



FIRST QUARTER 2025 EARNINGS PRESENTATION

May 6, 2025



Use of non-GAAP financial measures: This presentation includes certain non-GAAP financial measures intended to supplement, not substitute for, comparable GAAP measures. Reconciliations of non-GAAP financial measures to GAAP financial measures are provided within the Appendix to this presentation. Investors are urged to consider carefully the comparable GAAP measures and the reconciliations to those measures provided. The company does not attempt to provide reconciliations of forward-looking non-GAAP guidance to the comparable GAAP measure because the impact and timing of the factors underlying the guidance assumptions are inherently uncertain and difficult to predict and are unavailable without unreasonable efforts. In addition, Ingevity believes such reconciliations would imply a degree of certainty that could be confusing to investors.

Forward-looking statements: This presentation contains “forward looking statements” within the meaning of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. Such statements generally include the words “will,” “plans,” “intends,” “targets,” “expects,” “outlook,” “guidance,” “believes,” “anticipates” or similar expressions. Forward looking statements may include, without limitation, anticipated timing, results, charges and costs of any current or future repositioning of our Performance Chemicals segment, including the announced review of strategic alternatives for the Industrial Specialties product line and North Charleston, South Carolina crude tall oil refinery, the oleo-based product refining transition, closure of our plants in Crossett, Arkansas and DeRidder, Louisiana; leadership transitions within our organization; the potential benefits of any acquisition or investment transaction, expected financial positions, guidance, results of operations and cash flows; financing plans; business strategies and expectations; operating plans; capital and other expenditures; competitive positions; growth opportunities for existing products; benefits from new technology and cost reduction initiatives, plans and objectives; litigation-related strategies and outcomes; and markets for securities. Actual results could differ materially from the views expressed. Factors that could cause actual results to materially differ from those contained in the forward looking statements, or that could cause other forward looking statements to prove incorrect, include, without limitation, charges, costs or actions, including adverse legal or regulatory actions, resulting from, or in connection with, the current or future repositioning of our Performance Chemicals segment, including the announced review of strategic alternatives for the Industrial Specialties product line and North Charleston, South Carolina crude tall oil refinery, the oleo-based product refining transition, closure of our plants in Crossett, Arkansas and DeRidder, Louisiana; losses due to resale of crude tall oil at less than we paid for it; leadership transitions within our organization; adverse effects from general global economic, geopolitical and financial conditions beyond our control, including inflation, global trade tensions, and the Russia Ukraine war and conflict in the middle east; risks related to our international sales and operations; adverse conditions in the automotive market; competition from substitute products, new technologies and new or emerging competitors; worldwide air quality standards; a decrease in government infrastructure spending; adverse conditions in cyclical end markets; the limited supply of or lack of access to sufficient raw materials, or any material increase in the cost to acquire such raw materials; issues with or integration of future acquisitions and other investments; the provision of services by third parties at several facilities; supply chain disruptions; natural disasters and extreme weather events; or other unanticipated problems such as labor difficulties (including work stoppages); equipment failure or unscheduled maintenance and repair; planned and unplanned production slowdowns and shutdowns, turnarounds and outages; attracting and retaining key personnel; dependence on certain large customers; legal actions associated with our intellectual property rights; protection of our intellectual property and other proprietary information; information technology security breaches and other disruptions; complications with designing or implementing our new enterprise resource planning system; government policies and regulations, including, but not limited to, those affecting the environment, climate change, tax policies, tariffs and the chemicals industry; losses due to lawsuits arising out of environmental damage or personal injuries associated with chemical or other manufacturing processes; and the other factors detailed from time to time in the reports we file with the Securities and Exchange Commission (the “SEC”), including those described in Part I, Item 1A. Risk Factors in our most recent Annual Report on Form 10 K as well as in our other filings with the SEC. These forward looking statements speak only to management’s beliefs as of the date of this presentation. Ingevity assumes no obligation to provide any revisions to, or update, any projections and forward looking statements contained in this presentation.

AGENDA

- 1 | Quarter Highlights & Updates
- 2 | Consolidated Financial Results
- 3 | Segment Performance
- 4 | Guidance
- 5 | Q&A

