



LUXFER

INVESTOR PRESENTATION

March 2024



FORWARD-LOOKING STATEMENTS



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



We are Luxfer

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

LUXFER OVERVIEW (NYSE: LXFR)

Company Description

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

Company Snapshot

Equity Market Capitalization ¹	~\$280M
Net Debt/Adj. EBITDA ²	1.6x
ROIC on Adj. Earnings ²	9.4%

Income Statement

(excluding Graphic Arts)

Full Year 2023

Revenue ³	\$373.5M
Adj. EBITDA ^{2 3}	\$43.3M
Adj. Diluted EPS ^{2 3}	\$0.80

Balance Sheet

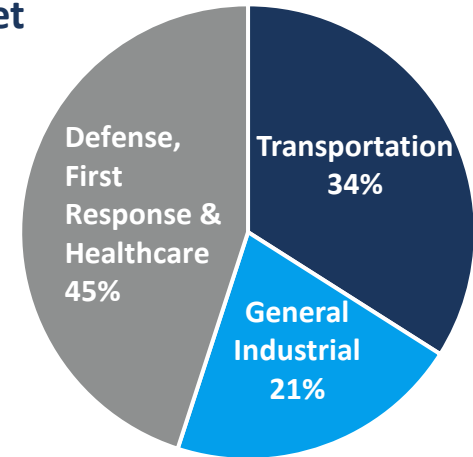
2023

Net Debt	\$69.9M
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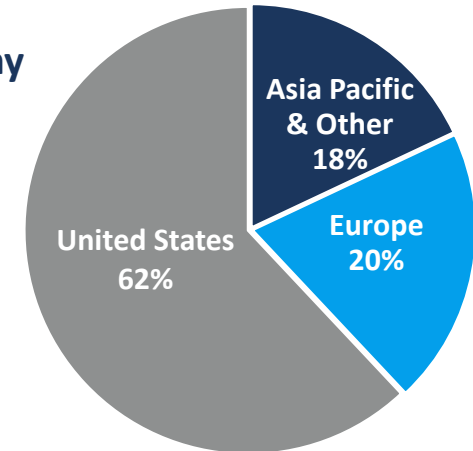
¹ As of Dec 31, 2023 ² Non-GAAP numbers. Reconciliation in Appendix ³ Excludes the impact of Discontinued Operations & Graphic Arts

Full Year 2023 Sales Breakdown (excluding Graphic Arts)

by End Market



by Geography



Global Industrial Company Innovating Niche Applications in Materials Engineering

MANUFACTURING EXCELLENCE FOOTPRINT



Ten major manufacturing locations around the globe

MATERIALS TECHNOLOGY LEADERSHIP



<h2>Elektron Segment</h2>	<p>High Performance Magnesium Alloys</p>	<p>Innovation leader in the use of magnesium alloys for critical applications in aerospace, defense, and other industries as well as in flameless heating applications</p>
	<p>Specialty Zirconium Catalysts</p>	<p>Expertise in high-performance specialty zirconium-based solutions for a broad range of applications, including pharmaceuticals and electronics</p>
<h2>Gas Cylinders Segment</h2>	<p>High Pressure Composite Cylinders</p>	<p>Trusted manufacturer of high-pressure composite and aluminum cylinders with high-performance, lightweight, and durable designs employed in a variety of specialized applications</p>

MAGNESIUM ALLOYS



ZIRCONIUM CATALYSTS



CARBON FIBER-WRAPPED COMPOSITE CYLINDERS



Our Technology Expertise Drives Our Success

ALIGNED WITH SECULAR GROWTH TRENDS



Clean Energy



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

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



Light Weighting



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

Magnesium alloys for aerospace and automotive components

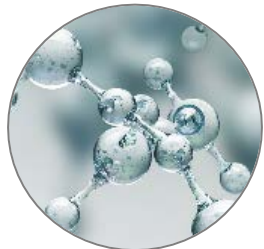


Safety, Health & Technology



Zirconium in consumer technologies

Specialty magnesium and zirconium for pharmaceutical and medical applications



Significant Tailwinds for Growth

HIGHLIGHTS AND KEY MESSAGES

<i>(amounts in millions, except EPS)</i>	Q4 2023	Q4 2022	FY 2023
Adj. Sales	\$87.8	\$106.3	\$373.5
Adj. EBITDA	\$8.1	\$11.2	\$43.3
Adj. Diluted EPS	\$0.13	\$0.25	\$0.80
Adj. Free Cash Flow	\$14.1	\$15.9	\$16.8
Net Debt	\$69.9	\$68.6	\$69.9
Net Debt : EBITDA	1.6x	1.2x	1.6x

