

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

Form 10-Q

(Mark One)

☒ 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 \_\_\_\_\_

1-35573

(Commission file number)

TRONOX HOLDINGS PLC

(Exact Name of Registrant as Specified in its Charter)

England and Wales

(State or other jurisdiction of incorporation or organization)

263 Tresser Boulevard, Suite 1100  
Stamford, Connecticut 06901

98-1467236

(I.R.S. Employer Identification No.)

Laporte Road, Stallingborough  
Grimsby, North East Lincolnshire, DN40 2PR  
United Kingdom

Registrant's telephone number, including area code: (203) 705-3800

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

Title of each class

Name of each exchange on which registered

Ordinary Shares, par value \$0.01 per share

New York Stock Exchange

Trading Symbol: TROX

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	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

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

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

As of April 22, 2024, the Registrant had 157,838,526 ordinary shares outstanding.

**Table of Contents**

	<b>Page</b>
<b>PART I – FINANCIAL INFORMATION</b>	
Item 1. Financial Statements (Unaudited)	3
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	30
Item 3. Quantitative and Qualitative Disclosures About Market Risk	41
Item 4. Controls and Procedures	43
<b>PART II – OTHER INFORMATION</b>	
Item 1. Legal Proceedings	44
Item 1A. Risk Factors	44
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	45
Item 3. Defaults Upon Senior Securities	45
Item 4. Mine Safety Disclosures	45
Item 5. Other Information	45
Item 6. Exhibits	46
<b>SIGNATURES</b>	47

**Item 1. Financial Statements (Unaudited)**

	<b>Page No.</b>
<a href="#">Unaudited Condensed Consolidated Statements of Operations for the Three Months Ended March 31, 2024 and 2023</a>	4
<a href="#">Unaudited Condensed Consolidated Statements of Comprehensive (Loss) Income for the Three Months Ended March 31, 2024 and 2023</a>	5
<a href="#">Unaudited Condensed Consolidated Balance Sheets at March 31, 2024 and December 31, 2023</a>	6
<a href="#">Unaudited Condensed Consolidated Statements of Cash Flows for the Three Months Ended March 31, 2024 and 2023</a>	7
<a href="#">Unaudited Condensed Consolidated Statement of Shareholders' Equity for the Three Months Ended March 31, 2024 and 2023</a>	8
<a href="#">Notes to Unaudited Condensed Consolidated Financial Statements</a>	10

TRONOX HOLDINGS PLC  
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS  
(Unaudited)  
(Millions of U.S. dollars, except share and per share data)

	Three Months Ended March 31,	
	2024	2023
<b>Net sales</b>	\$ 774	\$ 708
Cost of goods sold	654	575
<b>Gross profit</b>	120	133
Selling, general and administrative expenses	79	71
<b>Income from operations</b>	41	62
Interest expense	(42)	(33)
Interest income	4	3
Other (expense) income, net	(1)	2
<b>Income before income taxes</b>	2	34
Income tax provision	(11)	(9)
<b>Net (loss) income</b>	(9)	25
Net income attributable to noncontrolling interest	—	2
<b>Net (loss) income attributable to Tronox Holdings plc</b>	\$ (9)	\$ 23
<b>(Loss) Earnings per share:</b>		
Basic	\$ (0.06)	\$ 0.15
Diluted	\$ (0.06)	\$ 0.15
Weighted average shares outstanding, basic (in thousands)	157,331	155,175
Weighted average shares outstanding, diluted (in thousands)	157,331	156,641

See accompanying notes to unaudited condensed consolidated financial statements.

**TRONOX HOLDINGS PLC**  
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME**  
**(Unaudited)**  
**(Millions of U.S. dollars)**

	Three Months Ended March 31,	
	2024	2023
<b>Net (loss) income</b>	\$ (9)	\$ 25
<b>Other comprehensive income (loss):</b>		
Foreign currency translation adjustments	(41)	(13)
Pension and postretirement plans:		
Actuarial loss, (net of tax benefit of nil and \$1 million in the three months ended March 31, 2024 and 2023, respectively)	—	1
Total pension and postretirement gain	—	1
Realized (gains) losses on derivatives reclassified from accumulated other comprehensive loss to the Condensed Consolidated Statement of Operations (net of tax benefit of nil and \$1 million in the three months ended March 31, 2024 and 2023, respectively)	(1)	3
Unrealized gains (losses) on derivative financial instruments, (net of tax benefit of nil and \$2 million for the three months ended March 31, 2024 and March 31, 2023, respectively) - See Note 12	10	(6)
<b>Other comprehensive loss</b>	<b>(32)</b>	<b>(15)</b>
<b>Total comprehensive (loss) income</b>	<b>(41)</b>	<b>10</b>
<b>Comprehensive (loss) income attributable to noncontrolling interest:</b>		
Net income	—	2
Foreign currency translation adjustments	(1)	2
Comprehensive (loss) income attributable to noncontrolling interest	(1)	4
<b>Comprehensive (loss) income attributable to Tronox Holdings plc</b>	<b>\$ (40)</b>	<b>\$ 6</b>

See accompanying notes to unaudited condensed consolidated financial statements.

**TRONOX HOLDINGS PLC**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Unaudited)  
(Millions of U.S. dollars, except share and per share data)

	March 31, 2024	December 31, 2023
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 152	\$ 273
Restricted cash	2	—
Accounts receivable (net of allowance for credit losses of \$ 5 million and \$3 million as of March 31, 2024 and December 31, 2023, respectively)	378	290
Inventories, net	1,403	1,421
Prepaid and other assets	214	141
Income taxes receivable	10	10
<b>Total current assets</b>	<b>2,159</b>	<b>2,135</b>
<b>Noncurrent Assets</b>		
Property, plant and equipment, net	1,804	1,835
Mineral leaseholds, net	639	654
Intangible assets, net	243	243
Lease right of use assets, net	134	132
Deferred tax assets	915	917
Other long-term assets	128	218
<b>Total assets</b>	<b>\$ 6,022</b>	<b>\$ 6,134</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 398	\$ 461
Accrued liabilities	240	230
Short-term lease liabilities	22	24
Short-term debt	4	11
Long-term debt due within one year	27	27
<b>Total current liabilities</b>	<b>691</b>	<b>753</b>
<b>Noncurrent Liabilities</b>		
Long-term debt, net	2,780	2,786
Pension and postretirement healthcare benefits	103	104
Asset retirement obligations	176	172
Environmental liabilities	48	48
Long-term lease liabilities	105	103
Deferred tax liabilities	156	149
Other long-term liabilities	38	39
<b>Total liabilities</b>	<b>4,097</b>	<b>4,154</b>
<b>Commitments and Contingencies - Note 15</b>		
<b>Shareholders' Equity</b>		
Tronox Holdings plc ordinary shares, par value \$ 0.01 — 157,838,425 shares issued and outstanding at March 31, 2024 and 156,793,755 shares issued and outstanding at December 31, 2023	2	2
Capital in excess of par value	2,070	2,064
Retained earnings	655	684
Accumulated other comprehensive loss	(845)	(814)
<b>Total Tronox Holdings plc shareholders' equity</b>	<b>1,882</b>	<b>1,936</b>
Noncontrolling interest	43	44
<b>Total equity</b>	<b>1,925</b>	<b>1,980</b>
<b>Total liabilities and equity</b>	<b>\$ 6,022</b>	<b>\$ 6,134</b>

See accompanying notes to unaudited condensed consolidated financial statements.

**TRONOX HOLDINGS PLC**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited)  
(Millions of U.S. dollars)

	Three Months Ended March 31,	
	2024	2023
<b>Cash Flows from Operating Activities:</b>		
Net (loss) income	\$ (9)	\$ 25
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation, depletion and amortization	72	71
Deferred income taxes	11	(1)
Share-based compensation expense	6	6
Amortization of deferred debt issuance costs and discount on debt	2	2
Other non-cash items affecting net (loss) income	16	16
Changes in assets and liabilities:		
Increase in accounts receivable, net of allowance for credit losses	(94)	(41)
Decrease (increase) in inventories, net	11	(83)
Decrease in prepaid and other assets	16	2
Decrease in accounts payable and accrued liabilities	(49)	(68)
Net changes in income tax payables and receivables	(3)	2
Changes in other non-current assets and liabilities	(8)	(10)
Cash used in operating activities	(29)	(79)
<b>Cash Flows from Investing Activities:</b>		
Capital expenditures	(76)	(93)
Proceeds from sale of assets	—	2
Cash used in investing activities	(76)	(91)
<b>Cash Flows from Financing Activities:</b>		
Repayments of short-term debt	(6)	(26)
Repayments of long-term debt	(5)	(4)
Proceeds from short-term debt	—	152
Dividends paid	(1)	(2)
Cash (used in) provided by financing activities	(12)	120
<b>Effects of exchange rate changes on cash and cash equivalents and restricted cash</b>	(2)	1
<b>Net decrease in cash and cash equivalents and restricted cash</b>	(119)	(49)
<b>Cash and cash equivalents and restricted cash at beginning of period</b>	273	164
<b>Cash and cash equivalents and restricted cash at end of period</b>	\$ 154	\$ 115
<b>Supplemental cash flow information:</b>		
Interest paid, net	\$ 52	\$ 34
Income taxes paid	\$ 3	\$ 7

See accompanying notes to unaudited condensed consolidated financial statements.



**TRONOX HOLDINGS PLC**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**(Unaudited)**  
**(Millions of U.S. dollars, except for shares)**

For the three months ended March 31, 2024

	Tronox Holdings plc Ordinary Shares (in thousands)	Tronox Holdings plc Ordinary Shares (Amount)	Capital in Excess of par Value	Retained Earnings	Accumulated Other Comprehensive Loss	Total Tronox Holdings plc Shareholders' Equity	Non- controlling Interest	Total Equity
<b>Balance at December 31, 2023</b>	156,794	\$ 2	\$ 2,064	\$ 684	\$ (814)	\$ 1,936	\$ 44	\$ 1,980
Net income	—	—	—	(9)	—	(9)	—	(9)
Other comprehensive (loss) income	—	—	—	—	(31)	(31)	(1)	(32)
Share-based compensation	1,050	—	6	—	—	6	—	6
Shares cancelled	(6)	—	—	—	—	—	—	—
Ordinary share dividends (\$0.125 per share)	—	—	—	(20)	—	(20)	—	(20)
<b>Balance at March 31, 2024</b>	<u>157,838</u>	<u>\$ 2</u>	<u>\$ 2,070</u>	<u>\$ 655</u>	<u>\$ (845)</u>	<u>\$ 1,882</u>	<u>\$ 43</u>	<u>\$ 1,925</u>

See accompanying notes to unaudited condensed consolidated financial statements.

**TRONOX HOLDINGS PLC**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Continued)**  
**(Unaudited)**  
**(Millions of U.S. dollars, except for shares)**

For the three months ended March 31, 2023

	Tronox Holdings plc Ordinary Shares (in thousands)	Tronox Holdings plc Ordinary Shares (Amount)	Capital in Excess of par Value	Retained Earnings	Accumulated Other Comprehensive Loss	Total Tronox Holdings plc Shareholders' Equity	Non- controlling Interest	Total Equity
<b>Balance at December 31, 2022</b>	154,497	\$ 2	\$ 2,043	\$ 1,080	\$ (768)	\$ 2,357	\$ 46	\$ 2,403
Net income	—	—	—	23	—	23	2	25
Other comprehensive (loss) income	—	—	—	—	(17)	(17)	2	(15)
Share-based compensation	2,221	—	6	—	—	6	—	6
Shares cancelled	(1)	—	—	—	—	—	—	—
Ordinary share dividends (\$0.125 per share)	—	—	—	(20)	—	(20)	—	(20)
<b>Balance at March 31, 2023</b>	156,717	\$ 2	\$ 2,049	\$ 1,083	\$ (785)	\$ 2,349	\$ 50	\$ 2,399

See accompanying notes to unaudited condensed consolidated financial statements.

**TRONOX HOLDINGS PLC**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

**(Millions of U.S. dollars, except share, per share and metric tons data or unless otherwise noted)**

**1. The Company**

Tronox Holdings plc (referred to herein as "Tronox", the "Company", "we", "us", or "our") operates titanium-bearing mineral sand mines and beneficiation operations in Australia and South Africa to produce feedstock materials that can be processed into TiO<sub>2</sub> for pigment, high purity titanium chemicals, including titanium tetrachloride, and Ultrafine® titanium dioxide used in certain specialty applications. Our strategy is to be vertically integrated and produce enough feedstock materials to be as self-sufficient as possible in the production of TiO<sub>2</sub> at our nine TiO<sub>2</sub> pigment facilities located in the United States, Australia, Brazil, UK, France, the Netherlands, China and the Kingdom of Saudi Arabia ("KSA"). We believe that vertical integration is the best way to achieve our ultimate goal of delivering low cost, high-quality pigment to our coatings and other TiO<sub>2</sub> customers throughout the world. The mining, beneficiation and smelting of titanium bearing mineral sands creates meaningful quantities of zircon, pig iron and the rare-earth bearing mineral, monazite, which we also supply to customers around the world.

We are a public limited company listed on the New York Stock Exchange and are registered under the laws of England and Wales.

