

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Form 10-Q

Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended March 31, 2024

OR

Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _____ to

Commission File Number 001-08524

Myers Industries, Inc.

(Exact name of registrant as specified in its charter)

Ohio

(State or other jurisdiction of
incorporation or organization)

34-0778636

(IRS Employer Identification
Number)

1293 South Main Street

Akron, Ohio

(Address of principal executive offices)

44301

(Zip code)

(330) 253-5592

(Registrant's telephone number, including area code)

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

Title of Each Class	Trading Symbol	Name of Exchange on Which Registered
Common Stock, without par value	MYE	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer
Non-Accelerated filer

Accelerated filer
Smaller reporting company
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of shares outstanding of the issuer's common stock, without par value, as of May 3, 2024 was 37,182,954 shares.

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Part I — Financial Information

Item 1. Financial Statements

MYERS INDUSTRIES, INC. AND SUBSIDIARIES

Condensed Consolidated Statements of Operations (Unaudited)

(Dollars in thousands, except per share data)

	For the Quarter Ended March 31,	
	2024	2023
Net sales	\$ 207,102	\$ 215,739
Cost of sales	142,833	144,674
Gross profit	64,269	71,065
Selling, general and administrative expenses	53,457	52,081
(Gain) loss on disposal of fixed assets	(67)	27
Operating income	10,879	18,957
Interest expense, net	6,079	1,646
Income before income taxes	4,800	17,311
Income tax expense	1,297	4,335
Net income	\$ 3,503	\$ 12,976
Net income per common share:		
Basic	\$ 0.09	\$ 0.35
Diluted	\$ 0.09	\$ 0.35

See notes to unaudited condensed consolidated financial statements.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Comprehensive Income (Loss) (Unaudited)
(Dollars in thousands)

	For the Quarter Ended March 31,	
	2024	2023
Net income	\$ 3,503	\$ 12,976
Other comprehensive income (loss):		
Foreign currency translation adjustment	(831)	42
Total other comprehensive income	(831)	42
Comprehensive income	<u>\$ 2,672</u>	<u>\$ 13,018</u>

See notes to unaudited condensed consolidated financial statements.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Financial Position (Unaudited)
(Dollars in thousands)

	March 31, 2024	December 31, 2023
Assets		
Current Assets		
Cash	\$ 32,730	\$ 30,290
Trade accounts receivable, less allowances of \$4,733 and \$4,189, respectively	130,431	113,907
Other accounts receivable, net	8,818	14,726
Inventories, net	105,035	90,844
Prepaid expenses and other current assets	6,683	6,854
Total Current Assets	283,697	256,621
Property, plant, and equipment, net	135,155	107,933
Right of use asset - operating leases	34,560	27,989
Goodwill	310,260	95,392
Intangible assets, net	168,803	45,129
Deferred income taxes	209	209
Other	14,452	8,358
Total Assets	\$ 947,136	\$ 541,631
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable	\$ 81,494	\$ 79,050
Accrued employee compensation	14,626	17,104
Income taxes payable	5,612	4,253
Accrued taxes payable, other than income taxes	2,411	2,582
Accrued interest	4,883	1,112
Other current liabilities	26,281	28,472
Operating lease liability - short-term	6,708	5,943
Finance lease liability - short-term	604	593
Long-term debt - current portion	19,581	25,998
Total Current Liabilities	162,200	165,107
Long-term debt	381,045	31,989
Operating lease liability - long-term	27,195	22,352
Finance lease liability - long-term	8,461	8,615
Other liabilities	13,476	12,108
Deferred income taxes	63,108	8,660
Total Liabilities	655,485	248,831
Shareholders' Equity		
Serial Preferred Shares (authorized 1,000,000 shares; none issued and outstanding)	—	—
Common Shares, without par value (authorized 60,000,000 shares; outstanding 37,129,321 and 36,848,465; net of treasury shares of 5,423,136 and 5,703,992, respectively)	22,834	22,608
Additional paid-in capital	323,516	322,526
Accumulated other comprehensive loss	(17,646)	(16,815)
Retained deficit	(37,053)	(35,519)
Total Shareholders' Equity	291,651	292,800
Total Liabilities and Shareholders' Equity	\$ 947,136	\$ 541,631

See notes to unaudited condensed consolidated financial statements.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Shareholders' Equity (Unaudited)
(Dollars in thousands, except per share data)

	Quarter Ended March 31, 2024					
	Common Shares	Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Retained Deficit	Total Shareholders' Equity	
Balance at January 1, 2024	\$ 22,608	\$ 322,526	\$ (16,815)	\$ (35,519)	\$ 292,800	
Net income	—	—	—	3,503	3,503	
Foreign currency translation adjustment	—	—	(831)	—	(831)	
Shares issued under incentive plans, net of shares withheld for tax	226	308	—	—	534	
Stock compensation expense	—	682	—	—	682	
Declared dividends - \$0.135 per share	—	—	—	(5,037)	(5,037)	
Balance at March 31, 2024	\$ 22,834	\$ 323,516	\$ (17,646)	\$ (37,053)	\$ 291,651	
	Quarter Ended March 31, 2023					
	Common Shares	Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Retained Deficit	Total Shareholders' Equity	
Balance at January 1, 2023	\$ 22,332	\$ 315,865	\$ (17,793)	\$ (63,977)	\$ 256,427	
Net income	—	—	—	12,976	12,976	
Foreign currency translation adjustment	—	—	42	—	42	
Shares issued under incentive plans, net of shares withheld for tax	193	(1,060)	—	—	(867)	
Stock compensation expense	—	1,904	—	—	1,904	
Declared dividends - \$0.135 per share	—	—	—	(5,235)	(5,235)	
Balance at March 31, 2023	\$ 22,525	\$ 316,709	\$ (17,751)	\$ (56,236)	\$ 265,247	

See notes to unaudited condensed consolidated financial statements.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows (Unaudited)
(Dollars in thousands)

	For the Quarter Ended March 31,	
	2024	2023
Cash Flows From Operating Activities		
Net income	\$ 3,503	\$ 12,976
Adjustments to reconcile net income to net cash provided by (used for) operating activities		
Depreciation and amortization	8,497	5,618
Amortization of deferred financing costs	231	78
Amortization of acquisition-related inventory step-up	3,115	—
Non-cash stock-based compensation expense	682	1,904
(Gain) loss on disposal of fixed assets	(67)	27
Other	(6)	(827)
Cash flows provided by (used for) working capital		
Accounts receivable - trade and other, net	7,964	3,181
Inventories	186	(8,778)
Prepaid expenses and other current assets	885	1,220
Accounts payable and accrued expenses	(4,720)	10,387
Net cash provided by (used for) operating activities	20,270	25,786
Cash Flows From Investing Activities		
Capital expenditures	(5,707)	(9,091)
Acquisition of business, net of cash acquired	(348,890)	(160)
Proceeds from sale of property, plant and equipment	75	33
Net cash provided by (used for) investing activities	(354,522)	(9,218)
Cash Flows From Financing Activities		
Net borrowings (repayments) from revolving credit facility	(11,000)	(5,200)
Proceeds from Term Loan A	400,000	—
Repayments of senior unsecured notes	(38,000)	—
Payments on finance lease	(143)	(129)
Cash dividends paid	(5,345)	(5,274)
Proceeds from issuance of common stock	2,408	1,132
Shares withheld for employee taxes on equity awards	(1,874)	(1,999)
Deferred financing fees	(9,172)	—
Net cash provided by (used for) financing activities	336,874	(11,470)
Foreign exchange rate effect on cash	(182)	4
Net increase (decrease) in cash	2,440	5,102
Cash at January 1	30,290	23,139
Cash at March 31	<u>\$ 32,730</u>	<u>\$ 28,241</u>

See notes to unaudited condensed consolidated financial statements.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES
Notes to Unaudited Condensed Consolidated Financial Statements
(Dollars in thousands, except where otherwise indicated)

1. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements include the accounts of Myers Industries, Inc. and all wholly owned subsidiaries (collectively, the "Company"), and have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"). Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States ("GAAP") have been condensed or omitted pursuant to those rules and regulations, although the Company believes that the disclosures are adequate to make the information not misleading. These interim financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's annual report on Form 10-K for the year ended December 31, 2023.

In the opinion of the Company, the accompanying condensed consolidated financial statements contain all adjustments (consisting of normal recurring accruals) necessary to present fairly the financial position as of March 31, 2024, and the results of operations and cash flows for the periods presented. The results of operations for the quarter ended March 31, 2024 are not necessarily indicative of the results of operations that will occur for the year ending December 31, 2024.

Accounting Standards Not Yet Adopted

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. This ASU is intended to enhance the transparency and decision usefulness of income tax disclosures to provide information to better assess how an entity's operations and related tax risks and tax planning and operational opportunities affect its tax rate and prospects for future cash flows. For the Company, this ASU is effective for annual periods beginning after December 15, 2024. Early adoption is permitted. The amendments within this ASU should be applied prospectively although retrospective application is also permitted. The Company is currently evaluating the impact the adoption of this standard will have on its consolidated financial statements.

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*. This ASU is intended to improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. For the Company, this ASU is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. The amendments within this ASU are required to be applied retrospectively to all prior periods presented in the financial statements. The Company is currently evaluating the impact the adoption of this standard will have on its consolidated financial statements.

Fair Value Measurement

The Company follows guidance included in ASC 820, *Fair Value Measurements and Disclosures*, for its financial assets and liabilities, as required. Under ASC 820, the hierarchy that prioritizes the inputs to valuation techniques used to measure fair value is divided into three levels:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: Unadjusted quoted prices in active markets for similar assets or liabilities, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active or inputs that are observable either directly or indirectly.

Level 3: Unobservable inputs for which there is little or no market data or which reflect the entity's own assumptions.

The Company has financial instruments, including cash, accounts receivable, accounts payable and accrued expenses. The fair value of these financial instruments approximates carrying value due to the nature and relative short maturity of these assets and liabilities.

The fair value of the Company's revolving credit facility, as defined in Note 11, approximates carrying value due to the floating rates and the relative short maturity (less than 90 days) of any revolving borrowings under this agreement. The carrying value of the Company's term loan, as defined in Note 11, approximates fair value given that the underlying interest rate applied to such amounts outstanding is currently based upon floating market rates and the Company has the ability to repay the outstanding principal at par value at any time under the terms of this agreement. The fair value of the Company's fixed rate senior unsecured notes was estimated using market observable inputs for the Company's comparable peers with public debt, including quoted prices in active markets and interest rate measurements which are considered Level 2 inputs. At December 31, 2023, the aggregate fair value of the Company's outstanding fixed rate senior unsecured notes was estimated to be \$37.8 million.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES
Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)
(Dollars in thousands, except where otherwise indicated)

The purchase price allocations associated with the February 8, 2024 acquisition of Signature CR Intermediate Holdco, Inc. ("Signature" or "Signature Systems") and the May 31, 2022 acquisition of Mohawk Rubber Sales of New England Inc. ("Mohawk"), as described in Note 3, required fair value measurements using unobservable inputs which are considered Level 3 inputs. The fair value of the acquired intangible assets was determined using an income approach.