FIRST QUARTER HIGHLIGHTS AND UPDATES

David H. Li named President and CEO effective April 7th

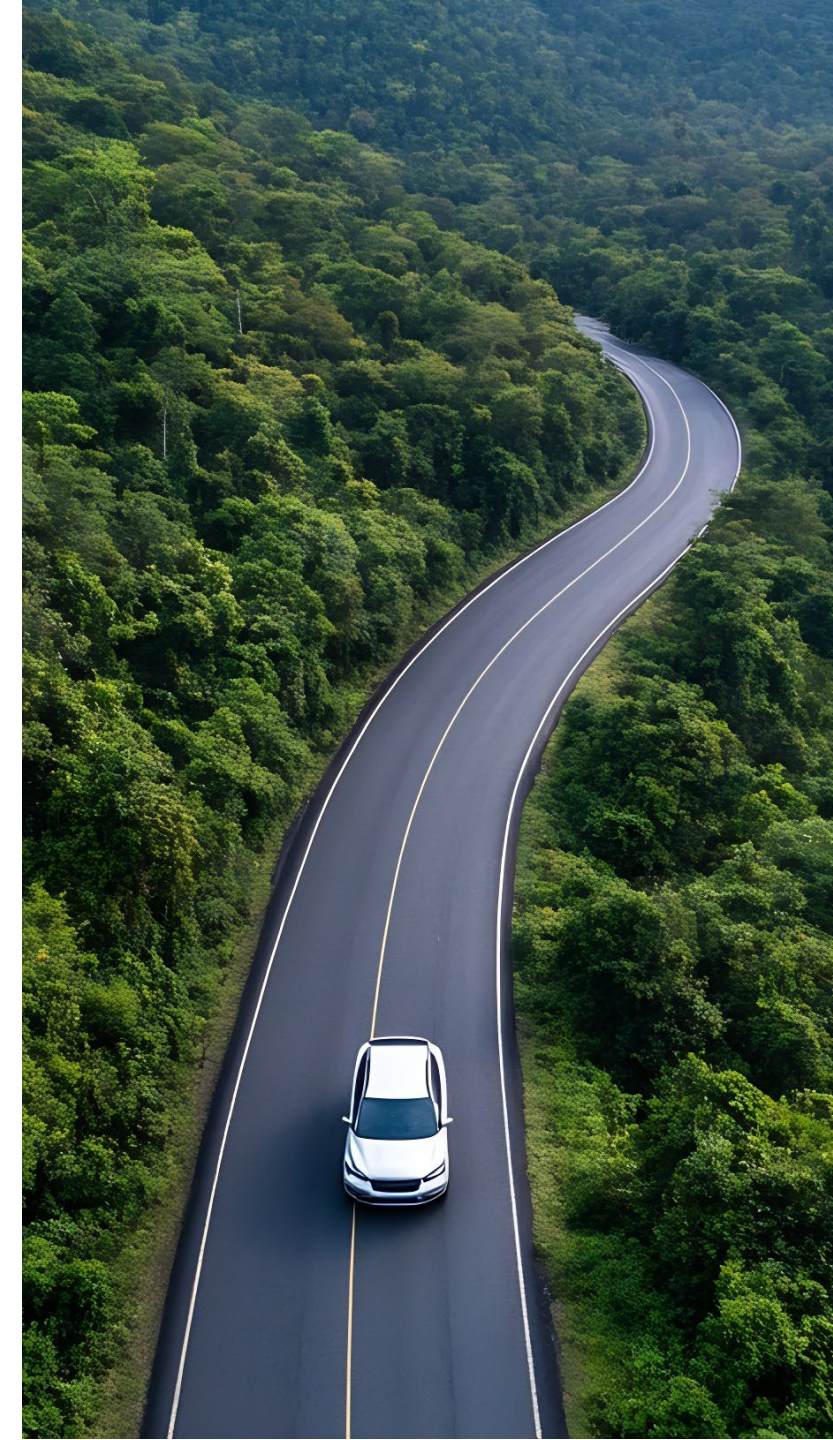
Company delivered its 4th consecutive quarter of higher year-over-year margins with increased free cash flow and reduced leverage

Performance Materials delivered its 7th consecutive quarter of EBITDA margins over 50% driven by higher volumes in China and Asia Pacific

Advanced Polymer Technologies EBITDA increased by \$3 million due primarily to higher-than-normal utilization rates in advance of Q2's extended plant outage

Performance Chemicals improved EBITDA by \$10 million, reflecting the successful execution of repositioning actions; strategic actions on Industrial Specialties and CTO refinery progressing well

Company well positioned to mitigate direct effects of tariffs; widening guidance range to reflect updated industry forecasts that estimate a drop in auto production in the North America market



FIRST QUARTER (Q1) CONSOLIDATED FINANCIAL PERFORMANCE

Q1 Financials ⁽¹⁾

\$ in millions except percentage and EPS	Q1 2025	Q1 2024	vs PY Δ%
Net sales	\$284.0	\$340.1	(16.5)%
Adjusted gross profit	\$128.6	\$117.3	
% margin	45.3%	34.5%	1080 bps
Total SG&A excl. D&A ⁽²⁾	\$41.1	\$42.0	
% net sales	14.5%	12.3%	(220) bps
Adjusted other (income) expense, net	(\$3.8)	\$0.9	
% net sales	(1.3%)	0.3%	160 bps
Adjusted EBITDA	\$91.3	\$74.4	22.7%
% margin	32.1%	21.9%	1020 bps
Diluted adjusted EPS	\$0.99	\$0.47	110.6%

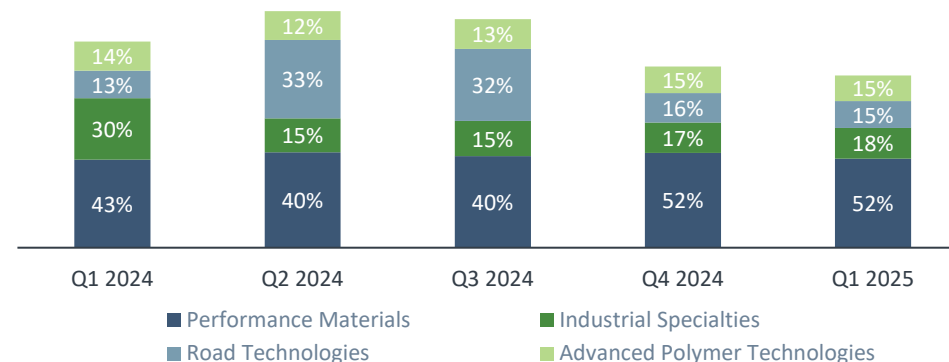
Performance Highlights

Sales declined, primarily due to the exit of certain lower-margin end markets within our Industrial Specialties product line completed in 2024 as part of the repositioning actions in our Performance Chemicals segment

Adjusted gross profit, gross margin, and adjusted EBITDA benefited from the improved year-over-year results of the Performance Chemicals segment, largely driven by the successful repositioning actions executed in 2024

Net Sales by Product Line

Performance Chemicals repositioning results in higher margin businesses representing larger percentages of total company sales

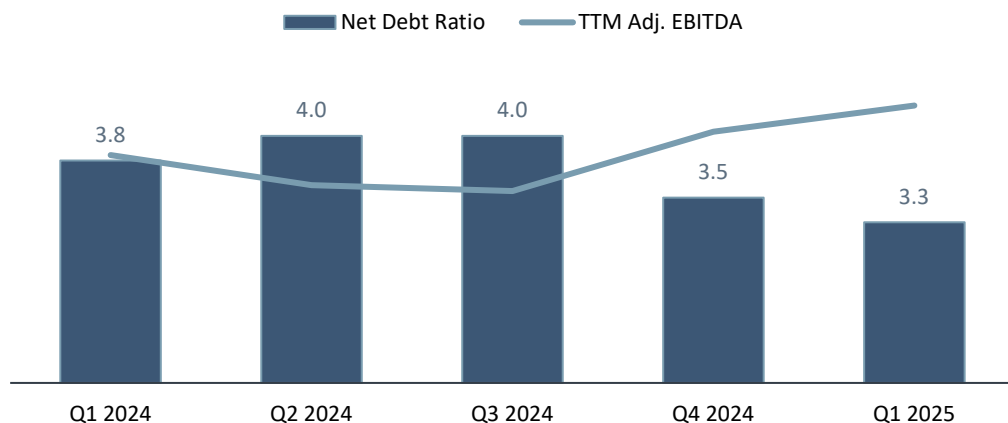


(1) With the exception of net sales, numbers on this slide are non-GAAP; please see appendix for Ingevity's use of non-GAAP financial measures, definitions of those financial measures and reconciliations to the nearest GAAP financial measures

