET. The presentation slides to be used during the call, attached hereto as Exhibit 99.2, will be available on the "Investor Relations" section of the Company's website (http://www.innovatecorp.com) immediately prior to the call. The conference call and the presentation slides will be simultaneously webcast on the "Investor Relations" section of the Company's website beginning at 4:30 p.m. ET on Wednesday, November 2, 2022. The information contained in, or that can be accessed through the Company's website is not a part of this filing.

The information in Item 2.02 and Item 7.01 of this Current Report on Form 8-K, including Exhibits 99.1 and 99.2, is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that Section, nor shall it be deemed incorporated by reference into any of the Company's filings under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof and regardless of any general incorporation language in such filings, except to the extent expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Exhibit No.	Description
99.1	Press Release of INNOVATE Corp., dated November 2nd, 2022
99.2	INNOVATE Corp. Third Quarter 2022 Conference Call Investor Presentation
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

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 hereunto duly authorized.

	INNOVATE Corp.	
November 2, 2022	By:	*/s/ Michael J. Sena*
		Name: Michael J. Sena Title: Chief Financial Officer

FOR IMMEDIATE RELEASE

INNOVATE Corp. Announces Third Quarter 2022 Results

- Infrastructure: DBM Global delivers record revenue of $412.7 million in the third quarter driven by strong demand and grows total backlog to $1.9 billion -

- Life Sciences: MediBeacon's U.S. Pivotal Study is progressing well -

- Spectrum: Broadcasting completed the upgrade to ATSC 3.0 of two of our Ft. Wayne, Indiana stations -

- Company receives Continued Listing Standards Notice from NYSE -

NEW YORK, November 2, 2022 - INNOVATE Corp. ("INNOVATE" or the "Company") (NYSE: VATE) announced today its consolidated results for the third quarter.

Financial Summary

(in millions, except per share amounts)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2022	2021	Increase / (Decrease)	2022	2021	Increase / (Decrease)
Revenue	$ 423.0	$ 394.8	7.1 %	$ 1,228.0	$ 810.4	51.5 %
Net loss attributable to common stock and participating preferred stockholders	$ (6.6)	$ (213.0)	96.9 %	$ (33.8)	$ (224.5)	84.9 %
Diluted loss per share - Net loss attributable to common stock and participating preferred shareholders	$ (0.09)	$ (2.75)	96.7 %	$ (0.44)	$ (2.92)	84.9 %
Total Adjusted EBITDA(1)(2)	$ 16.4	$ 14.3	14.7 %	$ 40.0	$ 21.8	83.5 %

(1) Reconciliation of GAAP to Non-GAAP measures follows
(2) Note that Total Adjusted EBITDA excludes results for discontinued operations

Commentary

"INNOVATE delivered another strong quarter of financial results growing both consolidated revenue and adjusted EBITDA year-over-year," said Avie Glazer, Chairman of INNOVATE. "INNOVATE's Infrastructure segment drove the revenue growth and margin expansion in the third quarter highlighted by continued strength in DBM Global and Banker Steel while growing their backlog in the quarter to $1.9 billion. At Life Sciences, MediBeacon's Pivotal Study continues as planned and is nearing completion. Additionally, we have taken necessary action in Spectrum to address certain profitability challenges in a difficult OTA market and continue to have a keen focus on optimizing operations. We are encouraged by the financial performance of INNOVATE through the first nine months of the year and look forward to a strong finish to 2022."

"We are pleased to have achieved revenue and adjusted EBITDA growth of 7.1% and 14.7%, respectively, in the third quarter," said Wayne Barr, Jr., Chief Executive Officer of INNOVATE. "DBM Global, with Banker Steel in the fold for more than a year now, continues to deliver for INNOVATE, benefiting from an improving market backdrop while expanding margins from pandemic lows. In Life Sciences, revenue from R2 has increased sequentially for three quarters now as we are seeing solid traction despite challenges faced in China related to prolonged COVID-19 lockdowns. At Spectrum, we continue to face pressure in the OTA market and are in the process of exiting Azteca operations, which had been negatively impacting EBITDA. We have built a strong asset base in Spectrum that we believe positions us well to capitalize on the long-term opportunities in that space."

Third Quarter 2022 Highlights and Recent Highlights

- The Company achieved Revenue and Adjusted EBITDA growth of 7.1% and 14.7%, respectively.

Infrastructure

- DBM Global Inc. ("DBM Global") achieved strong revenue in the third quarter, driven by robust demand in the commercial steel fabrication and erection markets.
- For the third quarter of 2022, DBM Global reported revenue of $412.7 million, an increase of 7.8% compared to $383.0 million in the prior year quarter. Net Income was $10.4 million, compared to $6.9 million for the prior year quarter. Adjusted EBITDA increased to $27.6 million from $24.4 million in the prior year quarter.
- DBM Global grew Adjusted EBITDA margin to 6.7% in the third quarter, an expansion of 30 basis points year-over-year and 120 basis points from last quarter.
- DBM Global's reported backlog increased to $1.9 billion as of September 30, 2022, up from $1.6 billion as of December 31, 2021. Taking into consideration awarded, but not yet signed contracts, backlog would have been approximately $2.2 billion at the end of the third quarter of 2022, compared with $1.9 billion as of December 31, 2021.

Life Sciences

- R2 Technologies, Inc. ("R2") has shipped 215 GLACIAL devices globally in 2022.
- R2 growth impacted by prolonged COVID-19 lockdowns in China.
- MediBeacon Inc.'s ("MediBeacon") Transdermal GFR Measurement System FDA Pivotal Study has progressed as expected and patient enrollment is 85% complete.

Spectrum

- Broadcasting owns and operates 251 stations that cover 107 designated market areas (DMAs).
- In September, we successfully completed the upgrade to ATSC 3.0 of two of our Ft. Wayne, Indiana stations. This upgrade is in conjunction with the FCC Experimental Special Temporary Authority ("STA") granted to conduct a 5G mobile wireless trial with our LPTV spectrum. We expect the trial to commence in December 2022.
- For the third quarter of 2022, Broadcasting reported revenue of $9.1 million, a decrease of 10.8% compared to $10.2 million in the prior year quarter. The decrease was primarily driven by lower advertising revenue and a decline in paid programming at Azteca.
- For the third quarter of 2022, Broadcasting reported Net Loss of $1.4 million compared to $4.1 million in the prior year quarter. Adjusted EBITDA was $0.3 million, compared to Adjusted EBITDA of $1.8 million in the prior year quarter.

Third Quarter Financial Highlights

- **Revenue:** For the third quarter of 2022, INNOVATE's consolidated revenue from continuing operations was $423.0 million, an increase of 7.1% compared to $394.8 million for the prior year quarter. The increase in revenue was due to contributions from the Company's Infrastructure segment.