Accumulated Other Comprehensive Income (Loss)

Changes in accumulated other comprehensive income (loss) are as follows:

	Foreign Currency	Defined Benefit Pension Plans	Total
Balance at January 1, 2024	\$ (15,551)	\$ (1,264)	\$ (16,815)
Other comprehensive income (loss) before reclassifications	(831)	—	(831)
Net current-period other comprehensive income (loss)	(831)	—	(831)
Balance at March 31, 2024	<u>\$ (16,382)</u>	<u>\$ (1,264)</u>	<u>\$ (17,646)</u>
Balance at January 1, 2023	\$ (16,410)	\$ (1,383)	\$ (17,793)
Other comprehensive income (loss) before reclassifications	42	—	42
Net current-period other comprehensive income (loss)	42	—	42
Balance at March 31, 2023	<u>\$ (16,368)</u>	<u>\$ (1,383)</u>	<u>\$ (17,751)</u>

Allowance for Credit Losses

Management has established certain requirements that customers must meet before credit is extended. The financial condition of customers is continually monitored and collateral is usually not required. The Company evaluates the collectability of accounts receivable based on a combination of factors. The Company reviews historical trends for credit loss as well as current economic conditions in determining an estimate for its allowance for credit losses. Additionally, in circumstances where the Company is aware of a specific customer's inability to meet its financial obligations, a specific allowance for credit losses is recorded against amounts due to reduce the net recognized receivable to the amount the Company reasonably expects will be collected.

The changes in the allowance for credit losses for the quarter ended March 31, 2024 and 2023 were as follows:

	2024	2023
Balance at January 1	\$ 2,989	\$ 2,273
Provision for expected credit loss, net of recoveries	922	135
Write-offs and other	(162)	(195)
Balance at March 31	<u>\$ 3,749</u>	<u>\$ 2,213</u>

2. Revenue Recognition

The Company's revenue by major market is as follows:

	For the Quarter Ended March 31, 2024				
	Material Handling	Distribution	Inter-company	Consolidated	
Consumer	\$ 22,301	\$ —	\$ —	\$ 22,301	
Vehicle	29,410	—	—	29,410	
Food and beverage	27,573	—	—	27,573	
Industrial	53,614	—	(17)	53,597	
Infrastructure	19,327	—	—	19,327	
Auto aftermarket	—	54,894	—	54,894	
Total net sales	<u>\$ 152,225</u>	<u>\$ 54,894</u>	<u>\$ (17)</u>	<u>\$ 207,102</u>	

MYERS INDUSTRIES, INC. AND SUBSIDIARIES
Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)
(Dollars in thousands, except where otherwise indicated)

	For the Quarter Ended March 31, 2023				
	Material Handling	Distribution	Inter-company	Consolidated	
Consumer	\$ 23,876	\$ —	\$ —	\$ 23,876	
Vehicle	32,008	—	—	32,008	
Food and beverage	41,156	—	—	41,156	
Industrial	55,522	—	(8)	55,514	
Infrastructure	—	—	—	—	
Auto aftermarket	—	63,185	—	63,185	
Total net sales	\$ 152,562	\$ 63,185	\$ (8)	\$ 215,739	

Revenue is recognized when obligations under the terms of a contract with customers are satisfied. In both the Distribution and Material Handling segments, this generally occurs with the transfer of control of the products. This transfer of control may occur at either the time of shipment from a Company facility, or at the time of delivery to a designated customer location. Obligations under contracts with customers are typically fulfilled within 90 days of receiving a purchase order from a customer, and generally no other future obligations are required to be performed. The Company generally does not enter into any long-term contracts with customers greater than one year. Based on the nature of the Company's products and customer contracts, no deferred revenue has been recorded, with the exception of cash advances or deposits received from customers prior to transfer of control of the product. These advances are typically fulfilled within the 90-day time frame mentioned above.

Revenue is measured as the amount of consideration the Company expects to receive in exchange for transferring the products. Certain contracts with customers include variable consideration, such as rebates or discounts. The Company recognizes estimates of this variable consideration each period, primarily based on the most likely level of consideration to be paid to the customer under the specific terms of the underlying programs. While the Company's contracts with customers do not generally include explicit rights to return product, the Company will in practice allow returns in the normal course of business and as part of the customer relationship. Expected returns allowances are recognized each period based on an analysis of historical experience, and when physical recovery of the product from returns occurs, an estimated right to return asset is also recorded based on the approximate cost of the product.

Amounts included in the Condensed Consolidated Statements of Financial Position (Unaudited) related to revenue recognition include:

	March 31, 2024	December 31, 2023	Statement of Financial Position Classification
Returns, discounts and other allowances	\$ (984)	\$ (1,200)	Trade accounts receivable
Right of return asset	\$ 1,127	\$ 432	Inventories, net
Customer deposits	\$ (2,099)	\$ (2,017)	Other current liabilities
Accrued rebates	\$ (2,991)	\$ (4,441)	Other current liabilities

Sales, value added, and other taxes collected with revenue from customers are excluded from net sales. The cost for shipments to customers is recognized when control over products has transferred to the customer and is classified as *Selling, general and administrative* expenses for the Company's manufacturing business and as *Cost of sales* for the Company's distribution business. Costs for shipments to customers in *Selling, general and administrative* expenses were approximately \$3.0 million and \$3.0 million for the quarters ended March 31, 2024 and 2023, respectively, and in *Cost of sales* were approximately \$2.9 million and \$4.1 million for the quarters ended March 31, 2024 and 2023, respectively.

Based on the short-term nature of contracts described above, contract acquisition costs are not significant. These costs, as well as other incidental items that are immaterial in the context of the contract, are recognized as expense as incurred.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES
Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)
(Dollars in thousands, except where otherwise indicated)

3. Acquisitions

Signature

On February 8, 2024, the Company acquired the stock of Signature Systems, a manufacturer and distributor of composite matting ground protection for industrial applications, stadium turf protection and temporary event flooring, which is included in the Material Handling Segment. The Signature acquisition aligns with the Company's long-term strategic plan to transform the Company into a high-growth, customer-centric innovator of value-added engineered plastic solutions. The Company initially paid \$348.9 million to acquire Signature, net of cash acquired of \$4.3 million. At March 31, 2024, the initial purchase price remains subject to working capital and other adjustments, and expected consideration for the acquisition was \$348.2 million.

The Company funded the acquisition of Signature through an amendment and restatement of Myers' existing loan agreement, as described in Note 11. Costs related to the acquisition are included within *Selling, general and administrative* on the Condensed Consolidated Statements of Operations (Unaudited) and totaled \$6.0 million, of which \$3.4 million was incurred in the three months ended March 31, 2024. In the three months ended March 31, 2024, Signature contributed \$19.3 million of revenue and \$2.9 million of operating income to the Material Handling Segment.

The acquisition of Signature was accounted for using the acquisition method, whereby all of the assets acquired and liabilities assumed were recognized at their fair value on the acquisition date, with any excess of the purchase price over the estimated fair value recorded as goodwill. Goodwill represents the future economic benefits arising from other assets acquired that could not be individually and separately recognized. Goodwill acquired in this transaction will not be tax deductible. The following table summarizes the allocation of the purchase price based on the estimated fair value of assets acquired and liabilities assumed based on their preliminary estimated fair values at the acquisition date, which are subject to adjustment. There were no measurement period adjustments recorded in the quarter ended March 31, 2024. The purchase accounting will be finalized within one year from the acquisition date. The purchase price allocation of the assets acquired and liabilities assumed is preliminary until the final independent valuation consultant report is issued and the Company finalizes its valuation estimates to determine final working capital adjustments, amounts allocated to intangible assets, the tax effects of the acquisition and finalizing the allocation of fair value to any other assets defined below. The Company expects to complete this process no longer than twelve months after the closing of the acquisition.

A summary of the preliminary estimated purchase price allocation is as follows:

Assets acquired:		
Accounts receivable	\$	18,902
Inventories		17,612
Prepaid expenses		719
Other assets - long term		4,761
Property, plant and equipment		28,281
Right of use asset - operating leases		3,946
Intangible assets		127,000
Goodwill		215,105
Assets acquired	\$	416,326
Liabilities assumed:		
Accounts payable	\$	4,542
Accrued expenses		5,646
Operating lease liability - short term		525
Operating lease liability - long term		2,400
Deferred income taxes		55,054
Total liabilities assumed		68,167
Net acquisition cost	\$	348,159

Included in *Accounts receivable* and *Other assets - long term* of the table above are long term notes receivable with face value of \$11.4 million and preliminary estimated fair value of \$7.3 million based on a risk-adjusted income approach.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES
Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)
(Dollars in thousands, except where otherwise indicated)

Intangible assets consist of Signature's technology, customer relationships and the Signature Systems indefinite-lived trade name, and are summarized in the table below:

	Fair Value	Weighted Average Estimated Useful Life
Customer relationships	\$ 74,100	10.0 years
Technology	31,300	12.0 years
Total amortizable intangible assets	\$ 105,400	
Intangible assets not subject to amortization:		
Trademarks and trade names	\$ 21,600	Indefinite

The following unaudited pro forma results of operations for the three months ended March 31, 2024 and 2023, assumes the Signature acquisition was completed on January 1, 2023. The following pro forma results include adjustments to reflect acquisition related costs, additional interest expense, amortization of intangibles associated with the acquisition, amortization of acquisition-related inventory step-up costs and the effects of adjustments made to the carrying value of certain assets.

	Three months ended March 31, 2024	Three months ended March 31, 2023
Net sales	\$ 221,821	\$ 242,673
Net income	8,345	7,944

The unaudited pro forma results may not be indicative of the results that would have been obtained had the acquisition occurred at the beginning of the periods presented, nor is it intended to be a projection of future results.

Mohawk

On May 31, 2022, the Company acquired the assets of Mohawk, a leading auto aftermarket distributor, which is included in the Distribution Segment. The Mohawk acquisition aligns with the Company's long-term objective to optimize and grow its Distribution business. Cash consideration was \$27.8 million, net of \$1.1 million of cash acquired. Total cash consideration also includes a \$3.5 million working capital adjustment, of which \$3.3 million was settled in November 2022 and \$0.2 million was settled in February 2023.

4. Restructuring

In conjunction with the Company's previously announced Ameri-Kart plan the Company incurred \$0.2 million and \$0.3 million of restructuring charges during the quarter ended March 31, 2024 and March 31, 2023, respectively, which were recorded within both *Cost of sales* and *Selling, general and administrative*. Accrued and unpaid restructuring expenses were not significant at March 31, 2024 or December 31, 2023. Remaining costs to complete the Ameri-Kart consolidation are expected to be approximately \$2.0 million, to be incurred through 2026 related to remaining idled lease facility and maintenance costs. Severance charges from other restructuring initiatives to reduce overhead costs during the three months ended March 31, 2023 totaled \$0.3 million in *Selling, general and administrative*.