**Note: Adjusted financials exclude Graphic Arts; Free Cash Flow defined as Operating Cash Flow less Capital Expenditures*

Q4 FINANCIAL RESULTS

- Overall results above expectations for revenue, profit, and cash
- Strong EBITDA margin in Gas Cylinders reflected ongoing improvements in cost recovery
- Challenging macro impacted the Elektron General Industrial end-market, and resulting profitability, as expected
- Further sequential improvement in free cash flow resulted in lower net debt

Note: Including Graphic Arts, Q4 2023 sales were \$95.9M, Adj. EBITDA was \$7.1M and Adj. EPS was \$0.09, all ahead of prior expectations

COMPREHENSIVE STRATEGIC REVIEW

- Planning immediate divestiture of Graphic Arts which no longer fits our value proposition
- Confident the long-term plan for remaining businesses can deliver profitable growth in 2025 and beyond
- Strategic optionality identified for Elektron and Gas Cylinders segments

ACTIONS LIFTING FINANCIAL PERFORMANCE

- Enhanced cost pass-through in Gas Cylinders
- Elektron supply stabilizing; volume recovering; improving outlook
- Consolidated manufacturing footprint supporting margin improvement
- Established insurance cover for Elektron legal matter

Strong Performance in Gas Cylinders; Continuing Industrial Weakness in Elektron

ACTIONS TAKEN TO IMPROVE PERFORMANCE



LUXFER BUSINESS SYSTEM



REDUCING COSTS, IMPROVING MARGIN & CASH FLOW

- Consolidated Elektron Powders plants from 3 to 2 to deliver \$900K in annual savings; selling closed site in H2 2024
- Established insurance recovery for Elektron legal matter: expect elimination of future financial exposure and taking action to recover historical legal expenses
- New long-term agreement reached with major SCBA customer with enhanced carbon fiber cost pass-through and immediate margin benefit
- Completed Alternative Fuel footprint simplification delivering \$1.1M in annual savings and increased output
- Managing working capital and reducing inventories to further improve cash flow; new source of magnesium for some of our North American facilities

Structural Moves Completed To Achieve Sustainable Long-Term Benefits

FY 2024 OUTLOOK



FULL YEAR 2024 GUIDANCE*	
Sales Growth (incl. volume, price, and FX)	-3% to +1%
Adjusted EBITDA	\$42M - \$46M
Adjusted Diluted EPS	\$0.70 - \$0.85
Free Cash Flow	\$20M - \$24M

ASSUMPTIONS*	
Capex	\$11M - \$14M
Tax Rate	~23%
FX GBP:USD	1.25
Net Debt: EBITDA	~1.5x

*Note: The 2024 Full Year outlook excludes Graphic Arts business

EXPECTATIONS

- Full year Gas Cylinders performance bolstered by impact of new agreements and cost savings initiatives
- Continued Industrial end market weakness impacting Elektron during H1 2024
- Overall earnings recovery begins in Q2
- Continue to generate strong operating cash with 100% adjusted net income to cash conversion and minimal restructuring payments
- Increased Capex investment to drive organic growth within strategic review framework
- Recovery of historical legal expenses regards to legal matter provides incremental upside to earnings and cash

Modest Earnings Growth on Recovery from Weaker Second-Half 2023

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PROFIT IMPROVEMENT AND VALUE CREATION



COMPLETION OF KEY INTERNAL PROGRAMS IS DRIVING IMPROVED EARNINGS PROJECTIONS

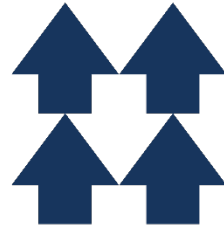
- Improved cost base in both Elektron and Gas Cylinders with consolidation programs completed
- Strengthened margins and restored profitability through new commercial arrangements for our SCBA cylinders
- Reduced costs for a number of Elektron applications with new magnesium sourcing contracts in place
- Eliminated ongoing abnormal legal expenses with confirmed insurance coverage in place
- Lowered net debt below \$70M by minimizing our inventories, reducing our future interest costs

GROWING CONFIDENCE IN CLEAR PATH TO VALUE CREATION

- ✓ Unique customer value propositions based on materials engineering expertise
- ✓ Proprietary technologies and manufacturing capabilities to deliver innovative solutions
- ✓ Strong balance sheet to invest in value-add applications aligned with competitive advantages
- ✓ Clear actions from accelerated and expanded annual strategic review process to further unlock and maximize value