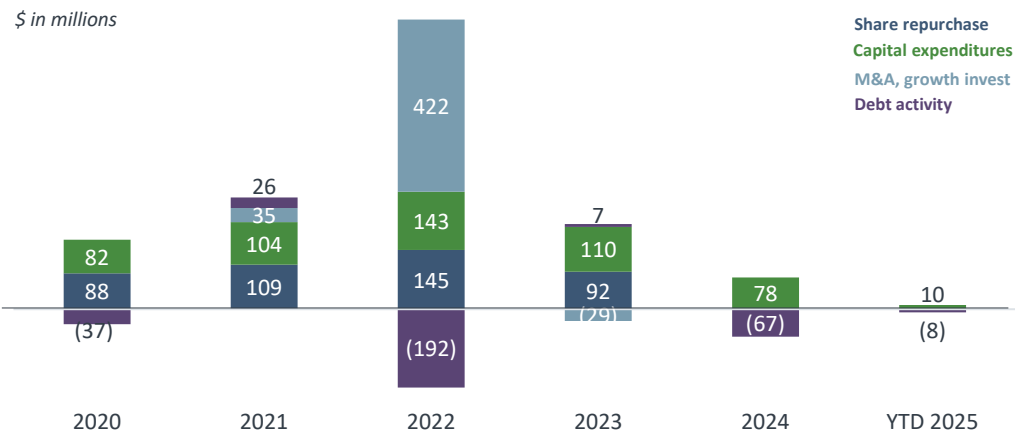
(2) Total SG&A excl. D&A includes research and technical expenses

Q1 2025 FINANCIAL METRICS AND HIGHLIGHTS

Net Debt Ratio ⁽¹⁾ and Trailing Twelve Months (TTM) Adj. EBITDA ⁽¹⁾

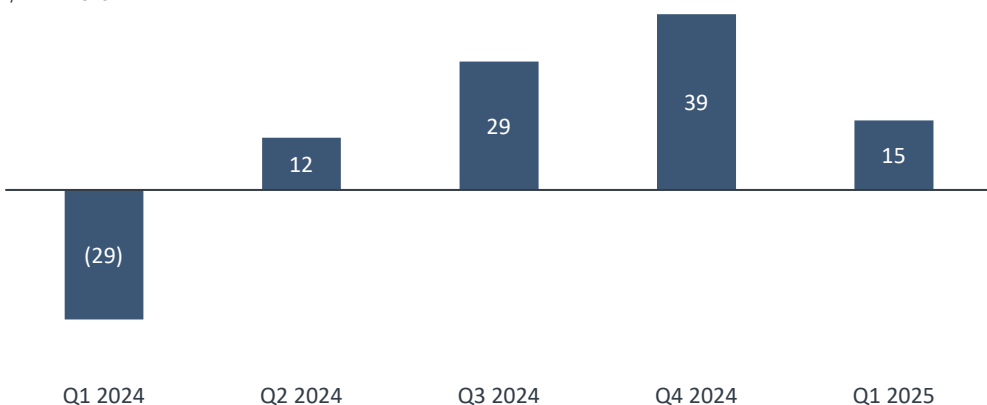


Capital Allocation



Free Cash Flow ⁽¹⁾

\$ in millions



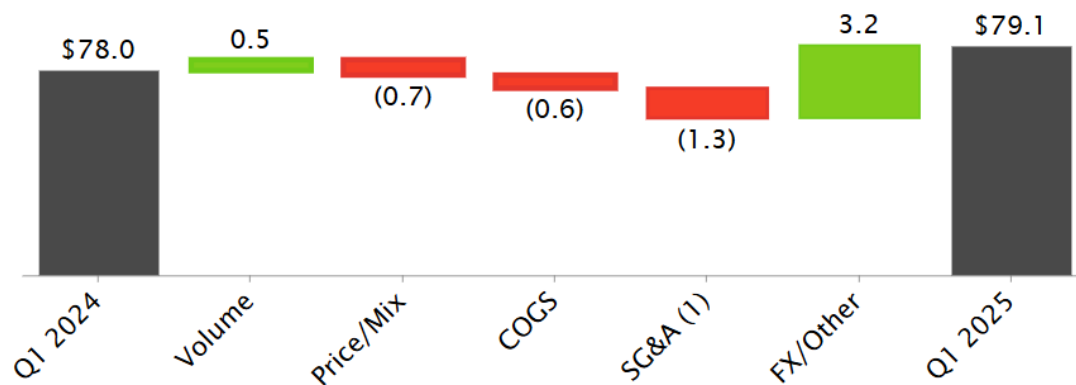
Commentary

- 2024 Performance Chemicals repositioning actions continue to yield improvements in free cash flow ("FCF"); Q1 FCF of \$15 million improved vs. last year due to reduced CTO exposure, improved earnings, and lower CAPEX
- 2025's capital allocation priorities are debt reduction and disciplined CAPEX
- Strong FCF generation enabled deleveraging during the quarter; improved EBITDA combined with debt reduction expected to reduce leverage below 2.8x by year end

PERFORMANCE MATERIALS

\$ IN MILLIONS	Q1 2025	Q1 2024	▲ \$ VS. PRIOR YEAR	▲ % VS. PRIOR YEAR
Net Sales	146.8	145.1	1.7	1.2%
Segment EBITDA	79.1	78.0	1.1	1.4%
Segment EBITDA Margin	53.9%	53.8%		10 bps

Q1 Segment EBITDA



Performance Highlights

Sales increased 1% driven by higher volume in China and Asia Pacific, and the implementation of annual price increases; North America's favorable mix of fuel-efficient vehicles that use higher value product offset lower volume in the region

