



LUXFER

INVESTOR PRESENTATION

August 2022



FORWARD-LOOKING STATEMENTS

This presentation 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, including as a result of post-Brexit regulation, being less favorable than expected; (iv) worldwide economic and business conditions and conditions in the industries in which the Company operates; (v) fluctuations in the cost of raw materials, utilities, and other inputs; (vi) currency fluctuations and hedging risks; (vii) the Company's ability to protect its intellectual property; (viii) the significant amount of indebtedness it has incurred and may incur and the obligations to service such indebtedness and to comply with the covenants contained therein; and (ix) 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 thereto, 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 entitled "Forward-Looking Statements" and "Risk Factors" in its Annual Report on Form 10-K for the year ended December 31, 2021, which was filed with the U.S. Securities and Exchange Commission on February 24, 2022. 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 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 Snapshot

Founded	1897
Principle Executive Offices	U.S.
Equity Market Capitalization ¹	\$457M
Net Debt/Adj. EBITDA ²	1.2x
ROIC on Adj. Earnings ²	14.5%

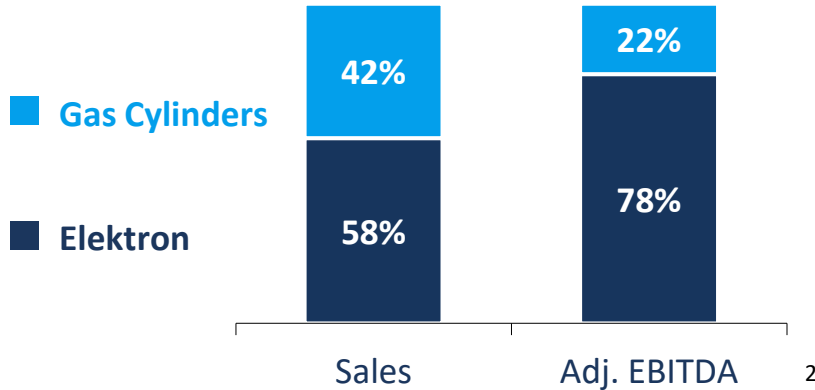
Income Statement

	Last 12 Months	2017 – 2021 Change
Revenue ³	\$396M	↑ 1.8% CAGR
Adj. EBITDA ^{2,3}	\$61M	↑ 2.6% CAGR
Adj. Diluted EPS ^{2,3}	\$1.24	↑ 5.8% CAGR

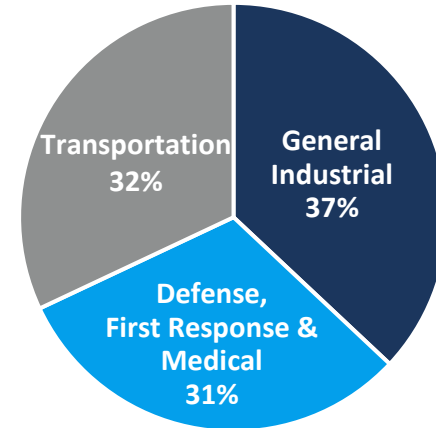
Balance Sheet

	Q2 2022	Year End 2017
Net Debt	\$71M	\$101M
Pension	\$13M Surplus	\$55M Deficit

**Q2 2022
Sales and Adj. EBITDA²
by Segment**



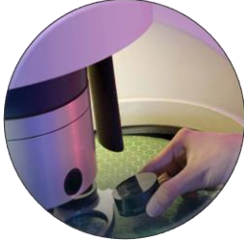
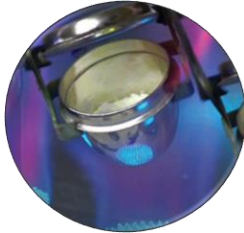

**Q2 2022
Sales by End Market**



¹ As of August 1, 2022 ² Non-GAAP numbers. Reconciliation in Appendix ³ Excludes the impact of Discontinued Operations

Global Industrial Company Innovating Niche Applications in Materials Engineering

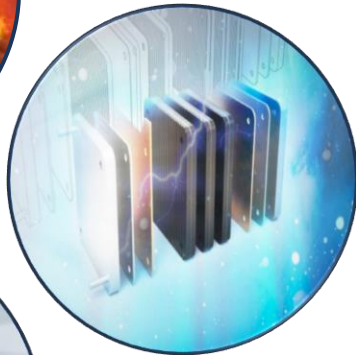
TECHNOLOGY LEADERSHIP UNDERPINS PERFORMANCE

Elektron	High Performance Magnesium Alloys	Innovation leader in the use of magnesium alloys for critical applications in aerospace, defense, and other industries		MAGNESIUM
	Specialty Zirconium Catalysts	Expertise in high-performance specialty zirconium-based solutions for a broad range of applications		ZIRCONIUM
Gas Cylinders Segment	High Pressure Composite Cylinders	Trusted manufacturer of high-pressure composite cylinders with innovations in manufacturing to produce high performance, lightweight, durable, and corrosion-resistant cylinders		CARBON FIBER

The Basis for Our Success is Our Technology

PRODUCT TECHNOLOGY DRIVES GROWTH

Luxfer is a global industrial company focused on innovative materials engineering with expertise in attractive niche applications



Composite cylinder technology benefits fire fighting and aerospace applications as well as Hydrogen and CNG bulk gas transportation and storage

Zirconium expertise used to enhance performance in catalysis and, more recently, pharmaceutical and electronic applications

Magnesium alloy knowledge used in high-performance, lightweight materials, flameless heating technology, and other niche applications

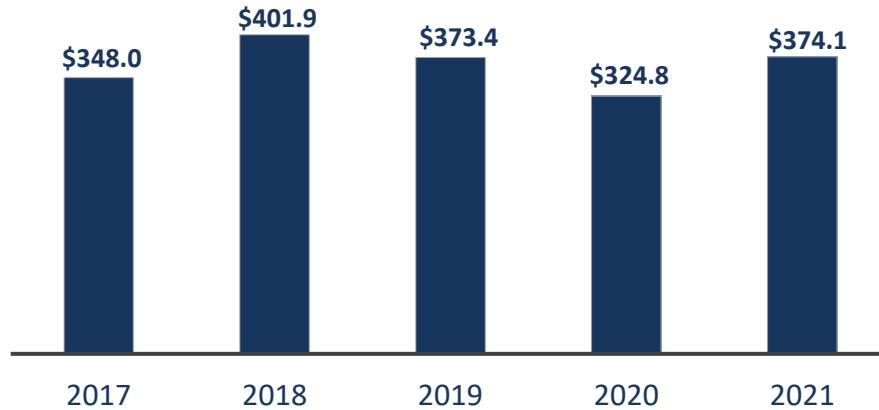
Growing Portfolio of Products and Applications

