



INVESTOR PRESENTATION

November 2020

Global Leader in Highly Engineered Advanced Materials



FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements. Examples of such forward-looking statements include but are not limited to: (i) statements regarding the Company's results of operations and financial condition, (ii) statements of plans, objectives or goals of the Company or its management, including those related to financing, products or services, (iii) statements of future economic performance; and (iv) statements of assumptions underlying such statements. Words such as "believes", "anticipates", "expects", "intends", "forecasts" and "plans" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved. The Company cautions that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors include, but are not limited to: (i) future revenues being lower than expected; (ii) increasing competitive pressures in the industry; (iii) general economic conditions or conditions affecting demand for the services offered by us in the markets in which we operate, both domestically and internationally, including as a result of the Brexit referendum, being less favorable than expected; (iv) worldwide economic and business conditions and conditions in the industries in which we operate; (v) fluctuations in the cost of raw materials and utilities; (vi) currency fluctuations and hedging risks; (vii) our ability to protect our intellectual property; and (viii) the significant amount of indebtedness we have incurred and may incur and the obligations to service such indebtedness and to comply with the covenants contained therein; (ix) our ability to remediate the material weakness in our internal controls over financial reporting; and (x) risks related to the impact of the global COVID-19 pandemic, such as the scope and duration of the outbreak, government actions and restrictive measures implemented in response, supply chain disruptions and other impacts to the business, and the Company's ability to execute business continuity plans, as a result of the COVID-19 pandemic. The Company cautions that the foregoing list of important factors is not exhaustive. These factors are more fully discussed in the sections "Forward-Looking Statements" and "Risk factors" in our Annual Report on Form 10-K for the year ended December 31, 2019, which was filed with the U.S. Securities and Exchange Commission on March 10, 2020. When relying on forward-looking statements to make decisions with respect to the Company, investors and others should carefully consider the foregoing factors and other uncertainties and events. Such forward-looking statements speak only as of the date on which they are made, and the Company does not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise.

LUXFER OVERVIEW (NYSE: LXFR)

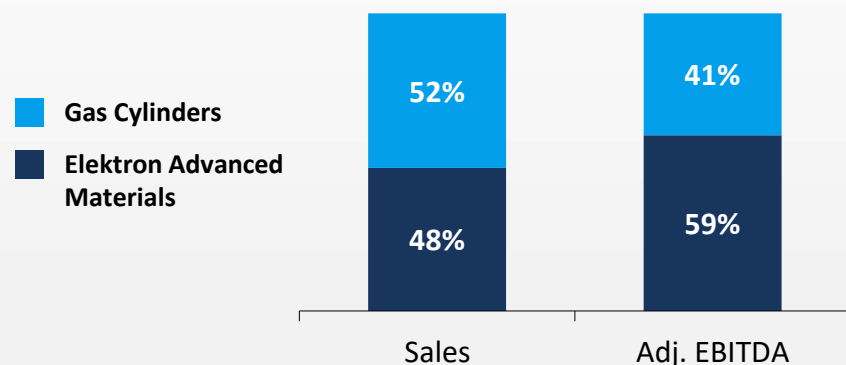
Company Snapshot

Founded	1898
Headquarters	U.K.
Market Capitalization ¹	~\$340M
Net Debt/Adj. EBITDA ²	1.1x
ROIC on Adj. Earnings ²	11.8%

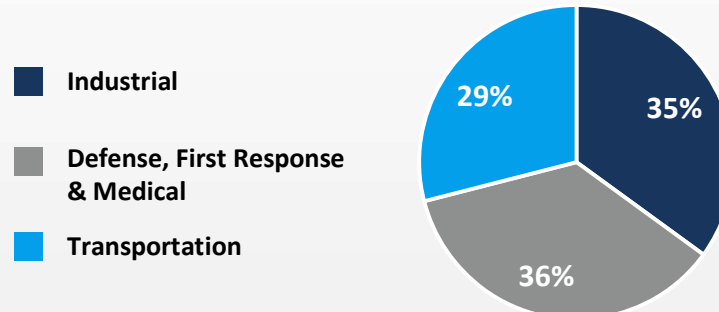
Financial Performance (Q3 2020 TTM) 3-year CAGR

Net Sales	\$383M	↓	(2)% ²
Adj. EBITDA ²	\$52M	↑	1% ²
Adj. EBITDA ² Margin	14%	↑	3% ²
Adj. EPS ²	\$0.94	↑	1% ²
Net Debt	\$59M	↓	\$43M ²

Q3 2020 TTM Sales and Adj. EBITDA² by Segment



Global End Market Exposure



¹ As of 11/3/2020 ² Adjusted non-GAAP numbers. Reconciliation in Appendix and published in 10-K, available at www.luxfer.com. ² Change noted over Q3 2017 TTM.