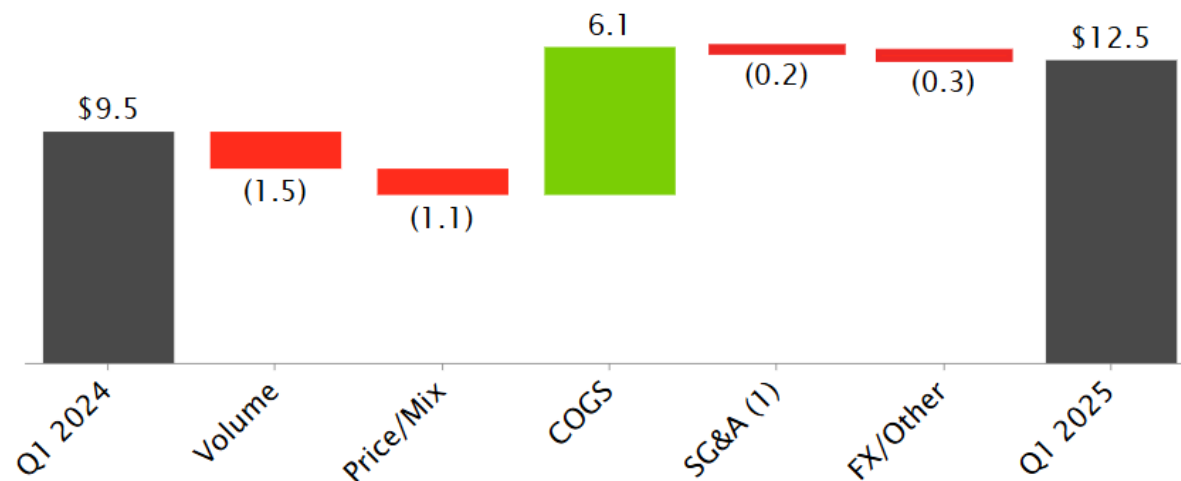
Segment EBITDA improved 1% with EBITDA margins near 54%; full-year segment EBITDA margin expected to be ~50%



ADVANCED POLYMER TECHNOLOGIES

\$ IN MILLIONS	Q1 2025	Q1 2024	▲ \$ VS. PRIOR YEAR	▲ % VS. PRIOR YEAR
Net Sales	42.2	48.0	(5.8)	(12.1)%
Segment EBITDA	12.5	9.5	3.0	31.6%
Segment EBITDA Margin	29.6%	19.8%		980 bps

Q1 Segment EBITDA



Performance Highlights

Michael N. Shukov named senior vice president and president, Advanced Polymer Technologies, effective March 12, 2025

Sales declined as higher volumes in North America and EMEA were offset by lower volumes in Asia, and price concessions were implemented in certain markets in response to slower demand and competitive pressures, particularly in China

Higher segment EBITDA and EBITDA margins due primarily to increased utilization rates as we built inventory in preparation for a planned extended outage in the second quarter to install new boilers

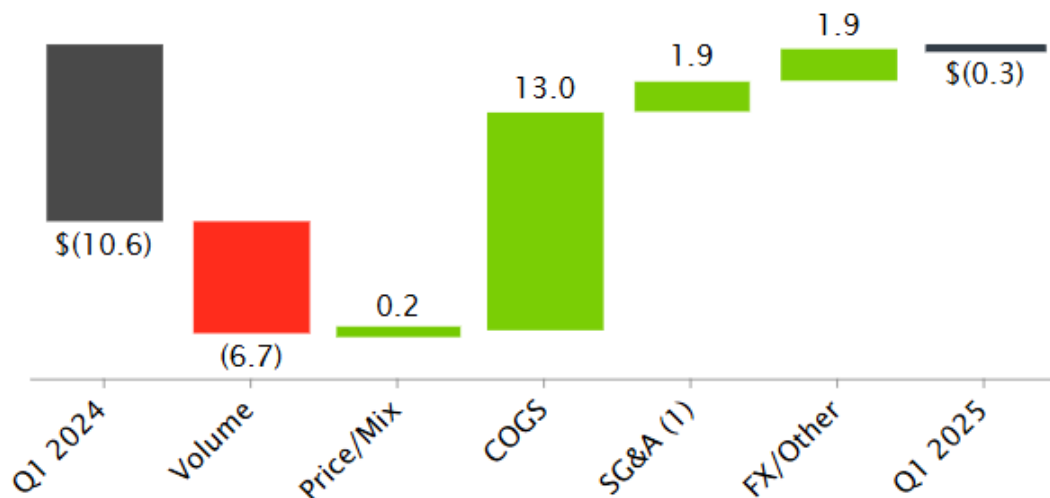
- COGS benefit primarily due to higher utilization rates
- Plant downtime expected to negatively impact EBITDA in the second quarter; full-year segment EBITDA margin expected to be ~20%



PERFORMANCE CHEMICALS

\$ IN MILLIONS	Q1 2025	Q1 2024	▲ \$ VS. PRIOR YEAR	▲ % VS. PRIOR YEAR
Net Sales	95.0	147.0	(52.0)	(35.4)%
Industrial Specialties	50.7	101.3	(50.6)	(50.0)%
Road Technologies	44.3	45.7	(1.4)	(3.1)%
Segment EBITDA	(0.3)	(10.6)	10.3	97.2%
Segment EBITDA Margin	(0.3)%	(7.2)%		690 bps

Q1 Segment EBITDA



Performance Highlights

Sales lower due primarily to segment repositioning actions

- **INDUSTRIAL SPECIALTIES:** Sales down 50% due primarily to the impact of the segment's repositioning actions which reduced exposure to lower-margin end markets, as well as continued weakness in industrial demand
- **ROAD TECHNOLOGIES:** Sales lower primarily due to colder weather in the southern U.S. that delayed the timing of road marking sales

Segment EBITDA improved \$10.3 million reflecting the successful execution of repositioning actions, which included benefits from the exit of lower-margin end markets, cost savings actions and lower raw material costs; full-year segment EBITDA margin expected to be mid-to-high single digits

Repositioning Update

Consolidated EBITDA margins improved year-over-year for the fourth consecutive quarter as a result of successful execution of repositioning actions

- Total savings expected from repositioning actions is approximately \$95 million to \$100 million, of which \$92 million has been realized through Q1 2025; expect remainder of savings to be realized during 2025
- \$12 million of repositioning cash charges in Q1; expect cash charges of \$13 - \$18 million for remainder of 2025 ⁽²⁾

(1) SG&A includes research and technical expenses

(2) These costs are excluded from Performance Chemicals Segment Operating results, as well as full company Adjusted EBITDA. For a reconciliation of the full company Adjusted EBITDA to the nearest GAAP financial measure, please refer to the appendix.

