



THIRD QUARTER 2024 EARNINGS CONFERENCE CALL

October 25, 2024

Forward Looking Statements and Non-GAAP Measures



This presentation may contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements provide current expectations and forecasts of future events such as new products, revenues and financial performance, and are not limited to describing historical or current facts. They can be identified by the use of words such as "believes," "expects," "plans," "intends," "anticipates," and other words and phrases of similar meaning. Forward-looking statements are necessarily based on assumptions, estimates and limited information available at the time they are made. A broad variety of risks and uncertainties, both known and unknown, as well as the inaccuracy of assumptions and estimates, can affect the realization of the expectations or forecasts in these statements. Actual future results may vary materially. Significant factors that could affect the expectations and forecasts include worldwide general economic, business, and industry conditions; the cyclical nature of our customers' businesses and their changing regional demands; our ability to compete in very competitive industries; consolidation in customer industries, principally paper, foundry and steel; our ability to renew or extend long term sales contracts for our satellite operations; our ability to generate cash to service our debt; our ability to comply with the covenants in the agreements governing our debt; our ability to effectively achieve and implement our growth initiatives or consummate the transactions described in the statements; our ability to successfully develop new products; our ability to defend our intellectual property; the increased risks of doing business abroad; the availability of raw materials and access to ore reserves at our mining operations, or increases in costs of raw materials, energy, or shipping; compliance with or changes to regulation in the areas of environmental, health and safety, and tax; risks and uncertainties related to the voluntary petitions for relief under Chapter 11 of the U.S. Bankruptcy Code filed by our subsidiaries BMI OldCo Inc. (f/k/a Barretts Minerals Inc.) and Barretts Ventures Texas LLC; claims for legal, environmental and tax matters or product stewardship issues; operating risks and capacity limitations affecting our production facilities; seasonality of some of our businesses; cybersecurity and other threats relating to our information technology systems; and other risk factors and cautionary statements in our 2023 Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other reports filed with the Securities and Exchange Commission. The Company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events, or otherwise.

Also, this presentation will include certain financial measures that were not prepared in accordance with generally accepted accounting principles. In particular operating income, operating margin, adjusted EBITDA, adjusted EBITDA margin, and EPS referenced in this presentation exclude special items, such as acquisition-related costs, restructuring, gains/(losses) on asset sales, litigation and impairment costs, and other significant non-recurring or unusual items and related tax effects for all periods presented. The Company also provides figures for free cash flow, underlying sales for the three and nine months ended October 1, 2023, and sales growth excluding sales from BMI OldCo Inc. for the three and nine months ended September 29, 2024. These are non-GAAP measures that the Company believes provide meaningful supplemental information regarding its performance as inclusion of such special items are not indicative of the ongoing operating results and thereby affect the comparability of results between periods. The Company believes inclusion of these non-GAAP measures also provides consistency in its financial reporting and facilitates investors' understanding of historic operating trends. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures can be found in the appendix to this presentation and our Current Report on Form 8-K dated October 24, 2024, and in our other reports filed with the Securities and Exchange Commission, available on our website at www.mineralstech.com in the "Investor Information -- SEC Filings" section. It is not possible, without unreasonable effort, for the Company to identify and estimate the amount or significance of future non-recurring or unusual items. Accordingly, the Company does not provide reconciliations of forward-looking non-GAAP financial measures to the most comparable GAAP financial measures on a forward-looking basis.



Douglas T. Dietrich

Chairman and Chief Executive Officer

Third Quarter 2024 Highlights



- Delivered record performance; on-track for a record year
- Returning cash to shareholders:
 - New share-repurchase program aligned with capital allocation strategy
 - Increased dividend by 10%
- Progress made with growth strategies, enhancing positions in core markets
- Showcased capabilities at company's Innovation Day

Expanding Our Leadership Position



Consumer & Specialties



The new brand name for the pet care business - the leading global supplier of cat litter to both private label partners and globally recognized brands



Progressing on paper & packaging deployment of recycling technology and market share growth in Asia



