



**LUXFER**

# INVESTOR PRESENTATION

September 2024

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# FORWARD-LOOKING STATEMENTS

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This release contains certain forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those projected in the forward-looking statements. Examples of such forward-looking statements include but are not limited to: (i) statements regarding the Company’s results of operations and financial condition; (ii) statements of plans, objectives or goals of the Company or its management, including those related to financing, products, or services; (iii) statements of future economic performance; and (iv) statements of assumptions underlying such statements. Words such as “believes,” “anticipates,” “expects,” “intends,” “forecasts,” and “plans,” and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that the predictions, forecasts, projections, and other forward-looking statements will not be achieved. The Company cautions that several important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates, and intentions expressed in such forward-looking statements. These factors include but are not limited to: (i) lower than expected future sales; (ii) increasing competitive industry pressures; (iii) general economic conditions or conditions affecting demand for the products and services it offers, both domestically and internationally; (iv) worldwide economic and business conditions and conditions in the industries in which the Company operates; (v) geopolitical issues (vi) fluctuations in the cost of raw materials, utilities, and other inputs; (vii) currency fluctuations and hedging risks; (viii) the Company’s ability to protect its intellectual property; (ix) the significant amount of indebtedness the Company has incurred and may incur and the obligations to service such indebtedness and to comply with the covenants contained therein; and (x) risks related to the impact of COVID-19. The Company cautions that the foregoing list of important factors is not exhaustive. These factors are more fully discussed in the sections entitled “Forward-Looking Statements” and “Risk Factors” in its Annual Report on Form 10-K for the year ended December 31, 2023, which was filed with the U.S. Securities and Exchange Commission on February 27, 2024. When relying on forward-looking statements to make decisions with respect to the Company, investors and others should carefully consider the foregoing factors and other uncertainties and events. Forward-looking statements speak only as of the date on which they are made, and the Company does not undertake any obligation to update or revise any such statement, whether because of new information, future events, or otherwise.



# We are Luxfer

*We help to create a safe, clean and energy efficient world*

# LUXFER OVERVIEW (NYSE: LXFR)

## Company Description

Luxfer is a global industrial company innovating niche applications in materials engineering. Luxfer's high-performance materials, components and high-pressure gas containment devices are used in defense and emergency response, clean energy, healthcare, transportation and general industrial applications.

## Company Snapshot

Equity Market Capitalization <sup>1</sup>	~\$310M
Net Debt/Adj. EBITDA <sup>2</sup>	1.6x
ROIC on Adj. Earnings <sup>2</sup>	9.4%

## Income Statement (excluding Graphic Arts)

Full Year 2023

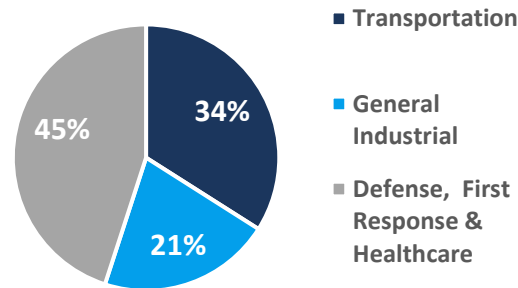
Revenue <sup>3</sup>	\$373.5M
Adj. EBITDA <sup>2,3</sup>	\$43.3M
Adj. Diluted EPS <sup>2,3</sup>	\$0.80

## Balance Sheet

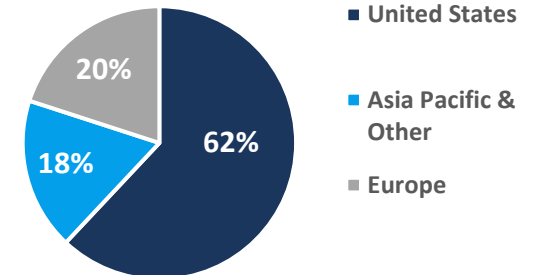
Net Debt	\$69.9M
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## Full Year 2023 Sales Breakdown (excluding Graphic Arts)