Highly-engineered Industrial Materials Company Serving Niche Markets



CUSTOMER FIRST • INTEGRITY • ACCOUNTABILITY • INNOVATION • PERSONAL DEVELOPMENT • TEAMWORK

ADAPTING TO THE NEW NORMAL

Actions to Address COVID Challenges

- **Ensuring health & safety during COVID-19**
- **Implemented new procedures and processes**
 - ✓ Re-tooled operations for social distancing
 - ✓ Appropriate protective equipment and supplies
 - ✓ Remote work strategies, when possible
 - ✓ Restricted travel and visitors
- **Increasing ESG efforts** and doing our part to address racial injustice and inequity



Future Opportunities

Localized Supply Chain

- ✓ Luxfer strongly positioned given 90+% of our products are manufactured in region, for region
- ✓ Strong local customer relationships to align supply chain and jointly address demand trends

Lower Travel and Operating Costs

- ✓ Lower travel costs due to videoconferencing
- ✓ Some COVID cost reductions to be permanent

Wider access to Talent

- ✓ Remote office and WFH enables broader access to talent

Disciplined Execution and Planning

ELEKTRON ADVANCED MATERIALS KEY PRODUCTS

MAGNESIUM ALLOYS



Global innovation leader in use of magnesium for unique, high-performance lightweight alloys

ZIRCONIUM-BASED CHEMICALS



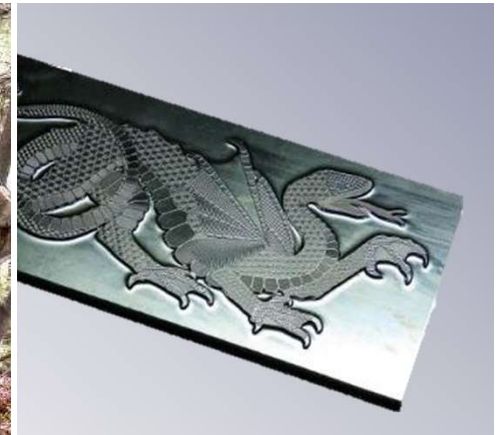
Global producer of zirconium-based solutions for industrial and automotive applications

MAGTECH PRODUCTS



Magnesium-based pads for self-heating meals; key ingredient for aircraft decoy flares

GRAPHIC ARTS



Magnesium, copper, zinc and brass plates for photo-engraving, embossing, foil stamping

Leading Technology and Positions in Niche Applications Driven by Expertise and High Barriers to Entry

- Aerospace alloys
- Industrial alloys

- Automotive catalysis
- Industrial catalysis

- Aircraft decoy flares
- Flameless meal heaters

- Luxury packaging
- High-end labels

GAS CYLINDERS KEY PRODUCTS

ALUMINUM CYLINDERS



World's largest manufacturer of high-pressure aluminum gas cylinders

COMPOSITE CYLINDERS



World's largest manufacturer of high-pressure composite cylinders

ALTERNATIVE FUEL CYLINDERS



Major supplier of composite cylinders for compressed natural gas and hydrogen

SUPERFORM COMPONENTS



Invented the superforming process for complex, sheet-based components from aluminum

Leading Technology and Positions in Niche Applications Driven by Expertise and High Barriers to Entry