Driving Performance and Unlocking Shareholder Value

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Fourth Quarter 2023 Earnings Presentation

Selected Slides

SALES PERFORMANCE BY END MARKET



	 45% DEFENSE, FIRST RESPONSE & HEALTHCARE	 34% TRANSPORTATION (ALTERNATIVE FUEL, AEROSPACE, AUTOMOTIVE)	 21% GENERAL INDUSTRIAL	TOTAL
FY 2021	+5.9%	+27.0%	+15.9%	+15.3%
FY 2022	+5.6%	+13.6%	+31.1%	+15.2%
Q4 2023	+9.7%	-22.3%	-42.8%	-17.4%
FY 2023	+23.9%	-10.2%	-25.6%	-2.9%

Q4 2023 COMMENTARY

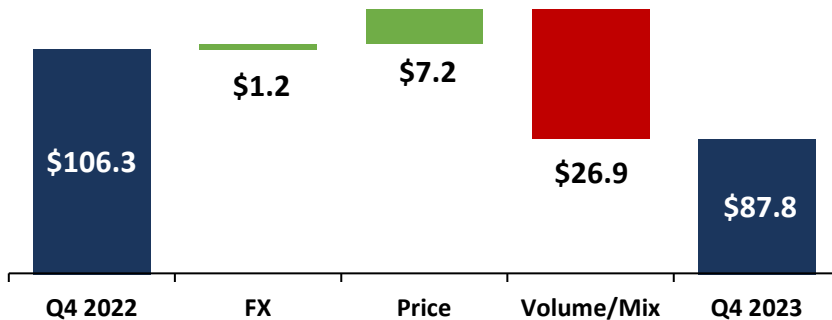
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|---|---|---|
| <ul style="list-style-type: none"> ▪ Continued strong sales of lightweight firefighter SCBA cylinders ▪ As expected, lower sales of Flameless rations heaters, chemical kits, now improving | <ul style="list-style-type: none"> ▪ Alternative Fuels and Aero Inflatables cylinders lower ▪ Automotive weaker on lower sales of autocatalysis material ▪ Aerospace alloys flat | <ul style="list-style-type: none"> ▪ Challenging European conditions for industrial gas applications ▪ Continued weakness of commercial zirconium applications, and Oil & Gas |
|---|---|---|

**Note: Adjusted financials exclude Graphic Arts*

Broad-based General Industrial Softness Offset by Resilient DFR&H

Q4 2023: FINANCIAL BRIDGE

SALES (\$M)

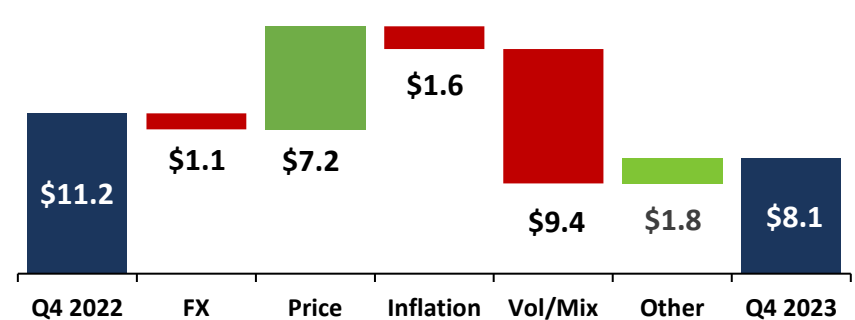


*Note: Adjusted financials exclude Graphic Arts

Sales decreased by 17.4%

- Favorable price and FX offset by volume decline and unfavorable mix versus unusually strong prior year final quarter
- Continued success in recovering price in Gas Cylinders following contract renegotiations
- Industrial and Transport markets led to volume contraction

ADJ. EBITDA (\$M)



Adj EBITDA decreased by 27.7%

- Price meaningfully outstripped inflation especially in Gas Cylinders from new agreements
- Adverse mix exacerbated the impact of Industrial volume reduction, especially in Elektron
- Other benefited from impact of cost reduction programs
- Adverse foreign exchange