### by End Market



### by Geography



## Luxfer Business System



- A critical tool to **realize growth potential** embedded in our business
- Drives **commonality** and **best practice** in six critical segments
- Emphasis on near-term execution to **unlock sustainable growth**

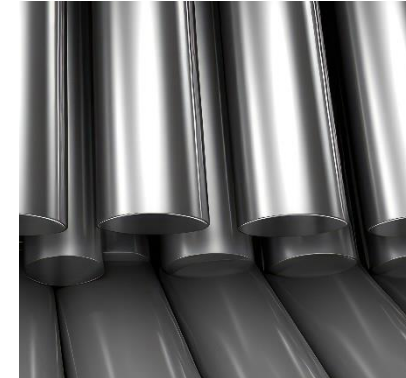
<sup>1</sup> As of Sept. 13, 2024 <sup>2</sup> Non-GAAP numbers. Reconciliation in Appendix <sup>3</sup> Excludes the impact of Discontinued Operations & Graphic Arts

**Global Industrial Company Innovating Niche Applications in Materials Engineering**

# MATERIALS TECHNOLOGY LEADERSHIP

Elektron Segment	High Performance Magnesium Alloys	Innovation leader in the use of <b>magnesium alloys</b> for critical applications in aerospace, defense, and other industries as well as in flameless heating applications
	Specialty Zirconium Catalysts	Expertise in <b>high-performance specialty zirconium-based solutions</b> for a broad range of applications, including pharmaceuticals and electronics
Gas Cylinders Segment	High Pressure Composite Cylinders	Trusted manufacturer of <b>high-pressure composite and aluminum cylinders</b> with high-performance, lightweight, and durable designs employed in a variety of specialized applications

## MAGNESIUM ALLOYS



## ZIRCONIUM CATALYSTS



## CARBON FIBER-WRAPPED COMPOSITE



**Our Technology Expertise Drives Our Success**

# MANUFACTURING EXCELLENCE FOOTPRINT



\*Excludes held for sale operations

Ten major manufacturing locations around the globe

# Q2 2024 KEY HIGHLIGHTS



## Financials

**Sales and profitability:** Meeting expectations with sequential profit improvement over the past two quarters

**Legal:** Recognized \$5.1 million of legal expense recovery

**Balance sheet:** Healthy with low net debt and leverage (1.6x\*)



## Lean Operating Structure

**Operational optimizations:** Delivering real and permanent sustainable financial improvements

**SG&A focus:** Effective spend and expense control



## Strategic Alignment

**Graphic Arts:** Sale progressing as expected

**Luxfer Business System:** Driving long-term growth and key future opportunities



## 2024 Outlook

**Business performance:** On track to meet expectations, setting up supportive conditions for 2025

\*Note: Adjusted financials exclude Graphic Arts

## Q2'24 KEY FINANCIALS\*

**\$91.8M**

Adjusted Sales

**22.3%**

Adj Gross Margin

**\$17.3M**

Adjusted EBITDA

**\$0.39**

Adjusted EPS

**\$8.9M**

Cash from Operations

**On Track to Deliver on 2024 Commitments**

# ALIGNED WITH SECULAR GROWTH TRENDS



Clean Energy



Composite cylinders and systems for **Alternative Fuel**, including Hydrogen and Compressed Natural Gas



Zirconium-based emissions control and **industrial catalysis** materials



Light Weighting



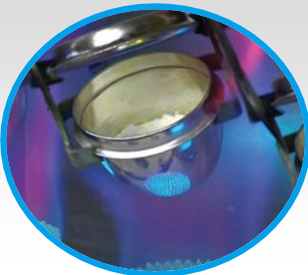
Lightweight **carbon fiber cylinders** for **breathing equipment** used by first responders