REVENUE by OPERATING SEGMENT

(in millions)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2022	2021	Increase / (Decrease)	2022	2021	Increase / (Decrease)
Infrastructure	$ 412.7	$ 383.0	$ 29.7	$ 1,197.0	$ 776.3	$ 420.7
Life Sciences	1.2	1.6	(0.4)	3.0	2.8	0.2
Spectrum	9.1	10.2	(1.1)	28.0	31.3	(3.3)
Consolidated INNOVATE	$ 423.0	$ 394.8	$ 28.2	$ 1,228.0	$ 810.4	$ 417.6

- **Net Loss:** For the third quarter of 2022, INNOVATE reported a Net Loss attributable to common stock and participating preferred stockholders of $6.6 million, or $0.09 per fully diluted share, compared to a Net Loss of $213.0 million, or $2.75 per fully diluted share, for the prior year quarter. The decrease in the Net loss was driven primarily by the loss from discontinued operations as a result of the sale of the Insurance business in the previous period. The decrease was also attributable to the Infrastructure segment as a result of increased profit at the fabrication and erection business and Banker Steel driven by larger jobs with increased profits in the current year; an increase in the equity investment in HMN Technologies., Ltd. ("HMN") as it produced higher income than in the comparable period, which is generally driven by the timing of project work; a decrease in salaries and benefits and legal expenses at the Spectrum segment, as well as an increase in FCC Reimbursements and a decrease in asset impairments in the current period. The decrease in loss was partially offset by an increase in the Non-operating corporate segment along with declines in the Spectrum operating results from the Azteca network business.

NET LOSS by OPERATING SEGMENT

(in millions)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2022	2021	Increase / (Decrease)	2022	2021	Increase / (Decrease)
Infrastructure	$ 10.4	$ 6.9	$ 3.5	$ 23.3	$ 8.3	$ 15.0
Life Sciences	(5.5)	(5.1)	(0.4)	(14.9)	(13.6)	(1.3)
Spectrum	(1.4)	(4.1)	2.7	(10.5)	(9.6)	(0.9)
Non-operating Corporate	(9.6)	(8.0)	(1.6)	(30.4)	(58.0)	27.6
Other and Eliminations	0.7	(1.3)	2.0	2.3	—	2.3
Net loss attributable to INNOVATE Corp., excluding discontinued operations	$ (5.4)	$ (11.6)	$ 6.2	$ (30.2)	$ (72.9)	$ 42.7
Net loss from discontinued operations	—	(200.3)	200.3	—	(149.9)	149.9
Net loss attributable to INNOVATE Corp.	$ (5.4)	$ (211.9)	206.5	(30.2)	(222.8)	192.6
Less: Preferred dividends and deemed dividends from conversions	1.2	1.1	0.1	3.6	1.7	1.9
Net loss attributable to common stock and participating preferred stockholders	$ (6.6)	$ (213.0)	$ 206.4	$ (33.8)	$ (224.5)	$ 190.7

- **Adjusted EBITDA:** For the third quarter of 2022, Total Adjusted EBITDA, which excludes discontinued operations, was $16.4 million, compared to Total Adjusted EBITDA of $14.3 million for the prior year quarter. The increase in third quarter Adjusted EBITDA can be attributed to revenue growth and improved margin in the Infrastructure Segment along with an increase in income from the equity investment in HMN, which is generally driven by the timing of project work. The increase in Adjusted EBITDA was partially offset by the Spectrum Segment due to a decrease in the Azteca network from lower advertising revenue driven by a decreased footprint and declines in paid programming, combined with higher support service fees and royalty expenses, and increases in severance and legal expenses at the Non-operating Corporate segment.

ADJUSTED EBITDA by OPERATING SEGMENT

(in millions)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2022	2021	Increase / (Decrease)	2022	2021	Increase/(Decr
Infrastructure	$ 27.6	$ 24.4	$ 3.2	$ 69.0	$ 49.6	$
Life Sciences	(7.6)	(7.1)	(0.5)	(20.9)	(19.4)	
Spectrum	0.3	1.8	(1.5)	2.0	5.3	
Non-operating Corporate	(5.0)	(3.8)	(1.2)	(13.0)	(13.5)	
Other and Eliminations	1.1	(1.0)	2.1	2.9	(0.2)	
Total Adjusted EBITDA	$ 16.4	$ 14.3	$ 2.1	$ 40.0	$ 21.8	$

- **Balance Sheet:** As of September 30, 2022, INNOVATE had cash and cash equivalents, excluding restricted cash, of $25.8 million compared to $45.5 million as of December 31, 2021. On a stand-alone basis, as of September 30, 2022, the Non-operating Corporate segment had cash and cash equivalents of $5.1 million compared to $22.0 million at December 31, 2021.

New York Stock Exchange Continued Listing Standards Notice

On October 27, 2022, the Company received written notice (the “Notice”) from the New York Stock Exchange (“NYSE”) that it does not presently meet NYSE’s continued listing standard requiring a minimum average closing price of $1.00 per share over 30 consecutive trading days. The Notice does not result in the immediate delisting of the Company’s stock from the NYSE.

The Company plans to notify the NYSE that it intends to regain compliance and is considering all available options that are in the best interests of the Company and its shareholders. The Company has six months ("the Cure Period") following receipt of the notice to regain compliance with the minimum share price requirement. The Company can regain compliance at any time during the Cure Period if on the last trading day of any calendar month during the Cure Period the Company has a closing share price of at least $1.00 per share and an average closing share price of at least $1.00 over the 30 trading-day period ending on the last trading day of that month.

Under NYSE rules, the Company’s common stock will continue to be listed on the NYSE during the Cure Period, subject to the Company’s compliance with other NYSE continued listing requirements.

The Notice does not affect the Company’s business operations, or its Securities and Exchange Commission reporting requirements, and does not conflict with or trigger any violation under the Company’s material debt or other agreements.

Conference Call

INNOVATE will host a live conference call to discuss its third quarter 2022 financial results and operations today at 4:30 p.m. ET. The Company will post an earnings supplemental presentation in the Investor Relations section of the INNOVATE website at innovate-ir.com, to accompany the conference call. Dial-in instructions for the conference call and the replay follows.

- **Live Webcast and Call.** A live webcast of the conference call can be accessed by interested parties through the Investor Relations section of the INNOVATE website at innovate-ir.com.
  - Dial-in: 1-877-300-8521 (Domestic Toll Free) / 1-412-317-6026 (Toll/International)
  - Participant Entry Number: 10172019

- **Conference Replay***
  - Dial-in: 1-844-512-2921 (Domestic Toll Free) / 1-412-317-6671 (Toll/International)
  - Conference Number: 10172019

*Available approximately two hours after the end of the conference call through November 16, 2022.

About INNOVATE Corp.

INNOVATE Corp., is a portfolio of best-in-class assets in three key areas of the new economy – Infrastructure, Life Sciences and Spectrum. Dedicated to stakeholder capitalism, INNOVATE employs approximately 3,902 people across its subsidiaries. For more information, please visit: www.INNOVATECorp.com.