Unfavorable Volume/Mix and Inflation Partially Offset by Pricing Benefits

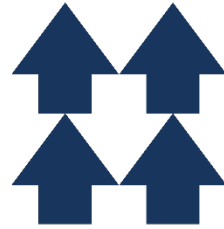
Q4 2023: SEGMENT RESULTS

	GAS CYLINDERS		ELEKTRON	
	Sales	Adj. EBITDA	Sales	Adj. EBITDA
Q4 2022	\$51.8	\$3.0	\$54.5	\$8.2
Q4 2023	\$51.7	\$6.5	\$36.1	\$1.6
FY 2023	\$186.4	\$16.7	\$187.1	\$26.6

Q4 2023 COMMENTARY

- Higher SCBA and Medical sales offset by lower sales of Industrial and Alternative Fuels cylinders
- Significant margin improvement from enhanced cost pass-through on contract re-negotiation
- Sales deterioration due to continued slowdown in demand in General Industrial end markets
- Adj. EBITDA results impacted by volume shortfall and by elevated legal expenses

Significant Improvement in Gas Cylinders; Continued Industrial Pressure in Elektron

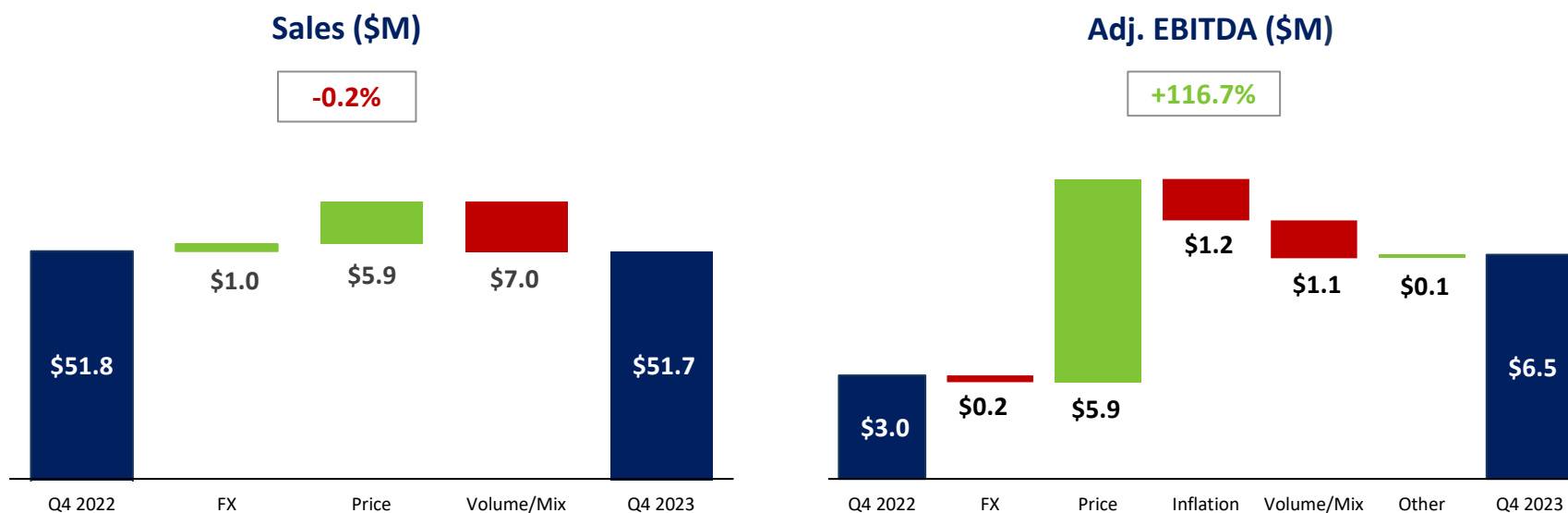


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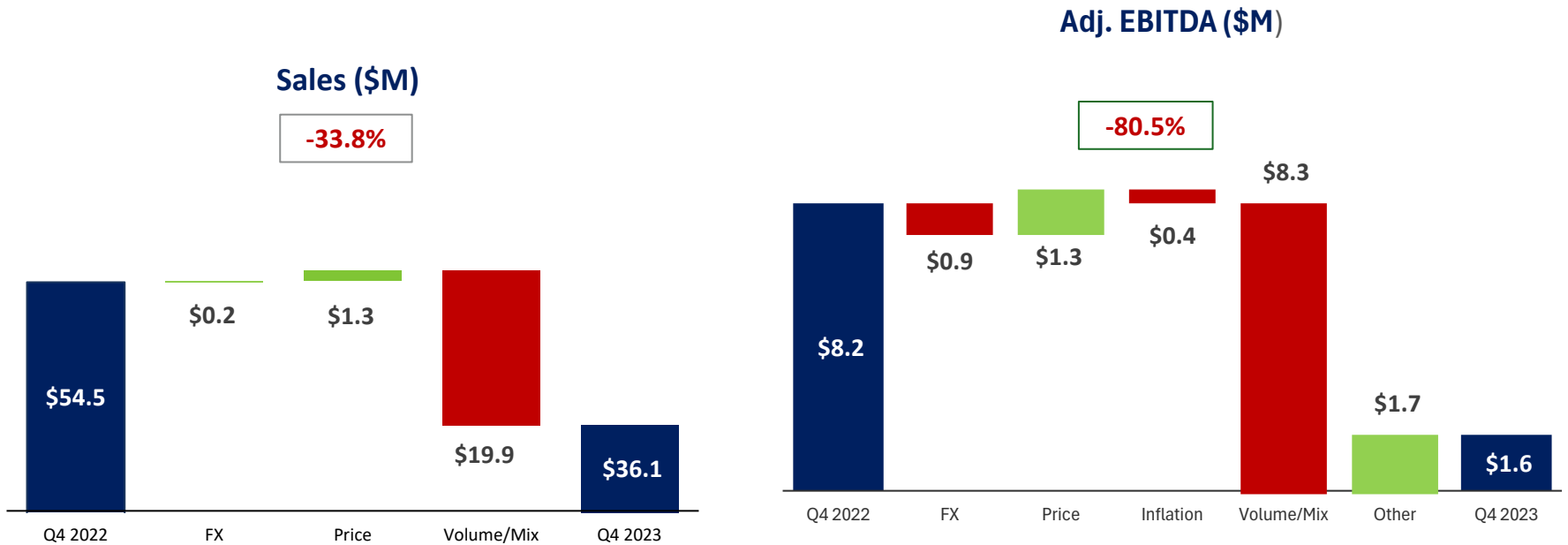
APPENDICES