- Industrial gas
- Fire extinguishers
- Scuba diving

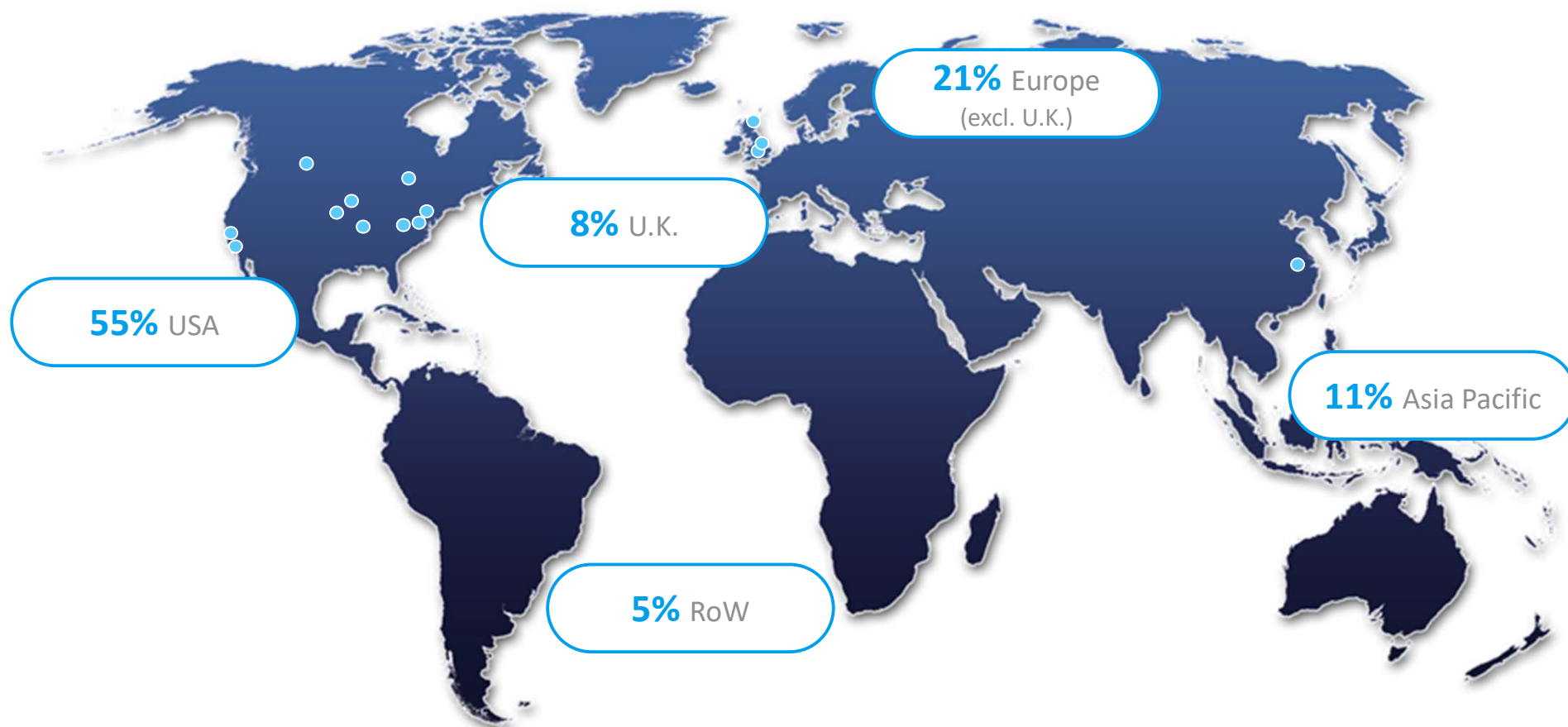
- SCBA - Self-Contained Breathing Apparatus
- Healthcare

- Buses and Trucks
- Bulk Gas transport
- Hydrogen

- Automotive
- Aerospace
- Rail

SIMPLIFIED GLOBAL FOOTPRINT

TTM Sales | \$383M



¹ Excluding Czech recycling divestiture completed in June 2019.

Primary Manufacturing Locations in USA and UK



CUSTOMER FIRST • INTEGRITY • ACCOUNTABILITY • INNOVATION • PERSONAL DEVELOPMENT • TEAMWORK

MACRO TRENDS: SHORT-TERM

	YoY Change			Commentary
	2018	2019	Q3'20	
<u>36%</u> Defense, First Response, & Healthcare	+4.5%	-11.8%	-7.9%	<ul style="list-style-type: none"> • Growth of Decontamination kits, heater meals • SCBA sales impacted by timing • Impact of planned exit of fire extinguishers
<u>29%</u> Transportation ¹ (AF, Aero, Auto)	+8.2%	+1.8%	-19.3%	<ul style="list-style-type: none"> • Alternative Fuel returned to YoY sales growth • Aerospace sales weaker sequentially • Passenger auto sales improved sequentially
<u>35%</u> General Industrial	+20.2%	-9.6%	-19.4%	<ul style="list-style-type: none"> • Sequential sales improvement while COVID-19 continues to negatively impact demand • Minimal Solumag[®] sales
	+11.0%	-7.1%	-15.6%	

Sequential Sales Improvement Since Q2

LARGE ADDRESSABLE MARKET

~\$10B
Total Addressable Market



	Highly Engineered Advanced Materials ¹	High Performance Gas Cylinders
Market Size ²	~\$8B	~\$2B
5-year Industry CAGR (2018-2023)	3% - 7%	1% - 2%
Profitability (EBITDA%)	15% - 25%	8% - 15%

¹ Defined as High performance alloys, ceramics and composites used in general industrial, transportation, defense, and medical applications. Target addressable high-performance market is 10% of the total available market which is \$85B in size. ² Luxfer analysis, industry annual reports, Deloitte, Spears and Associates, Mordor intelligence, Grandview research, William Blair.

Portfolio Optimization Opportunities



TRANSFORMATION PLAN: OVERVIEW

Simplification: Complete

BETTER POSITIONED FOR GROWTH

- Included in R2000 index
- Refreshed Board and mgmt. team
- Divested three operations and three JVs
- Consolidated multiple locations



RESULTS

- ✓ Stronger Balance Sheet
- ✓ Lower Fixed Costs
- ✓ Stronger Talent

Culture and Productivity

PURSUIING CONTIUOUS IMPROVEMENT

- Lean Operations with focus on automation and growth capacity creation
- High Performance Culture through Luxfer values and Environmental Social & Governance

Organic and Inorganic Growth

ACCELERATING MOMENTUM

- Organic Growth through commercial Excellence and New Product Development
- Portfolio Optimization to create & unlock value