*Basis of Presentation*

The accompanying condensed consolidated financial statements are unaudited and have been prepared pursuant to the rules and regulations of the U.S. Securities and Exchange Commission regarding interim financial reporting. Accordingly, they do not include all the information and footnotes required by accounting principles generally accepted in the United States of America ("U.S. GAAP") for complete financial statements and should be read in conjunction with the audited consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2023.

In management's opinion, the accompanying unaudited condensed consolidated financial statements reflect all adjustments, which are of a normal recurring nature, considered necessary for a fair statement of its financial position as of March 31, 2024, and its results of operations for the three months ended March 31, 2024 and 2023. Our unaudited condensed consolidated financial statements include the accounts of all majority-owned subsidiary companies. All intercompany balances and transactions have been eliminated in consolidation. Certain prior period amounts have been reclassified to conform to the manner and presentation in the current period.

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. It is at least reasonably possible that the effect on the financial statements of a change in estimate due to one or more future confirming events could have a material effect on the financial statements, including, among other things, any potential impacts on the economy as a result of macroeconomic conditions, inflationary pressures, political instability, and supply chain disruptions.

*Recently Issued Accounting Pronouncements*

In November 2023, the FASB issued ASU 2023-07, "Improvements to Reportable Segment Disclosures". The amendment requires additional disclosures by public entities, including those with a single reportable segment, to disclose significant segment expenses and other segment items for each reportable segment. The guidance applies to fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. We are currently evaluating any incremental disclosures required as a result of this standard.

In December 2023, the FASB issued ASU 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures". The amendments in this update apply to all entities that are subject to Topic 740, Income Taxes. The standard requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as information on income taxes paid. The amendments in this update are effective for annual periods beginning after December 15, 2024. The guidance will be applied on a prospective basis with the option to apply the standard retrospectively. Early adoption is permitted. We are currently evaluating any incremental disclosures required as a result of this standard.

## **2. Revenue**

We recognize revenue at a point in time when the customer obtains control of the promised products. For most transactions this occurs when products are shipped from our manufacturing facilities or at a later point when control of the products transfers to the customer at a specified destination or time.

Contract assets represent our rights to consideration in exchange for products that have transferred to a customer when the right is conditional on situations other than the passage of time. For products that we have transferred to our customers, our rights to the consideration are typically unconditional and only the passage of time is required before payments become due. These unconditional rights are recorded as "Accounts receivable" in the unaudited Condensed Consolidated Balance Sheets. As of March 31, 2024, and December 31, 2023, we did not have any material contract asset balances.

Contract liabilities represent our obligations to transfer products to a customer for which we have received consideration from the customer. From time to time, we may receive advance payment from our customers that is accounted for as deferred revenue. Deferred revenue is earned when control of the product transfers to the customer, which is typically within a short period of time from when we received the advanced payment. Contract liability balances as of March 31, 2024 and December 31, 2023 were \$1 million and less than \$1 million, respectively. Contract liability balances were reported as "Accounts payable" in the unaudited Condensed Consolidated Balance Sheets. All material contract liabilities as of December 31, 2023 were recognized as revenue in "Net sales" in the unaudited Condensed Consolidated Statements of Operations during the first quarter of 2024.

### *Disaggregation of Revenue*

We operate under one operating and reportable segment, Tronox. We disaggregate our revenue from contracts with customers by product type and geographic area. We believe this level of disaggregation appropriately depicts how the nature, amount, timing and uncertainty of our revenue and cash flows are affected by economic factors and reflects how our business is managed.

Net sales to external customers by geographic areas where our customers are located were as follows:

	Three Months Ended March 31,	
	2024	2023
North America	\$ 192	\$ 189
South and Central America	46	42
Europe, Middle-East and Africa	309	282
Asia Pacific	227	195
Total net sales	<u>\$ 774</u>	<u>\$ 708</u>

Net sales from external customers for each similar type of product were as follows:

	Three Months Ended March 31,	
	2024	2023
TiO <sub>2</sub>	\$ 605	\$ 560
Zircon	88	72
Other products	81	76
Total net sales	<u>\$ 774</u>	<u>\$ 708</u>

Other products mainly include pig iron, TiCl<sub>4</sub> and other mining products.

During both the three months ended March 31, 2024 and 2023, our ten largest third-party customers represented 37% of our consolidated net sales. During the three months ended March 31, 2024 and 2023, no single customer accounted for 10% of our consolidated net sales.

### 3. Income Taxes

Our operations are conducted through various subsidiaries in a number of countries throughout the world. We have provided for income taxes based upon the tax laws and rates in the countries in which operations are conducted and income is earned.

Income before income taxes is comprised of the following:

	Three Months Ended March 31,	
	2024	2023
Income tax provision	\$ (11)	\$ (9)
Income before income taxes	\$ 2	\$ 34
Effective tax rate	550 %	26 %

Tronox Holdings plc, a U.K. public limited company is the parent company for the business group, and the statutory tax rate in the U.K. at both March 31, 2024 and 2023 was 25% and 19%, respectively. The statutory rate in the U.K. changed to 25% effective April 1, 2023 and a weighted average of 23.5% was applied for the full year 2023. The effective tax rates for both the three months ended March 31, 2024 and 2023 are impacted by a variety of factors including income and losses in jurisdictions with valuation allowances, non-taxable income and expense items, prior year accruals, and our jurisdictional mix of income at tax rates different than the U.K. statutory rate.

At each reporting date, we perform an analysis to determine the likelihood of realizing our deferred tax assets and whether any valuation allowances are required. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income (including the reversals of deferred tax liabilities) during the periods in which those deferred tax assets will become deductible. Our analysis takes into consideration all available positive and negative evidence, including prior operating results, the nature and reason for any losses, our forecast of future taxable income, utilization of tax planning strategies, and the dates on which any deferred tax assets are expected to expire. These assumptions and estimates require a significant amount of judgment and are made based on current and projected circumstances and conditions.

We continue to maintain full valuation allowances related to the total net deferred tax assets in Australia and the United Kingdom, as we cannot objectively assert that these deferred tax assets are more likely than not to be realized. Until these valuation allowances are eliminated, future provisions for income taxes for these jurisdictions will include no tax benefits with respect to losses incurred and tax expense only to the extent of current tax payments. Additionally, we have valuation allowances against specific tax assets in South Africa and the United States.

The Company currently has no uncertain tax positions recorded. We believe that we have made adequate provisions for income taxes that may be payable with respect to years open for examination or currently under examination. With regard to years under examination, the ultimate outcome is not presently known and, accordingly, adjustments to our provisions may be necessary and/or reclassifications of noncurrent tax liabilities to current may occur in the future.

During the year ended December 31, 2023, the United Kingdom enacted legislation consistent with guidance from the Organization for Economic Co-operation and Development ("OECD") for the implementation of the Global Anti-Base Erosion Model Rules (Pillar Two). Additionally, various other jurisdictions have now implemented domestic minimum taxes which are also effective for 2024. Neither the UK multinational top-up tax nor any jurisdiction's domestic minimum tax are expected to have a material impact on our income tax provisions for 2024.

#### 4. Income Per Share

The computation of basic and diluted income per share for the periods indicated is as follows:

	Three Months Ended March 31,	
	2024	2023
<b>Numerator - Basic and Diluted:</b>		
Net (loss) income	\$ (9)	\$ 25
Less: Net income attributable to noncontrolling interest	—	2
Net (loss) income available to ordinary shares	\$ (9)	\$ 23
<b>Denominator - Basic and Diluted:</b>		
Weighted-average ordinary shares, basic (in thousands)	157,331	155,175
Weighted-average ordinary shares, diluted (in thousands)	157,331	156,641
Basic net (loss) income per ordinary share	\$ (0.06)	\$ 0.15
Diluted net (loss) income per ordinary share	\$ (0.06)	\$ 0.15

Net (loss) income per ordinary share amounts were calculated from exact, not rounded net (loss) income and share information. Anti-dilutive shares not recognized in the diluted net income per share calculation for the three months ended March 31, 2024 and 2023 were as follows:

	Shares	
	Three Months Ended March 31,	
	2024	2023
Options	4,397	265,376
Restricted share units	1,285,008	2,798,108

#### 5. Accounts Receivable Securitization Program

On March 15, 2022, the Company entered into an accounts receivable securitization program ("Securitization Facility") with a financial institution ("Purchaser"), through our wholly owned special purpose bankruptcy-remote subsidiary Tronox Securitization LLC ("SPE"). In November 2022, the Securitization Facility was amended (the "First Amendment") to include receivable generated by our wholly-owned Australian operating subsidiaries Tronox Pigment Pty Ltd., Tronox Pigment Bunbury Ltd. and Tronox Mining Australia Ltd. In June 2023, the Company entered into an additional amendment (the "Second Amendment") to further include receivables generated by our wholly-owned European operating subsidiaries Tronox Pigment Holland BV and Tronox Pigment UK Limited. Neither the facility limit nor the program term were changed as a result of the Second Amendment, which remained at \$200 million and November 2025, respectively.

In March 2024, we entered into a Securitization Facility technical amendment (the "Third Amendment"), to increase the percentage of certain receivables eligible for sale to the Purchaser. In April 2024, we again amended the Securitization Facility (the "Fourth Amendment"), to increase the Facility Limit from \$200 million to \$230 million. The Fourth Amendment had no impact to financial position or financial results at and for the three months ended March 31, 2024.

As the Company does not maintain effective control over the sold receivables, we derecognize the sold receivables from our unaudited Condensed Consolidated Balance Sheet and classify the cash proceeds as source of cash from operating activities in our unaudited Condensed Consolidated Statement of Cash Flows.

The program is structured on a revolving basis under which cash collections from receivables are used to fund additional purchases of receivables at 100% face value, not to exceed the facility limit. As of March 31, 2024 and December 31, 2023, the total value of accounts receivables sold under the Securitization Facility and derecognized from the Company's unaudited Condensed Consolidated Balance Sheet was \$200 million and \$186 million, respectively. Additionally, at March 31, 2024 and December 31, 2023, we retained approximately \$171 million and \$129 million, respectively, of unsold receivables which we pledged as collateral for the sold receivables.

The following table sets forth a summary of the receivables sold and fees incurred under the program during the related periods:

	Three Months Ended March 31,	
	2024	2023
Cash proceeds from collections reinvested in the program	\$ 222	\$ 144
Prepayment accounts receivables sold	236	138
Fees incurred <sup>1</sup>	3	2

<sup>1</sup> Amounts relate to monthly utilization of the Securitization Facility and are recorded in "Other (expense) income, net" in our unaudited Condensed Consolidated Statement of Operations.

## 6. Inventories, Net

Inventories, net consisted of the following:

	March 31, 2024	December 31, 2023
Raw materials	\$ 342	\$ 352
Work-in-process	141	141
Finished goods, net	682	688
Materials and supplies, net	238	240
Inventories, net	<u>\$ 1,403</u>	<u>\$ 1,421</u>

Materials and supplies, net consists of processing chemicals, maintenance supplies and spare parts, which will be consumed directly and indirectly in the production of our products.

At March 31, 2024 and December 31, 2023, there was approximately \$ 60 million and \$57 million, respectively, of inventory that is not expected to be sold within one year and as such, has been recorded in "Other long-term assets" on the Condensed Consolidated Balance Sheets.

At March 31, 2024 and December 31, 2023, inventory obsolescence reserves primarily for materials and supplies were \$ 44 million and \$42 million, respectively. Reserves for lower of cost or market and net realizable value were \$27 million and \$50 million at March 31, 2024 and December 31, 2023, respectively.



## 7. Property, Plant and Equipment, Net

Property, plant and equipment, net of accumulated depreciation, consisted of the following:

	March 31, 2024	December 31, 2023
Land and land improvements	\$ 236	\$ 237
Buildings	401	404
Machinery and equipment	2,524	2,530
Construction-in-progress	325	319
Other	61	60
Subtotal	3,547	3,550
Less: accumulated depreciation	(1,743)	(1,715)
Property, plant and equipment, net	\$ 1,804	\$ 1,835

Substantially all of the property, plant and equipment, net is pledged as collateral for our debt. See Note 11.

The table below summarizes depreciation expense related to property, plant and equipment for the periods presented, recorded in the specific line items in our unaudited Condensed Consolidated Statements of Operations:

	Three Months Ended March 31,	
	2024	2023
Cost of goods sold	\$ 56	\$ 54
Selling, general and administrative expenses	1	1
Total	\$ 57	\$ 55

## 8. Mineral Leaseholds, Net

Mineral leaseholds, net of accumulated depletion, consisted of the following:

	March 31, 2024	December 31, 2023
Mineral leaseholds	\$ 1,249	\$ 1,260
Less: accumulated depletion	(610)	(606)
Mineral leaseholds, net	\$ 639	\$ 654

Depletion expense relating to mineral leaseholds recorded in "Cost of goods sold" in the unaudited Condensed Consolidated Statements of Operations was \$7 million and \$8 million during the three months ended March 31, 2024 and 2023, respectively.