2025 GUIDANCE AND OUTLOOK

Ingevity widens range of prior guidance to reflect ~10% reduction in North America auto production forecasts; affirms free cash flow and leverage guidance

FY Guidance

Financial Metric	FY Guidance
Revenue	\$1.25 – \$1.4 billion
Adj. EBITDA ⁽¹⁾	\$380 – \$415 million
Capital Expenditures	\$50 – \$70 million
Free Cash Flow ⁽¹⁾	\$220 – \$260 million
Net Debt Ratio ⁽¹⁾	Below 2.8X

Opportunities:

- Global auto production is stronger than current forecasts
- Completion of strategic actions on Industrial Specialties and N. Charleston CTO refinery improves earnings and cash flow
- Battery Electric Vehicle adoption is slower than expected

Challenges:

- The impact of trade-related disruptions and weakening consumer sentiment results in downward pressure on global vehicle production beyond current expectations
- Economic and trade policy uncertainties depress consumer and industrial demand

Key Assumptions

- 10% drop in North America auto production equates to ~\$15-\$20 million lower Performance Materials EBITDA assuming no mitigating actions
- Expect minimal impact on costs associated with tariffs after mitigating efforts across all segments
- *Guidance revision only reflects the change to industry auto production forecasts, and does not include any potential impact from the exploration of strategic alternatives for the Industrial Specialties product line and North Charleston CTO refinery announced previously*

(1) This is a non-GAAP financial measure; please see the appendix for Ingevity's use of non-GAAP financial measures, definitions of those financial measures, and reconciliations to the nearest GAAP financial measures.



FOR MORE INFORMATION

Investors

John E. Nypaver, Jr.

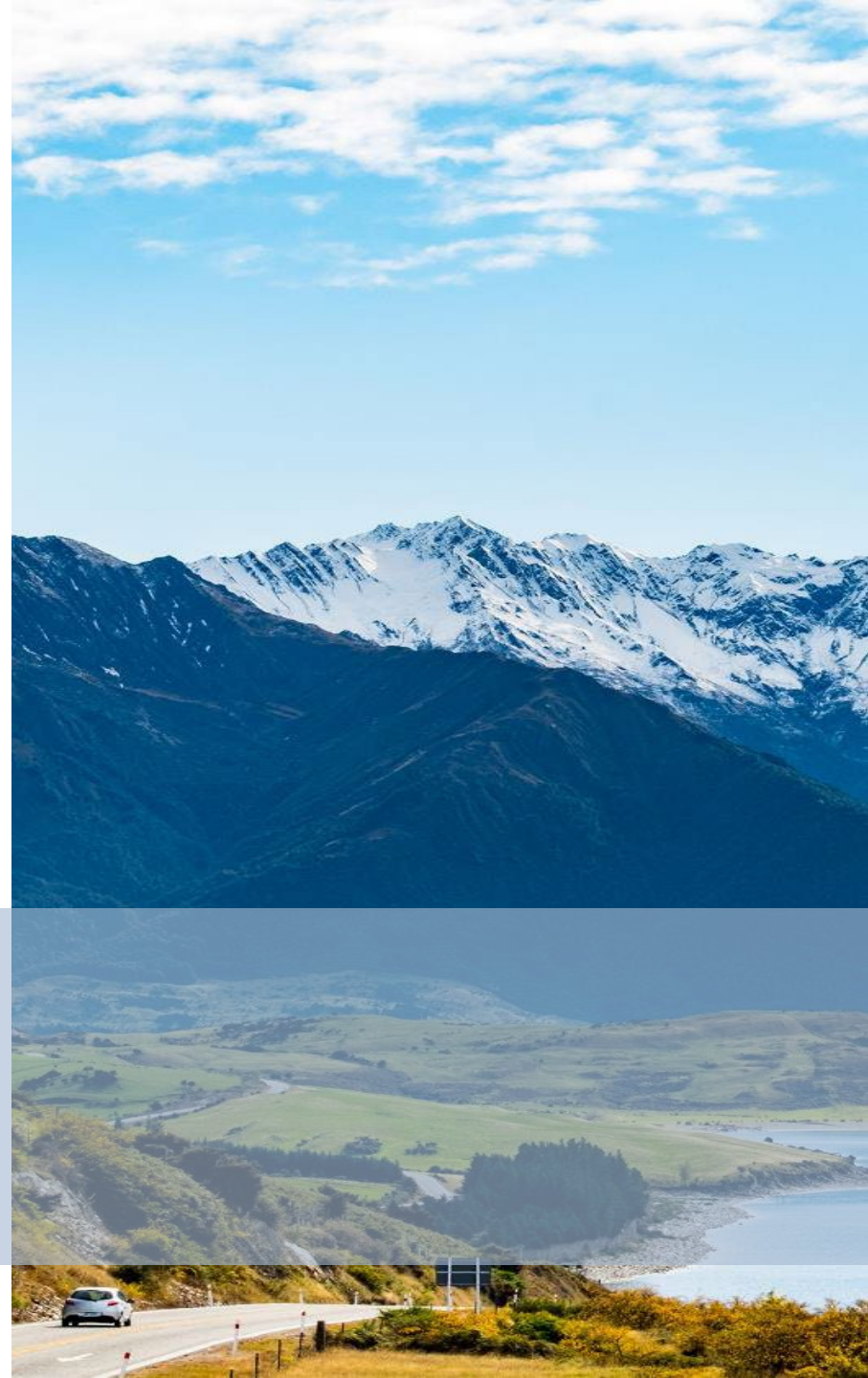
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Thank you for your interest in Ingevity.