5. Inventories

Inventories are valued at the lower of cost or market for last-in, first-out ("LIFO") inventory and lower of cost or net realizable value for first-in, first-out ("FIFO") inventory. Approximately 30 percent of inventories are valued using the LIFO method of determining cost. All other inventories are valued using the FIFO method of determining cost. An actual valuation of inventory under the LIFO method can be made only at the end of each year based on inventory levels and costs at that time. Accordingly, interim LIFO calculations must be based on management's estimates of expected year-end inventory levels and costs. Because these calculations are subject to many factors beyond management's control, annual results may differ from interim results as they are subject to the final year-end LIFO inventory valuation. No adjustment to the LIFO reserve was recorded for the quarter ended March 31, 2024.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES
Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)
(Dollars in thousands, except where otherwise indicated)

Inventories consisted of the following:

	March 31, 2024	December 31, 2023
Finished and in-process products	\$ 68,561	\$ 53,382
Raw materials and supplies	36,474	37,462
	<u>\$ 105,035</u>	<u>\$ 90,844</u>

6. Other Liabilities

The balance in *Other current liabilities* is comprised of the following:

	March 31, 2024	December 31, 2023
Customer deposits and accrued rebates	\$ 5,090	\$ 6,458
Dividends payable	5,591	5,900
Accrued litigation, claims and professional fees	1,371	2,868
Current portion of environmental reserves	6,505	8,205
Other accrued expenses	7,724	5,041
	<u>\$ 26,281</u>	<u>\$ 28,472</u>

The balance in *Other liabilities* (long-term) is comprised of the following:

	March 31, 2024	December 31, 2023
Environmental reserves	\$ 10,189	\$ 9,357
Supplemental executive retirement plan liability	481	548
Pension liability	175	135
Other long-term liabilities	2,631	2,068
	<u>\$ 13,476</u>	<u>\$ 12,108</u>

7. Goodwill and Intangible Assets

The change in goodwill for the quarter ended March 31, 2024 was as follows:

	Distribution	Material Handling	Total
January 1, 2024	\$ 14,730	\$ 80,662	\$ 95,392
Acquisition	—	215,105	215,105
Foreign currency translation	—	(237)	(237)
March 31, 2024	<u>\$ 14,730</u>	<u>\$ 295,530</u>	<u>\$ 310,260</u>

Intangible assets other than goodwill primarily consist of trade names, customer relationships, patents, non-competition agreements and technology assets established in connection with acquisitions. These intangible assets, other than certain trade names, are amortized over their estimated useful lives. Indefinite-lived trade names had a carrying value of \$31.4 million and \$9.8 million at March 31, 2024 and December 31, 2023, respectively. Refer to Note 3 for the intangible assets acquired through the Signature acquisition in February 2024.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES

Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)
(Dollars in thousands, except where otherwise indicated)

8. Net Income per Common Share

Net income per common share, as shown on the accompanying Condensed Consolidated Statements of Operations (Unaudited), is determined on the basis of the weighted average number of common shares outstanding during the periods as follows:

	For the Quarter Ended March 31,	
	2024	2023
Weighted average common shares outstanding basic	36,908,169	36,564,775
Dilutive effect of stock options and restricted stock	214,850	251,181
Weighted average common shares outstanding diluted	37,123,019	36,815,956

The dilutive effect of stock options and restricted stock was computed using the treasury stock method. Options to purchase 4,733 shares of common stock that were outstanding for the quarter ended March 31, 2024 were not included in the computation of diluted earnings per share as the exercise prices of these options were greater than the average market price of common shares, and were therefore anti-dilutive. There were no options to purchase shares of common stock excluded from the computation of diluted earnings for the quarter ended March 31, 2023.

9. Stock Compensation

The Company's 2021 Long-Term Incentive Plan (the "2021 Plan") was adopted by the Board of Directors on March 4, 2021, amended by the Board of Directors on April 20, 2021, and approved by shareholders in the annual shareholder meeting on April 29, 2021. The 2021 Plan authorizes the Compensation and Management Development Committee of the Board of Directors ("Compensation Committee") to issue up to 2,000,000 additional various stock awards including stock options, performance stock units, restricted stock units and other forms of equity-based awards to key employees and directors. No new awards may be issued under the 2021 Plan after March 16, 2024.

The Company's 2024 Long-Term Incentive Plan (the "2024 Plan") was adopted by the Board of Directors on February 29, 2024, and approved by shareholders in the annual shareholder meeting on April 25, 2024. The 2024 Plan authorizes the Compensation Committee to issue up to 2,500,000 additional various stock awards including stock options, performance stock units, restricted stock units and other forms of equity-based awards to key employees and directors.

Stock compensation expense was approximately \$0.7 million and \$1.9 million for the quarters ended March 31, 2024 and 2023, respectively. These expenses are included in *Selling, general and administrative expenses*. Total unrecognized compensation cost related to non-vested stock-based compensation arrangements at March 31, 2024 was approximately \$9.6 million, which will be recognized over the next three years, as such compensation is earned. Outstanding options expire, if unexercised, ten years from the date of grant.

10. Contingencies

The Company is a defendant in various lawsuits and a party to various other legal proceedings arising in the ordinary course of business, some of which are covered in whole or in part by insurance. When a loss arising from these matters is probable and can reasonably be estimated, the most likely amount of the estimated probable loss is recorded, or if a range of probable loss can be estimated and no amount within the range is a better estimate than any other amount, the minimum amount in the range is recorded. As additional information becomes available, any potential liability related to these matters is assessed and the estimates are revised, if necessary.

Based on current available information, management believes that the ultimate outcome of these matters, including those described below, will not have a material adverse effect on our financial position, cash flows or overall trends in our results of operations. However, these matters are subject to inherent uncertainties, and unfavorable rulings could occur. If an unfavorable ruling were to occur, there exists the possibility of a material adverse impact on the financial position and results of operations of the period in which the ruling occurs, or in future periods.

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Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)
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New Idria Mercury Mine

In September 2015, the U.S. Environmental Protection Agency ("EPA") informed a subsidiary of the Company, Buckhorn, Inc. ("Buckhorn") via a notice letter and related documents (the "Notice Letter") that it considers Buckhorn to be a potentially responsible party ("PRP") in connection with the New Idria Mercury Mine site ("New Idria Mine"). New Idria Mining & Chemical Company ("NIMCC"), which owned and/or operated the New Idria Mine through 1976, was merged into Buckhorn Metal Products Inc. in 1981, which was subsequently acquired by Myers Industries, Inc. in 1987. As a result of the EPA Notice Letter, Buckhorn and the Company engaged in negotiations with the EPA with respect to a draft Administrative Order of Consent ("AOC") proposed by the EPA for the Remedial Investigation/Feasibility Study ("RI/FS") to determine the extent of remediation necessary and the screening of alternatives. Buckhorn and the EPA finalized the AOC and related Statement of Work ("SOW") with regards to the New Idria Mine, effective as of November 27, 2018, the date that it was executed by the EPA. The AOC requires a \$2 million letter of credit to be provided for the duration of the RI/FS as assurance of Buckhorn's performance obligations.

All reasonably estimable costs related to the environmental remediation are accrued. These costs are comprised primarily of estimates to perform the RI/FS, negotiation of the AOC, identification of possible other PRPs, EPA oversight fees, past cost claims made by the EPA, periodic monitoring, and responses to demands issued by the EPA under the AOC. It is possible that adjustments to the aforementioned reserves will be necessary as new information is obtained, including after finalization and EPA approval of the work plan for the RI/FS. Estimates of Buckhorn's liability are based on current facts, laws, regulations and technology. Estimates of Buckhorn's environmental liabilities are further subject to uncertainties regarding the nature and extent of site contamination, the range of remediation alternatives available, evolving remediation standards, imprecise engineering evaluation and cost estimates, the extent of remedial actions that may be required, the extent of oversight by the EPA and the number and financial condition of other PRPs that may be named, as well as the extent of their responsibility for the remediation. Beginning in late 2021 and continuing through the current period, Buckhorn and the EPA continue to actively discuss the scope of the activities in the work plan for the RI/FS, resulting in changes to the estimated costs to perform the RI/FS work plan from time to time. Cost estimates will continue to be refined as the work plans for the RI/FS and the ultimate remediation are finalized and as the activities are performed over a period expected to last several years.

In the fourth quarter of 2022, Buckhorn reached an agreement with respect to certain insurance coverage related to defense costs, which is expected to apply to a substantial portion of the estimated RI/FS costs. Recovery of accrued costs are recorded as a receivable to the extent such recovery is determined to be probable under this agreement. Estimates of cost recoveries will continue to be refined as the RI/FS work plan is finalized and the activities are performed over a period expected to last several years. Buckhorn may also have opportunity for cost recovery under other insurance policies.

Since October 2011, when the New Idria Mine was added to the Superfund National Priorities List by the EPA, Buckhorn has recognized \$22.0 million of cumulative charges, made cumulative payments of \$11.6 million and received insurance recoveries of \$4.5 million through March 31, 2024. For the three months ended March 31, 2024 the following activity was recorded in connection with the New Idria Mercury Mine:

	For the Quarter Ended March 31,	
	2024	2023
Beginning reserve balance	\$ 13,182	\$ 11,855
Changes in estimated environmental liability	—	1,600
Payments made ⁽³⁾	(867)	(2,731)
Ending reserve balance ⁽¹⁾	<u>\$ 12,315</u>	<u>\$ 10,724</u>
Beginning receivable balance	\$ 7,245	\$ 6,000
Changes in estimated insurance recovery	300	1,100
Insurance recovery reimbursements	(525)	(876)
Ending receivable balance ⁽²⁾	<u>\$ 7,020</u>	<u>\$ 6,224</u>

⁽¹⁾ As of March 31, 2024, Buckhorn has a total ending reserve balance of \$12.3 million related to the New Idria Mine, of which \$6.2 million is classified in *Other current liabilities* and \$6.1 million in *Other liabilities* (long-term).

⁽²⁾ As of March 31, 2024, Buckhorn has a total receivable balance related to the probable insurance recovery of \$7.0 million, of which \$2.9 million is classified in *Other accounts receivable* and \$4.1 million is classified in *Other* (long-term).

⁽³⁾ Payments made for the three months ended March 31, 2023 include a \$1.9 million payment related to a settlement agreement with the EPA to resolve the past costs claim, which Buckhorn paid in the first quarter of 2023.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES
Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)
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Given the circumstances referred to above, including the fact that the final remediation strategy has not yet been determined, Buckhorn has not accrued for remediation costs in connection with this site as it is unable to estimate the range of a reasonably possible liability for remediation costs.

New Almaden Mine

A number of parties, including the Company and its subsidiary, Buckhorn (as successor to NIMCC), were alleged by trustee agencies of the United States and the State of California to be responsible for natural resource damages due to environmental contamination of areas comprising the historical New Almaden mercury mines located in the Guadalupe River Watershed region in Santa Clara County, California ("County"). In 2005, Buckhorn and the Company, without admitting liability or chain of ownership of NIMCC, resolved the trustees' claim against them through a consent decree that required them to contribute financially to the implementation by the County of an environmentally beneficial project within the impacted area. Buckhorn and the Company negotiated an agreement with the County ("Cost Sharing Agreement"), whereby Buckhorn and the Company agreed to reimburse one-half of the County's costs of implementing the project. A detailed estimate was received from the County in 2016, and estimated costs for implementing the project to range between \$3.3 million and \$4.4 million. In 2022, the County informed the Company that it may begin implementation of the project in 2023 and that costs were expected to be higher. In January 2023, the County informed Buckhorn that the project will commence in 2023 and that it had accepted a bid to complete the project for approximately \$9.0 million. The Company and Buckhorn intend to vigorously challenge, under the terms of the Cost Sharing Agreement, their responsibility to share in the entirety of the project cost increases. No costs were incurred related to New Almaden in the quarter ended March 31, 2024 or 2023, respectively. As of March 31, 2024, Buckhorn has a total reserve of \$4.4 million related to the New Almaden Mine, of which \$0.3 million is classified in *Other current liabilities* and \$4.1 million is classified in *Other liabilities* (long-term).