Contacts

Investor Contact:
Anthony Rozmus
ir@innovatecorp.com
(212) 235-2691

Media Contact:
Reevemark
Paul Caminiti/Pam Greene/Luc Herbowy
INNOVATE.Team@reevemark.com
(212) 433-4600

Non-GAAP Financial Measures

In this press release, INNOVATE refers to certain financial measures that are not presented in accordance with U.S. generally accepted accounting principles (“GAAP”), including Total Adjusted EBITDA (excluding discontinued operations) and Adjusted EBITDA for its operating segments.

Adjusted EBITDA

Management believes that Adjusted EBITDA provides investors with meaningful information for gaining an understanding of our results as it is frequently used by the financial community to provide insight into an organization's operating trends and facilitates comparisons between peer companies, since interest, taxes, depreciation, amortization and the other items listed in the definition of Adjusted EBITDA below can differ greatly between organizations as a result of differing capital structures and tax strategies. Adjusted EBITDA can also be a useful measure of a company's ability to service debt. While management believes that non-U.S. GAAP measurements are useful supplemental information, such adjusted results are not intended to replace our U.S. GAAP financial results. Using Adjusted EBITDA as a performance measure has inherent limitations as an analytical tool as compared to net income (loss) or other U.S. GAAP financial measures, as this non-GAAP measure excludes certain items, including items that are recurring in nature, which may be meaningful to investors. As a result of the exclusions, Adjusted EBITDA should not be considered in isolation and does not purport to be an alternative to net income (loss) or other U.S. GAAP financial measures as a measure of our operating performance. Adjusted EBITDA excludes the results of operations and any consolidating eliminations of our previous Insurance segment.

The calculation of Adjusted EBITDA, as defined by us, consists of Net income (loss) as adjusted for discontinued operations; depreciation and amortization; Other operating (income) loss, which is inclusive of (gain) loss on sale or disposal of assets, lease termination costs, asset impairment expense and FCC reimbursements; interest expense; other (income) expense, net; loss on early extinguishment or restructuring of debt; income tax expense (benefit); noncontrolling interest; share-based compensation expense; non-recurring items; costs associated with the COVID-19 pandemic; and acquisition and disposition costs.

Management recognizes that using Adjusted EBITDA as a performance measure has inherent limitations as an analytical tool as compared to net income (loss) or other GAAP financial measures, as these non-GAAP measures exclude certain items, including items that are recurring in nature, which may be meaningful to investors.

Cautionary Statement Regarding Forward-Looking Statements

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: This press release contains, and certain oral statements made by our representatives from time to time may contain, "forward-looking statements." Generally, forward-looking statements include information describing actions, events, results, strategies and expectations and are generally identifiable by use of the words "believes," "expects," "intends," "anticipates," "plans," "seeks," "estimates," "projects," "may," "will," "could," "might," or "continues" or similar expressions. Such forward-looking statements are based on current expectations and inherently involve certain risks, assumptions and uncertainties. The forward-looking statements in this presentation include, without limitation, any statements regarding INNOVATE's inability to predict the extent to which the COVID-19 pandemic and related impacts will continue to adversely impact INNOVATE's business operations, financial performance, results of operations, financial position, the prices of INNOVATE's securities and the achievement of INNOVATE's strategic objectives, and changes in macroeconomic and market conditions and market volatility (including developments and volatility arising from the COVID-19 pandemic), including interest rates, the value of securities and other financial assets, and the impact of such changes and volatility on INNOVATE's financial position. Such statements are based on the beliefs and assumptions of INNOVATE's management and the management of INNOVATE's subsidiaries and portfolio companies.

The Company believes these judgments are reasonable, but you should understand that these statements are not guarantees of performance, results or the creation of stockholder value and the Company's actual results could differ materially from those expressed or implied in the forward-looking statements due to a variety of important factors, both positive and negative, including those that may be identified in subsequent statements and reports filed with the Securities and Exchange Commission ("SEC"), including in our reports on Forms 10-K, 10-Q, and 8-K. Such important factors include, without limitation: developments relating to on-going hostilities in Ukraine, the severity, magnitude and duration of the COVID-19 pandemic, including impacts of the pandemic and of businesses' and governments' responses to the pandemic on INNOVATE's operations and personnel, and on commercial activity and demand across our businesses, capital market conditions, including the ability of INNOVATE and INNOVATE's subsidiaries to raise capital; the ability of INNOVATE's subsidiaries and portfolio companies to generate sufficient net income and cash flows to make upstream cash distributions; volatility in the trading price of INNOVATE common stock; the ability of INNOVATE and its subsidiaries and portfolio companies to identify any suitable future acquisition or disposition opportunities; our ability to realize efficiencies, cost savings, income and margin improvements, growth, economies of scale and other anticipated benefits of strategic transactions, including the process of exiting our Azteca operations; difficulties related to the integration of financial reporting of acquired or target businesses; difficulties completing pending and future acquisitions and dispositions; effects of litigation, indemnification claims, and other contingent liabilities; changes in regulations and tax laws; covenants noncompliance risk; interest rate environment; the impact of inflationary pressures; ability to regain compliance with NYSE listing requirement and risks that may affect the performance of the operating subsidiaries and portfolio companies of INNOVATE.

Although INNOVATE believes its expectations and assumptions regarding its future operating performance are reasonable, there can be no assurance that the expectations reflected herein will be achieved. These risks and other important factors discussed under the caption "Risk Factors" in our most recent Annual Report on Form 10-K filed with the SEC, and our other reports filed with the SEC could cause actual results to differ materially from those indicated by the forward-looking statements made in this presentation.

You should not place undue reliance on forward-looking statements. All forward-looking statements attributable to INNOVATE or persons acting on its behalf are expressly qualified in their entirety by the foregoing cautionary statements. All such statements speak only as of the date made, and unless legally required, INNOVATE undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

INNOVATE CORP.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in millions, except per share amounts)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Revenue	$ 423.0	$ 394.8	$ 1,228.0	$ 810.4
Cost of revenue	364.6	339.7	1,069.5	688.4
Gross profit	58.4	55.1	158.5	122.0
Operating expenses:				
Selling, general and administrative	45.6	44.3	130.3	120.9
Depreciation and amortization	6.8	8.9	20.6	17.6
Other operating (income) loss	(0.6)	0.8	0.7	1.0
Income (loss) from operations	6.6	1.1	6.9	(17.5)
Other (expense) income:				
Interest expense	(13.3)	(12.8)	(38.4)	(46.6)
Loss on early extinguishment or restructuring of debt	—	(0.1)	—	(12.5)
Loss from equity investees	(1.1)	(2.9)	(2.1)	(4.8)
Other (expense) income, net	(0.9)	0.6	0.5	4.4
Loss from continuing operations before income taxes	(8.7)	(14.1)	(33.1)	(77.0)
Income tax benefit (expense)	2.0	(0.1)	(1.6)	(3.8)
Loss from continuing operations	(6.7)	(14.2)	(34.7)	(80.8)
Loss from discontinued operations (including net loss on disposal of $200.3 million and $159.9 million for the three and nine months ended September 30, 2021, respectively)	—	(200.3)	—	(149.9)
Net loss	(6.7)	(214.5)	(34.7)	(230.7)
Net loss attributable to noncontrolling interest and redeemable noncontrolling interest	1.3	2.6	4.5	7.9
Net loss attributable to INNOVATE Corp.	(5.4)	(211.9)	(30.2)	(222.8)
Less: Preferred dividends and deemed dividends from conversions	1.2	1.1	3.6	1.7
Net loss attributable to common stock and participating preferred stockholders	$ (6.6)	$ (213.0)	$ (33.8)	$ (224.5)
Loss per common share - continuing operations				
Basic	$ (0.09)	$ (0.16)	$ (0.44)	$ (0.98)
Diluted	$ (0.09)	$ (0.16)	$ (0.44)	$ (0.98)
Loss per common share - discontinued operations				
Basic	$ —	$ (2.59)	$ —	$ (1.94)
Diluted	$ —	$ (2.59)	$ —	$ (1.94)
Loss per share - Net loss attributable to common stock and participating preferred stockholders				
Basic	$ (0.09)	$ (2.75)	$ (0.44)	$ (2.92)
Diluted	$ (0.09)	$ (2.75)	$ (0.44)	$ (2.92)
Weighted average common shares outstanding:				
Basic	77.6	77.2	77.5	77.0
Diluted	77.6	77.2	77.5	77.0