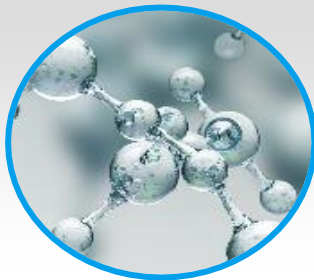
**Magnesium alloys** for aerospace and automotive components



Safety, Health & Technology



**Zirconium** in consumer technologies



**Specialty magnesium and zirconium** for pharmaceutical and medical applications

**Significant Tailwinds for Profitable Growth**



# INNOVATION FOR FUTURE GROWTH

## THE LUXFER BUSINESS SYSTEM:



## CNG Cylinders:



- Advanced high-pressure tank technology
- Strategic partnership with global engine manufacturer
- Facilitates low-emission solutions

## Bulk Gas Modules:



- Cutting-edge gas transportation technology
- Notable 2025 growth driver
- Advancing clean energy initiatives

## Unitized Group Rations:



- Strong recent market uptake since last year's launch
- Simultaneous heating of meals, enhancing operational efficiency
- Proven as an effective interim alternative to field kitchens

The Luxfer Business System aligned for sustainable growth and value creation

# POSITIONED FOR VALUE CREATION

## THE LUXFER BUSINESS SYSTEM



## CUSTOMER GROWTH DRIVERS

Sustainable Growth and Value Creation through Innovation, Excellence, and Strategic Focus.



**THANK YOU**

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# **LUXFER**

## **APPENDICES**

**Segment Financial Detail and Reconciliation of Non-GAAP Measures**

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# COMPREHENSIVE STRATEGIC REVIEW UPDATE

## ACCELERATED AND EXPANDED ANNUAL STRATEGIC REVIEW

*Comprehensive, portfolio-wide assessment of all businesses, capital structure, and opportunities*

1

### SALE OF GRAPHIC ARTS BUSINESS

- **Business Performance:** Improved following losses in 2023 and Q1'24
- **Process Status:** Competitive process approaching final stages
- **Exclusivity:** Prospective buyer engaging in detailed due diligence
- **Timing:** Working towards completion as early as Q3
- **Consideration:** Further adjusted asset values to reflect expected net sale proceeds
- **Use of Proceeds:** Net cash sale proceeds expected to pay down debt

2

### ENHANCING GAS CYLINDERS AND ELEKTRON

- Reducing costs to improve margins and cash flow generation
- Investing in profitable growth and returns
- Driving sustainable, value-accretive growth in 2025 and beyond

3

### MAINTAIN FULL STRATEGIC OPTIONALITY

- Gas Cylinders and Elektron have no material strategic synergies
- Continuously assessing performance and market conditions to maximize shareholder value