Disciplined and Successful Execution

ORGANIC GROWTH INITIATIVES



INNOVATION



COMMERCIAL EXCELLENCE



GROWTH TALENT

Actions Taken

- Rolled out a stage-gate lean NPD process
- Working on fewer, bigger projects that are a better fit with our core competencies
- Launch new products faster and cheaper

- Launched Salesforce; standardizing sales process
- Focus on solutions for end-user needs
- Leveraging data analytics
- Geographical expansion

- Building bench in sales, marketing and innovation
- Delayed organization, new business unit leaders and new sales talent
- Hiring operations talent with Lean mindset



2024 Goal

Increase revenue from new products to at least 20%

Improve customer satisfaction (NPS) by 10%

Develop “ready now” successors for 65% of critical roles

Progress

15%

45%+

44%

Consistent Strategy Elements

GROWTH EXAMPLE: LEADERSHIP IN HYDROGEN

Luxfer Value Proposition

- ✓ Well-positioned with 30+ years of experience in hydrogen technology
- ✓ Industry-leading lightweight cylinders – G-Stor H₂ product family
- ✓ State-of-the-art systems design, manufacture and testing capability
- ✓ Proven record in partnering with customers to deliver hydrogen “firsts”

RECENT SUCCESSES



World's First
H₂ Double Decker Bus



World's First
Commercially Available
H₂ Truck



UK's First
H₂ Train



World's First
Self Sufficient H₂
Boat



First
Commercially Available
H₂ Refuse Truck



World's First
H₂ Tractor

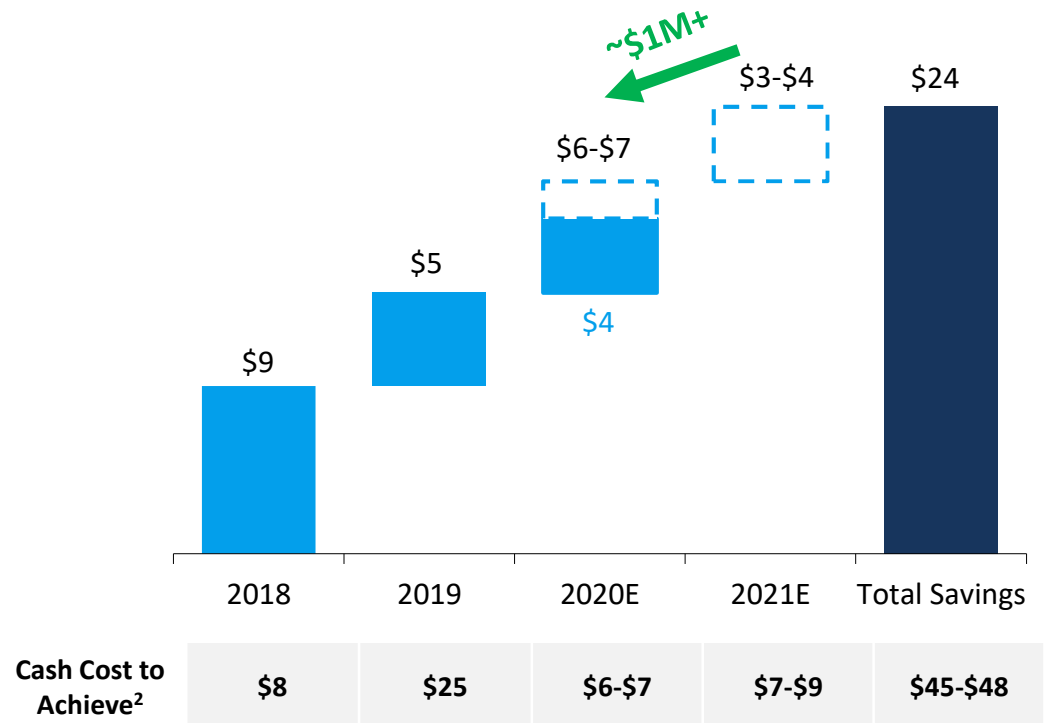
Hydrogen Fuel Cell Electric Vehicles (FCEVs) – Growth Opportunity

BETTER POSITIONED FOR GROWTH

COST MANAGEMENT UPDATE

- Focus on cost reduction and waste elimination has added \$18M of net cost savings
- Smaller footprint has reduced operational capital requirements by \$5M-\$6M annually
- Lower cost structure will deliver incremental profitability performance when markets & growth recover
- Remain on track to deliver our committed \$24M in net cost reductions by the end of next year

TRANSFORMATION PLAN SAVINGS (\$M)



¹ Calculated using adjusted earnings (see appendix)