INNOVATE CORP.
CONDENSED CONSOLIDATED BALANCE SHEET
(in millions, except share amounts)
(Unaudited)

	September 30, 2022	December 31, 2021
Assets		
Current assets		
Cash and cash equivalents	$ 25.8	$ 45.5
Accounts receivable, net	327.9	247.1
Contract assets	156.0	118.6
Inventory	20.7	17.0
Restricted cash	0.4	2.0
Assets held for sale	—	1.5
Other current assets	13.5	10.9
Total current assets	544.3	442.6
Investments	57.7	56.0
Deferred tax asset	2.7	3.0
Property, plant and equipment, net	168.0	169.9
Goodwill	126.8	127.4
Intangibles, net	194.3	208.4
Other assets	71.4	73.3
Total assets	$ 1,165.2	$ 1,080.6
Liabilities, temporary equity and stockholders' deficit		
Current liabilities		
Accounts payable	$ 213.0	$ 179.2
Accrued liabilities	88.2	93.4
Current portion of debt obligations	81.4	69.5
Contract liabilities	95.4	79.1
Other current liabilities	20.1	18.3
Total current liabilities	498.1	439.5
Deferred tax liability	10.2	9.1
Debt obligations	627.9	556.8
Other liabilities	57.6	63.3
Total liabilities	1,193.8	1,068.7
Commitments and contingencies		
Temporary equity		
Preferred stock	17.9	18.8
Redeemable noncontrolling interest	45.0	49.3
Total temporary equity	62.9	68.1
Stockholders' deficit		
Common stock, $0.001 par value	0.1	0.1
Shares authorized: 160,000,000 as of both September 30, 2022 and December 31, 2021		
Shares issued: 79,784,214 and 79,225,964 as of September 30, 2022 and December 31, 2021, respectively		
Shares outstanding: 78,394,998 and 77,836,748 as of September 30, 2022 and December 31, 2021, respectively		
Additional paid-in capital	330.2	330.6
Treasury stock, at cost: 1,389,216 shares as of both September 30, 2022 and December 31, 2021	(5.2)	(5.2)
Accumulated deficit	(446.4)	(416.2)
Accumulated other comprehensive income	2.9	6.4
Total INNOVATE Corp. stockholders' deficit	(118.4)	(84.3)
Noncontrolling interest	26.9	28.1
Total stockholders' deficit	(91.5)	(56.2)
Total liabilities, temporary equity and stockholders' deficit	$ 1,165.2	$ 1,080.6

INNOVATE CORP.
RECONCILIATION OF NET INCOME (LOSS) TO ADJUSTED EBITDA
(Unaudited)

(in millions)	Three Months Ended September 30, 2022					
	Infrastructure	Life Sciences	Spectrum	Non-operating Corporate	Other and Elimination	INNOVATE
Net (loss) attributable to INNOVATE Corp.						$ (5.4)
Less: Discontinued operations						—
Net Income (loss) attributable to INNOVATE Corp., excluding discontinued operations	$ 10.4	$ (5.5)	$ (1.4)	$ (9.6)	$ 0.7	$ (5.4)
Adjustments to reconcile net income (loss) to Adjusted EBITDA:						
Depreciation and amortization	5.3	0.1	1.4	—	—	6.8
Depreciation and amortization (included in cost of revenue)	3.9	—	—	—	—	3.9
Other operating (income)	—	—	(0.6)	—	—	(0.6)
Interest expense	2.6	0.2	2.2	8.3	—	13.3
Other (income) expense, net	(0.6)	(0.3)	(1.1)	2.9	—	0.9
Income tax expense (benefit)	5.0	—	—	(7.0)	—	(2.0)
Noncontrolling interest	1.0	(2.2)	(0.4)	—	0.3	(1.3)
Share-based compensation expense	—	0.1	—	0.3	—	0.4
Acquisition and disposition costs	—	—	0.2	0.1	0.1	0.4
Adjusted EBITDA	$ 27.6	$ (7.6)	$ 0.3	$ (5.0)	$ 1.1	$ 16.4

(in millions)	Three Months Ended September 30, 2021					
	Infrastructure	Life Sciences	Spectrum	Non-operating Corporate	Other and Elimination	INNOVATE
Net (loss) attributable to INNOVATE Corp.						$ (211.9)
Less: Discontinued operations						(200.3)
Net Income (loss) attributable to INNOVATE Corp., excluding discontinued operations	$ 6.9	$ (5.1)	$ (4.1)	$ (8.0)	$ (1.3)	$ (11.6)
Adjustments to reconcile net income (loss) to Adjusted EBITDA:						
Depreciation and amortization	7.4	—	1.4	0.1	—	8.9
Depreciation and amortization (included in cost of revenue)	3.4	—	—	—	—	3.4
Other operating loss	0.1	—	0.7	—	—	0.8
Interest expense	2.2	—	2.4	8.2	—	12.8
Other (income) expense, net	(0.3)	—	1.5	(1.8)	—	(0.6)
Loss on early extinguishment or restructuring of debt	—	—	0.1	—	—	0.1
Income tax expense (benefit)	2.9	—	—	(2.8)	—	0.1
Noncontrolling interest	0.7	(2.0)	(0.9)	—	(0.4)	(2.6)
Share-based compensation expense	—	—	0.3	0.1	—	0.4
Nonrecurring Items	(0.1)	—	—	—	—	(0.1)
COVID-19 Costs	0.4	—	—	—	—	0.4
Acquisition and disposition costs	0.8	—	0.4	0.4	0.7	2.3
Adjusted EBITDA	$ 24.4	$ (7.1)	$ 1.8	$ (3.8)	$ (1.0)	$ 14.3

INNOVATE CORP.
RECONCILIATION OF NET INCOME (LOSS) TO ADJUSTED EBITDA
(Unaudited)