As work on the project occurs and dispute resolution proceeds, it is possible that adjustments to the aforementioned reserves will be necessary to reflect new information. In addition, the Company may have claims against and defenses to claims by the County under the 2005 agreement that could reduce or offset its obligation for reimbursement of some of these potential additional costs. With the assistance of environmental consultants, the Company will closely monitor this matter and will continue to assess its reserves as additional information becomes available.

No Spill Matter

On December 11, 2018, No Spill Inc. ("No Spill") filed suit against Scepter Manufacturing LLC in the United States District Court for the District of Kansas asserting infringement of two patents, breach of contract, and trade dress claims in relation to plastic gasoline containers Scepter manufactures and sells in the United States. Scepter Canada, Inc. was later added in a second amended complaint. On January 6, 2022, the District Court bifurcated the patent infringement and invalidity issues from the antitrust and other issues in the case. The trial on patent infringement and invalidity was held in early March 2023, resulting in a unanimous jury verdict on March 14, 2023 in favor of the defendant Scepter entities on each of the alleged claims of infringement. On April 24, 2023, the Court issued an Order dismissing all remaining claims in the case with prejudice and entered final Judgment of the jury verdict in favor of Scepter. On April 24, 2023, the parties dismissed the remaining claims and phase two of the bifurcated trial will not proceed.

Both parties filed post-trial motions with the District Court to preserve the issues for appeal. The District Court denied No Spill's motion for judgment as a matter of law and for a new trial. No Spill did not file an appeal. The underlying case is now concluded.

Scepter incurred \$13.3 million in cumulative defense costs in this matter, and in the fourth quarter of 2023, the Company reached a settlement agreement with one of its insurers, with respect to certain insurance coverage related to defense costs for \$10 million, which was recorded as a reduction to legal costs within *Selling, general and administrative expenses* in the fourth quarter of 2023. As of December 31, 2023, Scepter had a remaining receivable of \$6.8 million which was received in February 2024.

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Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)
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Other Matters

On February 14, 2023, a lawsuit was filed by Nan Morgan McCartney in the Circuit Court of Escambia County, Florida against the Company, Scepter US Holding Company, Scepter Manufacturing, LLC, Scepter Canada Inc., Walmart Inc., and Wal-Mart Stores East, LP. The complaint seeks compensatory damages and court costs for harm caused to Ms. McCartney allegedly arising from use of a 5-gallon portable fuel container manufactured by a Scepter company and alleges amounts in controversy in excess of \$30 thousand exclusive of costs. The case has been removed to the Northern District of Florida, Pensacola Division. The Myers' defendants filed their Answer to the Complaint on April 25, 2023. On May 19, 2023 the Court filed a Final Scheduling Order. Defendants have served written discovery on Plaintiff. Plaintiff was deposed on September 6, 2023. On January 12, 2024 Myers and Walmart signed a joint defense agreement. Plaintiff's ex-husband was deposed on February 21, 2024. The Company continues its review of electronic discovery. No other proceedings have occurred in this litigation matter as of the date of this filing and the Company cannot assess with any meaningful probability the outcome or the potential damages.

Scepter has maintained insurance policies, which it believes may cover a substantial portion of the defense costs incurred in this matter and to date, Scepter has incurred approximately \$1.0 million in legal fees and expenses. For the period ending March 31, 2024, Scepter has recognized a \$0.7 million reduction to legal costs within *Selling, general and administrative expenses* representing the amount of probable insurance recoveries related to legal costs incurred to date on this matter. As of March 31, 2024, Scepter had a remaining receivable of \$0.5 million, which is classified in *Other accounts receivable* on the Condensed Consolidated Statements of Financial Position (Unaudited) and was received in April 2024.

11. Long-Term Debt and Loan Agreements

Long-term debt consisted of the following:

	March 31, 2024	December 31, 2023
Amended Loan Agreement - Revolving Credit Facility	\$ 9,000	\$ 20,000
Amended Loan Agreement - Term Loan A	400,000	-
5.25% Senior Unsecured Notes due January 15, 2024	-	11,000
5.30% Senior Unsecured Notes due January 15, 2024	-	15,000
5.45% Senior Unsecured Notes due January 15, 2026	-	12,000
	409,000	58,000
Less unamortized deferred financing costs	8,374	13
	400,626	57,987
Less current portion long-term debt	19,581	25,998
Long-term debt	<u>\$ 381,045</u>	<u>\$ 31,989</u>

On February 8, 2024, the Company entered into Amendment No. 1 to the Seventh Amended and Restated Loan Agreement ("Amendment No. 1"), which amended the Seventh Amended and Restated Loan Agreement (the "Loan Agreement") dated September 29, 2022 (collectively, the "Amended Loan Agreement"). Amendment No. 1, among other things, permitted the acquisition of Signature Systems and provided a new 5-year \$400 million term loan facility ("Term Loan A"). Term Loan A will amortize in eight quarterly installment payments of \$5 million beginning June 30, 2024, quarterly installment payments of \$10 million thereafter, and any remaining balance due upon maturity. Term Loan A may be voluntarily prepaid at any time, in whole or in part, without penalty or premium, however, all amounts repaid or prepaid in respect of Term Loan A may not be reborrowed.

Amendment No. 1 did not change the existing revolving credit facility's maturity date or \$250 million borrowing limit, which includes a letter of credit subfacility and swingline subfacility. In connection with Amendment No. 1, the Company incurred deferred financing fees of \$9.2 million, of which \$8.5 million was related to Term Loan A and included in *Long-term debt* and *Long-term debt - current portion* and \$0.7 million was related to the Revolving Credit Facility and included in *Other Assets* (long-term). These deferred financing fees are being amortized to *Interest expense* over their respective terms to maturity. Remaining deferred financing fees on the Revolving Credit Facility were \$1.6 million and \$1.1 million as of March 31, 2024 and December 31, 2023, respectively and remaining unamortized deferred financing costs under the Term Loan A totaled \$8.4 million as of March 31, 2024.

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The Amended Loan Agreement is on substantially the same terms as the Loan Agreement, except Amendment No. 1 has amended, among other items, (i) to permit the Signature Systems acquisition, (ii) to modify the maximum leverage ratio to not exceed (x) 4.00 to 1.00 on a "net" basis for an initial "net" leverage ratio holiday period for the immediate fiscal quarter end after the Signature Systems acquisition is consummated and for the three immediately following fiscal quarter ends thereafter and (y) 3.25 to 1.00 on a "net" basis after such "net" leverage ratio holiday period (subject to additional "net" leverage ratio holiday periods at the election of the Company for such periods that are more fully described in the Amended Loan Agreement), (iii) to modify certain negative covenants (including the restricted payment covenant) so that the applicable incurrence tests for such negative covenants is now based on the new "net" leverage ratio level, (iv) to increase the applicable margins for the loans under the Amended Loan Agreement to range between 1.775% to 2.35% for Term SOFR, RFR, SONIA, EURIBOR and CORRA based loans and between 0.775% and 1.35% for base rate loans, in each case based from time to time on the determination of the Company's then net leverage ratio, (v) to replace the Canadian Dealer Offered Rate (CDOR) as the applicable reference rate with respect to loans denominated in Canadian Dollars to the Canadian Overnight Repo Rate Average (CORRA), and (vi) to amend the scope of collateral securing the obligations under the Amended Loan Agreement to be an "all asset" lien (subject to customary provisions of excluded collateral not subject to the liens).

On September 29, 2022, the Company entered into a Seventh Amended and Restated Loan Agreement (the "Seventh Amendment"), which amended the Sixth Amended and Restated Loan Agreement (the "Sixth Amendment"), dated March 12, 2021. The Seventh Amendment, among other things, extended the maturity date to September 2027 from March 2024. The Seventh Amendment did not change the senior revolving credit facility's \$250 million borrowing limit, which includes a letter of credit subfacility and swingline subfacility, or the outstanding letters of credit. In connection with the Seventh Amendment, the Company incurred \$0.9 million of deferred financing fees, which are included in *Other assets* (long-term) and being amortized to *Interest expense* over the term of the Loan Agreement.

As of March 31, 2024, the Company had \$235.4 million available under the Amended Loan Agreement, which is available for the ongoing working capital requirements of the Company and its subsidiaries and for general corporate purposes. The Company had \$5.6 million of letters of credit issued related to insurance and other contracts requiring financial assurance in the ordinary course of business. Borrowings under the Amended Loan Agreement bear interest at the Term SOFR, RFR, SONIA, EURIBOR and CORRA-based borrowing rates. Amounts borrowed under the credit facility are secured by pledges to all of the Company's assets (except with respect to certain assets that are customarily excluded for the incurrence of such liens).

On January 12, 2024, the Company repaid \$26.0 million of senior unsecured notes upon maturity using cash on hand and availability under the Loan agreement. On February 6, 2024, in connection with the first amendment and restatement to the Loan Agreement discussed above, the Company prepaid the remaining \$12.0 million face value of senior unsecured notes, which were due January 15, 2026, using availability under the revolving credit facility under the Loan Agreement. After giving effect to the payment in full all outstanding senior unsecured notes under the Note Purchase Agreement have been paid and the Note Purchase Agreement has been terminated. In conjunction with the termination the Company recognized a loss on debt extinguishment of \$0.1 million, primarily representing the make-whole fees on the senior unsecured notes and the unamortized value of the original issuance discount which were included in *Interest expense*.

The weighted average interest rate on borrowings under the Company's long-term debt was 8.93% and 6.43% for the quarters ended March 31, 2024 and 2023, respectively, which includes a quarterly facility fee on the used and unused portion, as well as amortization of deferred financing costs.

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As of March 31, 2024, the Company was in compliance with all of its debt covenants associated with its Amended Loan Agreement. The most restrictive financial covenants for all of the Company's debt are a net leverage ratio (defined as net debt divided by earnings before interest, taxes, depreciation and amortization, as adjusted) and an interest coverage ratio (defined as earnings before interest, taxes, depreciation and amortization, as adjusted, divided by interest expense).

Interest rate swap transaction - subsequent event

On May 2, 2024, the Company entered into an interest rate swap agreement to mitigate the variable interest rate risk of borrowings under the Amended Loan Agreement. The swap has a beginning notional value of \$200.0 million, which reduces proportionately with scheduled Term Loan A amortization payments, and has a final maturity date of January 31, 2029. The swap is designated as a cash flow hedge and effectively results in a fixed rate of 4.606% plus the applicable margin for the hedged debt, as described above.

12. Income Taxes

The Company's effective tax rate was 27.0% for the quarter ended March 31, 2024, respectively compared to 25.0% for the quarter ended March 31, 2023. The effective income tax rate for both periods was different than the Company's statutory rate, primarily due to non-deductible expenses and state taxes.

The Company and its subsidiaries file U.S. Federal, state and local, and non-U.S. income tax returns. As of March 31, 2024, the Company is no longer subject to U.S. Federal examination by tax authorities for tax years before 2020. The Company is subject to state and local examinations for tax years of 2019 through 2022. In addition, the Company is subject to non-U.S. income tax examinations for tax years of 2019 through 2022.