Launched new specialty additive technology for bioplastic market

Engineered Solutions



Progressing on refractory automation deployment strategy



Driving further market penetration in Asia foundry business



Continue collaboration with EPA on PFAS remediation

Growth in full scale implementation for drinking water systems in addition to PFAS remediation in project-based applications

**Innovation for continuous improvement in manufacturing and business processes
Fundamental to our Operational Excellence culture**

2024 Innovation Day



#1

**Sustainable leadership positions
in all key markets**



Long-term sustainable growth



Erik C. Aldag

Senior Vice President, Finance and
Treasury and Chief Financial Officer

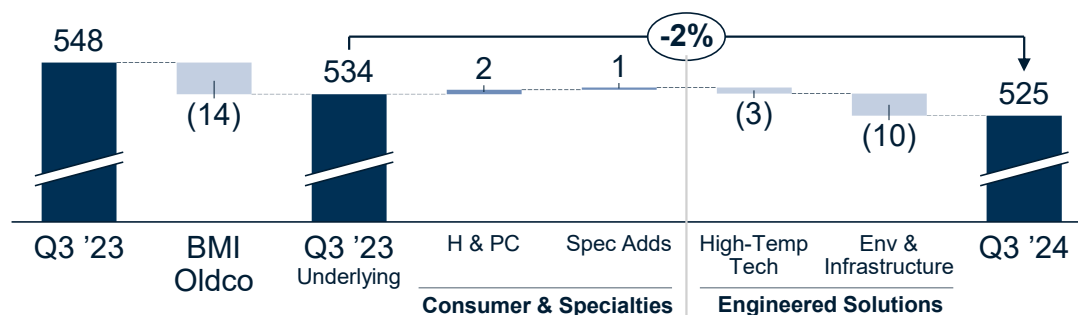
Third Quarter Financial Summary



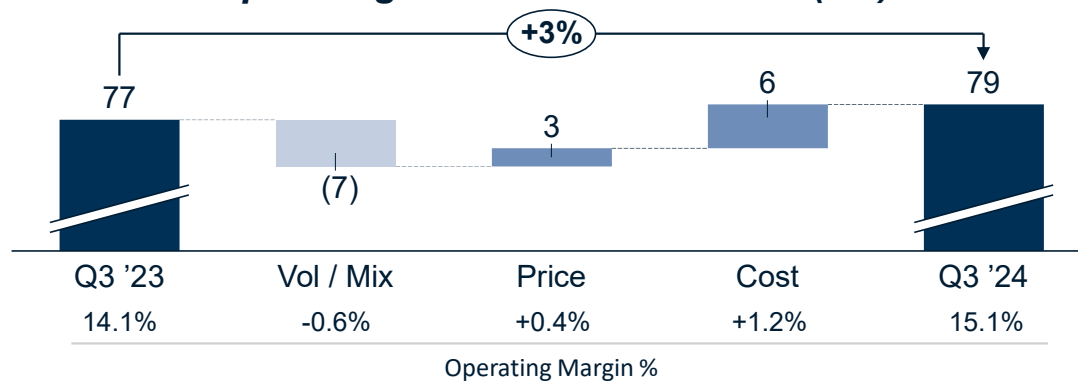
	Q3 '24	Q3 '23	YoY
Sales (\$M)	525	534*	-2%*
Gross Margin (%)	25.8	24.3	+150bps
Operating Income (\$M)	79	77	+3%
Operating Margin (%)	15.1	14.1	+100bps
EPS (\$)	1.51	1.49	+1%
Cash from Operations (\$M)	60	59	+2%

*Underlying sales

Sales vs Prior Year (\$M)

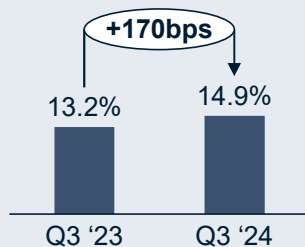
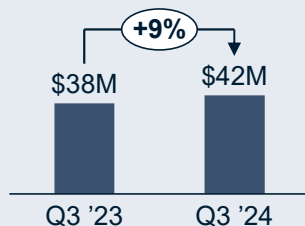
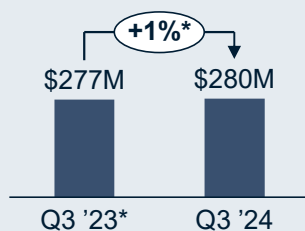