## 9. Intangible Assets, Net

Intangible assets, net of accumulated amortization, consisted of the following:

	March 31, 2024			December 31, 2023		
	Gross Cost	Accumulated Amortization	Net Carrying Amount	Gross Cost	Accumulated Amortization	Net Carrying Amount
Customer relationships	\$ 291	\$ (255)	\$ 36	\$ 291	\$ (250)	\$ 41
TiO <sub>2</sub> technology	93	(45)	48	93	(44)	49
Internal-use software and other	208	(49)	159	201	(48)	153
Intangible assets, net	<u>\$ 592</u>	<u>\$ (349)</u>	<u>\$ 243</u>	<u>\$ 585</u>	<u>\$ (342)</u>	<u>\$ 243</u>

As of March 31, 2024 and December 31, 2023, internal-use software included approximately \$ 131 million and \$125 million, respectively, of capitalized software costs which are not being amortized as the software is not ready for its intended use.

The table below summarizes amortization expense related to intangible assets for the periods presented, recorded in the specific line items in our unaudited Condensed Consolidated Statements of Operations:

	Three Months Ended March 31,	
	2024	2023
Cost of goods sold	\$ 1	\$ 1
Selling, general and administrative expenses	7	7
Total	<u>\$ 8</u>	<u>\$ 8</u>

Estimated future amortization expense related to intangible assets is \$ 24 million for the remainder of 2024, \$35 million for 2025, \$21 million for 2026, \$24 million for 2027, \$23 million for 2028 and \$ 116 million thereafter.

# 10. Balance Sheet and Cash Flow Supplemental Information

Accrued liabilities consisted of the following:

	March 31, 2024	December 31, 2023
Employee-related costs and benefits	\$ 99	\$ 111
Related party payables	9	1
Interest	4	16
Sales rebates	43	36
Taxes other than income taxes	12	6
Asset retirement obligations	12	14
Other accrued liabilities	61	46
Accrued liabilities	\$ 240	\$ 230

Additional supplemental cash flow information for the three months ended March 31, 2024 and 2023 and as of March 31, 2024 and December 31, 2023 is as follows:

	Three Months Ended March 31,	
	2024	2023
<b>Supplemental non cash information:</b>		
Operating activities - Chloride slag inventory purchases made from AMIC (including VAT)	\$ 18	\$ —
Operating activities - MGT sales made to AMIC	\$ 2	\$ 1
Investing activities - In-kind receipt of AMIC loan repayment	\$ 18	\$ —
Financing activities - Repayment of MGT loan	\$ 2	\$ 1
	March 31, 2024	December 31, 2023
Capital expenditures acquired but not yet paid	\$ 43	\$ 67

## 11. Debt

### Long-Term Debt

Long-term debt, net of an unamortized discount and debt issuance costs, consisted of the following:

	Original Principal	Annual Interest Rate	Maturity Date	March 31, 2024	December 31, 2023
Term Loan Facility, net of unamortized discount <sup>(1)</sup>	1,300	Variable	3/11/2028	\$ 899	\$ 898
2022 Term Loan Facility, net of unamortized discount <sup>(1)</sup>	400	Variable	4/4/2029	389	390
2023 Term Loan Facility, net of unamortized discount <sup>(1)</sup>	350	Variable	8/16/2028	346	347
Senior Notes due 2029	1,075	4.625 %	3/15/2029	1,075	1,075
Standard Bank Term Loan Facility <sup>(1)</sup>	98	Variable	11/11/2026	60	64
Australian Government Loan, net of unamortized discount	N/A	N/A	12/31/2036	1	1
MGT Loan <sup>(2)</sup>	36	Variable	Variable	23	25
Finance leases				42	43
Long-term debt				2,835	2,843
Less: Long-term debt due within one year				(27)	(27)
Debt issuance costs				(28)	(30)
Long-term debt, net				\$ 2,780	\$ 2,786

(1) The average effective interest rate on the Term Loan Facility (including the impacts of the interest rate swaps), the 2022 Term Loan Facility, the 2023 Term Loan Facility, and the Standard Bank Term Loan Facility was 5.7%, 9.0%, 9.2% and 10.6%, respectively, during the three months ended March 31, 2024. The average effective interest rate on the Term Loan Facility (including the impacts of the interest rate swaps), the 2022 Term Loan Facility and Standard Bank Term Loan Facility was 5.3%, 8.4% and 9.7%, respectively, during the three months ended March 31, 2023. As of March 31, 2024, the applicable margin on the Term Loan Facility, 2022 Term Loan Facility and 2023 Term Loan Facility was 2.50%, 3.25%, and 3.50%, respectively.

(2) The MGT loan is a related party debt facility. The average effective interest rate on the MGT loan was 6.0% during both the three months ended March 31, 2024 and March 31, 2023.

### Long-Term Debt

On May 1, 2024, Tronox Finance LLC (the "Borrower"), Tronox Holdings plc (the "Company"), certain of the Company's subsidiaries, the incremental term lender party thereto and HSBC Bank USA, National Association, as Administrative Agent and Collateral Agent, entered into Amendment No. 4 to the Amended and Restated First Lien Credit Agreement (the "2024 Amendment"). The 2024 Amendment provides the Borrower with a new five -year incremental term loan facility ("the 2024 Term Loan Facility") under its credit agreement in an aggregate initial principal amount of \$741 million. The proceeds of the 2024 Term Loan Facility were used to repay in full the Company's outstanding 2022 Term Loan and 2023 Term Loan.

### Short-Term Debt

#### Insurance premium financing

In August 2023, the Company entered into a \$27 million insurance premium financing agreement with a third-party financing company. The financing balance requires a 33% down payment and will be repaid in monthly installments over 9 months at

an 8% fixed annual interest rate. As of March 31, 2024, the financing balance was \$4 million and is recorded in "Short-term debt" in the Condensed Consolidated Balance Sheet.

#### Debt Covenants

As of March 31, 2024, we are in compliance with all financial covenants in our debt facilities.

## 12. Derivative Financial Instruments

*Derivatives recorded on the Condensed Consolidated Balance Sheets:*

The following table is a summary of the fair value of derivatives outstanding at March 31, 2024 and December 31, 2023:

	Fair Value			
	March 31, 2024		December 31, 2023	
	Assets(a)	Accrued Liabilities	Assets(a)	Accrued Liabilities
<b>Derivatives Designated as Cash Flow Hedges</b>				
Interest Rate Swaps	\$ 28	\$ —	\$ 18	\$ —
Natural Gas Hedges	\$ —	\$ 1	\$ —	\$ 1
Total Hedges	\$ 28	\$ 1	\$ 18	\$ 1
<b>Derivatives Not Designated as Cash Flow Hedges</b>				
Currency Contracts	\$ 1	\$ —	\$ 1	\$ 1
Total Derivatives	\$ 29	\$ 1	\$ 19	\$ 2

(a) At March 31, 2024 and December 31, 2023, current assets of \$29 million and \$19 million, respectively, are recorded in prepaid and other current assets on the Condensed Consolidated Balance Sheets.

*Derivatives' Impact on the Condensed Consolidated Statement of Operations:*

The following table summarizes the impact of the Company's derivatives on the unaudited Condensed Consolidated Statement of Operations:

	Amount of Pre-Tax Gain (Loss) Recognized in Earnings			Amount of Pre-Tax Gain (Loss) Recognized in Earnings		
	Cost of Goods Sold	Other (expense) income, net		Cost of Goods Sold	Other (expense) income, net	
	Three Months Ended March 31, 2024			Three Months Ended March 31, 2023		
Derivatives Not Designated as Hedging Instruments						
Currency Contracts	\$	—	\$ (6)	\$	—	\$ (7)
Derivatives Designated as Hedging Instruments						
Currency Contracts	\$	—	\$ —	\$ (2)	\$	—
Natural Gas Hedges	\$	(1)	\$ —	\$ (1)	\$	—
Total Derivatives	\$	(1)	\$ (6)	\$ (3)	\$	(7)

#### Interest Rate Risk

As of March 31, 2024, the Company maintains a total of \$ 950 million of interest rate swaps with the objective in using the interest-rate swap agreements to add stability to interest expense and to manage the Company's exposure to interest rate movements. These interest rate swaps have been designated as cash flow hedges and involve the receipt of variable amounts from a counterparty in exchange for the Company making fixed-rate payments over the life of the agreements without exchange of the underlying notional amount. Fair value gains or losses on these cash flow hedges are recorded in accumulated other comprehensive loss and are subsequently reclassified into interest expense in the same periods during which the hedged transactions affect earnings.

At March 31, 2024 and December 31, 2023, the net unrealized gain of \$ 28 million and the unrealized gain of \$ 18 million, respectively, was recorded in "Accumulated other comprehensive loss" on the unaudited Condensed Consolidated Balance Sheet. For the three months ended March 31, 2024, the amounts recorded in interest expense related to the interest-rate swap agreements were \$8 million, of which \$2 million for each period was reclassified from "Accumulated other comprehensive loss" to interest expense. For the three months ended March 31, 2023, the net amounts recorded in interest expense related to the interest-rate swap agreements were \$4 million.

#### *Foreign Currency Risk*

From time to time, we enter into foreign currency contracts used to hedge forecasted third party non-functional currency sales for our South African subsidiaries and forecasted non-functional currency cost of goods sold for our Australian subsidiaries. Historically, we have used a combination of zero-cost collars or forward contracts to reduce the exposure. These foreign currency contracts are designated as cash flow hedges. Changes to the fair value of these foreign currency contracts are recorded as a component of other comprehensive (loss) income, if these contracts remain highly effective, and are recognized in net sales or costs of goods sold in the period in which the forecasted transaction affects earnings or are recognized in other (expense) income, net when the transactions are no longer probable of occurring. As of March 31, 2024, we had no outstanding amounts to reduce the exposure of our Australian subsidiaries' cost of sales to fluctuations in currency rates or to reduce the exposure of our South African subsidiaries' third party sales to fluctuations in currency rates. At December 31, 2022, there was an unrealized net loss of \$4 million recorded in "Accumulated other comprehensive loss" on the unaudited Condensed Consolidated Balance Sheet, of which \$2 million was recognized in earnings during the three months ended March 31, 2023.

From time to time, we enter into foreign currency contracts for the South African Rand, Australian Dollar, Euro, Pound Sterling, and Saudi Riyal to reduce exposure of our subsidiaries' balance sheet accounts not denominated in our subsidiaries' functional currency to fluctuations in foreign currency exchange rates. Historically, we have used forward contracts to reduce the exposure. For accounting purposes, these foreign currency contracts are not considered hedges. The change in fair value associated with these contracts is recorded in "Other (expense) income, net" within the unaudited Condensed Consolidated Statement of Operations and partially offsets the change in value of third party and intercompany-related receivables not denominated in the functional currency of the subsidiary. At March 31, 2024, there was (i) 971 million South African Rand (or approximately \$ 51 million at March 31, 2024 exchange rate), (ii) 138 million Australian dollars (or approximately \$ 90 million at the March 31, 2024 exchange rate), (iii) 48 million Pound Sterling (or approximately \$61 million at the March 31, 2024 exchange rate), (iv) 7 million Euro (or approximately \$8 million at the March 31, 2024 exchange rate), and (v) 88 million Saudi Riyal (or approximately \$ 23 million at the March 31, 2024 exchange rate) of notional amounts of outstanding foreign currency contracts. At December 31, 2023, there was (i) 837 million South African Rand (or approximately \$ 44 million at the March 31, 2024 exchange rate), (ii) 153 million Australian dollars (or approximately \$ 100 million at the March 31, 2024 exchange rate), (iii) 45 million Pound Sterling (or approximately \$57 million at the March 31, 2024 exchange rate), (iv) 45 million Euro (or approximately \$49 million at the March 31, 2024 exchange rate) and (v) 67 million Saudi Riyal (or approximately \$ 18 million at the March 31, 2024 exchange rate) of notional amounts of outstanding foreign currency contracts.

### **13. Fair Value**

Accounting standards define fair value as the price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. The accounting standards also have established a fair value hierarchy, which prioritizes the inputs to valuation techniques used in measuring fair value into three broad levels as follows:

Level 1 -Quoted prices in active markets for identical assets or liabilities

Level 2 -Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly

Level 3 -Unobservable inputs based on the Company's own assumptions

Our debt is recorded at historical amounts. The following table presents the fair value of our debt and derivative contracts at both March 31, 2024 and December 31, 2023:

	March 31, 2024		December 31, 2023	
	Asset	Liability	Asset	Liability
Term Loan Facility	—	903	—	903
2022 Term Loan Facility	—	393	—	394
2023 Term Loan Facility	—	350	—	351
Standard Bank Term Loan Facility	—	60	—	64
Senior Notes due 2029	—	966	—	956
Australian Government Loan	—	1	—	1
MGT Loan	—	23	—	25
Interest rate swaps	28	—	18	—
Natural gas hedges	—	1	—	1
Foreign currency contracts	1	—	1	1

We determined the fair value of the Term Loan Facility, the 2022 Term Loan Facility, the 2023 Term Loan Facility, and the Senior Notes due 2029 using quoted market prices, which under the fair value hierarchy is a Level 1 input. We determined the fair value of the Standard Bank Term Loan Facility utilizing transactions in the listed markets for identical or similar liabilities, which under the fair value hierarchy is a Level 2 input. The fair value of the Australian Government Loan and MGT Loan is based on the contracted amount which is a Level 2 input.