FINANCIAL PERFORMANCE

\$M except EPS

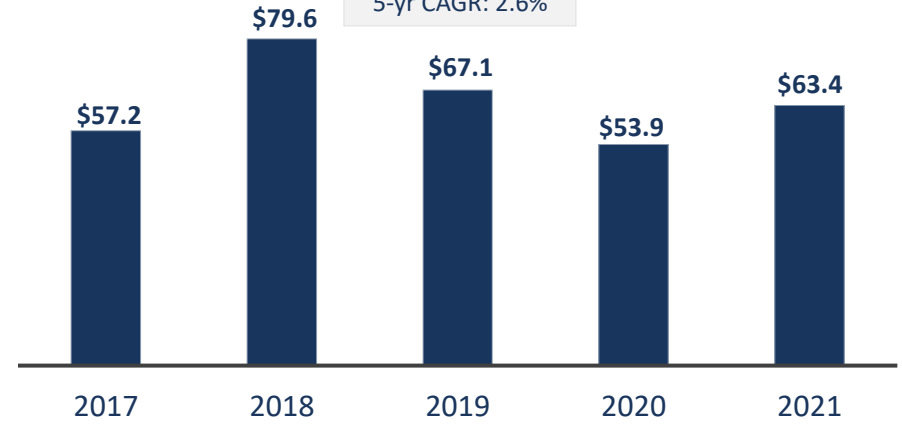
Revenue¹

5-yr CAGR: 1.8%



Adj. EBITDA^{1,2}

5-yr CAGR: 2.6%



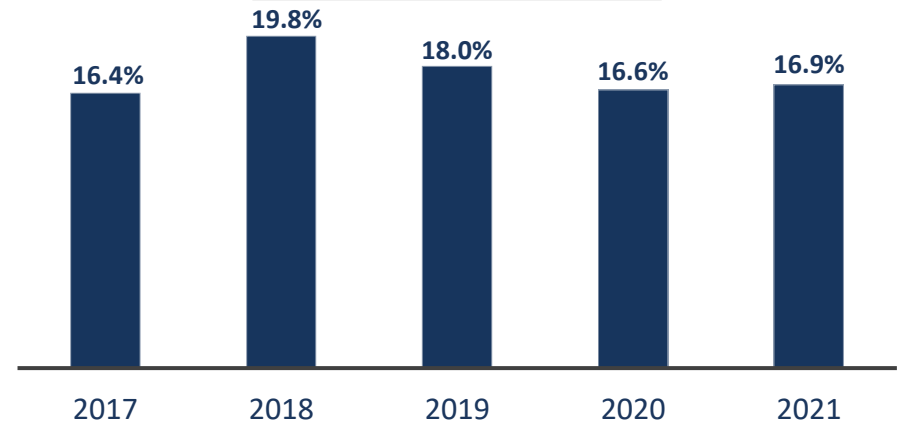
Adj. Diluted EPS^{1,2}

5-yr CAGR: 5.8%



Adj. EBITDA Margin^{1,2}

5-yr Margin Expansion: 50 bps



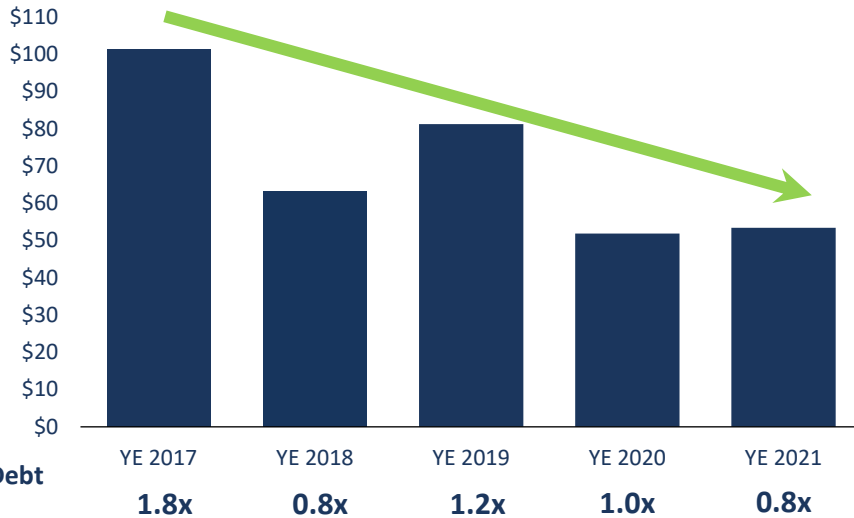
¹ Excludes the impact of Discontinued Operations ² Non-GAAP numbers. Reconciliation in Appendix

Goal to deliver \$2.00+ of Adjusted Diluted EPS in 2025

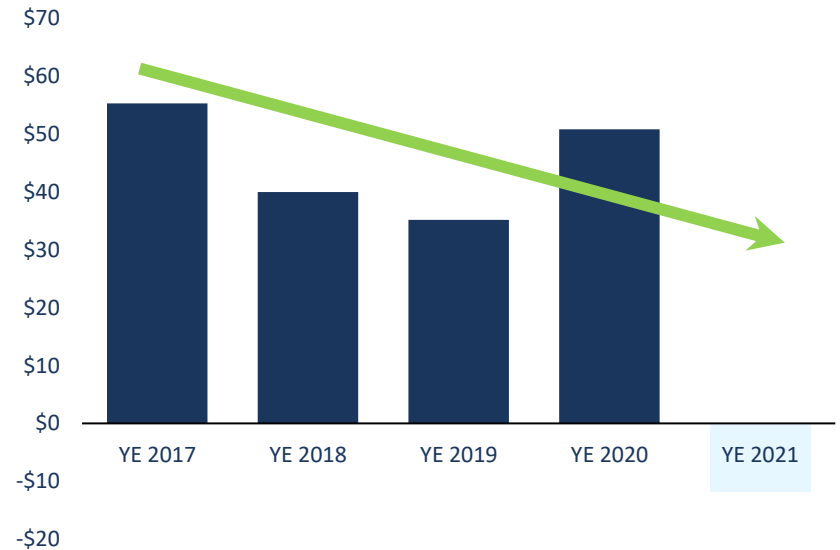
CAPITAL POSITION

\$M

Net Debt



Pension Deficit / (Surplus)



Reduced net debt and pension deficit brings strategic and financial flexibility



Supports execution and customer first focus in current business climate

Enables organic and inorganic investment in growth

¹Non-GAAP numbers. Reconciliation in Appendix

Strong Capital Position Supports Near- and Long-Term Business Objectives

BALANCED APPROACH TO CAPITAL DEPLOYMENT



Organic Reinvestment in Growth

- ✓ Investing in **secular growth opportunities** tied to niche materials engineering focus
- ✓ **New product innovation** represents preferred means of capital redeployment

Return of Capital to Shareholders

- ✓ **Repurchased \$2.2M in shares** during Q2 2022, following **\$1.5M** during Q1 2022 and **\$6.4M** during FY 2021
- ✓ **Announced 4% increase in quarterly dividend** to \$0.13/share or \$0.52/share annualized on March 10, 2022

Select Bolt-on M&A

- ✓ Evaluating bolt-on acquisitions to **drive additional shareholder value**
- ✓ **Disciplined approach** to M&A

Reinvesting Free Cash Flow into Organic Growth and Shareholder Returns

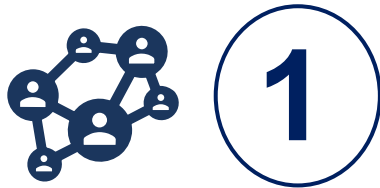
ENVIRONMENTAL, SOCIAL, AND GOVERNANCE ROADMAP

ENVIRONMENTAL



- Committed to 20% reduction in CO2 emissions, 10% reduction in freshwater use, and 20% less waste to landfill by 2025; on a journey to net zero
- Conducting Carbon Life Cycle Analyses to improve product sustainability
- Greener operations with more recycling; increasing use of renewable energy

SOCIAL



- Strong occupational health & safety record
- Expanded Diversity, Equity, and Inclusion (DEI) recruitment practices
- Increased diversity training
- Supporting disaster relief efforts and local charitable programs