**Strategic Value and Sustainable Growth through Focused Asset Management**

# CONDENSED CONSOLIDATED STATEMENTS OF INCOME



<i>In millions, except share and per-share data</i>	Second Quarter		Year-to-date	
	2024	2023	2024	2023
Net sales	\$ 99.7	\$ 110.4	\$ 189.1	\$ 211.7
Cost of goods sold	(77.7)	(86.2)	(148.7)	(166.4)
<b>Gross profit</b>	<b>22.0</b>	<b>24.2</b>	<b>40.4</b>	<b>45.3</b>
Selling, general and administrative expenses	(11.9)	(12.8)	(23.5)	(25.3)
Research and development	(1.1)	(1.0)	(2.3)	(2.2)
Restructuring charges	(1.1)	(2.5)	(1.8)	(2.8)
Acquisition and disposal related costs	(9.2)	—	(9.4)	—
Other income	5.1	—	5.3	—
<b>Operating income</b>	<b>3.8</b>	<b>7.9</b>	<b>8.7</b>	<b>15.0</b>
Net interest expense	(1.3)	(1.8)	(2.7)	(3.1)
Defined benefit pension credit / (charge)	0.2	0.6	0.5	(8.3)
<b>Income before income taxes</b>	<b>2.7</b>	<b>6.7</b>	<b>6.5</b>	<b>3.6</b>
(Provision) / credit for income taxes	(3.1)	(1.8)	(4.1)	1.8
<b>Net (loss) / income from continuing operations</b>	<b>(0.4)</b>	<b>4.9</b>	<b>2.4</b>	<b>5.4</b>
Loss from discontinued operations, net of tax	(0.1)	(0.2)	(0.2)	(0.2)
<b>Net loss from discontinued operations</b>	<b>(0.1)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.2)</b>
<b>Net (loss) / income</b>	<b>\$ (0.5)</b>	<b>\$ 4.7</b>	<b>\$ 2.2</b>	<b>\$ 5.2</b>
<b>(Loss) / earnings / per share<sup>1</sup></b>				
Basic from continuing operations	\$ (0.01)	\$ 0.18	\$ 0.09	\$ 0.20
Basic from discontinued operations <sup>2</sup>	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.01)
<b>Basic</b>	<b>\$ (0.02)</b>	<b>\$ 0.17</b>	<b>\$ 0.08</b>	<b>\$ 0.19</b>
Diluted from continuing operations	\$ (0.01)	\$ 0.18	\$ 0.09	\$ 0.20
Diluted from discontinued operations <sup>2</sup>	\$ —	\$ (0.01)	\$ (0.01)	\$ (0.01)
<b>Diluted</b>	<b>\$ (0.02)</b>	<b>\$ 0.17</b>	<b>\$ 0.08</b>	<b>\$ 0.19</b>
<b>Weighted average ordinary shares outstanding</b>				
Basic	26,831,372	26,923,804	26,826,123	26,922,528
Diluted	26,932,291	27,065,338	26,892,230	27,083,986

<sup>1</sup> The calculation of earnings per share is performed separately for continuing and discontinued operations. As a result, the sum of the two in any particular period may not equal the earnings-per-share amount in total.

<sup>2</sup> The loss per share for discontinued operations has not been diluted, since the incremental shares included in the weighted-average number of shares outstanding would have been anti-dilutive.

# CONDENSED CONSOLIDATED BALANCE SHEETS



<i>In millions, except share and per-share data</i>	June 30, 2024	December 31, 2023
<b>Current assets</b>		
Cash and cash equivalents	\$ 4.3	\$ 2.3
Restricted cash	0.3	0.3
Accounts and other receivables, net of allowances of \$0.6 and \$0.7, respectively	60.9	59.9
Inventories	88.2	95.9
Current assets held-for-sale	23.4	8.9
Other current assets	1.5	1.5
<b>Total current assets</b>	<b>\$ 178.6</b>	<b>\$ 168.8</b>
<b>Non-current assets</b>		
Property, plant and equipment, net	\$ 63.1	\$ 63.8
Right-of-use assets from operating leases	14.3	15.4
Goodwill	67.2	67.5
Intangibles, net	11.6	12.0
Deferred tax assets	3.5	3.9
Investments and loans to joint ventures and other affiliates	0.4	0.4
Pensions and other retirement benefits	41.1	40.3
<b>Total assets</b>	<b>\$ 379.8</b>	<b>\$ 372.1</b>
<b>Current liabilities</b>		
Current maturities of long-term debt and short-term borrowing	\$ 0.2	\$ 4.6
Accounts payable	27.5	26.5
Accrued liabilities	23.2	20.9
Taxes on income	5.1	—
Current liabilities held-for-sale	9.4	3.9
Other current liabilities	9.4	8.9
<b>Total current liabilities</b>	<b>\$ 74.8</b>	<b>\$ 64.8</b>
<b>Non-current liabilities</b>		
Long-term debt	\$ 74.0	\$ 67.6
Pensions and other retirement benefits	—	0.1
Deferred tax liabilities	10.2	10.2
Other non-current liabilities	14.5	16.8
<b>Total liabilities</b>	<b>\$ 173.5</b>	<b>\$ 159.5</b>
Commitments and contingencies		
<b>Shareholders' equity</b>		
Ordinary shares of £0.50 par value; authorized 40,000,000 shares for 2024 and 2023; issued and outstanding 28,944,000 for 2024 and 2023	26.5	26.5
Additional paid-in capital	224.2	223.5
Treasury shares	(23.6)	(22.9)
Company shares held by ESOP	(0.8)	(0.9)
Retained earnings	99.5	104.3
Accumulated other comprehensive loss	(119.5)	(117.9)
<b>Total shareholders' equity</b>	<b>206.3</b>	<b>212.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 379.8</b>	<b>\$ 372.1</b>

# CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS



<i>In millions</i>	Year-to-date	
	2024	2023
<b>Operating activities</b>		
Net income	\$ 2.2	\$ 5.2
Net loss from discontinued operations	0.2	0.2
Net income from continuing operations	2.4	5.4
<i>Adjustments to reconcile net income to net cash provided / (used) by operating activities</i>		
Depreciation	4.5	6.2
Amortization of purchased intangible assets	0.4	0.4
Amortization of debt issuance costs	0.1	0.2
Share-based compensation charges	1.4	1.3
Deferred income taxes	0.3	1.5
Asset impairment charges	—	2.3
Loss on held for sale asset group	7.5	—
Defined benefit pension (credit) / charge	(0.5)	8.3
Defined benefit pension contributions	—	(2.1)
<i>Changes in assets and liabilities</i>		
Accounts and other receivables	(7.9)	3.8
Inventories	(7.5)	(6.4)
Current assets held-for-sale	(2.5)	1.2
Accounts payable	2.4	(9.1)
Accrued liabilities	3.5	(5.9)
Current liabilities held-for-sale	2.0	(1.5)
Other current liabilities	5.8	(7.4)
Other non-current assets and liabilities	0.6	0.5
Net cash provided / (used) by operating activities - continuing	12.5	(1.3)
Net cash provided by operating activities - discontinued	0.1	0.1
<b>Net cash provided / (used) by operating activities</b>	<b>12.6</b>	<b>(1.2)</b>
<b>Investing activities</b>		
Capital expenditures	(4.1)	(4.9)
Net cash used by investing activities - continuing	(4.1)	(4.9)
Net cash used by investing activities - discontinued	(0.1)	(0.1)
<b>Net cash used by investing activities</b>	<b>(4.2)</b>	<b>(5.0)</b>
<b>Financing activities</b>		
Net repayment of short-term borrowings	(4.4)	(25.0)
Net drawdown of long-term borrowings	6.4	35.1
Repurchase of own shares	(1.0)	(1.6)
Share-based compensation cash paid	(0.3)	(0.3)
Dividends paid	(7.0)	(7.0)
<b>Net cash (used) / provided by financing activities</b>	<b>(6.3)</b>	<b>1.2</b>
Effect of exchange rate changes on cash and cash equivalents	(0.1)	0.3
<b>Net increase / (decrease)</b>	<b>\$ 2.0</b>	<b>\$ (4.7)</b>
<b>Cash, cash equivalents and restricted cash; beginning of year</b>	<b>2.6</b>	<b>12.9</b>
<b>Cash, cash equivalents and restricted cash; end of the second quarter</b>	<b>4.6</b>	<b>8.2</b>
<b>Supplemental cash flow information:</b>		
Interest payments	\$ 2.8	\$ 2.8
Income tax payments, net	0.3	2.8