APPENDIX

Non-GAAP Financial Measures

Ingevity has presented certain financial measures, defined below, which have not been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) and has provided a reconciliation to the most directly comparable financial measure calculated in accordance with GAAP on the following pages. These financial measures are not meant to be considered in isolation nor as a substitute for the most directly comparable financial measure calculated in accordance with GAAP. Investors should consider the limitations associated with these non-GAAP measures, including the potential lack of comparability of these measures from one company to another.

We believe these non-GAAP financial measures provide management as well as investors, potential investors, securities analysts, and others with useful information to evaluate the performance of the business, because such measures, when viewed together with our financial results computed in accordance with GAAP, provide a more complete understanding of the factors and trends affecting our historical financial performance, liquidity measures, and projected future results.

Ingevity uses the following non-GAAP measures:

Adjusted earnings (loss) is defined as net income (loss) plus restructuring and other (income) charges, net, goodwill impairment, acquisition and other-related (income) costs, pension and postretirement settlement and curtailment (income) charges, loss on CTO resales, (gain) loss on strategic investments, debt refinancing fees, litigation verdict charges, CTO supply contract termination charges, proxy contest charges, and the income tax expense (benefit) on those items, less the provision (benefit) from certain discrete tax items.

Adjusted EBITDA is defined as net income (loss) plus interest expense, net, provision (benefit) for income taxes, depreciation, amortization, restructuring and other (income) charges, net, goodwill impairment, acquisition and other-related (income) costs, litigation verdict charges, (gain) loss on strategic investments, loss on CTO resales, CTO supply contract termination charges, proxy contest charges, and pension and postretirement settlement and curtailment (income) charges, net.

Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by Net sales.

Adjusted Gross Margin is defined as Adjusted Gross Profit divided by Net sales

Adjusted Gross Profit is defined as gross profit plus depreciation and amortization, inventory fair value step-up amortization resulting from purchase accounting on acquisitions, and pension and postretirement settlement and curtailment (income) charges.

Adjusted other (income) expense, net is defined as other (income) expense, net less (gain) loss on strategic investments, loss on CTO resales, CTO supply contract termination charges, litigation verdict charges, proxy contest charges, depreciation and amortization.

Adjusted other (income) expense, net as a percent of sales is defined as adjusted other (income) expense, net divided by Net sales.

Adjusted earnings (loss) before income taxes is defined as Adjusted EBITDA less depreciation and amortization and interest expense, net.

Adjusted SG&A is defined as selling, general, and administrative costs plus research and technical expenses less depreciation and amortization.

Adjusted SG&A as a Percent of Sales is defined as adjusted SG&A divided by Net sales.

Provision (benefit) for Income Taxes on Adjusted earnings (loss) is defined as provision for income taxes plus the tax expense (benefit) on restructuring and other (income) charges, net, goodwill impairment, acquisition and other-related (income) costs, debt refinancing fees, litigation verdict charges, (gain) loss on strategic investments, loss on CTO resales, CTO supply contract termination charges, proxy contest charges, pension and postretirement settlement and curtailment (income) charges, less the provision (benefit) from certain discrete tax items.

Adjusted Tax Rate is calculated by dividing the Provision (benefit) for income taxes on Adjusted earnings (loss) divided by Adjusted earnings (loss) before income taxes.

Diluted adjusted earnings (loss) per share is defined as Diluted earnings (loss) per common share plus restructuring and other (income) charges, net, per share, goodwill impairment per share, acquisition and other-related (income) costs per share, pension and postretirement settlement and curtailment (income) charges per share, loss on CTO resales per share, CTO supply contract termination charges per share, (gain) loss on strategic investments per share, debt refinancing fees per share, litigation verdict charge per share, proxy contest charges per share, and the income tax expense (benefit) per share on those items, less the provision (benefit) from certain discrete tax items per share.

Free Cash Flow is defined as the sum of net cash provided by (used in) the following items: operating activities less capital expenditures.

Net Debt is defined as the sum of notes payable, short-term debt, current maturities of long-term debt, long-term debt including finance lease obligations, and debt issuance costs, less the sum of cash and cash equivalents, restricted cash associated with our new market tax credit financing arrangement, and restricted investment associated with certain finance lease obligations, excluding the allowance for credit losses on held-to-maturity debt securities held within the restricted investment

Net Debt Ratio is defined as Net Debt divided by the last twelve months Adjusted EBITDA, inclusive of acquisition-related pro forma adjustments.

Ingevity's management also uses the above financial measures as the primary measures of profitability and liquidity of the business. In addition, Ingevity believes Adjusted EBITDA and Adjusted EBITDA Margin are useful measures because they exclude the effects of financing and investment activities as well as non-operating activities.

A reconciliation of net income to adjusted EBITDA as projected for 2025 is not provided. Ingevity does not forecast net income as it cannot, without unreasonable effort, estimate or predict with certainty various components of net income. These components, net of tax, include further restructuring and other income (charges), net; additional acquisition and other-related (income) costs; additional pension and postretirement settlement and curtailment (income) charges; and revisions due to legislative tax rate changes. Additionally, discrete tax items could drive variability in our projected effective tax rate. All of these components could significantly impact such financial measures. Further, in the future, other items with similar characteristics to those currently included in adjusted EBITDA, that have a similar impact on the comparability of periods, and which are not known at this time, may exist and impact adjusted EBITDA.