We determined the fair value of the foreign currency contracts, natural gas hedges and the interest rate swaps using inputs other than quoted prices in active markets that are observable either directly or indirectly. The fair value hierarchy for the foreign currency contracts, natural gas hedges and interest rate swaps is a Level 2 input.

The carrying value of cash and cash equivalents, restricted cash, accounts receivable, accounts payable, accrued liabilities and short-term debt approximate fair value due to the short-term nature of these items.

#### 14. Asset Retirement Obligations

Asset retirement obligations consist primarily of rehabilitation and restoration costs, landfill capping costs, decommissioning costs, and closure and post-closure costs. Activities related to asset retirement obligations were as follows:

	Three Months Ended March 31,	
	2024	2023
Beginning balance	\$ 186	\$ 161
Additions	5	1
Accretion expense	5	4
Remeasurement/translation	(7)	(2)
Other, including change in estimates	—	(3)
Settlements/payments	(1)	(3)
Balance, March 31,	<u>\$ 188</u>	<u>\$ 158</u>

	March 31, 2024	December 31, 2023
Current portion included in "Accrued liabilities"	\$ 12	\$ 14
Noncurrent portion included in "Asset retirement obligations"	176	172
Asset retirement obligations	<u>\$ 188</u>	<u>\$ 186</u>



## 15. Commitments and Contingencies

**Purchase and Capital Commitments**—Includes obligations for purchase requirements of process chemicals, supplies, utilities and services entered into in the ordinary course of business. At March 31, 2024, purchase commitments were \$280 million for the remainder of 2024, \$170 million for 2025, \$161 million for 2026, \$157 million for 2027, \$286 million for 2028, and \$1,431 million thereafter.

**Letters of Credit**—At March 31, 2024, we had outstanding letters of credit and bank guarantees of \$ 102 million, of which \$63 million were letters of credit, of which \$48 million is related to the sale of Hawkins Point as discussed below, and \$ 39 million were bank guarantees. Amounts for performance bonds were not material.

**Environmental Matters**—It is our policy to record appropriate liabilities for environmental matters when remedial efforts are probable and the costs can be reasonably estimated. Such liabilities are based on our best estimate of the undiscounted future costs required to complete the remedial work. The recorded liabilities are adjusted periodically as remediation efforts progress or as additional technical, regulatory or legal information becomes available. Given the uncertainties regarding the status of laws, regulations, enforcement policies, the impact of other potentially responsible parties, technology and information related to individual sites, we do not believe it is possible to develop an estimate of the range of reasonably possible environmental loss in excess of our recorded liabilities. We expect to fund expenditures for these matters from operating cash flows. The timing of cash expenditures depends principally on the timing of remedial investigations and feasibility studies, regulatory approval of cleanup projects, remedial techniques to be utilized and agreements with other parties. Included in these environmental matters is the following:

**Hawkins Point Plant.** Residual waste mud, known as Batch Attack Mud, and a spent sulfuric waste stream were deposited in an onsite repository (the "Batch Attack Lagoon") at a former TiO<sub>2</sub> manufacturing site, Hawkins Point Plant in Baltimore, Maryland, operated by Cristal USA, Inc. from 1954 until 2011. We assumed responsibility for remediation of the Hawkins Point Plant when we acquired the TiO<sub>2</sub> business of Cristal in April 2019. On December 21, 2022, we sold the Hawkins Point Plant to the Maryland Port Administration ("MPA"), a state agency controlled by the Maryland Department of Transportation. Pursuant to the terms of the transaction, MPA became the lead party in developing and implementing appropriate measures to address, treat, control, and mitigate the environmental conditions at the property under the regulatory oversight of the Maryland Department of the Environment ("MDE"). Under MPA ownership, the Hawkins Point Plant will be utilized for storage and beneficial reuse of dredged material from the Port of Baltimore. In exchange for transferring ownership of the site to MPA, Tronox has agreed to make scheduled, annual payments to MPA which together with scheduled, annual contributions from MPA will be used to remediate the property. The sale of the property to MPA did not have a material impact to the Consolidated Statement of Operations. As of March 31, 2024, we have a provision of \$42 million included in "Environmental liabilities" in our Condensed Consolidated Balance Sheet for the Hawkins Point Plant consistent with the accounting policy described above.

**Other Matters**—We are subject to a number of other lawsuits, investigations and disputes (some of which involve substantial amounts claimed) arising out of the conduct of our business, including matters relating to commercial transactions, prior acquisitions and divestitures, including our acquisition of Cristal, employee benefit plans, intellectual property, and environmental, health and safety matters. We recognize a liability for any contingency that is probable of occurrence and reasonably estimable. We continually assess the likelihood of adverse judgments of outcomes in these matters, as well as potential ranges of possible losses (taking into consideration any insurance recoveries), based on a careful analysis of each matter with the assistance of outside legal counsel and, if applicable, other experts. Included in these other matters are the following:

**UK Health and Safety Matter.** In February 2024, we received a summons from the UK Health and Safety Executive alleging non-compliance with UK health and safety legislation at the Stallingborough pigment plant resulting from an incident involving an employee in August 2022. Based on our current understanding, we do not believe the enforcement action with regards to this incident will have a material adverse effect on our business, financial condition and results of operations.

## 16. Accumulated Other Comprehensive Loss Attributable to Tronox Holdings plc and Other Equity Items

The tables below present changes in accumulated other comprehensive loss by component for the three months ended March 31, 2024 and 2023.

	Cumulative Translation Adjustment	Pension Liability Adjustment	Unrealized Gains (Losses) on Hedges	Total
Balance, January 1, 2024	\$ (729)	\$ (92)	\$ 7	\$ (814)
Other comprehensive (loss) income	(40)	—	10	(30)
Amounts reclassified from accumulated other comprehensive loss	—	—	(1)	(1)
Balance, March 31, 2024	<u>\$ (769)</u>	<u>\$ (92)</u>	<u>\$ 16</u>	<u>\$ (845)</u>

	Cumulative Translation Adjustment	Pension Liability Adjustment	Unrealized Gains (Losses) on Hedges	Total
Balance, January 1, 2023	\$ (710)	\$ (78)	\$ 20	\$ (768)
Other comprehensive (loss) income	(15)	1	(6)	(20)
Amounts reclassified from accumulated other comprehensive loss	—	—	3	3
Balance, March 31, 2023	<u>\$ (725)</u>	<u>\$ (77)</u>	<u>\$ 17</u>	<u>\$ (785)</u>

## Repurchase of Common Stock

On February 21, 2024, in connection with the expiration in February 2024 of the Company's previous share repurchase program, the Company's Board of Directors authorized the repurchase of up to \$300 million of the Company's stock through February 21, 2027. During the three months ended March 31, 2024, we made no repurchases of the Company's stock.

## 17. Share-Based Compensation

### Restricted Share Units ("RSUs")

**2024 Grant** - During the three months ended March 31, 2024, the Company granted both time-based and performance-based awards to certain members of management. A total of 806,893 of time-based awards were granted to management which will vest ratably over a three-year period ending March 5, 2027. A total of 806,900 of performance-based awards were granted, of which 403,450 of the awards vest based on a relative Total Shareholder Return ("TSR") calculation and 403,450 of the awards vest based on certain performance metrics of the Company. The non-TSR performance-based awards vest on March 5, 2027 based on the actual 2026 annual return on invested capital (ROIC). Similar to the Company's historical TSR awards granted in prior years, the TSR awards vest based on the Company's three-year TSR versus the peer group performance levels. Given these terms, the TSR metric is considered a market condition for which we used a Monte Carlo simulation to determine the weighted average grant date fair value of \$21.68. The following weighted average assumptions were utilized to value the TSR grants:

	2024
Dividend yield	— %
Expected historical volatility	47.9 %
Risk free interest rate	4.46 %
Expected life (in years)	3

The unrecognized compensation cost associated with all unvested awards at March 31, 2024 was \$ 46 million, adjusted for estimated forfeitures, which is expected to be recognized over a weighted-average period of approximately 2.3 years.

During both the three months ended March 31, 2024 and 2023, we recorded \$ 6 million of stock compensation expense.

## 18. Pension and Other Postretirement Healthcare Benefits

The components of net periodic cost associated with our U.S. and foreign pension plans recognized in the unaudited Condensed Consolidated Statements of Operations were as follows:

	Pensions	
	Three Months Ended March 31,	
	2024	2023
Net periodic cost:		
Service cost	\$ 1	\$ 1
Interest cost	4	4
Expected return on plan assets	(5)	(5)
Total net periodic cost	\$ —	\$ —

The components of net periodic cost associated with our postretirement healthcare plans recognized in the unaudited Condensed Consolidated Statements of Operations were as follows:

	Other Postretirement Benefit Plans	
	Three Months Ended March 31,	
	2024	2023
Net periodic cost:		
Interest cost	1	1
Total net periodic cost	\$ 1	\$ 1

During the three months ended March 31, 2024, the Company made contributions to its pension plans of \$ 1 million. The Company expects to make approximately \$7 million of pension contributions for the remainder of 2024.

For the three months ended March 31, 2024 and 2023, we contributed \$ 1 million and \$1 million, respectively, to the Netherlands Multiemployer Plan, which was primarily recognized in "Cost of goods sold" in the unaudited Condensed Consolidated Statement of Operations.

## 19. Related Parties

### Tasnee / Cristal

At March 31, 2024, Cristal International Holdings B.V. (formerly known as Cristal Inorganic Chemical Netherlands Cooperatief W.A.), a subsidiary of Tasnee, continues to own 37,580,000 shares of Tronox, or a 24% ownership interest.

On May 9, 2018, we entered into an Option Agreement with AMIC which is owned equally by Tasnee and Cristal. Under the terms of the Option Agreement, AMIC granted us an option (the "Option") to acquire 90% of a special purpose vehicle (the "SPV"), to which AMIC's ownership in a titanium slag smelter facility (the "Slagger") in The Jazan City for Primary and Downstream Industries in KSA will be contributed together with \$322 million of AMIC indebtedness (the "AMIC Debt"). The AMIC Debt would remain outstanding debt of the SPV upon exercise of the Option. The Option may be exercised if the Slagger achieves certain production criteria related to sustained quality and tonnage of slag produced (the "Option Criteria"). Likewise, AMIC may require us to acquire the Slagger on the same terms if the Option Criteria are satisfied. Furthermore,

pursuant to the Option Agreement we lent AMIC \$ 125 million for capital expenditures and operational expenses to facilitate the start-up of the Slagger (the "Tronox Loans").

On May 13, 2020, we amended the Option Agreement (the "First Amendment") with AMIC to address circumstances in which the Option Criteria cannot be satisfied. Pursuant to the First Amendment, Tronox has the right to acquire the SPV in exchange for (i) our forgiveness of the Tronox Loans principal and accrued interest thereon, and (ii) the SPV's assumption of \$36 million of indebtedness plus accrued interest thereon lent by AMIC to the SPV. Under the First Amendment, the SPV would not assume any of the AMIC Debt.

On May 10, 2023, AMIC and Tronox further amended the Option Agreement (the "Second Amendment"). In the Second Amendment the parties acknowledged that the Option expired on May 10, 2023 without being exercised but agreed to continue negotiating until September 30, 2023 (the "Renegotiation Period") as to whether, and under what circumstances, Tronox may acquire the Slagger. Subsequent to September 30, 2023, the parties continued to negotiate as to whether, and under what circumstances, Tronox may acquire the Slagger and on February 21, 2024 the parties again amended the Option Agreement (the "Third Amendment"), which extended the Renegotiation Period until the earlier of the repayment of the Tronox Loans or December 31, 2024, subject to certain early termination rights. The Third Amendment also provided that from the date the parties entered into the Second Amendment and through December 31, 2023, all chloride slag produced by the Slagger was delivered to Tronox as repayment in-kind of the Tronox Loans at a price based on a widely published index for feedstock less a nominal discount (the "Slag Price"). Thereafter and until the end of the Renegotiation Period, 65% of all chloride slag produced by the Slagger will be delivered to Tronox as repayment in-kind of the Tronox Loans based on the Slag Price and Tronox will purchase via cash settlements the remaining 35% at the Slag Price. Full repayment of the Tronox Loans is required by January 2025 in either cash or in-kind through chloride slag deliveries. During July 2023, we also entered into an agreement with AMIC to act as their sales agent with regard to sales of slag fines to customers outside of the Kingdom of Saudi Arabia for an agreed upon commission fee to be paid.