GOVERNANCE

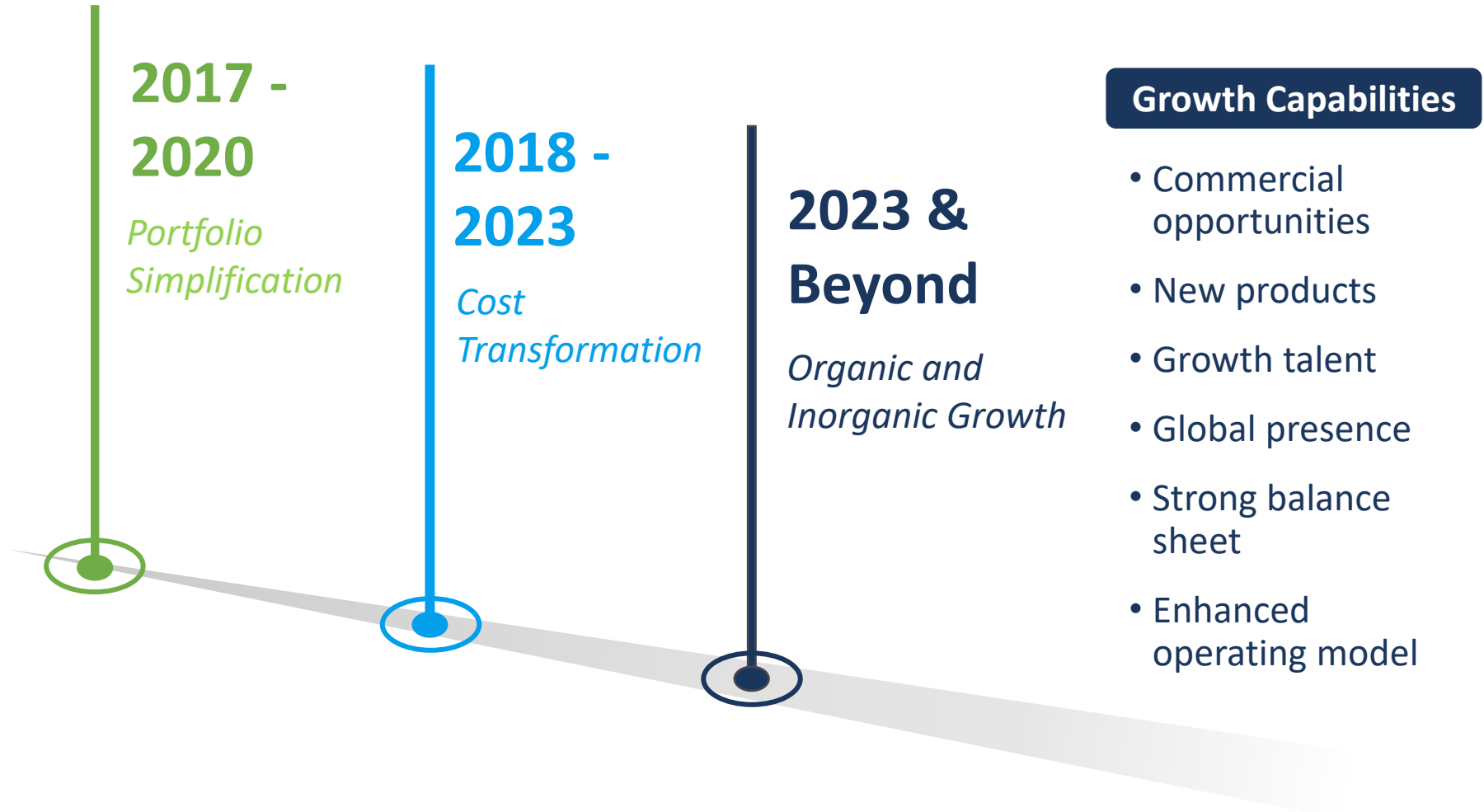


- Robust corporate governance practices and Board-level oversight
- Increasing talent for and investment in IT security
- Implementing DFARS/NIST 800-171 IT Security Standard

¹ ISS QualityScores as of August 1, 2022

Behaving as a Strong Steward for All our Stakeholders

NOW ADVANCING OUR GROWTH STRATEGY



Strong Foundation and Now Primed for Growth

DRIVING A STRATEGY FOR PROFITABLE GROWTH



Strategy Review - Listening & Engaging

- CEO & CFO **business unit visits**
 - **Engagement** with the wider Luxfer team
 - **Assessing** markets and customer needs
 - **Reviewing** growth plans
- **Dialogue** with shareholders and other stakeholders



Four Key Areas of Business Strength

- ✓ **Technology:** Leadership in our high-technology materials
- ✓ **Products:** New developments and pilot programs
- ✓ **Manufacturing:** Flexible and efficient
- ✓ **People:** Skilled, enthusiastic and committed



Next Steps for Profitable Growth

1. **Selecting Opportunities:** Clean Energy, Light Weighting, and Safety Health & Technology
2. **Enhanced Internal Operating Model:** Executing best practices to support growth
3. **Investing in Our People:** Attracting, growing, and retaining talent



Executing Luxfer's Growth Opportunity

OPPORTUNITIES ALIGNED WITH SECULAR TRENDS

Secular Growth Opportunities

Clean Energy



Light Weighting



Safety, Health and Technology



- Alternative Fuel: Hydrogen and Compressed Natural Gas storage and transportation
- Emission control in auto and industrial applications.

- Carbon fiber composite products
- Magnesium aerospace and automotive alloys

- Zirconium in consumer technologies
- Magnesium and zirconium in pharmaceutical and medical applications

5-year Industry CAGR (2022E-2027E)

Incremental Profitability (Est. EBITDA%)

Gas Cylinders	4% - 8%	10% - 15%
Elektron ²	3% - 7%	15% - 25%

Addressable Market

~\$10B ¹

Total

~\$2B

Gas Cylinders

~\$8B

Elektron ²

¹ Luxfer analysis, industry annual reports, Deloitte, Spears and Associates, Mordor intelligence, Grandview research, William Blair ² 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

Significant Tailwinds for Growth

WELL POSITIONED FOR VALUE CREATION

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



Global Industrial Company

- ✓ Market leading products
- ✓ High-technology materials focus
- ✓ Value-add niche applications



Attractive End Markets

- ✓ Aligned with secular growth
- ✓ Clean Energy
- ✓ Light Weighting
- ✓ Safety, Health & Technology



Leading Return on Capital

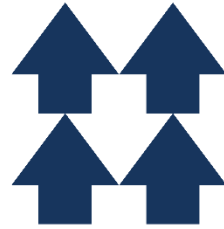
- ✓ Strong balance sheet
- ✓ Consistent cash conversion
- ✓ Balanced capital allocation
- ✓ Healthy margins



Primed for Growth

- ✓ Broad pipeline of new products
- ✓ Compelling commercial opportunities
- ✓ Committed to unlocking shareholder value

There is a Bright Future Ahead of Us



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Q2 2022 UPDATE

EXECUTIVE SUMMARY

Q2 2022 Financial Performance ¹

Sustained Performance in 2022

- Sales of \$109.5M grew 10.6% vs. \$99.0M, driven by price inflation and volume
- Adjusted EBITDA of \$16.9M vs. \$17.3M y-o-y and \$16.1M in Q1 2022
- Adjusted diluted EPS of \$0.36 vs. \$0.36 y-o-y and \$0.33 in Q1 2022 ²
- Net debt to EBITDA 1.2x; free cash flow of \$0.6M improved sequentially

Demand Remains Healthy

Sound Order Flow and Execution Amid Uneven Supply Chain Conditions

- Transportation and Industrial end markets led revenue growth
- Remain focused on passing through cost inflation
- Supply chain remains navigable; intermittent challenges persist
- Q2 2022 order flow healthy overall

Affirming Outlook

Reiterating 2022 Guidance and 2025 EPS Goal

- Maintaining 2022 adjusted diluted EPS guidance of \$1.35 - \$1.50 ²
- Focused on driving incremental free cash flow conversion in second half of 2022
- Remain committed to 2025 adjusted diluted EPS goal of \$2.00+ ²

¹ Q2 2022 financial historical comparisons year-over-year (y-o-y); results exclude discontinued operations

² Calculated using adjusted earnings (see appendix)

Remain on Course to Achieve Near- and Long-Term Financial Targets

BUSINESS CONDITIONS UPDATE



Healthy Backlog Continues

- Order pace remains sound
- Stronger demand for Hydrogen Systems in Europe
- Flameless ration heater volumes moderating
- Broad-based commercial demand



Pockets of Supply Chain Uneven

- Raw material price increases slowed
- Select shortages and delays continue
- Force majeure ongoing at U.S. Magnesium
- Labor market remains tight



Monitoring Market Developments

- ✓ Close collaboration with customers
- ✓ Surveilling conditions across end markets
- ✓ A balanced portfolio and lower cost base positions us well in the event of macro slowing



Remain Focused on Successful Execution

- ✓ Securing demand while maintaining cost pass throughs
- ✓ Proactively coordinating with suppliers and maintaining internal flexibility
- ✓ Responding with agility to meet our customers' needs