Segment Financial Detail and Reconciliation of Non-GAAP Measures

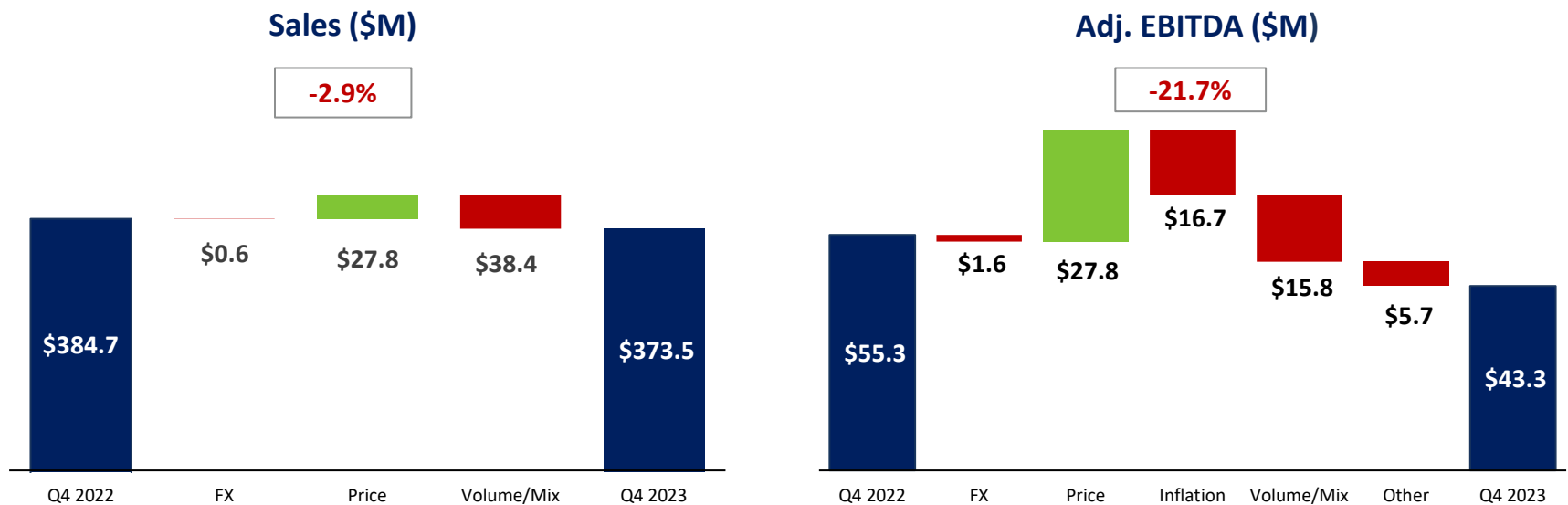
Q4 2023: GAS CYLINDERS SEGMENT RESULTS



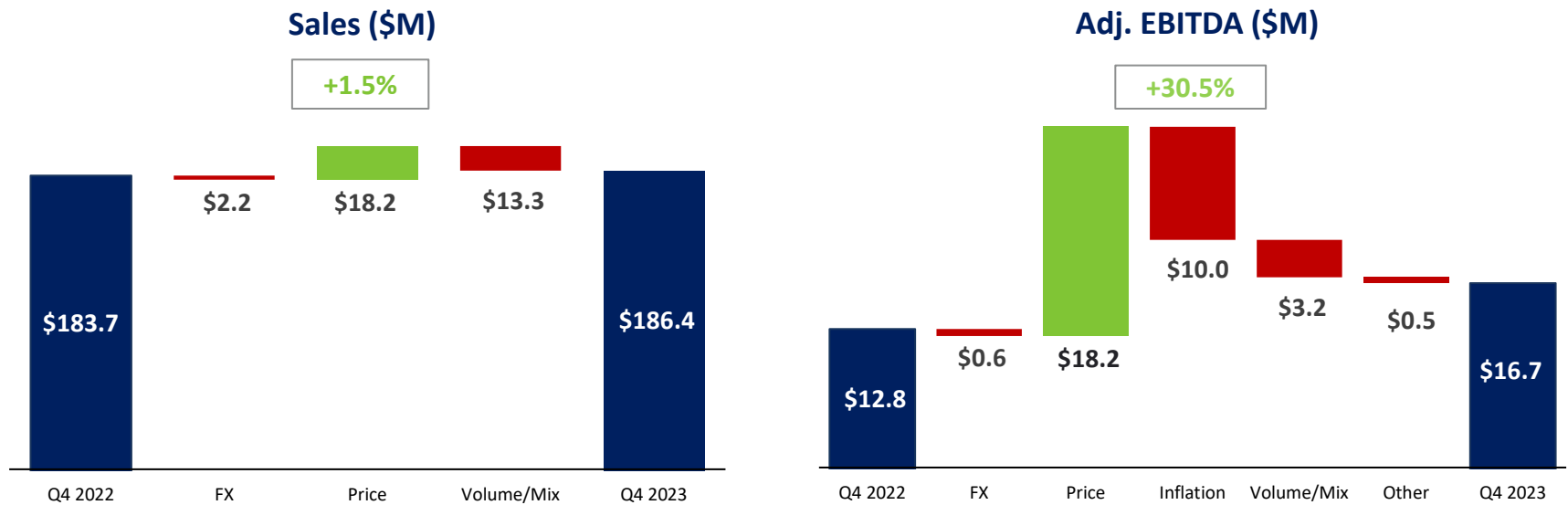
Q4 2023: ELEKTRON SEGMENT RESULTS EX G.A.



YTD Q4'23: CONSOLIDATED TOTAL RESULTS EX G.A.



YTD Q4 2023: GAS CYLINDERS SEGMENT TOTAL

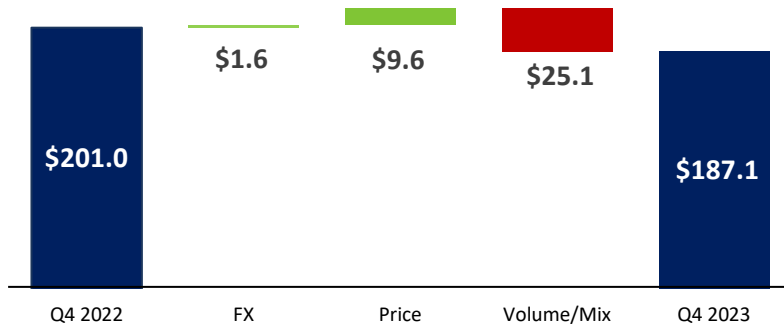


YTD Q4 2023: ELEKTRON SEGMENT EXC G.A.