**Reconciliation of Net Income (Loss) (GAAP) and Diluted Earnings (Loss) Per Share (GAAP) to
Adjusted Earnings (Loss) (Non-GAAP) and Diluted Adjusted Earnings (Loss) Per Share (Non-GAAP)**

<i>In millions, except per data (unaudited)</i>	Three Months Ended March 31,	
	2025	2024
Net income (loss) (GAAP)	\$ 20.5	\$ (56.0)
Restructuring and other (income) charges ⁽¹⁾	12.3	62.8
Acquisition and other related costs ⁽²⁾	—	0.3
Loss on CTO Resales ⁽³⁾	—	26.5
(Gain) loss on strategic investments ⁽⁴⁾	—	4.8
Proxy contest charges ⁽⁵⁾	7.9	—
Tax effect on items above ⁽⁶⁾	(4.7)	(22.1)
Certain discrete tax provision (benefit) ⁽⁷⁾	0.4	0.9
Adjusted earnings (loss) (Non-GAAP)	<u>\$ 36.4</u>	<u>\$ 17.2</u>
Diluted earnings (loss) per common share (GAAP)	\$ 0.56	\$ (1.54)
Restructuring and other (income) charges	0.34	1.73
Acquisition and other related costs	—	0.01
Loss on CTO Resales	—	0.73
(Gain) loss on strategic investments	—	0.13
Proxy contest charges	0.21	—
Tax effect on items above	(0.13)	(0.61)
Certain discrete tax provision (benefit)	0.01	0.02
Diluted adjusted earnings (loss) per share (Non-GAAP)	<u>\$ 0.99</u>	<u>\$ 0.47</u>
Weighted average common shares outstanding - Diluted ⁽⁸⁾	36.7	36.4

- (1) We regularly perform strategic reviews and assess the return on our operations, which sometimes results in a plan to restructure the business. These costs are excluded from our reportable segment results; details of which are included in the table on the slide titled **Restructuring and other (income) charges**.
- (2) Charges represent (gains) losses incurred to complete and integrate acquisitions and other strategic investments. Charges may include the expensing of the inventory fair value step-up resulting from the application of purchase accounting for acquisitions and certain legal and professional fees associated with the completion of acquisitions and strategic investments. For the three months ended March 31, 2024, charges relate to the Performance Chemicals reportable segment.
- (3) Due to the DeRidder Plant closure and the corresponding reduced CTO refining capacity, we were obligated, under an existing CTO supply contract, to purchase CTO through 2025 at amounts in excess of required CTO volumes. On July 1, 2024, the CTO supply contract that resulted in these excess CTO volumes was terminated. As a result of the termination, the purchases under the CTO supply contract ended effective June 30, 2024. The CTO resale activity described above ended in 2024. For the three months ended March 31, 2024, charges relate to the Performance Chemicals segment.

Reconciliation of Net Income (Loss) (GAAP) and Diluted Earnings (Loss) Per Share (GAAP) to Adjusted Earnings (Loss) (Non-GAAP) and Diluted Adjusted Earnings (Loss) Per Share (Non-GAAP)

- (4) We exclude gains and losses from strategic investments from our segment results, as well as our non-GAAP financial measures, because we do not consider such gains or losses to be directly associated with the operational performance of the segment. We believe that the inclusion of such gains or losses, would impair the factors and trends affecting the historical financial performance of our reportable segments. We continue to include undistributed earnings or loss, distributions, amortization or accretion of basis differences, and other-than-temporary impairments for equity method investments that we believe are directly attributable to the operational performance of such investments, in our reportable segment results.

<i>In millions</i>	Three Months Ended March 31,	
	2025	2024
Performance Materials	\$ —	\$ —
Performance Chemicals	—	4.8
Advanced Polymer Technologies	—	—
(Gain) loss on strategic investments	\$ —	\$ 4.8

- (5) Charges represent legal and other professional service fees as well as incremental proxy solicitation costs related to a proxy contest.
- (6) Income tax impact of non-GAAP adjustments is the summation of the calculated income tax charge related to each pre-tax non-GAAP adjustment. The non-GAAP adjustments relate primarily to adjustments in the United States. As such, the income tax effect is calculated using the statutory tax rates of 21% for the United States and approximately 2.5% for state and local taxes, applied to the non-GAAP adjustments.
- (7) Represents certain discrete tax items such as excess tax benefits on stock compensation and impacts of legislative tax rate changes.
- (8) The average number of shares outstanding used in the three months ended March 31, 2024 diluted adjusted earnings (loss) per share computation (Non-GAAP) includes 0.1 million diluted shares. This number of shares differs from the average number of shares outstanding used in diluted earnings (loss) per share computations (GAAP) as we had a net loss on a GAAP basis.

Restructuring and other (income) charges

<i>In millions</i>	Three Months Ended March 31,	
	2025	2024
Work force reductions and other	\$ 1.2	\$ —
Performance Chemicals' repositioning	11.1	62.3
Restructuring charges ⁽¹⁾	\$ 12.3	\$ 62.3
North Charleston plant transition	—	0.5
Other (income) charges, net ⁽¹⁾	\$ —	\$ 0.5
Restructuring and other (income) charges, net ⁽²⁾⁽³⁾	\$ 12.3	\$ 62.8

(1) Amounts are recorded within Restructuring and other (income) charges, net on the condensed consolidated statement of operations.

(2) For information on our Workforce reductions and other, Performance Chemicals' repositioning, and North Charleston plant transition costs please refer to Note 15, Restructuring and Other (Income) Charges, net, in the Notes to the Consolidated Financial Statements included in the Company's Form 10-K for the year ended December 31, 2024, filed on February 19, 2025. An update has been provided in subsequent filings of the Company's Form 10-Q in 2025.

(3) The table below provides an allocation of these charges between our three reportable segments to provide investors, potential investors, securities analysts and others with the information, should they choose, to apply such (income) charges to each respective reportable segment for which the charges relate.

<i>In millions</i>	Three Months Ended March 31,	
	2025	2024
Performance Materials	\$ —	\$ 0.1
Performance Chemicals	11.7	62.8
Advanced Polymer Technologies	0.6	(0.1)
Restructuring and other (income) charges, net	\$ 12.3	\$ 62.8

Reconciliation of Net Income (GAAP) to Adjusted EBITDA (Non-GAAP)

<i>In millions, except percentages (unaudited)</i>	Three Months Ended March 31,	
	2025	2024
Net income (loss) (GAAP)	\$ 20.5	\$ (56.0)
Provision (benefit) for income taxes	6.3	(15.9)
Interest expense, net	19.4	22.3
Depreciation and amortization	24.9	29.6
Restructuring and other (income) charges, net ⁽¹⁾	12.3	62.8
Acquisition and other related costs ⁽¹⁾	—	0.3
Loss on CTO resales ⁽¹⁾	—	26.5
(Gain) loss on strategic investments ⁽¹⁾	—	4.8
Proxy contest charges	7.9	—
Adjusted EBITDA (Non-GAAP)	<u>\$ 91.3</u>	<u>\$ 74.4</u>
Net sales	\$ 284.0	\$ 340.1
Net income (loss) margin	7.2 %	(16.5) %
Adjusted EBITDA margin	32.1 %	21.9 %

(1) For more information on these charges, refer to the Reconciliation of Adjusted Earnings table on the slide titled Reconciliation of Net Income (Loss) (GAAP) and Diluted Earnings (Loss) Per Share (GAAP) to Adjusted Earnings (Loss) (Non-GAAP) and Diluted Adjusted Earnings (Loss) per share (Non-GAAP).