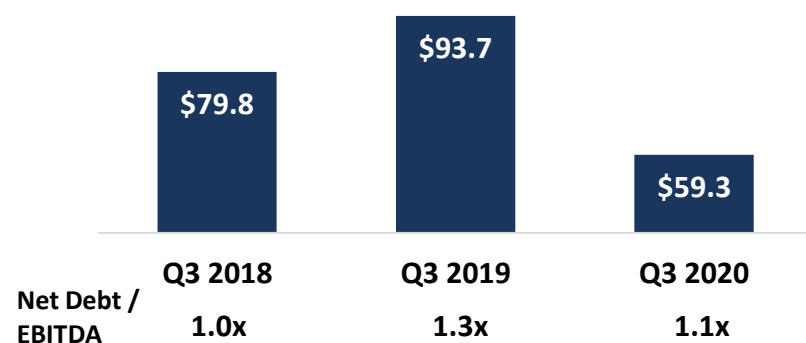
² Cash cost to achieve includes restructuring and exceptional charges, such as Severance, Rationalization & Environmental remediation, etc.; Cash cost to achieve excludes typical annual capital spend of ~\$12M

Accelerated Timing of Plan Cost Savings

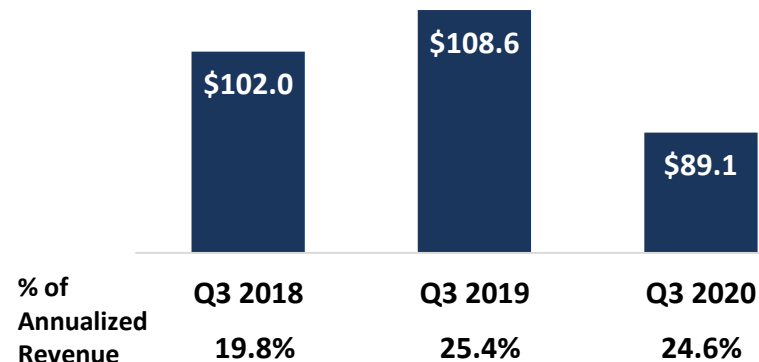
KEY BALANCE SHEET & CASH FLOW METRICS

All in \$M except ROIC

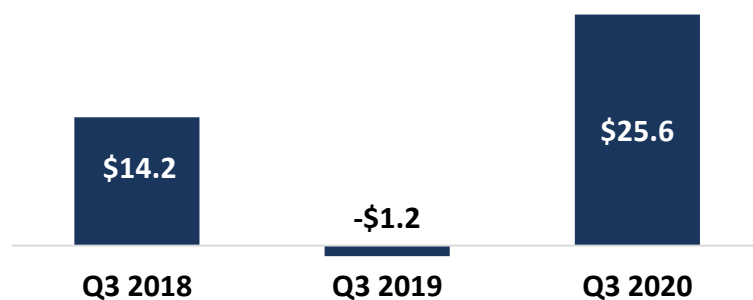
Net Debt



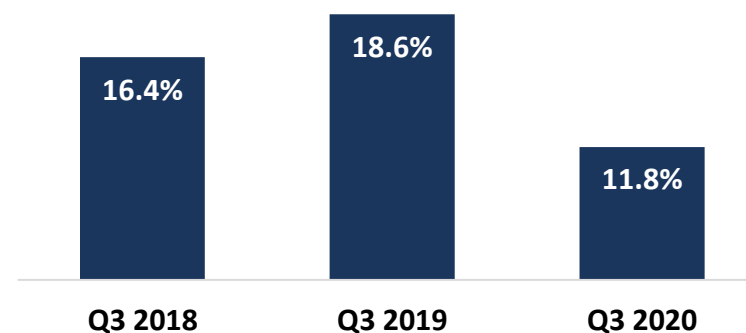
Working Capital



Free Cash Flow¹



ROIC from Adj. Earnings (TTM)²



¹ FCF = Cash Flow from Operations – Capex; ² Calculated using adjusted earnings (see appendix)

Strong FCF Generation & Balance Sheet



CUSTOMER FIRST • INTEGRITY • ACCOUNTABILITY • INNOVATION • PERSONAL DEVELOPMENT • TEAMWORK

CAPITAL ALLOCATION PRIORITIES

Reinvestment

- ✓ Investing in strategic growth opportunities and new product innovation
- ✓ Funding transformation cost savings initiatives; ~\$40M through 2020

M&A

- ✓ Identifying inorganic options to drive additional shareholder value creation

Returns to Shareholders

- ✓ Paid +\$90M in dividends since 2013, including \$3.4M, or \$0.125/share in Q3
- ✓ Share repurchases of +\$9M since 2013; suspended due to macroeconomic uncertainty