Customer First Execution to Deliver Our 2022 Goals

RECENT SALES PERFORMANCE BY END MARKET

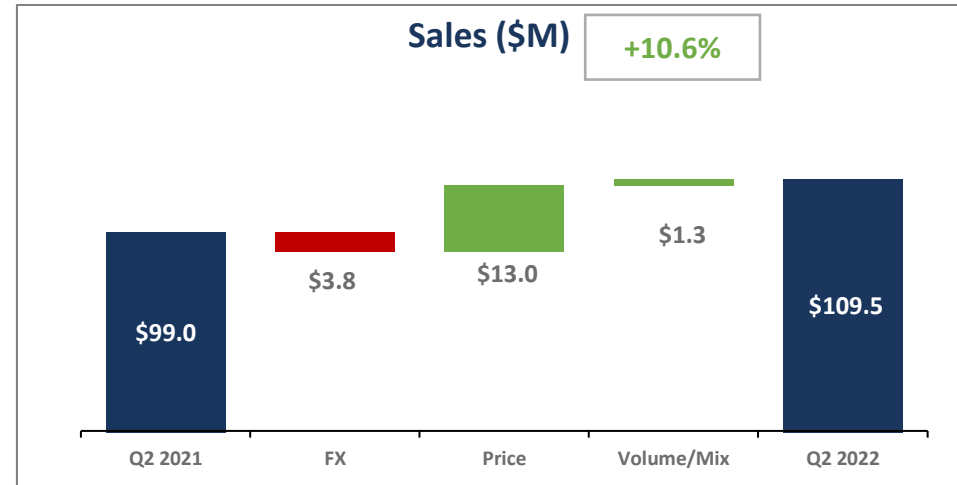
	Year-over-Year Change					Q2 2022 Commentary
	FY 2020	FY 2021	Q1 2022	Q2 2022	YTD 2022	
31% Defense, First Response, & Healthcare	-6.4%	+5.9%	+2.9%	-4.8%	-1.2%	<ul style="list-style-type: none"> Strong demand for military flares; decline in flameless ration heaters First Response & Healthcare steady
32% Transportation (Alternative Fuel, Aerospace, Automotive)	-14.7%	+27.0%	+11.6%	+26.1%	+19.0%	<ul style="list-style-type: none"> Sustained aerospace demand Autocatalysis and magnesium alloy wheels strong Alternative Fuel improved sequentially, as anticipated
37% General Industrial	-18.0%	+15.5%	+28.4%	+13.8%	+20.1%	<ul style="list-style-type: none"> Continued broad-based growth Magnesium powders, graphic arts and zirconium commercial applications performed well
TOTAL	-13.0%	+15.2%	+13.8%	+10.6%	+12.1%	

Broad-Based Demand Strength

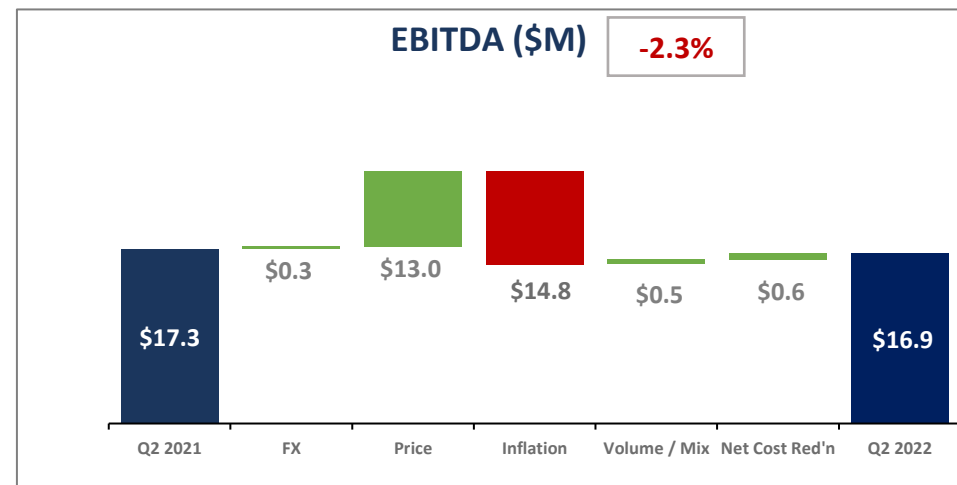
Q2 2022: CONSOLIDATED FINANCIAL RESULTS



- **Sales increased by 10.6%** from prior year
 - Price increases of \$13.0M countered rising inflation
 - Volume contributed a positive \$1.3M
 - FX translation headwind
 - Healthy order intake continued



- **EBITDA decreased marginally**, largely due to timing of inflation cost pass-throughs
 - Continued success in passing on cost increases where not limited by contract
 - Volume improved both sequentially and versus prior year
 - Modest FX contribution of \$0.3M



Margins Impacted by Timing of Inflation Pass Through

Q2 2022: SEGMENT RESULTS

Q2 2022

Sales

EBITDA

Performance Commentary

Elektron

year-over-year
comparison

\$63.4M

Up 20.8%

\$13.2M

Up 10.0%

- Benefitting from aerospace, automotive and industrial demand
- Cost pass through to offset inflation

Gas Cylinders

year-over-year
comparison

\$46.1M

Down 0.9%

\$3.7M

Down 30.2%

- Cost pass through continues to be limited by contractual arrangements
- Performance improved vs. Q1 2022 as anticipated

\$109.5M

Up 10.6%

\$16.9M

Down 2.3%

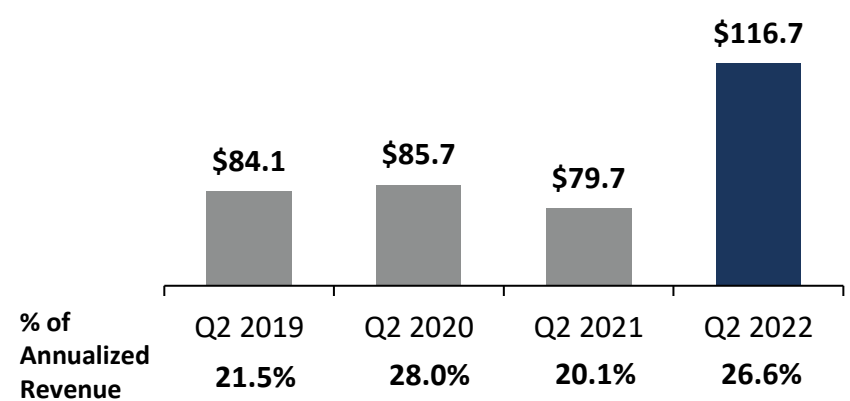
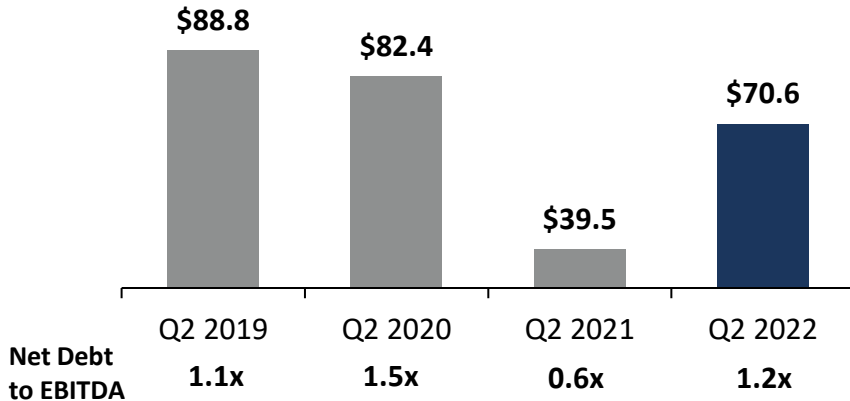
Sustained Strength in Elektron | Gas Cylinders Results Improving Sequentially

KEY BALANCE SHEET & CASH FLOW METRICS

(\$M)