13. Leases

The Company determines if an arrangement is a lease at inception. The Company has leases for manufacturing facilities, distribution centers, warehouses, office space and equipment, with remaining lease terms of one to twelve years. Certain of these leases include options to extend the lease for up to five years, and some include options to terminate the lease early. Leases with an initial term of 12 months or less are not recorded on the statement of financial position; the Company recognizes lease expense for these short-term leases on a straight-line basis over the lease term. Operating leases with an initial term greater than 12 months are included in *Right of use asset – operating leases* ("ROU assets"), *Operating lease liability – short term*, and *Operating lease liability – long term* and finance leases are included in *Property, plant and equipment*, *Finance lease liability – short term*, and *Finance lease liability – long term* in the Condensed Consolidated Statements of Financial Position (Unaudited).

The ROU assets represent the right to use an underlying asset for the lease term and the lease liabilities represent the obligation to make lease payments. ROU assets and lease liabilities are recognized at commencement date based on the present value of the lease payments over the lease term. When leases do not provide an implicit rate, the Company's incremental borrowing rate is used, which is then applied at the portfolio level, based on the information available at commencement date in determining the present value of lease payments. The Company has also elected not to separate lease and non-lease components. The lease terms include options to extend or terminate the lease when it is reasonably certain the option will be exercised. Lease expense is recognized on a straight-line basis over the lease term.

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Amounts included in the Condensed Consolidated Statements of Financial Position (Unaudited) related to leases include:

	Classification	March 31, 2024	December 31, 2023
Assets:			
Operating lease assets	Right of use asset - operating leases	\$ 34,560	\$ 27,989
Finance lease assets	Property, plant and equipment, net	8,483	8,668
Total lease assets		\$ 43,043	\$ 36,657
Liabilities:			
Current	Operating lease liability - short-term	\$ 6,708	\$ 5,943
Long-term	Operating lease liability - long-term	27,195	22,352
Total operating lease liabilities		33,903	28,295
Current	Finance lease liability - short-term	604	593
Long-term	Finance lease liability - long-term	8,461	8,615
Total finance lease liabilities		9,065	9,208
Total lease liabilities		\$ 42,968	\$ 37,503

The components of lease expense include:

Lease Cost	Classification	For the Quarter Ended March 31, 2024		2023
Operating lease cost ⁽¹⁾	Cost of sales	\$ 1,732	\$ 1,553	
Operating lease cost ⁽¹⁾	Selling, general and administrative expenses	964	855	
Finance lease cost				
Amortization expense	Cost of sales	185	172	
Interest expense on lease liabilities	Interest expense, net	83	81	
Total lease cost		\$ 2,964	\$ 2,661	

(1)Includes short-term leases and variable lease costs, which are immaterial

Supplemental cash flow information related to leases was as follows:

	For the Quarter Ended March 31, 2024		2023		
Supplemental Cash Flow Information					
Cash paid for amounts included in the measurement of lease liabilities:					
Operating cash flows from operating leases	\$ 2,007	\$ 1,880			
Operating cash flows from finance leases	83	81			
Financing cash flows from finance leases	143	129			
Right-of-use assets obtained in exchange for new lease liabilities:					
Operating leases	\$ 4,417	\$ 1,190			
Finance leases	—	—			
Lease Term and Discount Rate					
Weighted-average remaining lease term (years):					
Operating leases	5.34	5.67			
Finance leases	11.74	11.99			
Weighted-average discount rate:					
Operating leases	5.9%	4.7%			
Finance leases	3.7%	3.7%			

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Maturity of Lease Liabilities - As of March 31, 2024	Operating Leases	Finance Leases	Total
2024 ⁽¹⁾	\$ 6,353	\$ 693	\$ 7,046
2025	8,346	924	9,270
2026	7,373	924	8,297
2027	6,317	945	7,262
2028	4,657	950	5,607
After 2028	6,025	6,708	12,733
Total lease payments	39,071	11,144	50,215
Less: interest	(5,168)	(2,079)	(7,247)
Present value of lease liabilities	\$ 33,903	\$ 9,065	\$ 42,968

(1)Represents amounts due in 2024 after March 31, 2024

14. Segments

The Company manages its business under two operating segments, Material Handling and Distribution, consistent with the manner in which the Chief Operating Decision Maker ("CODM") evaluates performance and makes resource allocation decisions. None of the reportable segments include operating segments that have been aggregated. These segments contain individual business components that have been combined on the basis of common management, customers, products, production processes and other economic characteristics. Intersegment sales are recorded with a reasonable margin and are eliminated in consolidation.

The Material Handling Segment manufactures a broad selection of durable plastic reusable products that are used repeatedly during the course of their service life. At the end of their service life, these highly sustainable products can be recovered, recycled, and reprocessed into new products. The Material Handling Segment's products include a broad selection of plastic reusable containers, pallets, small parts bins, bulk shipping containers, storage and organization products, OEM parts, custom plastic products, composite ground protection matting, consumer fuel containers and tanks for water, fuel and waste handling. Products in the Material Handling Segment are primarily injection molded, rotationally molded, compression molded or blow molded. This segment conducts its primary operations in the United States, Canada and the United Kingdom. Markets served include industrial manufacturing, food processing, retail/wholesale products distribution, agriculture, automotive, recreational vehicles, marine vehicles, healthcare, appliance, bakery, electronics, textiles, construction, infrastructure and consumer, among others. Products are sold both directly to end-users and through distributors. The acquisition of Signature, as described in Note 3, is included in the Material Handling Segment.

The Distribution Segment is engaged in the distribution of equipment, tools, and supplies used for tire servicing and automotive under-vehicle repair and the manufacture of tire repair and retreading products. The product line includes categories such as tire valves and accessories, tire changing and balancing equipment, lifts and alignment equipment, service equipment and tools, and tire repair/retread supplies. The Distribution Segment also manufactures and sells certain traffic markings, including reflective highway marking tape. The Distribution Segment operates domestically through its sales offices and eight regional distribution centers in the United States, and in certain foreign countries through export sales. In addition, the Distribution Segment operates directly in certain foreign markets, principally Central America, through foreign branch operations. Markets served include retail and truck tire dealers, commercial auto and truck fleets, truck stop operations, auto dealers, general service and repair centers, tire retreaders, and government agencies.

Total sales from foreign business units were approximately \$9.9 million and \$12.5 million for the quarters ended March 31, 2024 and 2023, respectively.

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Summarized segment detail for the quarters ended March 31, 2024 and 2023 are presented in the following table:

	For the Quarter Ended March 31,	
	2024	2023
Net Sales		
Material Handling	\$ 152,225	\$ 152,562
Distribution	54,894	63,185
Inter-company sales	(17)	(8)
Total net sales	\$ 207,102	\$ 215,739
Operating income		
Material Handling ^{(2) (3)}	\$ 22,256	\$ 25,351
Distribution	605	2,237
Corporate ^{(1) (3)}	(11,982)	(8,631)
Total operating income	10,879	18,957
Interest expense, net	(6,079)	(1,646)
Income before income taxes	\$ 4,800	\$ 17,311

⁽¹⁾ The Company recognized \$(0.3) million and \$0.5 million of expense to the estimated environmental reserve, net of probable insurance recoveries for the quarters ended March 31, 2024 and 2023, respectively, as described in Note 10. Environmental charges are not included in segment results and are shown with Corporate.

⁽²⁾ The Company recognized \$3.1 million of non-cash inventory step-up that was amortized to *Cost of sales* for the quarter ended March 31, 2024 related to the reporting of inventory at fair value in conjunction with the acquisition of Signature, as described in Note 3.

⁽³⁾ The Company incurred \$3.4 million of acquisition related costs associated with the Signature acquisition, as described in Note 3, for the quarter ended March 31, 2024, of which \$3.3 million and \$0.1 million are included in Corporate and Material Handling's results, respectively.

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

Forward-Looking Statements

This Quarterly Report on Form 10-Q and the information incorporated by reference contains "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995, including information regarding the Company's financial outlook, future plans, objectives, business prospects and anticipated financial performance. Forward-looking statements can be identified by words such as "will," "believe," "anticipate," "expect," "estimate," "intend," "plan," or variations of these words, or similar expressions. These forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on the Company's current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, these statements inherently involve a wide range of inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. The Company's actual actions, results, and financial condition may differ materially from what is expressed or implied by the forward-looking statements.

Specific factors that could cause such a difference on our business, financial position, results of operations and/or liquidity include, without limitation, raw material availability, increases in raw material costs, or other production costs; risks associated with our strategic growth initiatives or the failure to achieve the anticipated benefits of such initiatives; unanticipated downturn in business relationships with customers or their purchases; competitive pressures on sales and pricing; changes in the markets for the Company's business segments; changes in trends and demands in the markets in which the Company competes; operational problems at our manufacturing facilities or unexpected failures at those facilities; future economic and financial conditions in the United States and around the world; inability of the Company to meet future capital requirements; claims, litigation and regulatory actions against the Company; changes in laws and regulations affecting the Company; unforeseen events, including natural disasters, unusual or severe weather events and patterns, public health crises, geopolitical crises, and other catastrophic events; and other risks and uncertainties detailed from time to time in the Company's filings with the SEC, including without limitation, the risk factors disclosed in Item 1A, "Risk Factors," in the Company's Annual Report on Form 10-K for the year ended December 31, 2023. Given these factors, as well as other variables that may affect our operating results, readers should not rely on forward-looking statements, assume that past financial performance will be a reliable indicator of future performance, nor use historical trends to anticipate results or trends in future periods. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date thereof. The Company expressly disclaims any obligation or intention to provide updates to the forward-looking statements and the estimates and assumptions associated with them.

Executive Overview

The Company conducts its business activities in two reportable segments: The Material Handling Segment and the Distribution Segment.

The Company designs, manufactures, and markets a variety of plastic, metal and rubber products. The Material Handling Segment manufactures a broad selection of plastic reusable containers, pallets, small parts bins, bulk shipping containers, storage and organization products, OEM parts, custom plastic products, composite ground protection matting, consumer fuel containers and tanks for water, fuel and waste handling. Products in the Material Handling Segment are primarily injection molded, rotationally molded, blow molded or compression molded. The Distribution Segment is engaged in the distribution of tools, equipment and supplies used for tire, wheel and under vehicle service on passenger, heavy truck and off-road vehicles, as well as the manufacturing of tire repair and retreading products.

The Company's results of operations for the quarter ended March 31, 2024 are discussed below. The current economic environment includes heightened risks from inflation, interest rates, banking liquidity, volatile commodity costs, supply chain disruptions and labor availability stemming from the broader economic effects of the international geopolitical climate, including the conflict between Russia and Ukraine and Israel and Hamas. Such events have increased volatility in global commodity markets, including oil (a component of many plastic resins), energy and agricultural commodities. Some of our businesses have been and may continue to be affected by these broader economic effects, including customer demand for our products, supply chain disruptions, labor availability and inflation. The Company believes it is well-positioned to manage through this uncertainty as it has a strong balance sheet with sufficient liquidity and borrowing capacity as well as a diverse product offering and customer base.