STRATEGIC FILTERS

- ✓ Niche End Markets
- ✓ Growth
- ✓ Attractive Margin
- ✓ Synergies

FINANCIAL CRITERIA

- ✓ ROIC
- ✓ IRR
- ✓ ROS
- ✓ EPS

Continuing to Invest for Long-Term Growth

ESG IMPROVEMENTS: 2020 -2025



Environmental Health and Safety	Employee and Community Engagement	Corporate Governance
<ul style="list-style-type: none"> ✓ Accelerating environmental upgrades (e.g., Effluent treatment plant) ✓ Adopting environmentally friendly manufacturing practices to reduce energy and waste 	<ul style="list-style-type: none"> ✓ Taking a stand against social injustice ✓ Launching a community engagement program ✓ Focus area include First responders and education 	<ul style="list-style-type: none"> ✓ Continually upgrading policies to meet higher governance standard ✓ Greenhouse emissions reduction ✓ Plan to publish ESG report in 2020
Reducing environmental impact of operations while providing safe and compliant workplace	Developing empowered employees while supporting the communities where we operate	Informed, engaged and principle-driven corporate governance

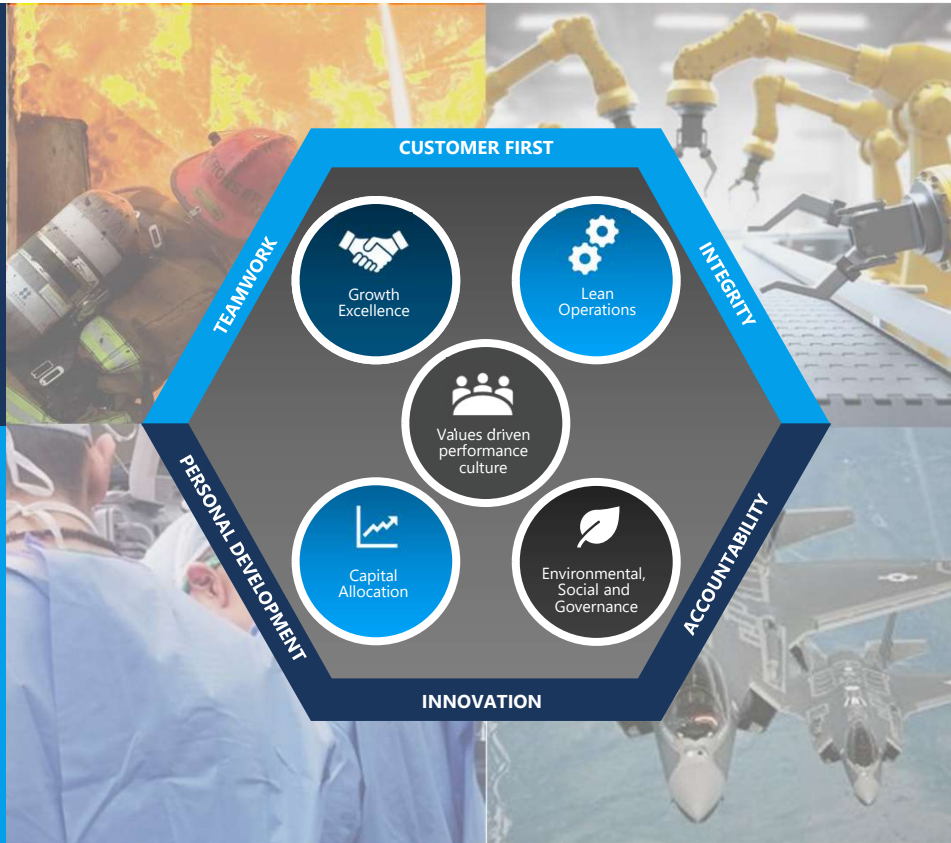
Environmental Goals	20% CO ₂ Emissions Reduction	10% Fresh Water Reduction	10% Less Waste to Landfill
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Luxfer ESG Report to be Published Soon

KEY INVESTMENT CONSIDERATIONS

**Highly Engineered
Industrial Materials
Company with
Attractive End
Markets**

**Strong Balance
Sheet, Consistent
Cash Conversion &
Disciplined Capital
Allocation**



**Comprehensive
Transformation
Plan To Enhance
Growth and
Profitability**

**Significant
Opportunities for
Continued Value
Creation**

Our Best Days Are Ahead of Us



APPENDICES

Summary Financial Statements and Reconciliation of Non-GAAP Measures

SUMMARY INCOME STATEMENT

(Unaudited)

	2020	2019	Variance	
\$M	Q3	Q3	\$M	%
NET SALES	90.4	107.1	(16.7)	-15.6%
Cost of sales	(72.1)	(81.9)		
Gross profit	18.3	25.2	(6.9)	-27.4%
Selling, general and administrative expenses	(9.8)	(11.8)		
Research and development expenses	(1.0)	(1.5)		
Restructuring charges	(4.3)	(2.6)		
Impairment charges	-	-		
Acquisition related costs / credits	-	-		
Other Income	2.3	-		
Other charges	-	(2.7)		
Operating income	5.5	6.6	(1.1)	-16.7%
Finance costs:				
Net finance costs	(1.2)	(1.3)		
Defined benefit pension credit	1.1	0.6		
Income before income taxes and equity in net income of affiliates	5.4	5.9	(0.5)	-8.5%
Provision for income taxes	(2.8)	(0.6)		
Income before equity in net income of affiliates	2.6	5.3	(2.7)	-50.9%
Equity in income / (loss) of affiliates (net of tax)	-	0.5		
Net income	2.6	5.8	(3.2)	-55.2%
<i>Earnings per share - Basic</i>	0.09	0.21		
<i>Earnings per share - Diluted</i>	0.09	0.21		
ADJUSTED NET INCOME	6.9	10.0	(3.1)	-31.0%
<i>Adjusted earnings per share - Diluted</i>	0.25	0.36		
Adjusted EBITDA	14.2	16.7	(2.5)	-15.0%