# RECONCILIATION OF NON-GAAP FINANCIAL MEASURES: ADJUSTED NET INCOME AND ADJUSTED EARNINGS PER SHARE



<i>In millions except per share data</i>	Second Quarter					
	2024			2023		
	Continuing operations	Graphic Arts	Adjusted Total	Continuing operations	Graphic Arts	Adjusted Total
Net (loss) / income	\$ (0.4)	\$ (9.0)	\$ 8.6	\$ 4.9	(0.5)	\$ 5.4
Accounting charges relating to acquisitions and disposals of businesses:						
Amortization on acquired intangibles	0.2	—	0.2	0.2	—	0.2
Acquisition and disposal related charge	9.2	9.1	0.1	—	—	—
Defined benefit pension credit	(0.2)	—	(0.2)	(0.6)	—	(0.6)
Restructuring charge	1.1	—	1.1	2.5	—	2.5
Share-based compensation charge	0.8	0.1	0.7	0.7	—	0.7
Income tax on adjusted items	(0.2)	(0.1)	(0.1)	(0.3)	—	(0.3)
Adjusted net income / (loss)	10.5	0.1	10.4	7.4	(0.5)	7.9
Less:						
Legal cost (recovery) / expense	(5.1)	—	(5.1)	1.2	—	1.2
Tax on legal cost recovery / (expense)	1.2	—	1.2	(0.3)	—	(0.3)
Adjusted net income / (loss) excluding Legal	\$ 6.6	\$ 0.1	\$ 6.5	\$ 8.3	\$ (0.5)	\$ 8.8
<b>Adjusted earnings per ordinary share <sup>(1)</sup></b>						
Diluted (loss) / earnings per ordinary share	\$ (0.01)	\$ (0.33)	\$ 0.32	\$ 0.18	\$ (0.02)	\$ 0.20
Impact of adjusted items	0.40	0.33	0.07	0.09	—	0.09
Adjusted diluted earnings / (loss) per ordinary share	0.39	—	0.39	0.27	(0.02)	0.29
Impact of legal cost (recovery) / expense	(0.15)	—	(0.15)	0.04	—	0.04
Adjusted diluted earnings / (loss) per ordinary share excluding Legal cost recovery / expense	\$ 0.24	\$ —	\$ 0.24	\$ 0.31	\$ (0.02)	\$ 0.33
<b>Year-to-date</b>						
<i>In millions except per share data</i>	2024			2023		
	Continuing operations	Graphic Arts	Adjusted Total	Continuing operations	Graphic Arts	Adjusted Total
Net income / (loss)	\$ 2.4	\$ (10.6)	\$ 13.0	\$ 5.4	(1.5)	\$ 6.9
Accounting charges relating to acquisitions and disposals of businesses:						
Amortization on acquired intangibles	0.4	—	0.4	0.4	—	0.4
Acquisition and disposal related charge	9.4	9.3	0.1	—	—	—
Defined benefit pension (credit) / charge	(0.5)	—	(0.5)	8.3	—	8.3
Restructuring charge	1.8	—	1.8	2.8	—	2.8
Share-based compensation charge	1.4	0.2	1.2	1.3	—	1.3
Tax impact of defined benefit settlement	—	—	—	(4.9)	—	(4.9)
Income tax on adjusted items	(0.4)	(0.1)	(0.3)	(0.5)	—	(0.5)
Adjusted net income / (loss)	\$ 14.5	\$ (1.2)	\$ 15.7	\$ 12.8	\$ (1.5)	\$ 14.3
Less:						
Legal cost (recovery) / expense	(5.3)	—	(5.3)	2.3	—	2.3
Tax on legal cost recovery / (expense)	1.3	—	1.3	(0.5)	—	(0.5)
Adjusted net income / (loss) excluding Legal	\$ 10.5	\$ (1.2)	\$ 11.7	\$ 14.6	\$ (1.5)	\$ 16.1
<b>Adjusted earnings per ordinary share <sup>(1)</sup></b>						
Diluted earnings / (loss) per ordinary share	\$ 0.09	\$ (0.39)	\$ 0.48	\$ 0.20	\$ (0.06)	\$ 0.25
Impact of adjusted items	0.45	0.35	0.10	0.27	—	0.28
Adjusted diluted earnings / (loss) per ordinary share	0.54	(0.04)	0.58	0.47	(0.06)	0.53
Impact of legal cost (recovery) / expense	(0.15)	—	(0.15)	0.07	—	0.06
Adjusted diluted earnings / (loss) per ordinary share excluding Legal cost recovery / expense	\$ 0.39	\$ (0.04)	\$ 0.43	\$ 0.54	\$ (0.06)	\$ 0.59