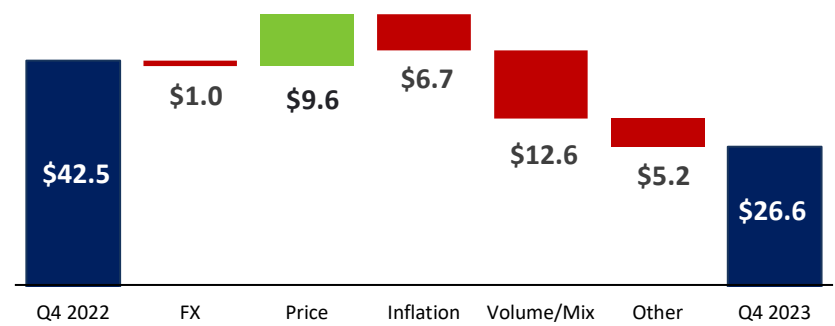
Sales (\$M)

-6.9%



Adj. EBITDA (\$M)

-37.4%



CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES: ADJUSTED NET INCOME AND ADJUSTED EARNINGS PER SHARE (UNAUDITED)

<i>In millions except per share data</i>	Fourth Quarter					
	2023			2022		
	Continuing operations	Graphic Arts	Adjusted Total	Continuing operations	Graphic Arts	Adjusted Total
Net (loss) / income	\$ (6.5)	\$ (10.8)	\$ 4.3	\$ 6.2	1.7	\$ 4.5
Accounting charges relating to acquisitions and disposals of businesses:						
Amortization on acquired intangibles	0.2	—	0.2	0.1	—	0.1
Defined benefit pension (credit) / charge	(0.4)	—	(0.4)	0.8	—	0.8
Restructuring charge / (credit)	2.0	—	2.0	(0.1)	—	(0.1)
Impairment charge	12.7	12.7	—	—	—	—
Share-based compensation charge	0.8	—	0.8	0.7	—	0.7
Income tax on adjusted items	(6.3)	(3.0)	(3.3)	0.8	—	0.8
Adjusted net income / (loss)	\$ 2.5	\$ (1.1)	\$ 3.6	\$ 8.5	\$ 1.7	\$ 6.8
Adjusted earnings per ordinary share ⁽¹⁾						
Diluted (loss) / earnings per ordinary share	\$ (0.24)	\$ (0.40)	\$ 0.16	\$ 0.23	\$ 0.06	\$ 0.16
Impact of adjusted items	0.33	0.36	(0.03)	0.08	—	0.09
Adjusted diluted earnings / (loss) per ordinary share	\$ 0.09	\$ (0.04)	\$ 0.13	\$ 0.31	\$ 0.06	\$ 0.25

<i>In millions except per share data</i>	Year-to-date					
	2023			2022		
	Continuing operations	Graphic Arts	Adjusted Total	Continuing operations	Graphic Arts	Adjusted Total
Net (loss) / income	\$ (2.6)	\$ (14.9)	\$ 12.3	\$ 32.0	4.6	\$ 27.4
Accounting charges relating to acquisitions and disposals of businesses:						
Amortization on acquired intangibles	0.8	—	0.8	0.7	—	0.7
Acquisition and disposal related charge	—	—	—	0.3	—	0.3
Defined benefit pension charge / (credit)	7.6	—	7.6	(0.1)	—	(0.1)
Restructuring charge	6.4	—	6.4	1.9	—	1.9
Impairment charge	12.7	12.7	—	—	—	—
Share-based compensation charge	2.8	—	2.8	2.5	—	2.5
Tax impact of defined benefit settlement	(4.9)	—	(4.9)	—	—	—
Income tax on adjusted items	(6.4)	(3.0)	(3.4)	0.1	—	0.1
Adjusted net income / (loss)	\$ 16.4	\$ (5.2)	\$ 21.6	\$ 37.4	\$ 4.6	\$ 32.8
Adjusted earnings per ordinary share ⁽¹⁾						
Diluted (loss) / earnings per ordinary share	\$ (0.10)	\$ (0.55)	\$ 0.46	\$ 1.16	\$ 0.17	\$ 0.99
Impact of adjusted items	0.71	0.36	0.34	0.20	—	0.20
Adjusted diluted earnings / (loss) per ordinary share	\$ 0.61	\$ (0.19)	\$ 0.80	\$ 1.36	\$ 0.17	\$ 1.19

⁽¹⁾ For the purpose of calculating diluted earnings per share, the weighted average number of ordinary shares outstanding during the financial year has been adjusted for the dilutive effects of all potential ordinary shares and share options granted to employees.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES: ADJUSTED EBITDA (UNAUDITED)