(in millions)	Nine Months Ended September 30, 2022					
	Infrastructure	Life Sciences	Spectrum	Non-operating Corporate	Other and Eliminations	INNOVATE
Net (loss) attributable to INNOVATE Corp.						$ (30.2)
Less: Discontinued operations						—
Net Income (loss) attributable to INNOVATE Corp., excluding discontinued operations	$ 23.3	$ (14.9)	$ (10.5)	$ (30.4)	$ 2.3	$ (30.2)
Adjustments to reconcile net income (loss) to Adjusted EBITDA:						
Depreciation and amortization	15.9	0.2	4.4	0.1	—	20.6
Depreciation and amortization (included in cost of revenue)	11.2	—	—	—	—	11.2
Other operating (income) loss	(0.6)	—	1.3	—	—	0.7
Interest expense	7.0	0.2	6.1	25.1	—	38.4
Other (income) expense, net	(1.9)	(0.4)	1.8	—	—	(0.5)
Income tax expense (benefit)	11.4	—	—	(9.8)	—	1.6
Noncontrolling interest	2.3	(6.3)	(1.5)	—	1.0	(4.5)
Share-based compensation expense	—	0.3	—	1.4	—	1.7
Nonrecurring items	0.1	—	—	—	—	0.1
Acquisition and disposition costs	0.3	—	0.4	0.6	(0.4)	0.9
Adjusted EBITDA	$ 69.0	$ (20.9)	$ 2.0	$ (13.0)	$ 2.9	$ 40.0

(in millions)	Nine Months Ended September 30, 2021					
	Infrastructure	Life Sciences	Spectrum	Non-operating Corporate	Other and Eliminations	INNOVATE
Net (loss) attributable to INNOVATE Corp.						$ (222.8)
Less: Discontinued operations						(149.9)
Net Income (loss) attributable to INNOVATE Corp., excluding discontinued operations	$ 8.3	$ (13.6)	$ (9.6)	$ (58.0)	$ —	$ (72.9)
Adjustments to reconcile net income (loss) to Adjusted EBITDA:						
Depreciation and amortization	13.1	0.1	4.3	0.1	—	17.6
Depreciation and amortization (included in cost of revenue)	8.4	—	—	—	—	8.4
Other operating loss	0.1	—	0.9	—	—	1.0
Interest expense	6.3	—	7.1	33.2	—	46.6
Other (income) expense, net	(4.2)	—	2.3	(2.5)	—	(4.4)
Loss on early extinguishment or restructuring of debt	1.5	—	1.0	10.0	—	12.5
Income tax expense (benefit)	4.1	—	—	(0.3)	—	3.8
Noncontrolling interest	0.9	(6.0)	(1.9)	—	(0.9)	(7.9)
Share-based compensation expense	—	0.1	0.6	1.0	—	1.7
Nonrecurring items	0.3	—	—	0.5	—	0.8
COVID-19 costs	8.3	—	—	—	—	8.3
Acquisition and disposition costs	2.5	—	0.6	2.5	0.7	6.3
Adjusted EBITDA	$ 49.6	$ (19.4)	$ 5.3	$ (13.5)	$ (0.2)	$ 21.8

INNOVATE Corp.

Q3 2022 Earnings Release Supplement

November 2, 2022

Safe Harbor Disclaimers

Cautionary Statement Regarding Forward-Looking Statements

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: This presentation contains, and certain oral statements made by our representatives from time to time may contain, "forward-looking statements." Generally, forward-looking statements include information describing actions, events, results, strategies and expectations and are generally identifiable by use of the words "believes," "expects," "intends," "anticipates," "plans," "seeks," "estimates," "projects," "may," "will," "could," "might," or "continues" or similar expressions. Such forward-looking statements are based on current expectations and inherently involve certain risks, assumptions and uncertainties. The forward-looking statements in this presentation include, without limitation, any statements regarding our inability to predict the extent to which the COVID-19 pandemic and related impacts will continue to adversely impact INNOVATES's business operations, financial performance, results of operations, financial position, the prices of INNOVATE's securities and the achievement of INNOVATE's strategic objectives, and changes in macroeconomic and market conditions and market volatility (including developments and volatility arising from the COVID-19 pandemic), including interest rates, the value of securities and other financial assets, and the impact of such changes and volatility on INNOVATE's financial position. Such statements are based on the beliefs and assumptions of INNOVATE's management and the management of INNOVATE's subsidiaries and portfolio companies.

INNOVATE believes these judgments are reasonable, but you should understand that these statements are not guarantees of performance, results or the creation of stockholder value and our actual results could differ materially from those expressed or implied in the forward-looking statements due to a variety of important factors, both positive and negative, including those that may be identified in subsequent statements and reports filed with the Securities and Exchange Commission ("SEC"), including in our reports on Forms 10-K, 10-Q, and 8-K. Such important factors include, without limitation: developments relating to on-going hostilities in Ukraine, the severity, magnitude and duration of the COVID-19 pandemic, including impacts of the pandemic and of businesses' and governments' responses to the pandemic on INNOVATE's operations and personnel, and on commercial activity and demand across our businesses, capital market conditions, including the ability of INNOVATE and INNOVATE's subsidiaries to raise capital; the ability of INNOVATE's subsidiaries and portfolio companies to generate sufficient net income and cash flows to make upstream cash distributions; volatility in the trading price of INNOVATE common stock; the ability of INNOVATE and its subsidiaries and portfolio companies to identify any suitable future acquisition or disposition opportunities; our ability to realize efficiencies, cost savings, income and margin improvements, growth, economies of scale and other anticipated benefits of strategic transactions, including the process of exiting our Azteca operations; difficulties related to the integration of financial reporting of acquired or target businesses; difficulties completing pending and future acquisitions and dispositions; effects of litigation, indemnification claims, and other contingent liabilities; changes in regulations and tax laws; covenants noncompliance risk; interest rate environment; the impact of inflationary pressures; ability to regain compliance with NYSE listing requirement and risks that may affect the performance of the operating subsidiaries and portfolio companies of INNOVATE.

Although INNOVATE believes its expectations and assumptions regarding its future operating performance are reasonable, there can be no assurance that the expectations reflected herein will be achieved. These risks and other important factors discussed under the caption "Risk Factors" in our most recent Annual Report on Form 10-K filed with the SEC, and our other reports filed with the SEC could cause actual results to differ materially from those indicated by the forward-looking statements made in this presentation.

You should not place undue reliance on forward-looking statements. All forward-looking statements attributable to INNOVATE or persons acting on its behalf are expressly qualified in their entirety by the foregoing cautionary statements. All such statements speak only as of the date made, and unless legally required, INNOVATE undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

Safe Harbor Disclaimers

INNOVATE

Non-GAAP Financial Measures

In this earnings release supplement, INNOVATE refers to certain financial measures that are not presented in accordance with U.S. generally accepted accounting principles ("GAAP"), including Adjusted EBITDA, which excludes results for discontinued operations, and Adjusted EBITDA for its operating segments.

Adjusted EBITDA

Adjusted EBITDA is not a measurement recognized under U.S. GAAP. In addition, other companies may define Adjusted EBITDA differently than we do, which could limit its usefulness.