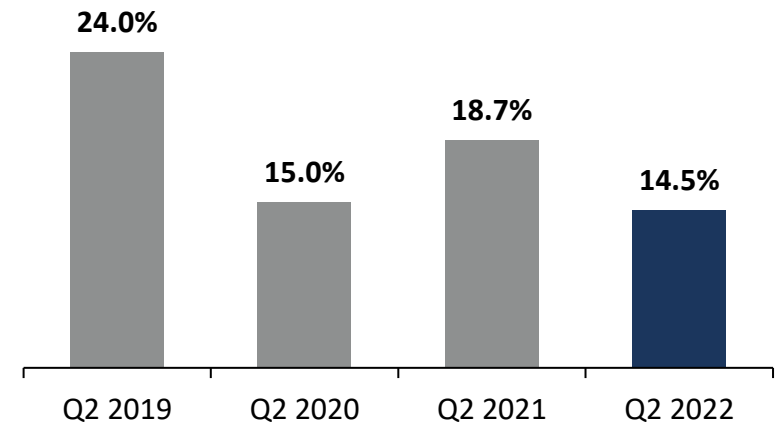
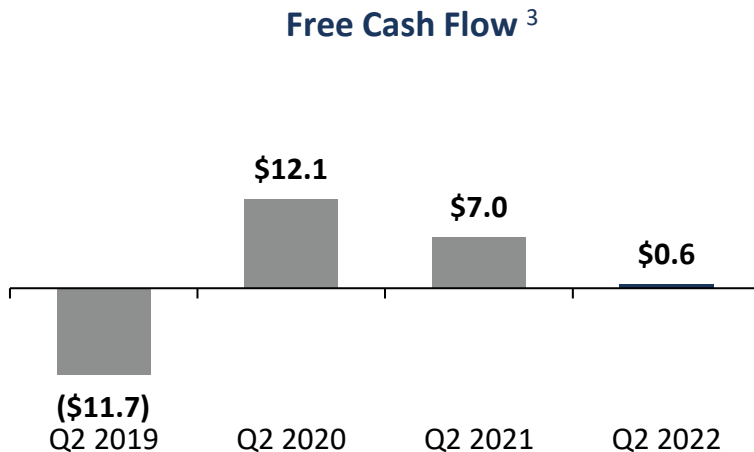
Net Debt ¹

Operating Working Capital ²



Free Cash Flow ³

ROIC ⁴



¹ Net Debt = Bank and Other Loans – Cash and Cash Equivalents ² Operating Working Capital = Accounts and Other Receivables, net + Inventories – Accounts Payable – Accrued Liabilities

³ Free Cash Flow = Net Cash Flow from Continuing Operations – Capex ⁴ Calculated using adjusted earnings (see appendix)

Balance Sheet Strength Supports Execution Efforts

AFFIRMING 2022 EPS GUIDANCE

2022 Guidance

Revenue Growth (incl. FX, acquisitions, and price)	12% - 20%
Adjusted Diluted EPS	\$1.35 - \$1.50

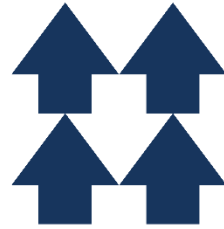
Assumptions

Operating Working Capital	21% - 23%
Capex	~\$10M
Tax Rate	~21%
Pension Contribution	\$0 to UK Pension
FX Impact	Profit tailwind below GBP/USD 1.30
Restructuring & Exceptional Cash Outlay	\$8M - \$10M

Expectations

- First half 2022 performance on plan; order flow remains healthy
- Second half 2022 earnings likely weighted toward Q4
- Continuing to navigate supply chain and input cost challenges, which pressures 100% FCF conversion goal in 2022
- Operating working capital range assumes second half 2022 improvements
- Stronger dollar generally a headwind to sales, tailwind to profit

Anticipated 2022 Performance Supports 2025 Adj. Diluted EPS Goal of \$2.00+

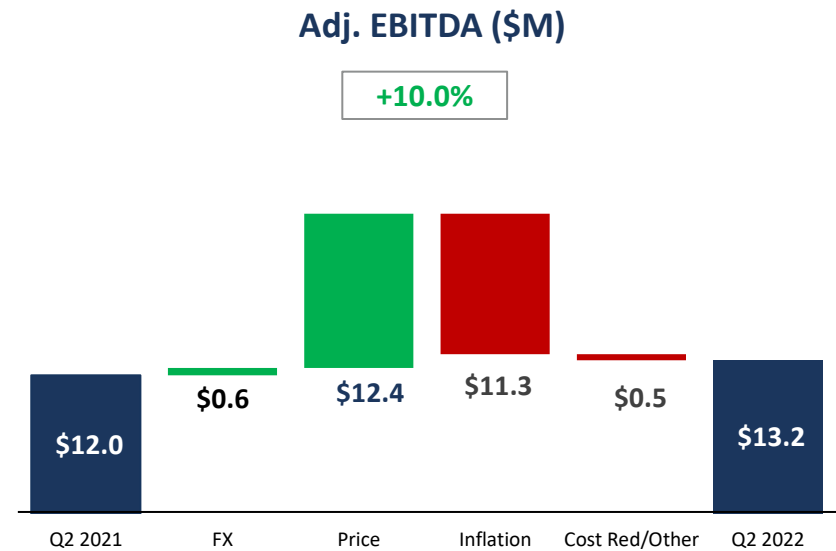
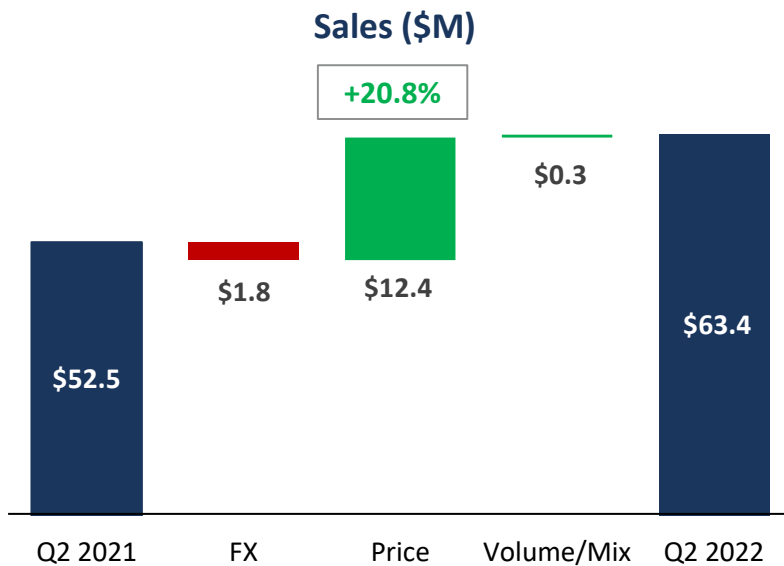


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APPENDICES

Segment Financial Detail and Reconciliation of Non-GAAP Measures

Q2 2022: ELEKTRON SEGMENT RESULTS

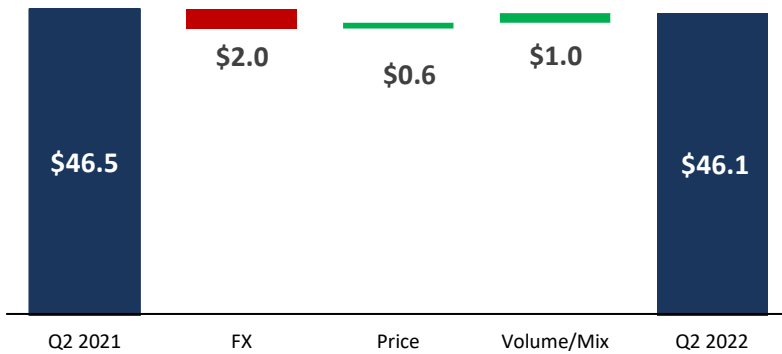


Q2 2022: GAS CYLINDERS SEGMENT RESULTS



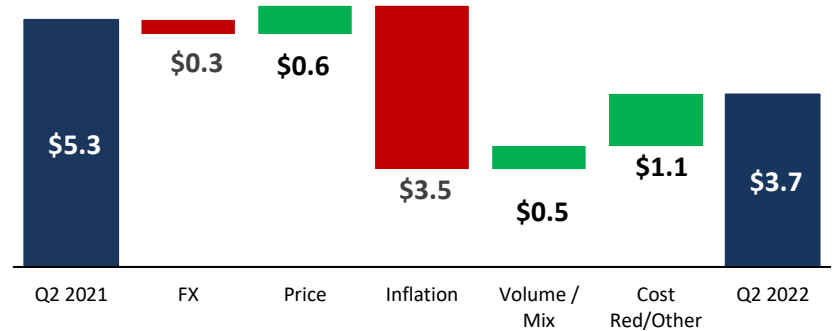
Sales (\$M)