The following table shows the outstanding balance of the Tronox Loans, which at March 31, 2024 and December 31, 2023, is recorded on the unaudited Condensed Consolidated Balance Sheet in "Prepaid and other assets" and "Other long-term assets," respectively:

	March 31, 2024	December 31, 2023
Principal balance	65	80
Accrued interest income balance	10	12
Total outstanding balance	75	92

The following table shows the interest income earned on the Tronox Loans, which is recorded in "Interest income" on our unaudited Condensed Consolidated Statement of Operations:

	Three Months Ended March 31,	
	2024	2023
Interest income	1	1

The following table shows the amount of feedstock purchased from the Slagger, which is subsequently recorded in "Cost of goods sold" on our unaudited Condensed Consolidated Statement of Operations:

	Three Months Ended March 31,	
	2024	2023
Settled as in-kind repayment of Tronox Loans	16	—
Settled in cash	8	43
Total chloride slag purchases	24	43

The following table shows the amounts due to AMIC at period-end regarding the purchase feedstock purchased from the Slagger, which are recorded in "Accrued liabilities" on our unaudited Condensed Consolidated Balance Sheet:

	March 31, 2024	December 31, 2023
Amount due to AMIC for slag purchases	8	—

In addition, on March 15, 2018 Tronox and AMIC entered into a Technical Services Agreement (the "Original Technical Services Agreement"), which was subsequently amended on May 13, 2020, May 10, 2023 and February 21, 2024 (the "Restated Technical Services Agreement"). Through September 30, 2023 we provided technical advice and project management services, however AMIC and its consultants were still responsible for engineering and construction of the Slagger. As compensation for these services, Tronox received certain fees, including a management fee. In the unaudited Condensed Consolidated Statement of Operations and shown in the table below, the management fees per the Original Technical Services Agreement were recorded within "Other (expense) income, net." From and after October 1, 2023, we no longer receive a management fee and the scope of services we provide is more limited, for which we receive cost reimbursement plus a nominal margin.

	Three Months Ended March 31,	
	2024	2023
Management fees	—	2

Outstanding balances for these fees receivable are shown below, which are recorded within "Prepaid and other assets" on the unaudited Condensed Consolidated Balance Sheet:

	March 31, 2024	December 31, 2023
Management fees and other technical support fees	—	1

On December 29, 2019, we entered into an agreement with Cristal to acquire certain assets co-located at our Yanbu facility which produces metal grade  $\text{TiCl}_4$  ("MGT"). Consideration for the acquisition is the assumption by Tronox of a \$ 36 million note payable to Cristal (the "MGT Loan"). MGT is used at a titanium "sponge" plant facility, 65% of the ownership interests of which are held by Advanced Metal Industries Cluster and Toho Titanium Metal Co. Ltd ("ATTM"), a joint venture between AMIC and Toho Titanium Company Ltd. ATTM uses the  $\text{TiCl}_4$ , which we supply by pipeline, for the production of titanium sponge, a precursor material used in the production of titanium metal.

On December 17, 2020 we completed the MGT transaction. Repayment of the \$ 36 million note payable is based on a fixed U.S. dollar amount per metric ton quantity of MGT delivered by us to ATTM over time and therefore the ultimate maturity date is variable in nature. If ATTM fails to purchase MGT from us under certain contractually agreed upon conditions, then at our election we may terminate the MGT supply agreement with ATTM and we will no longer owe any amount under the loan agreement with Cristal. We currently estimate the ultimate maturity to be between approximately four and five years, subject to actual future MGT production levels. The interest rate on the note payable is based on the SAIBOR plus a premium. The note payable is recorded within "Long-term debt, net" and "Long-term debt due within one year" on the unaudited Condensed Consolidated Balance Sheet.

	March 31, 2024	December 31, 2023
Note payable, due within 1 year	7	7
Note payable, due longer than 1 year from now	16	18
Total outstanding note payable	23	25

Amounts regarding loan repayments for the MGT loan, which are recorded on the unaudited Condensed Consolidated Statement of Operations within "Net sales," are shown below:

	Three Months Ended March 31,	
	2024	2023
Loan Repayment via MGT delivered to ATTM	2	1

As a result of these transactions we have entered into related to the MGT assets, Tronox purchases chlorine gas from ATTM for use in the production of MGT and such transactions are reflected as follows:

	Three Months Ended March 31,	
	2024	2023
Purchases of chlorine gas	1	1

These purchases are subsequently recorded within "Cost of goods sold" on the unaudited Condensed Consolidated Statement of Operations. Amounts due at period end, which are presented below, are recorded within "Accrued liabilities" on the unaudited Condensed Consolidated Balance Sheet.

	March 31, 2024	December 31, 2023
Amount due related to purchases of chlorine gas	1	1

As Tronox delivers MGT product to ATTM, amounts are recorded within "Net sales" on the unaudited Condensed Consolidated Statement of Operations, as shown below:

	Three Months Ended March 31,	
	2024	2023
MGT sales made to ATTM as product is delivered	13	11

Amounts related to MGT deliveries that are outstanding at period end are recorded in "Prepaid and other assets" on the unaudited Condensed Consolidated Balance Sheet, as shown below:

	March 31, 2024	December 31, 2023
Due from ATTM for MGT deliveries	8	9

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

*The following discussion should be read in conjunction with Tronox Holdings plc's unaudited condensed consolidated financial statements and the related notes included elsewhere in this Quarterly Report on Form 10-Q, as well as Management's Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10-K for the year ended December 31, 2023. This discussion and other sections in this Quarterly Report on Form 10-Q contain forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995, that involve risks and uncertainties, and actual results could differ materially from those discussed in the forward-looking statements as a result of numerous factors. Forward-looking statements provide current expectations of future events based on certain assumptions and include any statement that does not directly relate to any historical or current fact. Forward-looking statements also can be identified by words such as "future", "anticipates", "believes", "estimates", "expects", "intends", "plans", "predicts", "will", "would", "could", "can", "may", and similar terms.*

*This Management's Discussion and Analysis of Financial Condition and Results of Operations contains certain financial measures, in particular the presentation of earnings before interest, taxes, depreciation and amortization ("EBITDA") and Adjusted EBITDA, which are not presented in accordance with accounting principles generally accepted in the United States ("U.S. GAAP"). We are presenting these non-U.S. GAAP financial measures because we believe they provide us and readers of this Form 10-Q with additional insight into our operational performance relative to earlier periods and relative to our competitors. We do not intend for these non-U.S. GAAP financial measures to be a substitute for any U.S. GAAP financial information. Readers of these statements should use these non-U.S. GAAP financial measures only in conjunction with the comparable U.S. GAAP financial measures. A reconciliation of net income to EBITDA and Adjusted EBITDA is also provided herein.*

### Overview

Tronox Holdings plc (referred to herein as "Tronox", the "Company", "we", "us", or "our") operates titanium-bearing mineral sand mines and beneficiation operations in Australia and South Africa to produce feedstock materials that can be processed into TiO<sub>2</sub> for pigment, high purity titanium chemicals, including titanium tetrachloride, and Ultrafine® titanium dioxide used in certain specialty applications. Our strategy is to be vertically integrated and produce enough feedstock materials to be as self-sufficient as possible in the production of TiO<sub>2</sub> at our nine TiO<sub>2</sub> pigment facilities located in the United States, Australia, Brazil, UK, France, the Netherlands, China and the Kingdom of Saudi Arabia ("KSA"). We believe that vertical integration is the best way to achieve our ultimate goal of delivering low cost, high-quality pigment to our coatings and other TiO<sub>2</sub> customers throughout the world. The mining, beneficiation and smelting of titanium bearing mineral sands creates meaningful quantities of zircon, pig iron and the rare-earth bearing mineral, monazite, which we also supply to customers around the world.

We are a public limited company listed on the New York Stock Exchange and are registered under the laws of England and Wales.

### Business Environment

The following discussion includes trends and factors that may affect future operating results:

First quarter revenue increased 9% compared to the prior year, driven by higher sales volumes of TiO<sub>2</sub> and zircon. For the first quarter of 2024 as compared to the first quarter of 2023, TiO<sub>2</sub> volumes increased 18% whereas TiO<sub>2</sub> average selling prices declined 10% including product mix impact. Zircon volumes increased 43% partially offset by a decline of 21% in average selling prices. Revenue from other products increased 7% from the first quarter of 2023 to the first quarter of 2024 primarily due to increased volumes across various products. Gross profit decreased for the first quarter of 2024 as compared to the first quarter of 2023 due to the unfavorable impact of selling prices, including product mix partially offset by favorable impacts of sales volumes, improved absorption from higher production volumes and foreign currency.

Sequentially, revenue increased 13% in the first quarter of 2024 compared to the fourth quarter of 2023 primarily due to higher sales volumes of TiO<sub>2</sub> and Zircon. TiO<sub>2</sub> volumes increased 18% partially offset by a decrease of 1% in average selling prices, including product mix. Revenue from Zircon increased 54% sequentially driven by an increase of 54% in sales volumes while pricing remained flat to the prior quarter. Other product revenues decreased 26% from the fourth quarter of 2023 to the first quarter of 2024 mainly due to the opportunistic sales of ilmenite and a portion of a rare earths tailings deposit in South Africa that occurred in the fourth quarter of 2023, but did not repeat in the first quarter of 2024. Gross profit

increased from the fourth quarter of 2023 to the first quarter of 2024 primarily due to higher sales volumes partially offset by lower average selling prices of TiO<sub>2</sub>, Zircon and pig iron. Gross profit was also favorably impacted by improved absorption from higher production volumes and the absence of non-repeating charges in the fourth quarter of 2023.

As of March 31, 2024, our total available liquidity was \$629 million, including \$152 million in cash and cash equivalents and \$477 million available under revolving credit agreements. As of March 31, 2024, our total debt was \$2.8 billion and net debt to trailing-twelve month Adjusted EBITDA was 5.2x with approximately 64% of our interest rates fixed through 2028. The Company has no financial covenants on its term loan or bonds and only one springing financial covenant on its Cash Flow Revolver, which we do not expect to be triggered based on our current scenario planning. Refer to Note 11 of notes to condensed consolidated financial statements for further details.

## Condensed Consolidated Results of Operations

### Three Months Ended March 31, 2024 compared to the Three Months Ended March 31, 2023

	Three Months Ended March 31,		
	2024	2023	Variance
<b>Net sales</b>	\$ 774	\$ 708	\$ 66
Cost of goods sold	654	575	79
<b>Gross profit</b>	120	133	(13)
<b>Gross Margin</b>	15.5 %	18.8 %	(3.3) pts
Selling, general and administrative expenses	79	71	8
<b>Income from operations</b>	41	62	(21)
Interest expense	(42)	(33)	(9)
Interest income	4	3	1
Other (expense) income, net	(1)	2	(3)
<b>Income before income taxes</b>	2	34	(32)
Income tax provision	(11)	(9)	(2)
<b>Net (loss) income</b>	\$ (9)	\$ 25	\$ (34)
<b>Effective tax rate</b>	550 %	26 %	
<b>EBITDA <sup>(1)</sup></b>	\$ 112	\$ 135	\$ (23)
<b>Adjusted EBITDA <sup>(1)</sup></b>	\$ 131	\$ 146	\$ (15)
<b>Net (loss) income as a % of Net Sales</b>	(1.2)%	3.5 %	(4.7) pts
<b>Adjusted EBITDA as % of Net Sales</b>	16.9 %	20.6 %	(3.7) pts

(1) EBITDA and Adjusted EBITDA are Non-U.S. GAAP financial measures. Please refer to the "Non-U.S. GAAP Financial Measures" section of this Management's Discussion and Analysis of Financial Condition and Results of Operations for a discussion of these measures and a reconciliation of these measures to Net (loss) income.

Net sales of \$774 million for the three months ended March 31, 2024 increased by 9%, compared to \$708 million for the same period in 2023. The increase is primarily due to higher sales volumes of TiO<sub>2</sub> and Zircon.



Net sales by type of product for the three months ended March 31, 2024 and 2023 were as follows:

	Three Months Ended March 31,			
	2024	2023	Variance	Percentage
TiO <sub>2</sub>	\$ 605	\$ 560	\$ 45	8 %
Zircon	88	72	16	22 %
Other products	81	76	5	7 %
Total net sales	<u>\$ 774</u>	<u>\$ 708</u>	<u>\$ 66</u>	<u>9 %</u>

For the three months ended March 31, 2024, TiO<sub>2</sub> revenue was higher by 8% or \$45 million compared to the prior year quarter primarily due to an increase of \$102 million in sales volumes partially offset by a decrease of \$59 million in average selling prices, including product mix. Foreign currency positively impacted TiO<sub>2</sub> revenue by \$2 million primarily due to the strengthening of the Euro. Zircon revenue increased \$16 million primarily due to a 43% increase in sales volumes partially offset by a 21% decrease in average selling prices. Other products revenues increased \$5 million from the year-ago quarter primarily due to increased volumes across various products.

Gross profit of \$120 million was 15.5% of net sales compared to 18.8% of net sales in the year-ago quarter. The decrease in gross margin is primarily due to:

- the unfavorable impact of 9 points primarily due to a decrease in TiO<sub>2</sub> and Zircon selling prices, including product mix, partially offset by
- the favorable impact of 2 points due to changes in foreign exchange rates, primarily as a result of the South African Rand and Australian dollar,
- the favorable impact of 2 points due to zircon volume growth substantially exceeding TiO<sub>2</sub> volume growth during the comparable period, and
- the favorable impact of 1 point due to improved absorption from higher production volumes.

Selling, general and administrative expenses increased by \$8 million or 11% during the three months ended March 31, 2024 compared to the same period of the prior year primarily driven by a \$6 million increase in employee costs. The remaining net increase was driven by individually immaterial amounts.

Income from operations for the three months ended March 31, 2024 was \$41 million compared to \$62 million in the prior year period. The decrease of \$21 million was primarily due to the lower selling prices of TiO<sub>2</sub> and Zircon as well as higher SG&A expenses as discussed above.