Management believes that Adjusted EBITDA provides investors with meaningful information for gaining an understanding of our results as it is frequently used by the financial community to provide insight into an organization's operating trends and facilitates comparisons between peer companies, since interest, taxes, depreciation, amortization and the other items listed in the definition of Adjusted EBITDA below can differ greatly between organizations as a result of differing capital structures and tax strategies. Adjusted EBITDA can also be a useful measure of a company's ability to service debt. While management believes that non-U.S. GAAP measurements are useful supplemental information, such adjusted results are not intended to replace our U.S. GAAP financial results. Using Adjusted EBITDA as a performance measure has inherent limitations as an analytical tool as compared to net income (loss) or other U.S. GAAP financial measures, as this non-GAAP measure excludes certain items, including items that are recurring in nature, which may be meaningful to investors. As a result of the exclusions, Adjusted EBITDA should not be considered in isolation and does not purport to be an alternative to net income (loss) or other U.S. GAAP financial measures as a measure of our operating performance. Adjusted EBITDA excludes the results of operations and any consolidating eliminations of our previous Insurance segment.

The calculation of Adjusted EBITDA, as defined by us, consists of Net income (loss) as adjusted for discontinued operations; depreciation and amortization; Other operating (income) loss, which is inclusive of (gain) loss on sale or disposal of assets, lease termination costs, asset impairment expense and FCC reimbursements; interest expense; other (income) expense, net; loss on early extinguishment or restructuring of debt; income tax expense (benefit); noncontrolling interest; share-based compensation expense; non-recurring items; costs associated with the COVID-19 pandemic; and acquisition and disposition costs.

Third Party Sources

Third party information presented in this earnings release supplement is based on sources we believe to be reliable, however there can be no assurance information so presented will prove accurate in whole or in part.

Third Quarter 2022 Highlights

INNOVATE

Achieved top line and adjusted EBITDA growth driven by operational execution in DBM Global

- Third Quarter 2022 revenue and Adjusted EBITDA[(1)] growth of 7.1% and 14.7%, respectively
- DBM delivered 7.8% growth in revenue, expanded margin while growing backlog to $1.9 billion
- MediBeacon's U.S. Pivotal Study continued as planned and nears completion
- R2 showed sequential growth for the second consecutive quarter
- Broadcasting successfully completed the upgrade to ATSC 3.0 of two of our Ft. Wayne, Indiana stations

(1) See Appendix for reconciliation of Non-GAAP to U.S. GAAP.

Segment Highlights

INNOVATE

DBM GLOBAL

Infrastructure Highlights

- Reported Backlog = $1.9B
- Total adjusted backlog(1) = $2.2B
- Converting backlog to revenue and growing backlog levels
- Continues improvement in point of sale
- Backlog provides revenue visibility for 2023 and beyond

Pansend Life Sciences

Life Sciences Highlights

R2 Technologies

- R2 has shipped 215 GLACIAL devices globally in 2022

MediBeacon

- Transdermal GFR Measurement System (TGFR) FDA Pivotal Study remains on track; patient enrollment is 85% complete

HC2 Broadcasting

Spectrum Highlights

- 3Q22 Adjusted EBITDA(2) of $0.3M
- Discontinuing operation and broadcast of Azteca America
- Completed the upgrade to ATSC 3.0 of two of our Ft. Wayne, Indiana stations

(1) Adjusted Backlog takes into consideration awarded, but not yet signed contracts.
(2) See Appendix for reconciliation of Non-GAAP to U.S. GAAP.

Q3 2022 Financial Highlights

INNOVATE

Revenue

($ millions)	3Q22	3Q21
Infrastructure	$ 412.7	$ 383.0
Life Sciences	1.2	1.6
Spectrum	9.1	10.2
Consolidated INNOVATE	**$ 423.0**	**$ 394.8**

Net (loss) Attrib. to INNOVATE Corp. & Adj. EBITDA

	3Q22		3Q21	
($ millions)	NI[(1)]	Adj. EBITDA[(2)]	NI[(1)]	Adj. EBITDA[(2)]
Infrastructure	$ 10.4	$ 27.6	$ 6.9	$ 24.4
Life Sciences	(5.5)	(7.6)	(5.1)	(7.1)
Spectrum	(1.4)	0.3	(4.1)	1.8
Non-operating Corporate	(9.6)	(5.0)	(8.0)	(3.8)
Other & Eliminations	0.7	1.1	(1.3)	(1.0)
Consolidated INNOVATE, Excluding Disc Ops	**$ (5.4)**	**$ 16.4**	**$ (11.6)**	**$ 14.3**
Discontinued Operations	$ —		$ (200.3)	
Net (loss) Attrib. to INNOVATE Corp.	**$ (5.4)**		**$ (211.9)**	

Consolidated Q3 Results

- Revenue increased $28.2M or 7.1% driven by our Infrastructure segment, due primarily to increases in Infrastructure market demand along with larger projects entering the market.
- Net Loss attributable to INNOVATE Corp. of $5.4M
- Adjusted EBITDA[(2)] increased by $2.1M to $16.4M driven by our Infrastructure segment and equity method income recorded for our investment in HMN Technologies., Ltd. ("HMN").

Infrastructure

- Net Income of $10.4M[(1)]
- $27.6M in Adjusted EBITDA[(2)]; contracted backlog of $1.9B (Adjusted ~$2.2B[(3)]), compared to $1.6B at 12/31/21.

Life Sciences

- Revenue of $1.2M driven by R2's Glacial Spa and Rx devices.

Spectrum

- Net Loss of $1.4M[(1)]
- $0.3M in Adjusted EBITDA[(2)] due to advertising softness, reduced footprint, along with higher costs at Azteca America, which we are in the process of exiting.

Non-operating Corporate

- Recurring SG&A up $1.2M year-over-year due to severance related to the Company's former Chief Legal Officer accrued in the current period, as well as increased legal expenses.

Other & Eliminations

- $1.1M in Adjusted EBITDA[(2)] driven by the equity investment in HMN.

Third Quarter Consolidated Revenue and Adjusted EBITDA[(2)] grew 7.1% and 14.7%, respectively, year-over-year

(1) Net (loss) attributable to INNOVATE Corp.
(2) See Appendix for reconciliation of Non-GAAP to U.S. GAAP.
(3) Adjusted Backlog takes into consideration awarded, but not yet signed contracts.

Segment Highlights - Infrastructure

DBM Global ("DBM")

Overview

- 7.8% revenue increase due to an increase at Banker Steel and DBMG's commercial structural steel fabrication and erection business. This was partially offset by decreases at the industrial maintenance and repair, and construction modeling and detailing businesses due to the completion of unrepeated, large projects in 2021 and early 2022.
- Adjusted EBITDA increase can be attributed to the contribution from the fabrication and erection business and Banker Steel. The increase was partially offset by increases in salaries and wages, travel costs, and professional fees, as well as lower contributions from the industrial maintenance and repair, and construction modeling and detailing businesses.
- Reported backlog level of $1.9B.
- Taking into consideration awarded but not yet signed contracts, adjusted backlog was ~$2.2B.