-0.9%

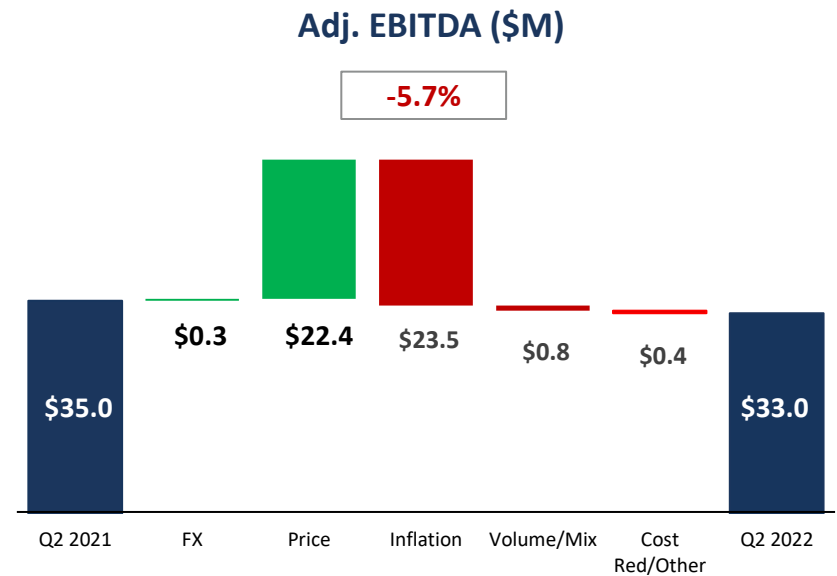
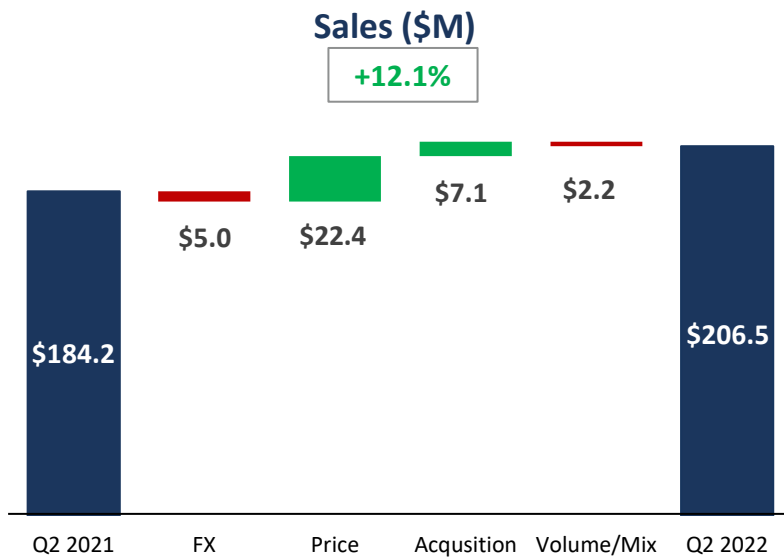


Adj. EBITDA (\$M)

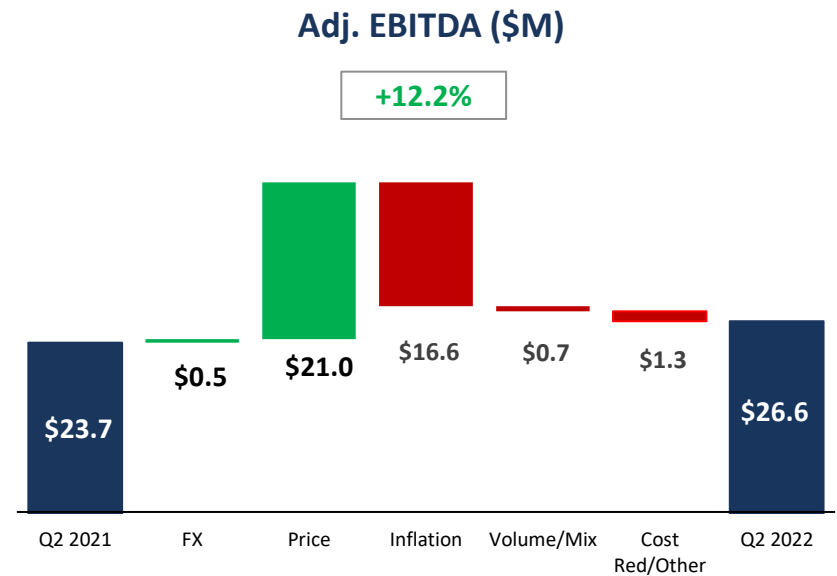
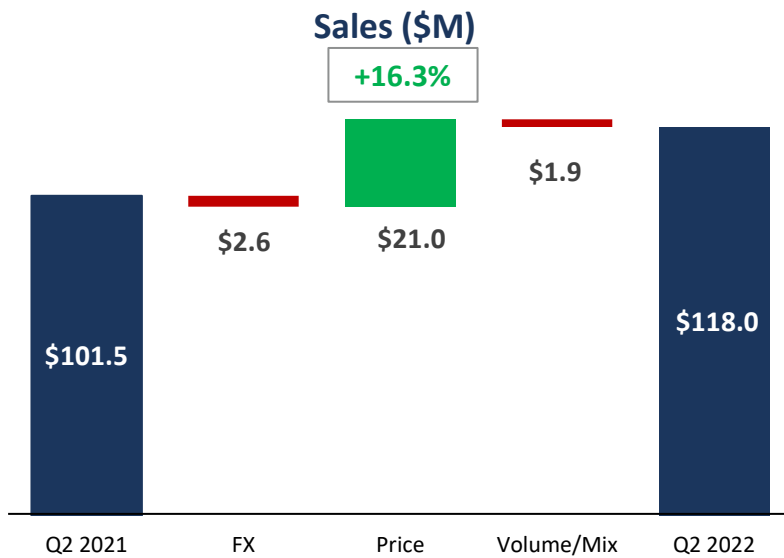
-30.2%



YTD Q2 2022: CONSOLIDATED RESULTS



YTD Q2 2022: ELEKTRON SEGMENT RESULTS

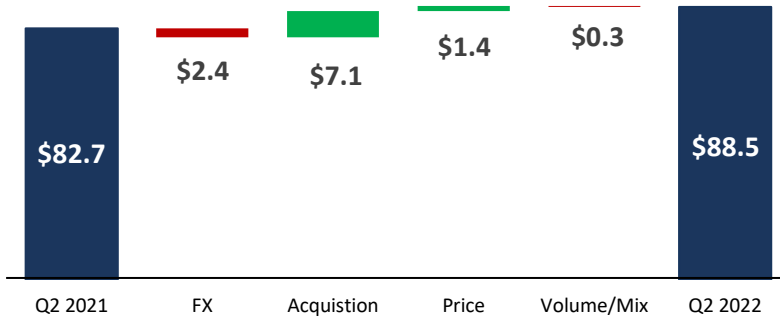


YTD Q2 2022: GAS CYLINDERS SEGMENT RESULTS



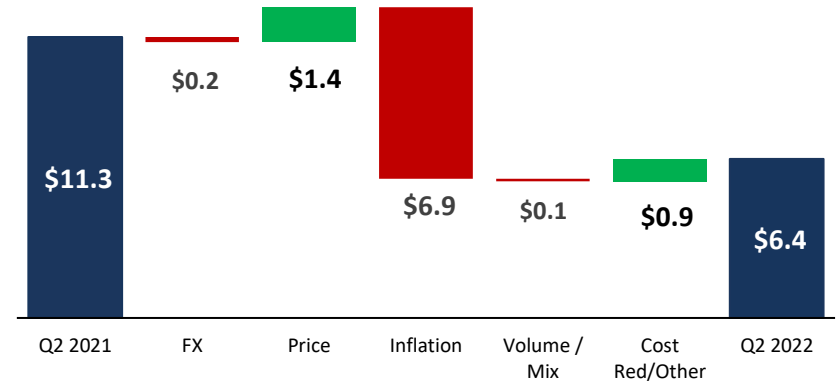
Sales (\$M)

+7.0%



Adj. EBITDA (\$M)

-43.4%



CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)