# RECONCILIATION OF NON-GAAP FINANCIAL MEASURES: ADJUSTED EBITDA



Second Quarter						
<i>In millions except per share data</i>	2024			2023		
	Continuing operations	Graphic Arts	Adjusted Total	Continuing operations	Graphic Arts	Adjusted Total
Adjusted net income from continuing operations	\$ 10.5	\$ 0.1	\$ 10.4	\$ 7.4	\$ (0.5)	\$ 7.9
Add back:						
Income tax on adjusted items	0.2	0.1	0.1	0.3	—	0.3
Provision / (credit) for income taxes	3.1	(0.1)	3.2	1.8	—	1.8
Net finance costs	1.3	—	1.3	1.8	—	1.8
Adjusted EBITA	15.1	0.1	15.0	11.3	(0.5)	11.8
Depreciation	2.3	—	2.3	3.1	0.5	2.6
Adjusted EBITDA	17.4	0.1	17.3	14.4	—	14.4
Less:						
Legal cost (recovery) / expense	(5.1)	—	(5.1)	1.2	—	1.2
Tax on legal cost recovery / (expense)	1.2	—	1.2	(0.3)	—	(0.3)
Adjusted EBITDA excluding legal	\$ 13.5	\$ 0.1	\$ 13.4	\$ 15.3	\$ —	\$ 15.3

Year-to-date						
<i>In millions except per share data</i>	2024			2023		
	Continuing operations	Graphic Arts	Adjusted Total	Continuing operations	Graphic Arts	Adjusted Total
Adjusted net income from continuing operations	\$ 14.5	\$ (1.2)	\$ 15.7	\$ 12.8	\$ (1.5)	\$ 14.3
Add back:						
Income tax on adjusted items	0.4	0.1	0.3	0.5	—	0.5
Provision / (credit) for income taxes	4.1	(0.5)	4.6	(1.8)	(0.2)	(1.6)
Tax impact of defined benefit pension settlement	—	—	—	4.9	—	4.9
Net finance costs	2.7	—	2.7	3.1	—	3.1
Adjusted EBITA	21.7	(1.6)	23.3	19.5	(1.7)	21.2
Depreciation	4.5	—	4.5	6.2	1.0	5.2
Adjusted EBITDA	26.2	(1.6)	27.8	25.7	(0.7)	26.4
Less:						
Legal cost (recovery) / expense	(5.3)	—	(5.3)	2.3	—	2.3
Tax on legal cost recovery / (expense)	1.3	—	1.3	(0.5)	—	(0.5)
Adjusted EBITDA excluding legal	\$ 22.2	\$ (1.6)	\$ 23.8	\$ 27.5	\$ (0.7)	\$ 28.2

# RECONCILIATION OF NON-GAAP FINANCIAL MEASURES: NET SALES AND ADJUSTED EBITDA BY SEGMENT



<i>In millions</i>	Net sales				Adjusted EBITDA			
	Second Quarter		Year-to-date		Second Quarter		Year-to-date	
	2024	2023	2024	2023	2024	2023	2024	2023
Gas Cylinders segment	\$ 49.8	\$ 48.5	\$ 95.2	\$ 90.0	\$ 4.9	\$ 4.9	\$ 9.0	\$ 7.4
Elektron segment	42.0	53.0	79.7	105.4	12.4	9.5	18.8	19.0
Excluding Graphic Arts segment	91.8	101.5	174.9	195.4	17.3	14.4	27.8	26.4
Graphic Arts segment	7.9	8.9	14.2	16.3	0.1	—	(1.6)	(0.7)
<b>Consolidated</b>	<b>\$ 99.7</b>	<b>\$ 110.4</b>	<b>\$ 189.1</b>	<b>\$ 211.7</b>	<b>\$ 17.4</b>	<b>\$ 14.4</b>	<b>\$ 26.2</b>	<b>\$ 25.7</b>