Fourth Quarter						
<i>In millions except per share data</i>	2023			2022		
	Continuing operations	Graphic Arts	Adjusted Total	Continuing operations	Graphic Arts	Adjusted Total
Adjusted net income from continuing operations	\$ 2.5	\$ (1.1)	\$ 3.6	\$ 8.5	\$ 1.7	\$ 6.8
Add back:						
Income tax on adjusted items	6.3	3.0	3.3	(0.8)	—	(0.8)
Income tax expense	(6.0)	(3.3)	(2.7)	1.8	0.3	1.5
Tax impact of defined benefit pension settlement	—	—	—	—	—	—
Net finance costs	1.6	(0.1)	1.7	1.2	—	1.2
Adjusted EBITA	4.4	(1.5)	5.9	10.7	2.0	8.7
Loss on disposal of property, plant and equipment	—	—	—	0.2	0.2	—
Depreciation	2.7	0.5	2.2	3.1	0.6	2.5
Adjusted EBITDA	7.1	(1.0)	8.1	14.0	2.8	11.2

Year-to-date						
<i>In millions except per share data</i>	2023			2022		
	Continuing operations	Graphic Arts	Adjusted Total	Continuing operations	Graphic Arts	Adjusted Total
Adjusted net income from continuing operations	\$ 16.4	\$ (5.2)	\$ 21.6	\$ 37.4	\$ 4.6	\$ 32.8
Add back:						
Income tax on adjusted items	6.4	3.0	3.4	(0.1)	—	(0.1)
Income tax expense	(7.1)	(4.1)	(3.0)	9.0	1.2	7.8
Tax impact of defined benefit pension settlement	4.9	—	4.9	—	—	—
Net finance costs	6.3	(0.2)	6.5	3.9	(0.2)	4.1
Adjusted EBITA	26.9	(6.5)	33.4	50.2	5.6	44.6
Loss on disposal of property, plant and equipment	—	—	—	—	—	—
Depreciation	11.9	2.0	9.9	12.9	2.2	10.7
Adjusted EBITDA	38.8	(4.5)	43.3	63.1	7.8	55.3

**RECONCILIATION OF NON-GAAP FINANCIAL MEASURES:
NET SALES AND ADJUSTED EBITDA BY SEGMENT (UNAUDITED)**

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES: ADJUSTED EFFECTIVE TAX RATE (UNAUDITED)

<i>In millions except per share data</i>	Fourth Quarter					
	2023			2022		
	Continuing operations	Graphic Arts	Adjusted Total	Continuing operations	Graphic Arts	Adjusted Total
Adjusted net income from continuing operations	\$ 2.5	\$ (1.1)	\$ 3.6	\$ 8.5	\$ 1.7	\$ 6.8
Add back:						
Income tax on adjusted items	6.3	3.0	3.3	(0.8)	—	(0.8)
Tax impact of defined benefit pension settlement	—					
Provision for income taxes	(6.0)	(3.3)	(2.7)	1.8	0.3	1.5
Adjusted income from continuing operations before income taxes	2.8	(1.4)	4.2	9.5	2.0	7.5
Adjusted provision for income taxes	0.3	(0.3)	0.6	1.0	0.3	0.7
Adjusted effective tax rate from continuing operations	10.7 %	21.4 %	14.3 %	10.5 %	15.0 %	9.3 %

<i>In millions except per share data</i>	Year-to-date					
	2023			2022		
	Continuing operations	Graphic Arts	Adjusted Total	Continuing operations	Graphic Arts	Adjusted Total
Adjusted net income from continuing operations	\$ 16.4	\$ (5.2)	\$ 21.6	\$ 37.4	\$ 4.6	\$ 32.8
Add back:						
Income tax on adjusted items	6.4	3.0	3.4	(0.1)	—	(0.1)
Tax impact of defined benefit pension settlement	4.9	—	4.9	—		
Provision for income taxes	(7.1)	(4.1)	(3.0)	9.0	1.2	7.8
Adjusted income from continuing operations before income taxes	20.6	(6.3)	26.9	46.3	5.8	40.5
Adjusted provision for income taxes	4.2	(1.1)	5.3	8.9	1.2	7.7
Adjusted effective tax rate from continuing operations	20.4 %	17.5 %	19.7 %	19.2 %	20.7 %	19.0 %

**RECONCILIATION OF NON-GAAP FINANCIAL MEASURES:
NET DEBT RATIO AND FREE CASH FLOW (UNAUDITED)**

**RECONCILIATION OF NON-GAAP FINANCIAL MEASURES:
OPERATING WORKING CAPITAL AS A % ANNUALIZED NET SALES (UNAUDITED)**