<i>In millions, except share and per-share data</i>	Second Quarter		Year-to-date	
	2022	2021	2022	2021
Net sales	\$ 109.5	\$ 99.0	\$ 206.5	\$ 184.2
Cost of goods sold	(83.8)	(73.1)	(156.6)	(133.1)
Gross profit	25.7	25.9	49.9	51.1
Selling, general and administrative expenses	(11.5)	(12.7)	(22.2)	(23.3)
Research and development	(1.2)	(0.8)	(2.5)	(1.6)
Restructuring charges	(0.3)	(0.2)	(1.7)	(1.6)
Acquisition and disposal related costs	(0.1)	(0.7)	(0.3)	(0.9)
Other charges	—	—	—	(1.1)
Operating income	12.6	11.5	23.2	22.6
Interest expense	(0.9)	(0.8)	(1.7)	(1.6)
Defined benefit pension credit	0.3	0.6	0.7	1.2
Income before income taxes	12.0	11.3	22.2	22.2
(Provision) / credit for income taxes	(2.4)	0.6	(4.9)	(1.7)
Net income from continuing operations	9.6	11.9	17.3	20.5
Net loss from discontinued operations, net of tax	(0.3)	(0.5)	(0.4)	(2.1)
(Loss) / gain on disposition of discontinued operations, net of tax	—	(0.4)	—	7.1
Net (loss) / income from discontinued operations	\$ (0.3)	\$ (0.9)	\$ (0.4)	\$ 5.0
Net income	\$ 9.3	\$ 11.0	\$ 16.9	\$ 25.5
Earnings / (loss) per share¹				
Basic from continuing operations	\$ 0.35	\$ 0.43	\$ 0.63	\$ 0.74
Basic from discontinued operations ²	\$ (0.01)	\$ (0.03)	\$ (0.01)	\$ 0.18
Basic	\$ 0.34	\$ 0.40	\$ 0.62	\$ 0.92
Diluted from continuing operations	\$ 0.35	\$ 0.42	\$ 0.62	\$ 0.73
Diluted from discontinued operations ²	\$ (0.01)	\$ (0.03)	\$ (0.01)	\$ 0.18
Diluted	\$ 0.34	\$ 0.39	\$ 0.61	\$ 0.91
Weighted average ordinary shares outstanding				
Basic	27,428,579	27,771,983	27,458,980	27,717,025
Diluted	27,703,217	28,131,785	27,720,065	28,095,788

¹The calculation of earnings per share is performed separately for continuing and discontinued operations. As a result, the sum of the two in any particular period may not equal the earnings-per-share amount in total.

²The loss per share for discontinued operations in the Second Quarter of 2022 and 2021 and year-to-date of 2022 has not been diluted, since the incremental shares included in the weighted-average number of shares outstanding would have been anti-dilutive.

CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)



<i>In millions, except share and per-share data</i>	June 26, 2022	December 31, 2021
Current assets		
Cash and cash equivalents	\$ 5.3	\$ 6.2
Restricted cash	0.2	0.2
Accounts and other receivables, net of allowances of \$0.7 and \$0.8, respectively	75.2	57.8
Inventories	104.7	90.5
Current assets held-for-sale	9.0	8.5
Total current assets	\$ 194.4	\$ 163.2
Non-current assets		
Property, plant and equipment, net	\$ 79.3	\$ 87.5
Right-of-use assets from operating leases	20.6	12.6
Goodwill	66.3	69.7
Intangibles, net	13.0	13.7
Deferred tax assets	7.5	8.0
Investments and loans to joint ventures and other affiliates	0.4	0.4
Pensions and other retirement benefits	14.7	13.7
Total assets	\$ 396.2	\$ 368.8
Current liabilities		
Accounts payable	\$ 34.0	\$ 31.7
Accrued liabilities	29.2	28.2
Taxes on income	7.5	3.0
Current liabilities held-for-sale	4.7	1.4
Other current liabilities	17.9	19.6
Total current liabilities	\$ 93.3	\$ 83.9
Non-current liabilities		
Long-term debt	\$ 75.9	\$ 59.6
Pensions and other retirement benefits	2.2	1.9
Deferred tax liabilities	2.7	2.7
Other non-current liabilities	16.6	11.6
Total liabilities	\$ 190.7	\$ 159.7
Shareholders' equity		
Ordinary shares of £0.50 par value; authorized 40,000,000 shares for 2022 and 2021; issued and outstanding 28,944,000 for 2022 and 2021	\$ 26.5	\$ 26.5
Deferred shares of £0.0001 par value; authorized issued and outstanding 761,835,318,444 shares for 2022 and 2021	149.9	149.9
Additional paid-in capital	70.0	70.9
Treasury shares	(13.0)	(9.6)
Own shares held by ESOP	(1.0)	(1.1)
Retained earnings	117.4	107.5
Accumulated other comprehensive loss	(144.3)	(135.0)
Total shareholders' equity	\$ 205.5	\$ 209.1
Total liabilities and shareholders' equity	\$ 396.2	\$ 368.8

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

<i>In millions</i>	Year-to-date	
	2022	2021
Operating activities		
Net income	\$ 16.9	\$ 25.5
Net loss / (income) from discontinued operations	0.4	(5.0)
Net income from continuing operations	\$ 17.3	\$ 20.5
<i>Adjustments to reconcile net income to net cash (used) / provided by operating activities</i>		
Depreciation	6.7	7.0
Amortization of purchased intangible assets	0.4	0.4
Amortization of debt issuance costs	0.3	0.3
Share-based compensation charges	0.9	1.4
Deferred income taxes	0.3	(1.9)
Gain on disposal of property, plant and equipment	(0.2)	—
Defined benefit pension credit	(0.7)	(1.2)
Defined benefit pension contributions	—	(2.9)
<i>Changes in assets and liabilities</i>		
Accounts and other receivables	(19.8)	(8.4)
Inventories	(18.0)	(1.4)
Other current assets	—	(2.8)
Accounts payable	5.5	7.5
Accrued liabilities	1.5	4.5
Other current liabilities	0.8	0.5
Other non-current assets and liabilities	(1.8)	0.9
Net cash (used) / provided by operating activities - continuing	(6.8)	24.4
Net cash provided by operating activities - discontinued	—	—
Net cash (used) / provided by operating activities	\$ (6.8)	\$ 24.4
Investing activities		
Capital expenditures	\$ (2.9)	(3.6)
Proceeds from sale of property, plant and equipment	3.7	—
Proceeds from sale of businesses and other	—	20.6
Acquisitions, net of cash acquired	—	(19.3)
Net cash provided / (used) by investing activities - continuing	0.8	(2.3)
Net cash used for investing activities - discontinued	—	—
Net cash provided / (used) by investing activities	\$ 0.8	\$ (2.3)
Financing activities		
Net drawdown / (repayment) of long-term borrowings	\$ 18.1	(4.4)
Repurchase of own shares	(3.7)	(0.9)
Share-based compensation cash paid	(1.4)	(1.5)
Dividends paid	(7.0)	(6.8)
Net cash provided / (used) by financing activities	\$ 6.0	\$ (13.6)
Effect of exchange rate changes on cash and cash equivalents	(0.9)	0.3
Net (decrease) / increase	\$ (0.9)	\$ 8.8
Cash, cash equivalents and restricted cash; beginning of year	6.4	1.5
Cash, cash equivalents and restricted cash; end of the Second Quarter	5.5	10.3
Supplemental cash flow information:		
Interest payments	\$ 1.7	\$ 1.7
Income tax payments, net	0.3	3.7

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES: ADJUSTED NET INCOME, ADJUSTED EPS, AND ADJUSTED EBITDA (UNAUDITED)



<i>In millions except per share data</i>	Second Quarter		Year-to-date	
	2022	2021	2022	2021
Net income from continuing operations	\$ 9.6	\$ 11.9	\$ 17.3	\$ 20.5
Accounting charges relating to acquisitions and disposals of businesses:				
Amortization on acquired intangibles	0.2	0.2	0.4	0.4
Acquisition and disposal related costs	0.1	0.7	0.3	0.9
Defined benefit pension credit	(0.3)	(0.6)	(0.7)	(1.2)
Restructuring charges	0.3	0.2	1.7	1.6
Other charges	—	—	—	1.1
Share-based compensation charges	0.7	0.9	0.9	1.4
Other non-recurring tax items ¹	—	(2.2)	—	(2.2)
Income tax on adjusted items	(0.5)	(0.9)	(0.6)	(1.4)
Adjusted net income	\$ 10.1	\$ 10.2	\$ 19.3	\$ 21.1

Adjusted earnings per ordinary share				
Diluted earnings per ordinary share	\$ 0.35	\$ 0.42	\$ 0.62	\$ 0.73
Impact of adjusted items	0.01	(0.06)	0.08	0.02
Adjusted diluted earnings per ordinary share ²	\$ 0.36	\$ 0.36	\$ 0.70	\$ 0.75

⁽¹⁾ Other non-recurring tax items represents the impact of the recently enacted U.K. tax rate change (from 19% to 25% with effect from April 2023) on deferred tax assets related to our U.K. defined benefit pension plan.