# RECONCILIATION OF NON-GAAP FINANCIAL MEASURES: ADJUSTED EFFECTIVE TAX RATE



Second Quarter						
<i>In millions except per share data</i>	2024			2023		
	Continuing operations	Graphic Arts	Adjusted Total	Continuing operations	Graphic Arts	Adjusted Total
Adjusted net income from continuing operations	\$ 10.5	\$ 0.1	\$ 10.4	\$ 7.4	\$ (0.5)	\$ 7.9
Add back:						
Income tax on adjusted items	0.2	0.1	0.1	0.3	—	0.3
Provision for income taxes	3.1	(0.1)	3.2	1.8	—	1.8
Adjusted income from continuing operations before income taxes	13.8	0.1	13.7	9.5	(0.5)	10.0
Adjusted provision for income taxes	3.3	—	3.3	2.1	—	2.1
Adjusted effective tax rate from continuing operations	23.9 %	— %	24.1 %	22.1 %	— %	21.0 %

Year-to-date						
<i>In millions except per share data</i>	2024			2023		
	Continuing operations	Graphic Arts	Adjusted Total	Continuing operations	Graphic Arts	Adjusted Total
Adjusted net income from continuing operations	\$ 14.5	\$ (1.2)	\$ 15.7	\$ 12.8	\$ (1.5)	\$ 14.3
Add back:						
Income tax on adjusted items	0.4	0.1	0.3	0.5	—	0.5
Tax impact of defined benefit pension settlement	—	—	—	4.9	—	4.9
Provision / (credit) for income taxes	4.1	(0.5)	4.6	(1.8)	(0.2)	(1.6)
Adjusted income from continuing operations before income taxes	19.0	(1.6)	20.6	16.4	(1.7)	18.1
Adjusted provision / (credit) for income taxes	4.5	(0.4)	4.9	3.6	(0.2)	3.8
Adjusted effective tax rate from continuing operations	23.7 %	25.0 %	23.8 %	22.0 %	11.8 %	21.0 %

# RECONCILIATION OF NON-GAAP FINANCIAL MEASURES: NET DEBT RATIO AND FREE CASH FLOW



## NET DEBT RATIO (UNAUDITED)

<i>In millions</i>	Second Quarter	
	2024	
Cash and cash equivalents	\$	4.3
Total debt		(74.2)
Net debt		69.9
Adjusted EBITDA		39.3
Net debt to EBITDA ratio		1.8
Adjusted EBITDA excluding Graphic Arts segment		44.7
Net debt to EBITDA ratio excluding Graphic Arts segment		1.6

## FREE CASH FLOW (UNAUDITED)

<i>In millions</i>	Second Quarter		Year-to-date	
	2024	2023	2024	2023
Net cash provided / (used) by continuing operating activities	\$ 8.9	\$ 13.1	\$ 12.5	\$ (1.3)
Net cash provided by Graphic Arts operating activities	0.1	0.4	0.1	0.4
Net cash provided / (used) by continuing operating activities excluding Graphic Arts	8.8	12.7	12.4	(1.7)
Capital expenditures	(2.7)	(2.9)	(4.1)	(4.9)
Graphic Arts capital expenditures	(0.1)	(0.4)	(0.1)	(0.4)
Capital expenditures excluding Graphic Arts	(2.6)	(2.5)	(4.0)	(4.5)
Free cash flow	\$ 6.2	\$ 10.2	\$ 8.4	\$ (6.2)
Free cash flow excluding Graphic Arts	\$ 6.2	\$ 10.2	\$ 8.4	\$ (6.2)