Near-Term Focus

- Address working capital needs from growth, changes in projects and timing.
- Strong backlog provides runway for future cash generation of the business.
- Convert backlog to revenue while being selective in future projects for higher margin.

Financials

($ millions)		3Q22		3Q21
Revenue	$	412.7	$	383.0
Net Income	$	10.4	$	6.9
Adjusted EBITDA (1)	$	27.6	$	24.4

Trending Backlog

(1) See Appendix for reconciliation of Non-GAAP to U.S. GAAP.
(2) All data as of September 30, 2022 unless otherwise noted.

Segment Highlights - Life Sciences

Pansend Life Sciences ("Pansend")

R2 Technologies

- R2 has now shipped 215 GLACIAL® devices to customers globally
- Implemented new subscription sales program designed to fuel growth and market penetration

MediBeacon

- Transdermal GFR Measurement System (TGFR) FDA Pivotal Study remains on track
  - Patient enrollment is 85% complete

Summary of Investments

Company	Investment to Date	Equity %	Fully Diluted %
R2 Technologies	$42.4M	56.3%	50.9%
MediBeacon	$29.4M	47.2%	41.5%
Genovel	$3.9M	80.0%	75.2%
Triple Ring	$3.0M	25.8%	22.9%

(1) Investment-to-date totals and equity ownership percentages are as of September 30, 2022.
(2) MediBeacon agents and devices are not approved for human use by any regulatory agency.

Segment Highlights - Spectrum

HC2 Broadcasting ("Broadcasting")

HC2 Broadcasting

Overview

- Completed the upgrade to ATSC 3.0 of two of our Ft. Wayne, Indiana stations. This upgrade is in conjunction with the FCC Experimental Special Temporary Authority (“STA”) granted to conduct a 5G mobile wireless trial with our LPTV spectrum.
- Completed the build-out of a new station for license WKOB-LD in New York City. The new site for the station is One World Trade Center and it is now on-air, providing a far-ranging robust signal to the New York City market
- Discontinuing the operation and broadcast of the Azteca America network on December 31, 2022, after more than a year of declining performance and a steep increase in operating expenses
- Broadcasting owns and operate 251 stations that cover 107 DMAs
- Broadcasting growth slowed due to softness in advertising market and the origination of new diginets

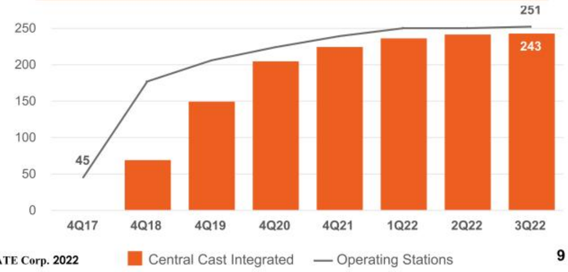
Near-Term Focus

- Continue business development and sign up large content providers; strong pipeline of pending lease agreements or revenue shares across multiple markets
- Seeing new revenue opportunities with shopping networks, news networks and religious networks
- Explore ATSC 3.0 technologies that offer expanded capability and use of Broadcasting's spectrum

Financials

($ millions)	3Q22	3Q21
Station Group	$ 4.7	$ 4.7
Network ("Azteca")	4.4	5.5
Revenue	$ 9.1	$ 10.2
Net (Loss) Income	$ (1.4)	$ (4.1)
Adjusted EBITDA [1]	$ 0.3	$ 1.8

Station Growth



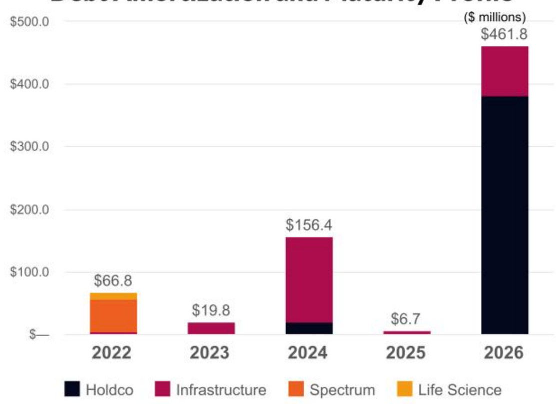
(1) See Appendix for reconciliation of Non-GAAP to U.S. GAAP.

Current Credit Picture

Debt Summary

($ millions)	Maturity	Sep-22	Dec-21
8.50% Senior Secured Notes	2026	$ 330.0	$ 330.0
7.50% Convertible Senior Notes	2022	—	3.2
7.50% Convertible Senior Notes	2026	51.8	51.8
Line of Credit	2024	20.0	5.0
Infrastructure Debt[(2)]	Various	247.5	188.6
Spectrum Debt	2022	52.2	52.2
Life Science Debt	2022	10.0	—
Total Principal Outstanding		**$ 711.5**	**$ 630.8**
Unamortized OID and DFC		(2.2)	(4.5)
Total Debt		**$ 709.3**	**$ 626.3**
Cash & Cash Equivalents[(4)]		25.8	45.5
Net Debt		**$ 683.5**	**$ 580.8**

Debt Amortization and Maturity Profile[(1)]



(1) Debt Maturity Profile excludes Preferred Stock and capital leases
(2) Infrastructure Line of Credit reflects maturity in 2024 and not U.S. GAAP presentation
(3) Debt amortization and Maturity Profile chart presents debt annual amortization and maturity payments
(4) Excludes restricted cash

Appendix

Select GAAP Financials & Non-GAAP Reconciliations

INNOVATE Selected GAAP Financials

Income Statement - Unaudited

(in millions)	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Revenue	$ 423.0	$ 394.8	$ 1,228.0	$ 810.4
Cost of revenue	364.6	339.7	1,069.5	688.4
Gross profit	58.4	55.1	158.5	122.0
Operating expenses:				
Selling, general and administrative	45.6	44.3	130.3	120.9
Depreciation and amortization	6.8	8.9	20.6	17.6
Other operating (income) loss	(0.6)	0.8	0.7	1.0
Income (loss) from operations	6.6	1.1	6.9	(17.5)
Other (expense) income:				
Interest expense	(13.3)	(12.8)	(38.4)	(46.6)
Loss on early extinguishment or restructuring of debt	—	(0.1)	—	(12.5)
Loss from equity investees	(1.1)	(2.9)	(2.1)	(4.8)
Other (expense) income, net	(0.9)	0.6	0.5	4.4
Loss from continuing operations before income taxes	(8.7)	(14.1)	(33.1)	(77.0)
Income tax benefit (expense)	2.0	(0.1)	(1.6)	(3.8)
Loss from continuing operations	(6.7)	(14.2)	(34.7)	(80.8)
Loss from discontinued operations (including net loss on disposal of $200.3 million and $159.9 million for the three and nine months ended September 30, 2021, respectively)	—	(200.3)	—	(149.9)
Net loss	(6.7)	(214.5)	(34.7)	(230.7)
Net loss attributable to noncontrolling interest and redeemable noncontrolling interest	1.3	2.6	4.5	7.9
Net loss attributable to INNOVATE Corp.	(5.4)	(211.9)	(30.2)	(222.8)
Less: Preferred dividends and deemed dividends from conversions	1.2	1.1	3.6	1.7
Net loss attributable to common stock and participating preferred stockholders	$ (6.6)	$ (213.0)	$ (33.8)	$ (224.5)