	2020	2019	Variance	
	YTD	YTD	\$M	%
	283.7	344.0	(60.3)	-17.5%
	(222.1)	(257.7)		
	61.6	86.3	(24.7)	-28.6%
	(34.4)	(42.6)		
	(2.6)	(4.5)		
	(7.9)	(24.3)		
	-	0.2		
	(0.2)	(1.7)		
	2.3	-		
	-	(2.7)		
	18.8	10.7	8.1	75.7%
	(3.5)	(3.5)		
	3.3	1.7		
	18.6	8.9	9.7	109.0%
	(5.6)	(4.1)		
	13.0	4.8	8.2	170.8%
	(0.1)	0.7		
	12.9	5.5	7.4	134.5%
	0.47	0.20		
	0.46	0.20		
	20.0	33.6	(13.6)	-40.5%
	0.72	1.21		
	39.7	55.4	(15.7)	-28.3%

CASH FLOW

(Unaudited)

\$M	2020 Q3	2019 Q3	2020 YTD	2019 YTD
Operating activities				
Net income / (loss)	2.6	5.8	12.9	5.5
Equity income of unconsolidated affiliates	-	(0.5)	0.1	(0.7)
Depreciation	3.4	3.3	10.2	10.4
Amortization of purchased intangible assets	0.2	0.3	0.6	0.9
Amortization of debt issuance costs	0.1	0.1	0.4	0.3
Share-based compensation	0.8	0.6	2.1	4.0
Deferred income taxes	0.2	0.3	0.7	1.5
(Gain) loss on disposal of business	-	-	-	(2.9)
Asset impairment charges	-	-	-	4.8
Defined benefit pension credit	(1.1)	(0.6)	(3.3)	(1.7)
Defined benefit pension contributions	(0.9)	(2.1)	(2.6)	(5.4)
<i>Changes in assets and liabilities, net of effects of business acquisitions</i>				
Accounts and notes receivable	7.1	(2.4)	9.9	(7.2)
Inventories	9.6	2.1	8.2	(3.8)
Other current assets	(0.3)	(0.4)	0.7	(1.8)
Accounts payable	(2.0)	(3.8)	(11.9)	(4.8)
Accrued liabilities	4.1	2.6	3.5	(8.2)
Other current liabilities	2.9	(2.9)	4.9	(2.2)
Other non-current assets and liabilities	0.5	(0.4)	0.3	(2.3)
NET CASH PROVIDED BY OPERATING ACTIVITIES	27.2	2.0	36.7	(13.6)
Investing activities				
Capital expenditures	(1.6)	(3.2)	(6.0)	(10.3)
Proceeds from sale of property and equipment	-	-	-	1.2
Proceeds from sale of businesses and other	1.3	-	1.3	4.6
NET CASH FLOWS BEFORE FINANCING	26.9	(1.2)	32.0	(18.1)
Financing activities				
Net increase / (decrease) in short-term borrowings	-	(7.3)	-	(3.5)
Net (drawdown) / repayments of long-term borrowings	(16.9)	3.5	(16.5)	31.7
Deferred consideration paid	-	-	(0.4)	(0.5)
Proceeds from issue of share capital	-	-	1.1	3.3
Share-based compensation cash paid	(0.1)	0.2	(1.3)	(4.3)
Dividends paid	(3.4)	(3.4)	(10.2)	(10.2)
NET MOVEMENT IN CASH AND CASH EQUIVALENTS BEFORE EXCHANGE	6.5	(8.2)	4.7	(1.6)
Effect of exchange rate changes	0.2	(0.3)	(0.1)	(0.4)
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	6.7	(8.5)	4.6	(2.0)

RECONCILIATION OF NON-GAAP MEASURES

(Unaudited)