⁽²⁾ 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, except where there is a loss in the period, then no adjustment is made.

<i>In millions</i>	Second Quarter		Year-to-date	
	2022	2021	2022	2021
Adjusted net income	\$ 10.1	\$ 10.2	\$ 19.3	\$ 21.1
Add back:				
Other non-recurring tax items	—	2.2	—	2.2
Income tax on adjusted items	0.5	0.9	0.6	1.4
Provision for income taxes	2.4	(0.6)	4.9	1.7
Net finance costs	0.9	0.8	1.7	1.6
Gain on disposal of PPE	(0.2)	—	(0.2)	—
Adjusted EBITA	\$ 13.7	\$ 13.5	\$ 26.3	\$ 28.0
Depreciation	3.2	3.8	6.7	7.0
Adjusted EBITDA	\$ 16.9	\$ 17.3	\$ 33.0	\$ 35.0

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES: RETURN ON INVESTED CAPITAL (ROIC)¹



(Unaudited)

	2021	2021	2021	2021	2022	2022
\$M	Q1	Q2	Q3	Q4	Q1	Q2
EBITA	14.5	13.5	10.3	10.4	12.6	13.7
Effective tax rate - per income statement	24.8%	21.0%	24.0%	34.0%	24.5%	20.0%
Notional tax	(3.6)	(2.8)	(2.5)	(3.5)	(3.1)	(2.7)
EBITA after notional tax	10.9	10.7	7.8	6.9	9.5	11.0
Rolling 12 month EBITA after notional tax	30.6	35.2	38.2	36.3	34.9	35.1
Bank and other loans	73.0	49.6	49.6	59.6	85.9	75.9
Net cash and cash equivalents	(31.8)	(10.1)	(15.1)	(6.2)	(17.2)	(5.3)
Net debt	41.2	39.5	34.5	53.4	68.7	70.6
Total equity	178.9	188.2	186.7	209.1	206.6	205.5
Held-for-sale net assets ²	(13.4)	(13.6)	(13.0)	(3.4)	(3.2)	(3.1)
Invested capital	206.7	214.1	208.2	259.1	272.1	273.0
4 point average invested capital	211.3	208.0	206.8	222.0	238.4	253.1
Return on invested capital	14.5%	16.9%	18.5%	16.3%	14.6%	13.9%
Adjusted net income for the period	10.9	10.2	7.2	7.9	9.2	10.1
Provision for income taxes	2.3	(0.6)	1.9	1.8	2.5	2.4
Income tax on adjustments to net income	0.5	3.1	0.4	-	0.1	0.5
Adjusted income tax charge	2.8	2.5	2.3	1.8	2.6	2.9
Adjusted profit before taxation	13.7	12.7	9.5	9.7	11.8	13.0
Adjusted effective tax rate	20.4%	19.7%	24.3%	18.6%	22.0%	22.3%
EBITA (as above)	14.5	13.5	10.3	10.4	12.6	13.7
Adjusted notional tax	(3.0)	(2.7)	(2.5)	(1.9)	(2.8)	(3.1)
Adjusted EBITA after notional tax	11.6	10.8	7.8	8.5	9.8	10.6
Rolling 12 month adjusted EBITA after notional tax	34.1	38.9	39.2	38.7	36.9	36.7
Adjusted return on invested capital	16.1%	18.7%	18.9%	17.4%	15.5%	14.5%

¹ From continuing operations unless otherwise stated

² Held-for-sale net assets relating to discontinued operations

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



<i>In millions except share and per share data</i>	2017	2018	2019	2020	2021	YTD Q2 2021	YTD Q2 2022	Last 12 Months
Net income from continuing operations	\$16.4	\$27.7	\$8.7	\$20.8	\$30.0	\$20.5	\$17.3	\$26.8
Accounting charges relating to acquisitions and disposals of businesses:								
Unwind of deferred consideration	0.2	0.2	0.2	-	-	-	-	-
Amortization on acquired intangibles	1.3	1.2	1.2	0.7	0.9	0.4	0.4	0.9
Acquisitions and disposals costs	(1.3)	4.3	1.4	-	1.5	0.9	0.3	0.9
Defined benefit pension credit	(4.2)	(4.7)	(1.3)	(4.3)	(2.3)	(1.2)	(0.7)	(1.8)
Restructuring charges	8.4	13.2	25.9	8.9	6.2	1.6	1.7	6.3
Impairment charges/(credit)	3.7	5.9	(0.2)	-	-	-	-	-
Other charges	5.8	-	2.5	0.4	1.1	1.1	-	-
Share-based compensation charges	2.2	4.8	4.5	2.8	2.8	1.4	0.9	2.3
Other non-recurring tax items	(2.0)	(2.9)	-	-	(1.9)	(2.2)		0.3
Income tax on adjusted items	(3.1)	(1.7)	(2.0)	(0.4)	(2.1)	(1.4)	(0.6)	(1.3)
Adjusted net income	\$27.4	\$48.0	\$40.9	\$28.9	\$36.2	\$21.1	\$19.3	\$34.4
Weighted average ordinary shares outstanding	26,723,981	27,692,262	27,882,864	27,972,382	28,032,506	28,095,798	27,720,065	27,720,065
Adjusted earnings per ordinary share								
Diluted earnings per ordinary share	\$0.61	\$1.00	\$0.31	\$0.74	\$1.07	\$0.73	\$0.62	\$0.96
Impact of adjusted items	0.41	0.73	1.16	0.29	0.22	0.02	0.08	0.28
Adjusted diluted earnings per ordinary share⁽¹⁾	\$1.03	\$1.73	\$1.47	\$1.03	\$1.29	\$0.75	\$0.70	\$1.24

⁽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, except where there is a loss in the period, then no adjustment is made.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES: ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN

<i>In millions</i>	2017	2018	2019	2020	2021	YTD Q2 2021	YTD Q2 2022	Last 12 Months
Adjusted net income from continuing operations	\$27.4	\$48.0	\$40.9	\$28.9	\$36.2	\$21.1	\$19.3	\$34.4
Add back:								
Other non-recurring tax items	2.0	2.9	-	-	1.9	2.2	-	(0.3)
Income tax on adjusted items	3.1	1.7	2.0	0.4	2.1	1.4	0.6	1.3
Provision for income taxes	3.3	6.5	7.6	6.9	5.4	1.7	4.9	8.6
Net finance costs	6.3	4.5	4.4	5.0	3.1	1.6	1.7	3.2
Gain on Disposal of PPE	-	-	-	-	-	-	(0.2)	(0.2)
Adjusted EBITA	\$42.1	\$63.6	\$54.9	\$41.2	\$48.7	\$28.0	\$26.3	\$47.0
Loss on disposal of Property, Plant, and Equipment	-	0.3	0.2	0.1	-	-	-	-
Depreciation	15.1	15.7	12.0	12.6	14.7	7.0	6.7	14.4
Adjusted EBITDA	\$57.2	\$79.6	\$67.1	\$53.9	\$63.4	\$35.0	\$33.0	\$61.4
Net Sales	\$348.0	\$401.9	\$373.4	\$324.8	\$374.1	\$184.2	\$206.5	\$396.4
Adjusted EBITDA Margin	16.4%	19.8%	18.0%	16.6%	16.9%	19.0%	16.0%	15.5%