Results of Operations:

Comparison of the Quarter Ended March 31, 2024 to the Quarter Ended March 31, 2023

Net Sales:

(dollars in thousands)	Quarter Ended March 31,		Change	% Change
Segment	2024	2023		
Material Handling	\$ 152,225	\$ 152,562	\$ (337)	(0.2)%
Distribution	54,894	63,185	(8,291)	(13.1)%
Inter-company sales	(17)	(8)	(9)	
Total net sales	<u>\$ 207,102</u>	<u>\$ 215,739</u>	<u>\$ (8,637)</u>	<u>(4.0)%</u>

Net sales for the quarter ended March 31, 2024 were \$207.1 million, a decrease of \$8.6 million or 4.0% compared to the quarter ended March 31, 2023. Net sales decreased due to lower volume/mix of \$24.5 million and lower pricing of \$3.4 million, partially offset by \$19.3 million of incremental sales from the acquisition of Signature on February 8, 2024, included in the Material Handling Segment. Signature's annual sales were approximately \$110 million at the time of the acquisition.

Net sales in the Material Handling Segment decreased \$0.3 million or 0.2% for the quarter ended March 31, 2024 compared to the quarter ended March 31, 2023. Net sales decreased due to lower volume/mix of \$15.8 million and lower pricing of \$3.8 million, partially offset by \$19.3 million of incremental sales from the acquisition of Signature on February 8, 2024.

Net sales in the Distribution Segment decreased \$8.3 million or 13.1% for the quarter ended March 31, 2024 compared to the quarter ended March 31, 2023, primarily due to lower volume/mix of \$8.7 million. The decrease in net sales was partially offset by higher pricing of \$0.4 million.

Cost of Sales & Gross Profit:

(dollars in thousands)	Quarter Ended March 31,		Change	% Change
	2024	2023		
Cost of sales	\$ 142,833	\$ 144,674	\$ (1,841)	(1.3)%
Gross profit	\$ 64,269	\$ 71,065	\$ (6,796)	(9.6)%
Gross profit as a percentage of sales	31.0%	32.9%		

Gross profit decreased \$6.8 million, or 9.6%, for the quarter ended March 31, 2024 compared to the quarter ended March 31, 2023, due to lower volume/mix and pricing as described under Net Sales above, the impact from acquisition-related inventory step-up amortization of \$3.1 million and increased labor and productivity costs, partially offset by lower material costs and the benefits of the acquisition of Signature on February 8, 2024. Gross margin was 31.0% for the quarter ended March 31, 2024 compared with 32.9% for the quarter ended March 31, 2023.

Selling, General and Administrative Expenses:

(dollars in thousands)	Quarter Ended March 31,		Change	% Change
	2024	2023		
SG&A expenses	\$ 53,457	\$ 52,081	\$ 1,376	2.6%
SG&A expenses as a percentage of sales	25.8%	24.1%		

Selling, general and administrative ("SG&A") expenses for the quarter ended March 31, 2024 were \$53.5 million, an increase of \$1.4 million or 2.6% compared to the same period in the prior year. The increases in SG&A expenses in the first quarter 2024 were primarily due to \$4.6 million of incremental SG&A, including \$1.7 million of intangible amortization, from the acquisition of Signature on February 8, 2024, \$0.7 million of higher variable selling expenses, \$0.3 million of higher facility costs and \$0.2 million of higher commissions partially offset by \$2.5 million of lower incentive compensation, \$1.9 million of lower legal and professional fees, excluding acquisition costs and \$1.2 million of lower salaries and benefits. Acquisition and integration costs included in SG&A expenses increased \$3.2 million due to the Signature acquisition described in Note 3 and restructuring costs included in SG&A expenses decreased \$0.4 million as described in Note 4. Additionally, the Company recognized a \$0.7 million reduction to legal costs within SG&A for the quarter ended March 31, 2024 related to an insurance recovery of defense costs incurred on a legal matter, as described in Note 10. Environmental matters, as described in Note 10 resulted in a net \$0.3 million recovery for the quarter ended March 31, 2024, which compared to \$0.5 million of charges for the quarter ended March 31, 2023.

Net Interest Expense:

(dollars in thousands)	Quarter Ended March 31,		Change	% Change
	2024	2023		
Net interest expense	\$ 6,079	\$ 1,646	\$ 4,433	269.3%
Average outstanding borrowings, net	\$ 275,354	\$ 99,924	\$ 175,430	175.6%
Weighted-average borrowing rate	8.93%	6.43%		

Net interest expense for the quarter ended March 31, 2024 was \$6.1 million, an increase of \$4.4 million, or 269.3%, compared with \$1.6 million for the quarter ended March 31, 2023. The higher net interest expense was due to higher average outstanding borrowings as a result of the acquisition of Signature, which was funded through an amendment and restatement of Myers' existing loan agreement discussed below, and a higher weighted-average borrowing rate in the current quarter.

Income Taxes:

(dollars in thousands)	Quarter Ended March 31,		2023
	2024	2023	
Income before income taxes	\$ 4,800	\$ 17,311	
Income tax expense	\$ 1,297	\$ 4,335	
Effective tax rate	27.0%	25.0%	

The Company's effective tax rate was 27.0% for the quarter ended March 31, 2024, compared to 25.0% for the quarter ended March 31, 2023. The increase in the effective tax rate was driven by non-deductible expenses, including expenses related to the Signature acquisition.

Liquidity and Capital Resources:

The Company's primary sources of liquidity are cash on hand, cash generated from operations and availability under the Amended Loan Agreement (defined below). At March 31, 2024, the Company had \$32.7 million of cash, \$235.4 million available under the Loan Agreement and outstanding debt of \$409.7 million, including the finance lease liability of \$9.1 million. Based on this liquidity and borrowing capacity, the Company believes it is well-positioned to manage through the working capital demands and the heightened uncertainty in the current macroeconomic environment. The Company believes that cash on hand, cash flows from operations and available capacity under its Amended Loan Agreement will be sufficient to meet expected business requirements including capital expenditures, dividends, working capital, debt service, and to fund future growth.

Operating Activities

Net cash provided by operating activities was \$20.3 million for the quarter ended March 31, 2024, compared to \$25.8 million in the same period in 2023. The decrease was primarily due to lower net income in the current period partly offset by net improvements in working capital.

Investing Activities

Net cash used for investing activities was \$354.5 million for the quarter ended March 31, 2024 compared to cash used of \$9.2 million for the same period in 2023. In 2024, the Company paid \$348.9 million to acquire Signature, net of cash acquired and subject to working capital adjustments, as discussed in Note 3. Capital expenditures were \$5.7 million and \$9.1 million for the quarter ended March 31, 2024 and 2023, respectively. Full year 2024 capital expenditures are expected to be approximately \$35 million to \$40 million.

Financing Activities

Cash provided by financing activities was \$336.9 million for the quarter ended March 31, 2024 compared to cash used for financing activities of \$11.5 million for the same period in 2023. In 2024, the Company received proceeds of \$400 million under a new term loan facility, as described below and made repayments of \$38.0 million of senior unsecured notes, including \$26.0 million of senior unsecured notes that matured in January 2024 and the prepayment of \$12.0 million of senior unsecured notes in conjunction with the amendment and restatement to the Loan Agreement described below. Net borrowings (repayments) of the Company's existing revolving credit facility were \$(11.0) million and \$(5.2) million for the quarters ended March 31, 2024 and 2023, respectively. Net proceeds from the issuance of common stock in connection with incentive stock option exercises were \$2.4 million and \$1.1 million for the quarter ended March 31, 2024 and 2023, respectively. Cash paid for tax withholdings on vesting of stock compensation totaled \$1.9 million and \$2.0 million in the quarter ended March 31, 2024 and 2023 respectively. Fees paid for the amendment and restatement to the Loan Agreement in February 2024 totaled \$9.2 million. The Company also used cash to pay dividends of \$5.3 million and \$5.3 million for the quarter ended March 31, 2024 and 2023, respectively.

Credit Sources

Seventh Amendment to Loan Agreement

On September 29, 2022, the Company entered into a Seventh Amended and Restated Loan Agreement (the "Seventh Amendment"), which amended the Sixth Amended and Restated Loan Agreement (the "Sixth Amendment"), dated March 12, 2021. The Seventh Amendment, among other things, extended the maturity date to September 2027 from March 2024. There was no change to the credit facility's borrowing limit of \$250 million.

Repayment and termination of Senior Unsecured Notes

On January 12, 2024, the Company repaid \$26.0 million of senior unsecured notes upon maturity using cash on hand and availability under the Loan Agreement. On February 6, 2024, in connection with the first amendment and restatement to the Loan Agreement described below, the Company prepaid the remaining \$12.0 million face value of senior unsecured notes, which were due January 15, 2026, using availability under the revolving credit facility under the Loan Agreement. After giving effect to the payment in full, all outstanding senior unsecured notes under the Note Purchase Agreement have been paid and the Note Purchase Agreement has been terminated. In conjunction with the termination the Company recognized a loss on debt extinguishment of \$0.1 million, primarily representing the make-whole fees on the senior unsecured notes and the unamortized value of the original issuance discount.

First Amendment to Loan Agreement

On February 8, 2024, the Company entered into Amendment No. 1 to the Seventh Amended and Restated Loan Agreement ("Amendment No. 1"), which amended the Seventh Amended and Restated Loan Agreement (the "Loan Agreement" – see also Note 11) dated September 29, 2022 (collectively, the "Amended Loan Agreement"). Amendment No. 1, among other things, permitted the acquisition of Signature Systems and provided a new 5-year \$400 million term loan facility ("Term Loan A"). Term Loan A will amortize in eight quarterly installment payments of \$5 million beginning June 30, 2024, quarterly installment payments of \$10 million thereafter, and any remaining balance due upon maturity. Term Loan A may be voluntarily prepaid at any time, in whole or in part, without penalty or premium, however, all amounts repaid or prepaid in respect of Term Loan A may not be reborrowed.

Amendment No. 1 did not change the existing revolving credit facility's maturity date or \$250 million borrowing limit, which includes a letter of credit subfacility and swingline subfacility. In connection with Amendment No. 1, the Company incurred deferred financing fees of \$9.2 million.

The Amended Loan Agreement is on substantially the same terms as the Loan Agreement, except Amendment No. 1 has amended, among other items, (i) to permit the Signature Systems acquisition, (ii) to modify the maximum leverage ratio to not exceed (x) 4.00 to 1.00 on a "net" basis for an initial "net" leverage ratio holiday period for the immediate fiscal quarter end after the Signature Systems acquisition is consummated and for the three immediately following fiscal quarter ends thereafter and (y) 3.25 to 1.00 on a "net" basis after such "net" leverage ratio holiday period (subject to additional "net" leverage ratio holiday periods at the election of the Company for such periods that are more fully described in the Amended Loan Agreement), (iii) to modify certain negative covenants (including the restricted payment covenant) so that the applicable incurrence tests for such negative covenants is now based on the new "net" leverage ratio level, (iv) to increase the applicable margins for the loans under the Amended Loan Agreement to range between 1.775% to 2.35% for Term SOFR, RFR, SONIA, EURIBOR and CORRA based loans and between 0.775% and 1.35% for base rate loans, in each case based from time to time on the determination of the Company's then net leverage ratio, (v) to replace the Canadian Dealer Offered Rate (CDOR) as the applicable reference rate with respect to loans denominated in Canadian Dollars to the Canadian Overnight Repo Rate Average (CORRA), and (vi) to amend the scope of collateral securing the obligations under the Amended Loan Agreement to be an "all asset" lien (subject to customary provisions of excluded collateral not subject to the liens).

As of March 31, 2024, \$235.4 million was available under the Amended Loan Agreement, after borrowings and the Company had \$5.6 million of letters of credit issued related to insurance and other financing contracts in the ordinary course of business. Borrowings under the Amended Loan Agreement bear interest at the Term SOFR, RFR, SONIA, EURIBOR and CORRA-based borrowing rates.