Adjusted EBITDA as a percentage of net sales was 16.9% for the three months ended March 31, 2024 as compared to 20.6% from the prior year primarily due to the lower gross margin as a result of lower selling prices as discussed above.

Interest expense for the three months ended March 31, 2024 increased by \$9 million compared to the same period of 2023 primarily due to the increase in the effective interest rates on our long-term debt facilities and higher average outstanding debt balances period over period.

Other (expense) income, net for the three months ended March 31, 2024 primarily consisted of approximately \$3 million of fees associated with the utilization of the Securitization Facility partially offset by \$2 million of net realized and unrealized foreign currency gains. The remaining amount was driven by other individually immaterial amounts.

We continue to maintain full valuation allowances related to the total net deferred tax assets in Australia and the United Kingdom. The provisions for income taxes associated with these jurisdictions include no tax benefits with respect to losses incurred and tax expense only to the extent of current tax payments. Additionally, we have valuation allowances against other specific tax assets.

The effective tax rate was 550% and 26% for the three months ended March 31, 2024 and 2023, respectively. The effective tax rates for the three months ended March 31, 2024 and 2023 are impacted by a variety of factors including income and losses in jurisdictions with valuation allowances, non-taxable income and expense items, prior year accruals, and our jurisdictional mix of income at tax rates different than the U.K. statutory rate.

## Other Comprehensive Loss

Other comprehensive loss was \$32 million in the three months ended March 31, 2024 as compared to other comprehensive loss of \$15 million in the three months ended March 31, 2023. The change is primarily due to the unfavorable foreign currency translation adjustments of \$41 million in the three months ended March 31, 2024 as compared to unfavorable foreign currency translation adjustments of \$13 million in the prior year period. In addition, we recognized a net gain on derivative instruments of \$9 million in the three months ended March 31, 2024 as compared to a net loss on derivative instruments of \$3 million in the prior year period.

## Liquidity and Capital Resources

The following table presents our liquidity as of March 31, 2024 and December 31, 2023:

	March 31, 2024	December 31, 2023
	(Millions of U.S. dollars)	
Cash and cash equivalents	\$ 152	\$ 273
Available under the Cash Flow Revolver	335	343
Available under the Standard Credit Facility	53	55
Available under the Emirates Revolver	63	64
Available under the SABB Facility	20	20
Available under the Bank Itau Facility	\$ 6	\$ 6
<b>Total</b>	<b>\$ 629</b>	<b>\$ 761</b>

Historically, we have funded our operations and met our commitments through cash generated by operations, issuance of unsecured notes, bank financings and borrowings under lines of credit. In the next twelve months, we expect that our operations will provide sufficient cash for our operating expenses, capital expenditures, interest payments and debt repayments, however, if necessary, we have the ability to borrow under our short-term credit facilities (see Note 11 of notes to consolidated financial statements). This is predicated on our achieving our forecast which could be negatively impacted by items outside of our control, including, among other things, macroeconomic conditions, inflationary pressures, political instability including the ongoing Russia and Ukraine and Middle East conflicts and any expansion of such conflicts, and supply chain disruptions. If negative events occur in the future, we may need to reduce our capital spend, cut back on operating costs and other items within our control to maintain adequate liquidity.

Working capital (calculated as current assets less current liabilities) was \$1.5 billion at March 31, 2024 and \$1.4 billion at December 31, 2023.

As of March 31, 2024, the non-guarantor subsidiaries of our Senior Notes due 2029 represented approximately 17% of our total consolidated liabilities and approximately 40% of our total consolidated assets. For the three months ended March 31, 2024, the non-guarantor subsidiaries of our Senior Notes due 2029 represented approximately 45% of our total consolidated net sales. For the three months ended March 31, 2024, the non-guarantor subsidiaries of our Senior Notes due 2029 represented approximately 44% of our consolidated EBITDA (as such term is defined in the 2029 Indenture). In addition, as of March 31, 2024, our non-guarantor subsidiaries had \$699 million of total consolidated liabilities (including trade payables but excluding intercompany liabilities), all of which would have been structurally senior to the 2029 Notes. See Note 11 of notes to unaudited condensed consolidated financial statements.

At March 31, 2024, we had outstanding letters of credit and bank guarantees of \$102 million. See Note 15 of notes to unaudited condensed consolidated financial statements.

Principal factors that could affect our ability to obtain cash from external sources include (i) debt covenants that limit our total borrowing capacity; (ii) increasing interest rates applicable to our floating rate debt; (iii) increasing demands from third parties for financial assurance or credit enhancement; (iv) credit rating downgrades, which could limit our access to additional debt; (v) a decrease in the market price of our common stock and debt obligations; and (vi) volatility in public debt and equity markets.

During the three months ended March 31, 2024, our credit rating with Moody's remained unchanged at Ba3 stable outlook. Our Standard & Poor's rating and outlook remained the same at B positive and stable, respectively. See Note 11 of notes to unaudited condensed consolidated financial statements.

#### *Cash and Cash Equivalents*

We consider all investments with original maturities of three months or less to be cash equivalents. As of March 31, 2024, our cash and cash equivalents were invested in money market funds and we also receive earnings credits for some balances left in our bank operating accounts. We maintain cash and cash equivalents in bank deposit and money market accounts that may exceed federally insured limits. The financial institutions where our cash and cash equivalents are held are highly rated and geographically dispersed, and we have a policy to limit the amount of credit exposure with any one institution. We have not experienced any losses in such accounts and believe we are not exposed to significant credit risk.

The use of our cash includes payment of our operating expenses, capital expenditures, servicing our interest and debt repayment obligations, cash taxes, making pension contributions and making quarterly dividend payments. Going forward, we expect to continue to invest in our businesses through cost reduction, as well as growth and vertical integration-related capital expenditures including projects such as newTRON and various mine development projects, continued reductions in our debt, continued dividends and share repurchases.

#### *Repatriation of Cash*

At March 31, 2024, we held \$152 million in cash and cash equivalents in these respective jurisdictions: \$19 million in Europe, \$35 million in the United States, \$32 million in Australia, \$22 million in Brazil, \$18 million in South Africa, \$10 million in Saudi Arabia, \$15 million in China and \$1 million in India. Our credit facilities limit transfers of funds from subsidiaries in the United States to certain foreign subsidiaries.

At March 31, 2024, Tronox Holdings plc had foreign subsidiaries with undistributed earnings. Although we would not be subject to income tax on these earnings, we have asserted that amounts in specific jurisdictions are indefinitely reinvested outside of the parent's taxing jurisdictions. These amounts could be subject to withholding tax if distributed, but the Company has made no provision for tax related to these undistributed earnings. In 2022, the Company removed its assertion that earnings in China are indefinitely reinvested, and since then, the withholding tax accruals for potential repatriations from that jurisdiction are reflected in the effective tax rate.

#### *Stock Repurchases*

On February 21, 2024, in connection with the expiration in February 2024 of the Company's previous share repurchase program, the Company's Board of Directors authorized the repurchase of up to \$300 million of the Company's stock through February 21, 2027. During the three months ended March 31, 2024, we made no repurchases of the Company's stock.

#### *Debt Obligations*

At March 31, 2024 and December 31, 2023, our long-term debt, net of unamortized discount and debt issuance costs was \$2.8 billion and \$2.8 billion, respectively. At March 31, 2024 and December 31, 2023, our net debt (the excess of our debt over cash and cash equivalents) was \$2.7 billion and \$2.6 billion, respectively. See Note 11 of notes to unaudited condensed consolidated financial statements.

On May 1, 2024, Tronox Finance LLC (the "Borrower"), Tronox Holdings plc (the "Company"), certain of the Company's subsidiaries, the incremental term lender party thereto and HSBC Bank USA, National Association, as Administrative Agent and Collateral Agent, entered into Amendment No. 4 to the Amended and Restated First Lien Credit Agreement (the "2024 Amendment"). The 2024 Amendment provides the Borrower with a new five -year incremental term loan facility ("the 2024 Term Loan Facility") under its credit agreement in an aggregate initial principal amount of \$741 million. The proceeds of the 2024 Term Loan Facility were used to repay in full the Company's outstanding 2022 Term Loan and 2023 Term Loan.

#### *Off-Balance Sheet Arrangements*

On March 15, 2022, the Company entered into an accounts receivable securitization program ("Securitization Facility") with a financial institution, through our wholly owned special purpose bankruptcy-remote subsidiary, Tronox Securitization LLC ("SPE"). The Securitization Facility permitted the SPE to sell accounts receivable up to \$75 million.

In November 2022, the Company amended the receivable purchase agreement to expand the program to include receivables generated by its wholly-owned Australian operating subsidiaries, Tronox Pigment Pty Ltd., Tronox Pigment Bunbury Ltd. and Tronox Mining Australia Ltd. which increased the facility limit to \$200 million and to extend the program term to November 2025.

In June 2023, the Company entered into an additional amendment (the "Second Amendment") to further include receivables generated by our wholly-owned European operating subsidiaries Tronox Pigment Holland BV and Tronox Pigment UK Limited. Neither the facility limit nor the program term were changed as result of the Second Amendment, and remain at \$200 million and November 2025, respectively.

In March 2024, we entered into a Securitization Facility technical amendment (the "Third Amendment"), to increase the percentage of certain receivables eligible for sale to the Purchaser. In April 2024, we again amended the Securitization Facility (the "Fourth Amendment"), to increase the Facility Limit from \$200 million to \$230 million. The Fourth Amendment did not impact the three months ended March 31, 2024.

See "Note 5 – Accounts Receivable Securitization Program" in notes to unaudited condensed consolidated financial statements for further details regarding this off-balance sheet program.

## Cash Flows

The following table presents cash flow for the periods indicated:

	Three Months Ended March 31,	
	2024	2023
	(Millions of U.S. dollars)	
Cash used in operating activities	\$ (29)	\$ (79)
Cash used in investing activities	(76)	(91)
Cash (used in) provided by financing activities	(12)	120
Effects of exchange rate changes on cash and cash equivalents and restricted cash	(2)	1
Net decrease in cash and cash equivalents and restricted cash	<u>\$ (119)</u>	<u>\$ (49)</u>

*Cash Flows used in Operating Activities* — Cash used in operating activities of \$29 million is primarily driven by \$98 million of net loss adjusted for non-cash items offset by a net cash outflow of \$127 million related to changes in assets and liabilities. The following table provides our net cash used in operating activities for the three months ended March 31, 2024 and 2023:

	Three Months Ended March 31,	
	2024	2023
	(Millions of U.S. dollars)	
Net (loss) income	\$ (9)	\$ 25
Adjustments for non-cash items	107	94
Income related cash generation	98	119
Net change in assets and liabilities	(127)	(198)
Cash used in operating activities	<u>\$ (29)</u>	<u>\$ (79)</u>

Net cash used in operating activities decreased by \$50 million year-over-year from \$79 million in the prior year to \$29 million during the current year. This decrease was generated primarily due to higher use of cash for working capital in the current year primarily driven by an increase in accounts receivable of \$94 million and a decrease in accounts payable and accrued liabilities of \$49 million. These were partially offset by decreases in inventories and prepaid and other assets of \$11 million and \$16 million, respectively.

**Cash Flows used in Investing Activities** — Net cash used in investing activities for the three months ended March 31, 2024 was \$76 million as compared to \$91 million for the same period in 2023 primarily due to lower capital expenditures of \$76 million during the current year as compared to \$93 million in the prior year as the development of the Atlas Campaspe mine was completed during 2023.

**Cash Flows (used in) provided by Financing Activities** — Net cash used in financing activities during the three months ended March 31, 2024 was \$12 million as compared to cash provided by financing activities of \$120 million for the three months ended March 31, 2023. The three months ended March 31, 2024 was primarily comprised of total repayments of \$11 million of long-term debt and short-term debt. The three months ended March 31, 2023 was primarily comprised of total draw downs offset by repayments of \$126 million on several of our short-term debt facilities.

## Contractual Obligations

The following table sets forth information relating to our contractual obligations as of March 31, 2024:

	Contractual Obligation Payments Due by Year <sup>(3)(4)</sup>				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
(Millions of U.S. dollars)					
Long-term debt, net and lease financing (including interest) <sup>(1)</sup>	\$ 3,719	227	475	2,620	397
Purchase obligations <sup>(2)</sup>	2,485	322	328	444	1,391
Operating leases	227	32	43	32	120
Asset retirement obligations and environmental liabilities <sup>(5)</sup>	455	24	56	52	323
<b>Total</b>	<b>\$ 6,886</b>	<b>605</b>	<b>902</b>	<b>3,148</b>	<b>2,231</b>

(1) We calculated the Term Loan Facility interest at a LIBOR plus a margin of 2.50%, the 2022 Term Loan Facility at a SOFR plus a margin of 3.25% and the 2023 Term Loan Facility at a SOFR plus a margin of 3.50%. See Note 11 of notes to our unaudited condensed consolidated financial statements.

(2) Includes obligations for purchase requirements of process chemicals, supplies, utilities and services. We have various purchase commitments for materials, supplies, and services entered into in the ordinary course of business. Included in the purchase commitments table above are contracts, which require minimum volume purchases that extend beyond one year or are renewable annually and have been renewed for 2024. Certain contracts allow for changes in minimum required purchase volumes in the event of a temporary or permanent shutdown of a facility. We believe that all of our purchase obligations will be utilized in our normal operations.