Reconciliation of Gross Profit (GAAP) to Adjusted Gross Profit (Non-GAAP)

<i>In millions, except percentages (unaudited)</i>	Three Months Ended March 31,	
	2025	2024
Gross Profit (GAAP)	\$ 113.4	\$ 99.7
Plus:		
Depreciation and amortization	15.2	17.6
Adjusted gross profit (Non-GAAP)	<u>\$ 128.6</u>	<u>\$ 117.3</u>
Net Sales	\$ 284.0	\$ 340.1
Gross margin (GAAP)	39.9 %	29.3 %
Adjusted Gross margin (Non-GAAP)	45.3 %	34.5 %

Reconciliations of SG&A (GAAP) to Adjusted SG&A (Non-GAAP)

<i>In millions, except percentages (unaudited)</i>	Three Months Ended March 31,	
	2025	2024
SG&A (GAAP)	\$ 43.1	\$ 47.2
Research and technical expenses (GAAP)	7.7	6.8
Total SG&A (GAAP)	50.8	54.0
Less:		
Depreciation and amortization	9.7	12.0
Adjusted SG&A (Non-GAAP)	\$ 41.1	\$ 42.0
Net Sales	\$ 284.0	\$ 340.1
SG&A as a percent of Net sales (GAAP)	15.2 %	13.9 %
Adjusted SG&A as a percent of Net sales (Non-GAAP)	14.5 %	12.3 %

Reconciliations of Other (income) expense, net (GAAP) to Adjusted Other (income) expense, net (Non-GAAP)

<i>In millions, except percentages (unaudited)</i>	Three Months Ended March 31,	
	2025	2024
Other (income) expense, net (GAAP)	\$ 4.1	\$ 32.2
Less:		
Loss on CTO resales	—	26.5
(Gain) loss on strategic investments	—	4.8
Proxy contest charges	7.9	—
Depreciation and amortization	—	—
Other (income) expense, net (Non-GAAP)	<u>\$ (3.8)</u>	<u>\$ 0.9</u>
Net Sales	\$ 284.0	\$ 340.1
OIE as a percent of Net sales (GAAP)	1.4 %	9.5 %
Adjusted OIE as a percent of Net sales (Non-GAAP)	(1.3) %	0.3 %

Reconciliation of Cash Flow from Operations (GAAP) to Free Cash Flow (Non-GAAP)

<i>In millions (unaudited)</i>	Three Months Ended March 31,	
	2025	2024
Cash Flow from Operations (GAAP)	\$ 25.4	\$ (12.1)
Less: Capital Expenditures (GAAP)	10.0	16.6
Free Cash Flow (Non-GAAP)	\$ 15.4	\$ (28.7)

<i>In millions (unaudited)</i>	2024			
	Q1	Q2	Q3	Q4
Cash Flow from Operations (GAAP)	\$ (12.1)	\$ 29.7	\$ 46.5	\$ 64.5
Less: Capital Expenditures (GAAP)	16.6	18.1	18.0	24.9
Free Cash Flow (Non-GAAP)	\$ (28.7)	\$ 11.6	\$ 28.5	\$ 39.6

Calculation of Net Debt to Adjusted EBITDA Ratio (Non-GAAP)

In millions, except ratios (unaudited)

	March 31, 2025
Notes payable and current maturities of long-term debt	\$ 60.4
Long-term debt including finance lease obligations	1,332.6
Debt issuance costs	4.0
Total Debt	\$ 1,397.0
Less:	
Cash and cash equivalents ⁽¹⁾	71.7
Restricted investment ⁽²⁾	82.5
Net Debt	<u>\$ 1,242.8</u>

Net Debt Ratio (Non GAAP)

Adjusted EBITDA (Non-GAAP) ⁽³⁾	
Twelve months ended December 31, 2024	362.7
Three months ended March 31, 2024	(74.4)
Three months ended March 31, 2025	91.3
Adjusted EBITDA - trailing twelve months (TTM) as of March 31, 2025	<u>\$ 379.6</u>
Net debt ratio (Non GAAP)	3.3x

(1) Includes \$0.2 million of Restricted Cash related to the New Market Tax Credit arrangement for the three months ended March 31, 2025.

(2) Excludes \$0.1 million allowance for credit losses on held-to-maturity debt securities.

(3) Refer to the Reconciliation of Net Income (GAAP) to Adjusted EBITDA (Non-GAAP) schedule for the reconciliation to the most comparable GAAP financial measure.

Calculation of Historical Net Debt Ratio (Non-GAAP)

<i>In millions, except ratios (unaudited)</i>	2024			
	Q1	Q2	Q3	Q4
Net Debt ⁽¹⁾	\$ 1,329.8	\$ 1,320.6	\$ 1,285.8	\$ 1,255.2
Adjusted EBITDA (Non-GAAP) ⁽²⁾	347.6	328.2	324.2	362.7
TTM Adjusted EBITDA	<u>\$ 347.6</u>	<u>\$ 328.2</u>	<u>\$ 324.2</u>	<u>\$ 362.7</u>
Net Debt Ratio (Non-GAAP)	3.8x	4.0x	4.0x	3.5x

(1) Net debt is defined as the sum of notes payable, short-term debt, current maturities of long-term debt, long-term debt including finance lease obligations, and debt issuance costs, less the sum of cash and cash equivalents, restricted cash associated with our new market tax credit financing arrangement, and restricted investment associated with certain finance lease obligations, excluding the allowance for credit losses on held-to-maturity debt securities held within the restricted investment

(2) Refer to the Reconciliation of Net Income (GAAP) to Adjusted EBITDA (Non-GAAP) schedule for the reconciliation to the most comparable GAAP financial measure.