As of March 31, 2024, the Company was in compliance with all of its debt covenants. The most restrictive financial covenants for all of the Company's debt are an interest coverage ratio (defined as earnings before interest, taxes, depreciation and amortization, as adjusted, divided by interest expense) and a net leverage ratio (defined as total net debt divided by earnings before interest, taxes, depreciation and amortization, as adjusted). The ratios as of and for the period ended March 31, 2024 are shown in the following table:

	Required Level	Actual Level
Interest Coverage Ratio	3.00 to 1 (minimum)	13.67
Net Leverage Ratio	4.00 to 1 (maximum)	2.62

Interest rate swap transaction - subsequent event

On May 2, 2024, the Company entered into an interest rate swap agreement to mitigate the variable interest rate risk of borrowings under the Amended Loan Agreement. The swap has a beginning notional value of \$200.0 million, which reduces proportionately with scheduled Term Loan A amortization payments, and has a final maturity date of January 31, 2029. The swap is designated as a cash flow hedge and effectively results in a fixed rate of 4.606% plus the applicable margin for the hedged debt, as described in Note 11.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements that have, or are reasonably expected to have, a material current or future effect on its financial condition, results of operations, liquidity, capital expenditures or capital resources at March 31, 2024.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk

The Company has certain financing arrangements that require interest payments based on floating interest rates, and to that extent, the Company's financial results are subject to changes in the market rate of interest. Borrowings under the Amended Loan Agreement bear interest at the Term SOFR, RFR, SONIA, EURIBOR and CORRA-based borrowing rates. At March 31, 2024, the Company has not entered into any interest rate swaps or other derivative instruments to fix the interest rate on any portion of its financing arrangements with floating rates. Based on current debt levels at March 31, 2024, if market interest rates increase one percent, the Company's annual variable interest expense would increase approximately \$4.1 million.

On May 2, 2024, the Company entered into an interest rate swap agreement to mitigate the variable interest rate risk on \$200.0 million of its outstanding borrowings under the Amended Loan Agreement, which effectively results in a fixed rate debt as described above. If market interest rates decrease or increase 1%, the fair value of the interest rate swap would change by approximately \$7.2 million.

Foreign Currency Exchange Risk

Certain of the Company's subsidiaries operate in foreign countries and their financial results are subject to exchange rate movements. The Company has operations in Canada and the United Kingdom with foreign currency exposure, primarily due to U.S. dollar sales made from businesses in Canada and the United Kingdom to customers in the United States. The Company has a systematic program to limit its exposure to fluctuations in exchange rates related to certain assets and liabilities of its operations in Canada and the United Kingdom that are denominated in U.S. dollars. The net exposure is generally less than \$1 million. The foreign currency contracts and arrangements created under this program are not designated as hedged items under ASC 815, *Derivatives and Hedging*, and accordingly, the changes in the fair value of the foreign currency arrangements, which have been immaterial, are recorded in the Condensed Consolidated Statements of Operations (Unaudited). The Company's foreign currency arrangements are typically three months or less and are settled before the end of a reporting period. At March 31, 2024, the Company had no foreign currency arrangements or contracts in place.

Commodity Price Risk

The Company uses certain commodity raw materials, primarily plastic resins, and other commodities, such as natural gas, in its operations. The cost of operations can be affected by changes in the market for these commodities, particularly plastic resins. The Company currently has no derivative contracts to hedge changes in raw material pricing. The Company may from time to time enter into forward buy positions for certain utility costs, which were not material at March 31, 2024. Significant future increases in the cost of plastic resin or other adverse changes in the general economic environment could have a material adverse impact on the Company's financial position, results of operations or cash flows.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures, as defined under Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended, that are designed to ensure that information required to be disclosed in the Company's reports under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to the Company's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow for timely decisions regarding required disclosure.

The Company carries out a variety of on-going procedures, under the supervision and with the participation of the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, to evaluate the effectiveness of the design and operation of the Company's disclosure controls and procedures. Based on the foregoing, the Company's Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective as of March 31, 2024.

Changes in Internal Control Over Financial Reporting

On February 8, 2024, the Company acquired the stock of Signature Systems. As permitted by SEC rules and regulations, the scope of management's evaluation of internal control over financial reporting as of March 31, 2024 did not include an evaluation of the internal control over financial reporting of Signature. However, we are extending our oversight and monitoring processes that support our review of internal control over financial reporting to include Signature's operations.

Excluding the Signature acquisition, during the quarter ended March 31, 2024, there have been no changes in our internal control over financial reporting during the period covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – Other Information

Item 1. Legal Proceedings

Certain legal proceedings in which the Company is involved are discussed in Note 10, Contingencies, in the Unaudited Condensed Consolidated Financial Statements in Part I of this report, and Part I, Item 3 of the Company's Annual Report on Form 10-K for the year ended December 31, 2023. The Company's disclosures relating to legal proceedings in Note 10, Contingencies, in the Unaudited Condensed Consolidated Financial Statements in Part I of this report are incorporated into Part II of this report by reference. The Company is a defendant in various lawsuits and a party to various other legal proceedings, in the ordinary course of business, some of which are covered in whole or in part by insurance. We believe that the outcome of these lawsuits and other proceedings will not individually or in the aggregate have a future material adverse effect on our consolidated financial position, results of operations or cash flows.

On October 18, 2023, Tank Holding Corp. served a Complaint against Myers Industries, Inc. ("Myers"), asserting patent infringement with regard to a single product manufactured by Elkhart Plastics LLC. Myers has conducted a preliminary assessment of the allegations and believes it has strong defenses. The Complaint was dismissed without prejudice on January 2, 2024.

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

The following table presents information regarding the Company's stock repurchase plan during the quarter ended March 31, 2024:

Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of the Publicly Announced Plans or Programs	Maximum number of Shares that may yet be Purchased Under the Plans or Programs (1)
1/1/2024 to 1/31/2024	—	\$ —	5,547,665
2/1/2024 to 2/29/2024	—	—	5,547,665
3/1/2024 to 3/31/2024	—	—	5,547,665

(1)On July 11, 2013, the Board authorized the repurchase of up to 5.0 million shares of the Company's common stock. This authorization was in addition to the 2011 Board authorized repurchase of up to 5.0 million shares. The Company completed the repurchase of approximately 2.0 million shares in 2011 pursuant to Rule 10b5-1 plans, which were adopted pursuant to the 2011 authorized share repurchase. This program does not have an expiration date

Item 5. Other Information

Securities Trading Plans of Directors and Executive Officers

During the three months ended March 31, 2024, none of our directors or executive officers adopted or terminated any contract, instruction or written plan for the purchase or sale of Company securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement."

Item 6. Exhibits

2.1**	Agreement and Plan of Merger dated as of December 29, 2023 by and among Signature CR Intermediate Holdco, Inc., Myers Subsidiary I, Inc., Myers Industries, Inc., certain Executory Sellers Signatories, and Signature CR Holdco, LLC, solely in its capacity as the representative of the Securityholders as set forth in the Merger Agreement.** Reference is made to Exhibit 2.1 to Form 8-K filed with the SEC on January 2, 2024.
3.1	Myers Industries, Inc. Second Amended and Restated Articles of Incorporation. Reference is made to Exhibit 3.1 to Form 8-K filed with the SEC on April 29, 2021.
3.2	Myers Industries, Inc. Amended and Restated Code of Regulations. Reference is made to Exhibit 3.2 to Form 8-K filed with the SEC on April 29, 2021.
10.1* 10.2	Form of 2024 Restricted Stock Unit Award Agreement for Executive Officers under the 2021 Long-Term Incentive Plan of Myers Industries, Inc.* (filed herewith) Amendment No. 1 to Seventh Amended and Restated Loan Agreement, dated February 8, 2024, among Myers Industries, Inc., MYE Canada Operations Inc., Scepter Canada Inc. and the other foreign subsidiary borrowers, the lenders and JPMorgan Chase Bank, National Association, as administrative agent. Reference is made to Exhibit 10.1 to Form 8-K filed with the SEC on February 9, 2024.
31.1	Certification of Michael P. McGaugh, President and Chief Executive Officer of Myers Industries, Inc., pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Grant E. Fitz, Executive Vice President and Chief Financial Officer of Myers Industries, Inc., pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certifications of Michael P. McGaugh, President and Chief Executive Officer, and Grant E. Fitz, Executive Vice President and Chief Financial Officer, of Myers Industries, Inc., pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following financial information from Myers Industries, Inc. Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2024, formatted in inline XBRL includes: (i) Condensed Consolidated Statements of Operations, (ii) Condensed Consolidated Statements of Comprehensive Income (Loss), (iii) Condensed Consolidated Statements of Financial Position, (iv) Condensed Consolidated Statements of Shareholders' Equity, (v) Condensed Consolidated Statements of Cash Flows and (vi) the Notes to Condensed Consolidated Financial Statements.
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).

* Indicates executive compensation plan or arrangement

** Pursuant to Item 601(a)(5) of Regulation S-K, exhibits and schedules were omitted from this initial filing. The registrant agrees to furnish the Commission on a supplemental basis a copy of any omitted exhibit or schedule.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MYERS INDUSTRIES, INC.

May 7, 2024

/s/ Grant E. Fitz

Grant E. Fitz
Executive Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

**RESTRICTED STOCK UNIT AWARD AGREEMENT
(2024)**

This Restricted Stock Unit Award Agreement (the "Agreement") is made as of [], 2024 by and between Myers Industries, Inc., an Ohio corporation (the "Company"), and [], an employee (the "Employee") of the Company or one or more of its Subsidiaries.

WHEREAS, the Company has heretofore adopted the Myers Industries, Inc. 2021 Long-Term Incentive Plan, as amended from time to time (the "Plan"); and

WHEREAS, it is a requirement of the Plan that a Restricted Stock Unit Award Agreement be executed to evidence the Restricted Stock Units ("Stock Units") awarded to the Employee.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto have agreed, and do hereby agree as follows:

1. Grant of Stock Units. The Company hereby grants to the Employee an Award of [] Stock Units on the terms and conditions set forth herein and in the Plan. Each Stock Unit represents an unfunded, unsecured right of the Employee to receive the payment of one share of Stock (a "Share") on the date that payment is made with respect to the Stock Unit.

2. Rights and Restrictions with Respect to Stock Units.

(a) The Stock Units granted pursuant to this Agreement represent an unfunded and unsecured obligation of the Company, and the Employee shall have no rights with respect to the Stock Units other than those of a general creditor of the Company. Prior to the issuance of Shares as payment with respect to the Stock Units, the Employee shall have no rights of ownership in or to the Shares underlying the Stock Units and shall not be deemed the beneficial owner of such Shares.

(b) Except as otherwise provided in this Agreement, none of the Stock Units may be sold, exchanged, transferred, pledged, hypothecated or otherwise encumbered or subject to any lien, obligation or liability of the Employee to any party (other than the Company or a Subsidiary or affiliate thereof), or assigned or transferred by the Employee otherwise than by will or the laws of descent and distribution or to the Employee's Beneficiary upon the death of the Employee.