(3) The table excludes contingent obligations, as well as any possible payments for uncertain tax positions given the inability to estimate the possible amounts and timing of any such payments.

(4) The table excludes commitments pertaining to our pension and other postretirement obligations.

(5) Asset retirement obligations and environmental liabilities are shown at the undiscounted and uninflated values.

## Non-U.S. GAAP Financial Measures

EBITDA, Adjusted EBITDA, Adjusted net (loss) income attributable to Tronox, Diluted adjusted net income per share attributable to Tronox and net debt to trailing twelve months Adjusted EBITDA, which are used by management to measure performance, are not presented in accordance with U.S. GAAP. We define EBITDA as net (loss) income excluding the impact of income taxes, interest expense, interest income and depreciation, depletion and amortization. We define Adjusted EBITDA as EBITDA excluding the impact of nonrecurring items such as restructuring charges, gain or loss on debt extinguishments, impairment charges, gains or losses on sale of assets, acquisition-related transaction costs and pension settlements and curtailment gains or losses. Adjusted EBITDA also excludes non-cash items such as share-based compensation costs, pension and postretirement costs, and realized and unrealized foreign currency remeasurement gains and losses. We define Adjusted net (loss) income attributable to Tronox as net (loss) income attributable to Tronox excluding the impact of nonrecurring items which are the Company believes are not indicative of its core operating results such as restructuring charges, gain or loss on debt extinguishments, impairment charges, gains or losses on sale of assets, acquisition-

related transaction costs and pension settlements and curtailment gains or losses. We define Diluted adjusted net income per share attributable to Tronox as Diluted net (loss) income per share excluding the impact of nonrecurring items which are the Company believes are not indicative of its core operating results such as restructuring charges, gain or loss on debt extinguishments, impairment charges, gains or losses on sale of assets, acquisition-related transaction costs and pension settlements and curtailment gains or losses.

Management believes that EBITDA, Adjusted EBITDA, Adjusted net (loss) income attributable to Tronox, Diluted adjusted net (loss) income per share attributable to Tronox and net debt to trailing twelve months Adjusted EBITDA are useful to investors, as it is commonly used in the industry as a means of evaluating operating performance. We do not intend for these non-U.S. GAAP financial measures to be a substitute for any U.S. GAAP financial information. Readers of these statements should use these non-U.S. GAAP financial measures only in conjunction with the comparable U.S. GAAP financial measures. Since other companies may calculate EBITDA, Adjusted EBITDA, Adjusted net (loss) income attributable to Tronox, Diluted adjusted net (loss) income per share attributable to Tronox and net debt to trailing twelve months Adjusted EBITDA differently than we do, EBITDA, Adjusted EBITDA, Adjusted net (loss) income attributable to Tronox, Diluted adjusted net income per share attributable to Tronox and net debt to trailing twelve months Adjusted EBITDA, as presented herein, may not be comparable to similarly titled measures reported by other companies. Management believes these non-U.S. GAAP financial measures:

- reflect our ongoing business in a manner that allows for meaningful period-to-period comparison and analysis of trends in our business, as they exclude income and expense that are not reflective of ongoing operating results;
- provide useful information in understanding and evaluating our operating results and comparing financial results across periods; and
- provide a normalized view of our operating performance by excluding items that are either noncash or infrequently occurring.

These non-U.S. GAAP measures are the primary measures management uses for planning and budgeting processes, and to monitor and evaluate financial and operating results. In addition, Adjusted EBITDA is a factor in evaluating management's performance when determining incentive compensation.

The following table reconciles net (loss) income to EBITDA and Adjusted EBITDA, Adjusted EBITDA as a % of net sales for the periods presented and Net Debt to Trailing Twelve Months Adjusted EBITDA as of March 31, 2024 and December 31, 2023:

	Three Months Ended March 31,	
	2024	2023
	(Millions of U.S. dollars)	
Net (loss) income (U.S. GAAP)	\$ (9)	\$ 25
Interest expense	42	33
Interest income	(4)	(3)
Income tax provision (benefit)	11	9
Depreciation, depletion and amortization expense	72	71
EBITDA (non-U.S. GAAP)	112	135
Share-based compensation (a)	6	6
Accretion expense and other adjustments to asset retirement obligations and environmental liabilities (b)	7	2
Accounts receivable securitization program (c)	3	2
Foreign currency remeasurement (d)	(2)	(1)
Other items (e)	5	2
Adjusted EBITDA (non-U.S. GAAP)	\$ 131	\$ 146

	Three Months Ended March 31,	
	2024	2023
Net sales	\$ 774	\$ 708
Net (loss) income (U.S. GAAP)	\$ (9)	\$ 25
Net (loss) income (U.S. GAAP) as a % of Net sales	(1.2)%	3.5 %
Adjusted EBITDA (non-U.S. GAAP) (see above) as a % of Net sales	16.9 %	20.6 %

	March 31, 2024	December 31, 2023
Long-term debt, net	\$ 2,780	\$ 2,786
Short-term debt	4	11
Long-term debt due within one year	27	27
(Less) Cash and cash equivalents	(152)	(273)
Net debt	\$ 2,659	\$ 2,551
Trailing-twelve month Adjusted EBITDA (non-U.S. GAAP)	\$ 509	\$ 524
Net debt to trailing-twelve month Adjusted EBITDA (non-U.S. GAAP) (see above)	5.2x	4.9x

(a) Represents non-cash share-based compensation. See Note 17 of notes to unaudited condensed consolidated financial statements.

(b) Primarily represents accretion expense and other noncash adjustments to asset retirement obligations and environmental liabilities.

(c) Primarily represents expenses associated with the Company's accounts receivable securitization program which is used as a source of liquidity in the Company's overall capital structure.

(d) Represents realized and unrealized gains and losses associated with foreign currency remeasurement related to third-party and intercompany receivables and liabilities denominated in a currency other than the functional currency of the entity holding them, which are included in "Other (expense) income, net" in the unaudited Condensed Consolidated Statements of Operations.

(e) Includes noncash pension and postretirement costs, asset write-offs and other items included in "Selling general and administrative expenses", "Cost of goods sold" and "Other (expense) income, net" in the unaudited Condensed Consolidated Statements of Operations.

The following table reconciles trailing twelve month net (loss) income to EBITDA and Adjusted EBITDA as of March 31, 2024:

	Three Months Ended				Trailing Twelve Month Adjusted EBITDA
	June 30, 2023	September 30, 2023	December 31, 2023	March 31, 2024	
Net (loss) income (U.S. GAAP)	\$ (269)	\$ (14)	\$ (56)	\$ (9)	(348)
Interest expense	38	42	45	42	167
Interest income	(3)	(4)	(8)	(4)	(19)
Income tax provision	322	8	24	11	365
Depreciation, depletion and amortization expense	68	67	69	72	276
EBITDA (non-U.S. GAAP)	156	99	74	112	441
Share-based compensation (a)	5	4	6	6	21
Foreign currency remeasurement (b)	(5)	(1)	1	(2)	(7)
Accretion expense and other adjustments to asset retirement obligations and environmental liabilities (c)	6	6	8	7	27
Accounts receivable securitization program (d)	3	4	3	3	13
Other items (e)	3	4	2	5	14
Adjusted EBITDA (non-U.S. GAAP)	\$ 168	\$ 116	\$ 94	\$ 131	509

(a) Represents non-cash share-based compensation.

(b) Represents realized and unrealized gains and losses associated with foreign currency remeasurement related to third-party and intercompany receivables and liabilities denominated in a currency other than the functional currency of the entity holding them, which are included in "Other (expense) income, net" in the unaudited Condensed Consolidated Statements of Operations.

(c) Primarily represents accretion expense and other noncash adjustments to asset retirement obligations and environmental liabilities.

(d) Primarily represents expenses associated with the Company's accounts receivable securitization program which is used as a source of liquidity in the Company's overall capital structure.

(e) Includes noncash pension and postretirement costs, asset write-offs, severance expense and other items included in "Selling general and administrative expenses", "Cost of goods sold" and "Other (expense) income, net" in the unaudited Condensed Consolidated Statements of Operations.

The following table reconciles Net (loss) income attributable to Tronox to Adjusted net (loss) income attributable to Tronox for the periods presented:



	Three Months Ended March 31,	
	2024	2023
	(Millions of U.S. dollars)	
Net (loss) income attributable to Tronox Holdings plc (U.S. GAAP)	\$ (9)	\$ 23
Other (a)	2	1
Adjusted net (loss) income attributable to Tronox Holdings plc (non-U.S. GAAP) (1)	\$ (7)	\$ 24
Diluted (loss) net income per share (U.S. GAAP)	\$ (0.06)	\$ 0.15
Other, per share	0.01	—
Diluted adjusted net (loss) income per share attributable to Tronox Holdings plc (non-U.S. GAAP) (2)	\$ (0.05)	\$ 0.15
Weighted average shares outstanding, diluted (in thousands)	157,331	156,641

(a) Represents other activity not representative of the ongoing operations of the Company.

(1) Only certain other items have been tax impacted whereas certain other items were not tax impacted as they were recorded in jurisdictions with full valuation allowances.

(2) Diluted adjusted net (loss) income per share attributable to Tronox Holdings plc was calculated from exact, not rounded Adjusted net (loss) income attributable to Tronox Holdings plc and share information.

## Recent Accounting Pronouncements

See Note 1 of notes to unaudited condensed consolidated financial statements for recently issued accounting pronouncements.

## Environmental Matters

We are subject to a broad array of international, federal, state, and local laws and regulations relating to safety, pollution, protection of the environment, and the generation, storage, handling, transportation, treatment, disposal, and remediation of hazardous substances and waste materials. In the ordinary course of business, we are subject to frequent environmental inspections and monitoring, and occasional investigations by governmental enforcement authorities. Under these laws, we are or may be required to obtain or maintain permits or licenses in connection with our operations. In addition, under these laws, we are or may be required to remove or mitigate the effects on the environment of the disposal or release of chemical, petroleum, low-level radioactive and other substances at our facilities. We may incur future costs for capital improvements and general compliance under environmental, health, and safety laws, including costs to acquire, maintain, and repair pollution control equipment. Environmental laws and regulations are becoming increasingly stringent, and compliance costs are significant and will continue to be significant in the foreseeable future. There can be no assurance that such laws and regulations or any environmental law or regulation enacted in the future is not likely to have a material effect on our business. We believe we are in compliance with applicable environmental rules and regulations in all material respects.

### **Item 3. Quantitative and Qualitative Disclosures About Market Risk**

We are exposed to various market, credit, operational, and liquidity risks in the normal course of business, which are discussed below. We manage these risks through normal operating and financing activities and, when appropriate, with derivative instruments. We do not invest in derivative instruments for speculative purposes, but historically have entered into, and may enter into, derivative instruments for hedging purposes in order to reduce the exposure to fluctuations in interest rates, natural gas prices and exchange rates.

#### **Market Risk**

A substantial portion of our products and raw materials are commodities that reprice as market supply and demand fundamentals change. Accordingly, product margins and the level of our profitability tend to vary with changes in the business cycle. Our TiO<sub>2</sub> prices may do so in the near term as ore prices and pigment prices are expected to fluctuate over the next few years. We try to protect against such instability through various business strategies. These include provisions in sales contracts allowing us to pass on higher raw material costs through timely price increases and formula price contracts to transfer or share commodity price risk, enter into fixed purchase commitments to eliminate volatility in commodity purchases, as well as using varying contract term lengths and selling to a diverse mix of customers by geography and industry to reap the benefits of a diverse portfolio.

#### **Credit Risk**

Credit risk is the risk that a borrower or a counterparty will fail to meet their obligations. A significant portion of our liquidity is concentrated in trade accounts receivable that arise from sales of our products to customers. In the case of TiO<sub>2</sub>, the high level of industry concentration has the potential to impact our overall exposure to credit risk, either positively or negatively, in that our customers may be similarly affected by changes in economic, industry or other conditions. We have significant exposure to credit risk in industries that are affected by cyclical economic fluctuations. We perform ongoing credit evaluations of our customers from time to time, as deemed appropriate, to mitigate credit risk but generally do not require collateral. Our contracts typically enable us to tighten credit terms if we perceive additional credit risk; however, historic losses due to write offs of bad debt have been insignificant. In addition, due to our international operations, we are subject to potential trade restrictions and sovereign risk in certain countries in which we operate. We maintain allowances for potential credit losses based on specific customer review and current financial conditions. During both the three months ended March 31, 2024 and 2023, our ten largest third-party customers represented 37% of our consolidated net sales. During the three months ended March 31, 2024 and 2023, no single customer accounted for 10% of our consolidated net sales.

#### **Interest Rate Risk**

Interest rate risk arises from the possibility that changes in interest rates will impact our financial results. We are exposed to interest rate risk on our floating rate debt, the Term Loan Facility, the 2022 Term Loan Facility, the 2023 Term Loan Facility, Standard Bank Term Loan Facility, and Cash Flow Revolver, Standard Bank Revolver, Emirates Revolver and SABB Credit Facility balances. Using a sensitivity analysis as of March 31, 2024, a hypothetical 1% increase in interest rates would result in a net decrease to pre-tax income of approximately \$7 million on an annualized basis. This is due to the fact that earnings on our floating rate financial assets of \$47 million at March 31, 2024 would increase by the full 1%, offsetting the impact of a 1% increase in interest expense on our floating rate debt of approximately \$776 million.