Reconciliation of U.S. GAAP Income (Loss) to Adjusted EBITDA

INNOVATE

(in millions)

	Three Months Ended September 30, 2022					
	Infrastructure	Life Sciences	Spectrum	Non-operating Corporate	Other and Elimination	INNOVATE
Net (loss) attributable to INNOVATE Corp.						$ (5.4)
Less: Discontinued operations						—
Net Income (loss) attributable to INNOVATE Corp., excluding discontinued operations	$ 10.4	$ (5.5)	$ (1.4)	$ (9.6)	$ 0.7	$ (5.4)
Adjustments to reconcile net income (loss) to Adjusted EBITDA:						
Depreciation and amortization	5.3	0.1	1.4	—	—	6.8
Depreciation and amortization (included in cost of revenue)	3.9	—	—	—	—	3.9
Other operating (income)	—	—	(0.6)	—	—	(0.6)
Interest expense	2.6	0.2	2.2	8.3	—	13.3
Other (income) expense, net	(0.6)	(0.3)	(1.1)	2.9	—	0.9
Income tax expense (benefit)	5.0	—	—	(7.0)	—	(2.0)
Noncontrolling interest	1.0	(2.2)	(0.4)	—	0.3	(1.3)
Share-based compensation expense	—	0.1	—	0.3	—	0.4
Acquisition and disposition costs	—	—	0.2	0.1	0.1	0.4
Adjusted EBITDA	**$ 27.6**	**$ (7.6)**	**$ 0.3**	**$ (5.0)**	**$ 1.1**	**$ 16.4**

Reconciliation of U.S. GAAP Income (Loss) to Adjusted EBITDA

(in millions)	Nine Months Ended September 30, 2022					
	Infrastructure	Life Sciences	Spectrum	Non-operating Corporate	Other and Eliminations	INNOVATE
Net (loss) attributable to INNOVATE Corp.						$ (30.2)
Less: Discontinued operations						—
Net Income (loss) attributable to INNOVATE Corp., excluding discontinued operations	$ 23.3	$ (14.9)	$ (10.5)	$ (30.4)	$ 2.3	$ (30.2)
Adjustments to reconcile net income (loss) to Adjusted EBITDA:						
Depreciation and amortization	15.9	0.2	4.4	0.1	—	20.6
Depreciation and amortization (included in cost of revenue)	11.2	—	—	—	—	11.2
Other operating (income) loss	(0.6)	—	1.3	—	—	0.7
Interest expense	7.0	0.2	6.1	25.1	—	38.4
Other (income) expense, net	(1.9)	(0.4)	1.8	—	—	(0.5)
Income tax expense (benefit)	11.4	—	—	(9.8)	—	1.6
Noncontrolling interest	2.3	(6.3)	(1.5)	—	1.0	(4.5)
Share-based compensation expense	—	0.3	—	1.4	—	1.7
Nonrecurring items	0.1	—	—	—	—	0.1
Acquisition and disposition costs	0.3	—	0.4	0.6	(0.4)	0.9
Adjusted EBITDA	**$ 69.0**	**$ (20.9)**	**$ 2.0**	**$ (13.0)**	**$ 2.9**	**$ 40.0**

Reconciliation of U.S. GAAP Income (Loss) to Adjusted EBITDA

(in millions)

	Three Months Ended September 30, 2021					
	Infrastructure	Life Sciences	Spectrum	Non-operating Corporate	Other and Elimination	INNOVATE
Net (loss) attributable to INNOVATE Corp.						$ (211.9)
Less: Discontinued operations						(200.3)
Net Income (loss) attributable to INNOVATE Corp., excluding discontinued operations	$ 6.9	$ (5.1)	$ (4.1)	$ (8.0)	$ (1.3)	$ (11.6)
Adjustments to reconcile net income (loss) to Adjusted EBITDA:						
Depreciation and amortization	7.4	—	1.4	0.1	—	8.9
Depreciation and amortization (included in cost of revenue)	3.4	—	—	—	—	3.4
Other operating loss	0.1	—	0.7	—	—	0.8
Interest expense	2.2	—	2.4	8.2	—	12.8
Other (income) expense, net	(0.3)	—	1.5	(1.8)	—	(0.6)
Loss on early extinguishment or restructuring of debt	—	—	0.1	—	—	0.1
Income tax expense (benefit)	2.9	—	—	(2.8)	—	0.1
Noncontrolling interest	0.7	(2.0)	(0.9)	—	(0.4)	(2.6)
Share-based compensation expense	—	—	0.3	0.1	—	0.4
Nonrecurring Items	(0.1)	—	—	—	—	(0.1)
COVID-19 Costs	0.4	—	—	—	—	0.4
Acquisition and disposition costs	0.8	—	0.4	0.4	0.7	2.3
Adjusted EBITDA	**$ 24.4**	**$ (7.1)**	**$ 1.8**	**$ (3.8)**	**$ (1.0)**	**$ 14.3**

Reconciliation of U.S. GAAP Income (Loss) to Adjusted EBITDA

INNOVATE

(in millions)

	Nine Months Ended September 30, 2021					
	Infrastructure	Life Sciences	Spectrum	Non-operating Corporate	Other and Eliminations	INNOVATE
Net (loss) attributable to INNOVATE Corp.						$ (222.8)
Less: Discontinued operations						(149.9)
Net Income (loss) attributable to INNOVATE Corp., excluding discontinued operations	$ 8.3	$ (13.6)	$ (9.6)	$ (58.0)	$ —	$ (72.9)
Adjustments to reconcile net income (loss) to Adjusted EBITDA:						
Depreciation and amortization	13.1	0.1	4.3	0.1	—	17.6
Depreciation and amortization (included in cost of revenue)	8.4	—	—	—	—	8.4
Other operating loss	0.1	—	0.9	—	—	1.0
Interest expense	6.3	—	7.1	33.2	—	46.6
Other (income) expense, net	(4.2)	—	2.3	(2.5)	—	(4.4)
Loss on early extinguishment or restructuring of debt	1.5	—	1.0	10.0	—	12.5
Income tax expense (benefit)	4.1	—	—	(0.3)	—	3.8
Noncontrolling interest	0.9	(6.0)	(1.9)	—	(0.9)	(7.9)
Share-based compensation expense	—	0.1	0.6	1.0	—	1.7
Nonrecurring items	0.3	—	—	0.5	—	0.8
COVID-19 costs	8.3	—	—	—	—	8.3
Acquisition and disposition costs	2.5	—	0.6	2.5	0.7	6.3
Adjusted EBITDA	**$ 49.6**	**$ (19.4)**	**$ 5.3**	**$ (13.5)**	**$ (0.2)**	**$ 21.8**