3. Vesting of the Stock Units.

(a) Subject to Section 3(b), the Stock Units subject to this Agreement shall vest in three equal installments on March 16 of the first three years after the date of this Agreement (each such date, a "Vesting Date"); provided, however, that, if earlier, any outstanding but unvested Stock Units shall become immediately vested upon any of the following "Acceleration Events": (i) termination of the Employee's employment with the Company and its Subsidiaries by reason of the Employee's death, Disability (as defined below), or Retirement (as defined below), or (ii) termination of the Employee's employment with the Company and its Subsidiaries without Cause (as defined herein unless defined in any written agreement or severance plan between the Company and the Employee in effect at the time of such termination of employment) if by the Company or for Good Reason (as defined herein unless defined in any written agreement or severance plan between the Company and the Employee in effect at the time of such termination of employment) if by the Employee, in either case following a Change of Control of the Company.

(b) In the event of a termination of the Employee's employment with the Company and its Subsidiaries for any reason other than an Acceleration Event, the Stock Units that have not vested as of the date of such termination shall be immediately and automatically forfeited to the Company without notice for no consideration.

(c)For purposes of this Agreement, "Disability" shall mean a physical or mental incapacity that prevents the Employee from performing the Employee's duties for a total of one hundred eighty (180) days in any twenty four (24) month period, and "Retirement" shall mean retiring at age sixty-five (65) or older with at least three (3) years of service.

4. Payment and Issuance of Shares.

(a)General Provision. On each Vesting Date or, if earlier, within thirty (30) days following an Acceleration Event (each such date, a "Payment Date"), the Company shall make a payment to the Employee of one Share for every Stock Unit that became vested as of such Vesting Date or Acceleration Event, as applicable (and with respect to which a payment has not previously been made pursuant to this Section 4), as payment with respect to each such vested Stock Unit.

(b)Dividends. If any dividends are declared on the Shares while the Stock Units subject to this Agreement are outstanding, the Company shall make a payment to the Employee on each Payment Date with respect to each Stock Unit that became vested as of the applicable Vesting Date or Acceleration Event, as applicable, in an amount equal to the aggregate amount of dividends that would have been payable to the Employee with respect to each such vested Stock Unit had such vested Stock Unit instead been an issued and outstanding Share on the record date of any such dividends (the "Dividend Equivalent Amount"), but only to the extent that the Dividend Equivalent Amount has not previously been paid to the Employee with respect to such vested Stock Unit. At the Company's discretion, payment of the Dividend Equivalent Amount may be made in cash or in Shares having a Fair Market Value on the Payment Date equal to the Dividend Equivalent Amount.

(c)Manner of Delivery. At the Company's election, the Company shall cause the Shares delivered as payment with respect to the vested Stock Units to be evidenced (i) by a book entry account maintained by the Company's stock transfer agent (the "Transfer Agent"), (ii) by a certificate issued in the Employee's name, or (iii) by delivery to the Employee's individual share holdings account in the Company's equity plan manager's system ("Employee's Account").

(d)Shareholder Status. Upon the earliest of (i) the date the Shares are evidenced in a book entry account maintained by the Transfer Agent, (ii) the date a certificate for the Shares is issued in the Employee's name, or (iii) the date the Shares are delivered to the Employee's Account, the Employee shall be a shareholder with respect to the Shares and shall have all of the rights of a shareholder with respect to the Shares, including the right to vote the Shares and to receive any dividends and other distributions paid with respect to the Shares.

(e)Mandatory Holding Period. The Employee shall maintain beneficial ownership of all Shares delivered as payment with respect to vested Stock Units, less any Shares disposed of in order to satisfy tax withholding requirements, until the earlier to occur of the first anniversary of the Vesting Date of such Stock Units or the Employee's termination of employment for any reason. For purposes hereof, beneficial ownership shall be determined in accordance with Section 16 of the Exchange Act.

(f)Cash Payment Election. Notwithstanding anything to the contrary herein, following a Change of Control of the Company, the Company or its successor, at its election, may elect to make any payment required to be made to the Employee pursuant to this Section 4 in cash rather than Shares.

5. Taxes. The Employee shall be required to pay to the Company or any Subsidiary or affiliate of the Company, and the Company or any Subsidiary or affiliate of the Company shall have the right and is hereby authorized to withhold, from any cash, Shares or other securities or other property deliverable under this Award or from any other compensation or other amounts owing to the Employee, the amount (in cash, Shares, other securities or other property) of any required withholding taxes in respect of the Award or any payment or transfer under the Award and to take such other action as may be necessary in the opinion of the Committee or the Company to satisfy all obligations for the payment of such withholding and taxes.

6.No Right to Employment. Nothing in this Agreement shall confer upon the Employee any right to continue in the employ of the Company or any of its Subsidiaries or interfere with or restrict in any way with the right of the Company or any such Subsidiary to terminate the Employee's employment at any time for any reason whatsoever, with or without Cause.

7.Acknowledgement and Section 409A Compliance.

(a)The Employee acknowledges that neither the Company nor any of the Company's affiliates, officers, shareholders, employees, agents or representatives has provided or is providing the undersigned with tax advice regarding the Stock Units subject to this Agreement or any other matter, and the Company has urged the Employee to consult with the Employee's own tax advisor with respect to the tax consequences associated with the Stock Units subject to this Agreement.

(b)It is intended that this Award of Stock Units comply with Section 409A of the Code, and this Award and the terms of this Agreement shall be interpreted and administered in a manner consistent with such intent, although in no event shall the Company have any liability to the Employee if this Award or the terms of this Agreement are determined not to comply with Section 409A of the Code. For purposes of this Agreement, termination of employment means a "separation from service" within the meaning of Treasury Regulations Section 1.409A-1(h).

(c)Whenever payment under this Agreement specifies a payment period with reference to a number of days (e.g., payment may be made within thirty (30) days after the Acceleration Event), the actual date of payment within the specified period will be determined solely by the Company.

(d)If the Employee is a "specified employee" within the meaning of Section 409A of the Code at the time of the Employee's "separation from service" within the meaning of Section 409A of the Code, then any payment otherwise required to be made to the Employee under this Agreement on account of the Employee's separation from service, to the extent such payment (after taking into account all exclusions applicable to such payment under Section 409A of the Code) is properly treated as deferred compensation subject to Section 409A of the Code, shall not be made until the first business day after (i) the expiration of six (6) months from the date of the Employee's separation from service, or (ii) if earlier, the date of the Employee's death.

(e)The Employee's right to receive each installment of Stock Units shall be treated as separate payments for purposes of Section 409A of the Code.

8.Cause and Good Reason. For purposes of this Agreement, the terms "Cause" and "Good Reason" shall have the following meanings:

(a)"Cause" means: (i) the commission by the Employee (evidenced by a conviction or written, voluntary and freely given confession) of a criminal act constituting a felony involving fraud or moral turpitude; (ii) the repeated failure of the Employee to follow the reasonable directives of the Employee's superiors after having been given written notice thereof; or (iii) commission by the Employee of any act, which both (A) constitutes gross negligence or willful misconduct and (B) results in material economic harm to the Company or has a materially adverse effect on the Company's operations, properties or business relationships.

(b)"Good Reason" means the occurrence of one or more of the following conditions arising without the consent of the Employee: (i) a material diminution in the Employee's annual base salary; (ii) a material diminution in the Employee's duties and responsibilities; or (iii) a material change in the geographic location at which the Employee must perform the Employee's duties. In order for a condition to constitute Good Reason, the Employee must provide written notification to the Company of the existence of the condition within forty-five (45) days of the initial existence of the condition (or within forty-five (45) days following the Employee actually becoming aware of such condition, if later), upon the notice of which the Company shall have a period of thirty (30) days during which it may remedy the condition. Furthermore, to constitute a Good Reason, the Employee must voluntarily terminate employment with the Company within one hundred eighty (180) days following the initial existence of the condition (or within one hundred eighty (180) days following the Employee actually becoming

aware of such condition). The parties agree that "Good Reason" will not be deemed to have occurred merely because the Company becomes a subsidiary or division of another entity following a Change of Control.

9. Incorporation of Provisions of the Plan. All of the provisions of the Plan pursuant to which the Stock Units are granted are hereby incorporated by reference and made a part hereof as if specifically set forth herein, and to the extent of any conflict between this Agreement and the terms contained in the Plan, the Plan shall control. To the extent any capitalized terms are not otherwise defined herein, they shall have the meanings set forth in the Plan.

10. Invalidity of Provisions. The invalidity or unenforceability of any provision of this Agreement as a result of a violation of any state or federal law, or of the rules or regulations of any governmental regulatory body, shall not affect the validity or enforceability of the remainder of this Agreement.

11. Waiver and Modification. The provisions of this Agreement may not be waived or modified unless such waiver or modification is in writing and signed by the parties hereto.

12. Interpretation. All decisions or interpretations made by the Committee with regard to any question arising under the Plan or this Agreement as provided by Section 3 of the Plan, shall be binding and conclusive on the Company and the Employee.

13. Multiple Counterparts. This Agreement may be signed in multiple counterparts, all of which together shall constitute an original agreement. The execution by one party of any counterpart shall be sufficient execution by that party, whether or not the same counterpart has been executed by any other party.

14. Governing Law. The validity, construction, and effect of this Agreement, and any rules and regulations relating to this Agreement, shall be determined in accordance with the laws of the State of Ohio, without giving effect to principles of conflicts of laws, and applicable provisions of federal law.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed, and the Employee has hereunto set the Employee's hand, all as of the day and year first above written.

MYERS INDUSTRIES, INC.

By: _____
Its: President & Chief Executive Officer

EMPLOYEE

[Employee Name]

Exhibit 31.1
Certification Per Section 302 of the Sarbanes-Oxley Act of 2002

I, Michael P. McGaugh, certify that:

- 1.I have reviewed this quarterly report on Form 10-Q of Myers Industries, Inc.;
- 2.Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3.Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4.The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f), for the registrant and have:
 - a.Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b.Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c.Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d.Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected or is reasonably likely to materially affect the registrant's internal control over financial reporting; and
- 5.The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a.All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b.Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2024

/s/ Michael P. McGaugh

Michael P. McGaugh, President and Chief Executive Officer

Exhibit 31.2
Certification Per Section 302 of the Sarbanes-Oxley Act of 2002

I, Grant E. Fitz, certify that:

- 1.I have reviewed this quarterly report on Form 10-Q of Myers Industries, Inc.;
- 2.Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3.Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4.The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f), for the registrant and have:
 - a.Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b.Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c.Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d.Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected or is reasonably likely to materially affect the registrant's internal control over financial reporting; and
- 5.The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a.All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b.Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2024

/s/ Grant E. Fitz

Grant E. Fitz, Executive Vice President and Chief Financial Officer

Exhibit 32.1
CERTIFICATION
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Myers Industries, Inc. (the Company) on Form 10-Q for the period ended March 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the Report), I, Michael P. McGaugh, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and to my knowledge:

(1) The Quarterly Report on Form 10-Q of the Company for the period ended March 31, 2024 which this certification accompanies fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 7, 2024

/s/ Michael P. McGaugh
Michael P. McGaugh, President and Chief Executive Officer

Exhibit 32.1
CERTIFICATION
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Myers Industries, Inc. (the Company) on Form 10-Q for the period ended March 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the Report), I, Grant E. Fitz, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and to my knowledge:

(1) The Quarterly Report on Form 10-Q of the Company for the period ended March 31, 2024 which this certification accompanies fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 7, 2024

/s/ Grant E. Fitz
Grant E. Fitz, Executive Vice President and Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.