As of March 31, 2024, the Company maintains a total of \$950 million of interest rate swaps with the objective in using the interest-rate swap agreements to add stability to interest expense and to manage the Company's exposure to interest rate movements. These interest rate swaps have been designated as cash flow hedges and involve the receipt of variable amounts from a counterparty in exchange for the Company making fixed-rate payments over the life of the agreements without exchange of the underlying notional amount. The Company's objectives in using the interest rate swap agreements are to add stability to interest expense and to manage its exposure to interest rate movements. Refer to Note 12 of notes to unaudited condensed consolidated financial statements for further details.

## Currency Risk

Currency risk arises from the possibility that fluctuations in foreign exchange rates will impact our balance sheets due to the translation of our assets and liabilities denominated in foreign currencies, as well as our earnings due to the translation of certain of our subsidiaries' statements of income from local currencies to U.S. dollars, as well as due to remeasurement of assets and liabilities denominated in currencies other than a subsidiary's functional currency. We manufacture and market our products in a number of countries throughout the world and, as a result, are exposed to changes in foreign currency exchange rates, particularly in Australia, Brazil, China, South Africa, the Netherlands and the United Kingdom. The exposure is most prevalent in South Africa and Australia as the majority of revenues are earned in U.S. dollars while expenses are primarily incurred in local currencies. Since we are exposed to movements in the South African Rand, the Australian Dollar, the Euro and the Pound Sterling versus the U.S. dollar, we may enter into forward contracts to buy and sell foreign currencies as "economic hedges" for these foreign currency transactions.

From time to time, we enter into foreign currency contracts used to hedge forecasted third party non-functional currency sales for our South African subsidiaries and forecasted non-functional currency cost of goods sold for our Australian subsidiaries. Historically, we have used a combination of zero-cost collars or forward contracts to reduce the exposure. These foreign currency contracts are designated as cash flow hedges. Changes to the fair value of these foreign currency contracts are recorded as a component of other comprehensive (loss) income, if these contracts remain highly effective, and are recognized in net sales or costs of goods sold in the period in which the forecasted transaction affects earnings or are recognized in other (expense) income, net when the transactions are no longer probable of occurring. As of March 31, 2024, we had no outstanding amounts to reduce the exposure of our Australian subsidiaries' cost of sales to fluctuations in currency rates or to reduce the exposure of our South African subsidiaries' third party sales to fluctuations in currency rates. At December 31, 2022, there was an unrealized net loss of \$4 million recorded in "Accumulated other comprehensive loss" on the unaudited Condensed Consolidated Balance Sheet, of which \$2 million was recognized in earnings during the three months ended March 31, 2023.

From time to time, we enter into foreign currency contracts for the South African Rand, Australian Dollar, Euro, Pound Sterling, and Saudi Riyal to reduce exposure of our subsidiaries' balance sheet accounts not denominated in our subsidiaries' functional currency to fluctuations in foreign currency exchange rates. Historically, we have used forward contracts to reduce the exposure. For accounting purposes, these foreign currency contracts are not considered hedges. The change in fair value associated with these contracts is recorded in "Other expense, net" within the unaudited Condensed Consolidated Statement of Operations and partially offsets the change in value of third party and intercompany-related receivables not denominated in the functional currency of the subsidiary. At March 31, 2024, there was (i) 971 million South African Rand (or approximately \$51 million at March 31, 2024 exchange rate), (ii) 138 million Australian dollars (or approximately \$90 million at the March 31, 2024 exchange rate), (iii) 48 million Pound Sterling (or approximately \$61 million at the March 31, 2024 exchange rate), (iv) 7 million Euro (or approximately \$8 million at the March 31, 2024 exchange rate), and (v) 88 million Saudi Riyal (or approximately \$23 million at the March 31, 2024 exchange rate) of notional amounts of outstanding foreign currency contracts. At December 31, 2023, there was (i) 837 million South African Rand (or approximately \$44 million at the March 31, 2024 exchange rate), (ii) 153 million Australian dollars (or approximately \$100 million at the March 31, 2024 exchange rate), (iii) 45 million Pound Sterling (or approximately \$57 million at the March 31, 2024 exchange rate), (iv) 45 million Euro (or approximately \$49 million at the March 31, 2024 exchange rate) and (v) 67 million Saudi Riyal (or approximately \$18 million at the March 31, 2024 exchange rate) of notional amounts of outstanding foreign currency contracts.

## **Item 4. Controls and Procedures**

### ***Evaluation of Disclosure Controls and Procedures***

Under the supervision of and with the participation of Tronox's management, including our CEO and CFO, we evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) (the "Exchange Act"), as of March 31, 2024, the end of the period covered by this report. Based on that evaluation, we have concluded that the Company's disclosure controls and procedures were effective as of that date. Tronox's disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by Tronox in the reports that it files or submits under the Exchange Act is accumulated and communicated to Tronox's management, including Tronox's principal executive and principal financial officers, or other persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Based on that evaluation, we have concluded that the Company's disclosure controls and procedures were effective as of that date.

An evaluation of our internal control over financial reporting was also performed to determine whether any changes have occurred during the period covered by this Quarterly Report on Form 10-Q that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

### ***Changes in Internal Control over Financial Reporting***

We are currently undergoing a multi-year IT-enabled transformation program that includes increased automation of both operational and financial systems, including the global enterprise risk management program, through new and upgraded systems, technology and processes. As part of such transformation program, during the third quarter of 2022, we implemented upgrades to our financial systems and platforms in certain regions. The full implementation is expected to occur in phases over a number of years. As the phased implementation of this system occurs, we expect certain changes to our processes and procedures which, in turn, will result in changes to our internal control over financial reporting.

While we expect this transformation program to strengthen our internal financial controls, management will continue to evaluate and monitor our internal controls as processes and procedures in each of the affected areas evolve.

Other than as discussed above, during the quarter ended March 31, 2024, there were no other changes in our internal control over financial reporting 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**

Information required by this item is incorporated herein by reference to the section captioned “Notes to Consolidated Financial Statements, Note 15 - Commitments and Contingencies” of this Form 10-Q.

SEC regulations require us to disclose certain information about administrative or judicial proceedings to which a governmental authority is party arising under federal, state or local environmental provisions if we reasonably believe that such proceedings may result in monetary sanctions above a stated threshold. Pursuant to the SEC regulations, the Company uses a threshold of \$1 million or more for purposes of determining whether disclosure of any such proceedings is required.

### **Item 1A. Risk Factors**

In addition to the other information set forth in this Quarterly Report on Form 10-Q, you should carefully consider the factors discussed under “Risk Factors” included in our Annual Report on Form 10-K and any subsequent filings thereto with the SEC. The risks described herein or in the Form 10-K and any subsequent filings thereto with the SEC are not the only risks facing us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition and/or operating results. There have been no material changes from the risk factors disclosed under the heading “Risk Factors” in our Form 10-K.

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

The table provides information with respect to purchases of our shares of common stock, \$0.01 par value per share, during the three months ended March 31, 2024.

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs <sup>(1)</sup>	Approximate Dollar Value That May Yet Be Purchased Under the Program <sup>(2)</sup>
				\$ 300,000,000
January 1, 2024 through January 31, 2024	—	\$ —	—	\$ 300,000,000
February 1, 2024 through February 29, 2024	—	\$ —	—	\$ 300,000,000
March 1, 2024 through March 31, 2024	—	\$ —	—	\$ 300,000,000
Totals	—	\$ —	—	\$ 300,000,000

(1) On February 21, 2024, in connection with the expiration in February 2024 of the Company's previous share repurchase program, the Company's Board of Directors authorized the repurchase of up to \$300 million of the Company's stock through February 21, 2027. During the three months ended March 31, 2024, we made no repurchases of the Company's stock.

(2) Amounts reflect the remaining dollar value of shares that may be purchased under the stock repurchase program described above.

## Item 3. Defaults Upon Senior Securities

None.

## Item 4. Mine Safety Disclosures

Not applicable.

## Item 5. Other Information

None.

During the three months ended March 31, 2024, none of our directors or officers (as defined in Rule 16a-1(f) under the Exchange Act) had any contact, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act for any "non-Rule 10b5-1 trading arrangement" as defined in Item 408(c) of Regulation S-K.

**Item 6. Exhibits**

Exhibit No.	
10.1	<a href="#">Employment Agreement dated February 28, 2024 by and between the Company and Mr. John D. Romano (incorporated by reference to Exhibit 10.1 of the Current Report on Form 8-K/A filed on March 1, 2024)</a>
10.2	<a href="#">Amendment and Restated First Lien Credit Agreement, dated as of March 11, 2021 (as amended by that certain Amendment No. 1 to Amended and Restated First Lien Credit Agreement, dated as of April 4, 2022, as amended by that certain Amendment No. 2 to Amended and Restated First Lien Credit Agreement, dated as of May 19, 2023, as amended by that certain Amendment No. 3 to Amended and Restated First Lien Credit Agreement, dated as of August 16, 2023, as amended by that certain Amendment No. 4 to Amended and Restated First Lien Credit Agreement, dated as of May 1, 2024), by and among Tronox Holdings plc, Tronox Finance LLC, certain of Tronox Holdings plc's subsidiaries, the lenders party thereto from time to time and HSBC Bank USA, National Association, as administrative agent and collateral agent (incorporated by reference to Exhibit 10.1 of the Current Report on Form 8-K filed on May 1, 2024).</a>
31.1	<a href="#">Rule 13a-14(a) Certification of John Romano. (furnished herewith)</a>
31.2	<a href="#">Rule 13a-14(a) Certification of D. John Srivisal. (furnished herewith)</a>
32.1	<a href="#">Section 1350 Certification for John Romano. (furnished herewith)</a>
32.2	<a href="#">Section 1350 Certification for D. John Srivisal. (furnished herewith)</a>
101	The following financial statements from Tronox Holdings plc. Quarterly Report on Form 10-Q for the quarter ended March 31, 2024, formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) Condensed Consolidated Statements of Operations, (ii) Condensed Consolidated Balance Sheets, (iii) Condensed Consolidated Statements of Comprehensive (Loss) Income, (iv) Condensed Consolidated Statements of Changes in Equity, (v) Condensed Consolidated Statements of Cash Flows, and (vi) the Notes to Condensed Consolidated Financial Statements.
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document. (furnished herewith)
101.SCH	Inline XBRL Taxonomy Extension Schema Document. (furnished herewith)
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document. (furnished herewith)
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document. (furnished herewith)
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document. (furnished herewith)
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document. (furnished herewith)
104	The cover page from the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2024, which has been formatted in Inline XBRL and contained in Exhibit 101.

## SIGNATURES

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

Date:  
May 2, 2024

TRONOX HOLDINGS PLC (Registrant)

By: /s/ D. John Srivisal  
Name: D. John Srivisal  
Title: Senior Vice President, Chief Financial Officer

By: /s/ Jonathan P. Flood  
Name: Jonathan P. Flood  
Title: Vice President, Controller and Principal Accounting Officer



## SECTION 302 CERTIFICATION

I, John Romano, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 of Tronox Holdings plc (the "Registrant");

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

Date: May 2, 2024

/s/ John Romano

John Romano

Chief Executive Officer

internal control over financial reporting.

## SECTION 302 CERTIFICATION

I, D. John Srivisal, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 of Tronox Holdings plc (the "Registrant");

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

Date: May 2, 2024

/s/ D. John Srivisal

D. John Srivisal

Senior Vice President and Chief Financial Officer

control over financial reporting.

**WRITTEN STATEMENT OF CHIEF EXECUTIVE OFFICER  
FURNISHED PURSUANT TO SECTION 906  
OF THE SARBANES-OXLEY ACT OF 2002 (18 USC. SECTION 1350)  
AND FOR THE PURPOSE OF COMPLYING WITH RULE 13a-14(b)  
OF THE SECURITIES EXCHANGE ACT OF 1934**

May 2, 2024

Pursuant to 18 U.S.C. § 1350, the undersigned officer of Tronox Holdings plc (the "Registrant") hereby certifies that the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 (the "Report") fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

/s/ John Romano

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John Romano

Chief Executive Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. § 1350 and is not being filed as part of the Report or as a separate disclosure document.

**WRITTEN STATEMENT OF PRINCIPAL FINANCIAL OFFICER  
FURNISHED PURSUANT TO SECTION 906  
OF THE SARBANES-OXLEY ACT OF 2002 (18 USC. SECTION 1350)  
AND FOR THE PURPOSE OF COMPLYING WITH RULE 13a-14(b)  
OF THE SECURITIES EXCHANGE ACT OF 1934**

May 2, 2024

Pursuant to 18 U.S.C. § 1350, the undersigned officer of Tronox Holdings plc (the "Registrant") hereby certifies that the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 (the "Report") fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

/s/ D. John Srivisal

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D. John Srivisal

Senior Vice President and Chief Financial Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. § 1350 and is not being filed as part of the Report or as a separate disclosure document.