	2020	2019	2020	2019
\$M	Q3	Q3	YTD	YTD
Net income	2.6	5.8	12.9	5.5
Accounting charges relating to acquisitions and disposals of businesses:				
Unwind of discount on deferred consideration	-	0.1	-	0.2
Amortization on acquired intangibles	0.2	0.3	0.6	0.9
Acquisitions and disposals	-	-	0.2	1.7
Defined benefit pension actuarial adjustment	(1.1)	(0.6)	(3.3)	(1.7)
Restructuring charges	4.3	2.6	7.9	24.3
Impairment charges	-	-	-	(0.2)
Other charges	-	2.7	-	2.7
Share-based compensation charges	0.8	0.6	2.1	4.0
Income tax thereon	0.1	(1.5)	(0.4)	(3.8)
Adjusted net income	6.9	10.0	20.0	33.6
Add back / (deduct):				
Income tax thereon	(0.1)	1.5	0.4	3.8
Provision for income taxes	2.8	0.6	5.6	4.1
Net finance costs	1.2	1.3	3.5	3.5
Adjusted EBITA	10.8	13.4	29.5	45.0
Depreciation	3.4	3.3	10.2	10.4
Adjusted EBITDA	14.2	16.7	39.7	55.4

RECONCILIATION OF NON-GAAP MEASURES

(Unaudited)

\$M	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2020 Q1	2020 Q2	2020 Q3	2018 FY	2019 FY
EBITA	14.6	16.8	18.4	11.7	15.1	16.5	13.4	8.8	11.7	7.0	10.8	61.5	53.8
Effective tax rate - per income statement	23.6%	23.0%	22.2%	33.3%	-131.3%	30.4%	10.2%	1300.0%	21.4%	20.4%	51.9%	18.3%	73.9%
Notional tax	(3.4)	(3.9)	(4.1)	(3.9)	19.8	(5.0)	(1.4)	(114.4)	(2.5)	(1.4)	(5.6)	(11.3)	(39.8)
EBITA after notional tax	11.2	12.9	14.3	7.8	34.9	11.5	12.0	(105.6)	9.2	5.6	5.2	50.2	14.0
Rolling 12 month EBITA after notional tax	29.3	35.1	41.1	46.2	69.9	68.5	66.2	(47.2)	(72.9)	(78.8)	(85.6)	50.2	14.0
Bank and other loans	105.1	99.8	88.7	77.1	92.6	109.2	105.6	91.4	108.8	90.5	74.2	77.1	91.4
Net cash and cash equivalents	(7.4)	(5.2)	(8.9)	(13.8)	(14.2)	(20.4)	(11.9)	(10.2)	(17.3)	(8.1)	(14.9)	(13.8)	(10.2)
Net debt	97.7	94.6	79.8	63.3	78.4	88.8	93.7	81.2	91.5	82.4	59.3	63.3	81.2
Total equity	177.1	191.1	213.0	184.3	179.8	178.0	179.9	174.4	169.8	173.3	176.7	184.3	174.4
Invested capital	274.8	285.7	292.8	247.6	258.2	266.8	273.6	255.6	261.3	255.7	236.0	247.6	255.6
4 point average invested capital	276.7	279.1	281.8	275.2	271.1	266.4	261.6	263.6	264.3	261.6	252.2	247.6	255.6
Return on invested capital	10.6%	12.6%	14.6%	16.8%	25.8%	25.7%	25.3%	-17.9%	-27.6%	-30.1%	-33.9%	20.3%	5.5%
Adjusted net income for the period	10.0	12.2	13.4	11.2	11.2	12.4	10.0	6.2	8.4	4.7	6.9	46.8	39.8
Other tax adjustments	-	-	-	2.9	-	-	-	-	-	-	-	2.9	-
Provision for income taxes	3.0	3.4	3.5	(4.4)	2.1	1.4	0.6	2.6	1.7	1.1	2.8	5.5	6.7
Income tax on adjustments to net income	0.1	0.2	0.3	1.1	0.7	1.6	1.5	(1.1)	0.4	0.1	(0.1)	1.7	2.7
Adjusted income tax charge	3.1	3.6	3.8	(0.4)	2.8	3.0	2.1	1.5	2.1	1.2	2.7	10.1	9.4
Adjusted profit before taxation	13.1	15.8	17.2	10.8	14.0	15.4	12.1	7.7	10.5	5.9	9.6	56.9	49.2
Adjusted effective tax rate	23.7%	22.8%	22.1%	-3.7%	20.0%	19.5%	17.4%	19.5%	20.0%	20.3%	28.1%	17.8%	19.1%
EBITA (as above)	14.6	16.8	18.4	11.7	15.1	16.5	13.4	8.8	11.7	7.0	10.8	61.5	53.8
Adjusted notional tax	(3.5)	(3.8)	(4.1)	0.4	(3.0)	(3.2)	(2.3)	(1.7)	(2.3)	(1.4)	(3.0)	(10.9)	(10.3)
Adjusted EBITA after notional tax	11.1	13.0	14.3	12.1	12.1	13.3	11.1	7.1	9.4	5.6	7.8	50.6	43.5
Rolling 12 month adjusted EBITA after notional tax	35.0	40.3	46.2	50.6	51.5	51.8	48.6	43.5	40.8	33.1	29.8	50.6	43.5
Adjusted return on invested capital	12.7%	14.4%	16.4%	18.4%	19.0%	19.5%	18.6%	16.5%	15.4%	12.7%	11.8%	20.4%	17.0%