Operating Income vs Prior Year (\$M)



CONSUMER & SPECIALTIES SEGMENT

Third Quarter 2024 Performance



*Underlying sales and growth

Third Quarter Summary

Household & Personal Care

- High margin consumer products remained on growth trend
- Stronger sales in pet care towards the end of the quarter

Specialty Additives

- Growing Paper & Packaging volume in Asia driven by new satellite startups
- Continued YoY volume improvement in Europe

Operating margin up 170 bps YoY

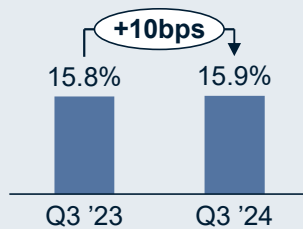
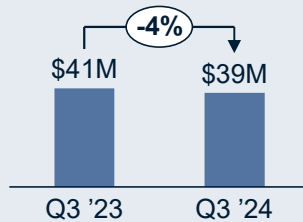
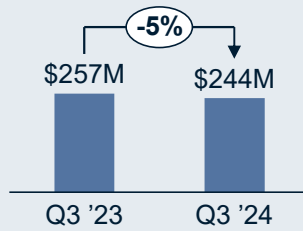
- Continued productivity improvement and cost control

Fourth Quarter Outlook

- Seasonally stronger pet litter sales
- New satellite startups in Asia
- Slower period for residential construction
- Similar operating income sequentially



ENGINEERED SOLUTIONS SEGMENT Third Quarter 2024 Performance



Third Quarter Summary

High-Temperature Technologies

- Slower North America industrial markets
 - Soft end market conditions in agricultural equipment
 - Slower demand from steel customers

Environmental & Infrastructure

- Commercial construction and environmental lining applications demand remained soft

Strong Operating Margin Performance

- Solid operational execution

Fourth Quarter Outlook

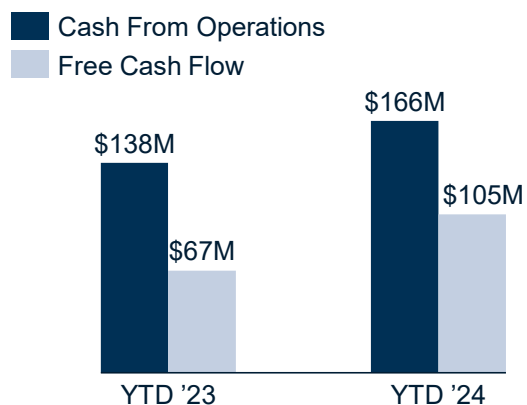
- Similar industrial markets conditions
- Seasonally slower period for Environmental & Infrastructure
- Operating income ~10% lower sequentially



Balance Sheet and Cash Flow



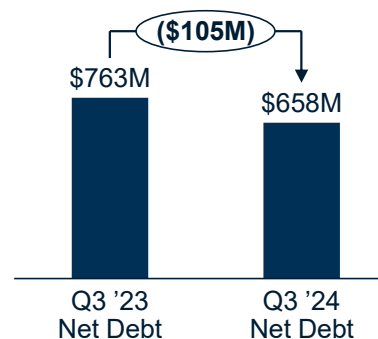
Cash Flow and Capital Deployment



	<u>Q3'24</u>	<u>YTD'24</u>
Capital Expenditures	\$25M	\$61M
Debt Paydown	\$9M	\$33M
Share Repurchases & Dividends	\$26M	\$67M

Liquidity & Debt

	<u>Q3 '24</u>
Cash, Cash Equivalents, and Short-Term Investments	\$325M
Available Revolver	\$231M
Total Liquidity	\$556M



1.7X
EBITDA
Net Leverage
Ratio

Outlook Summary



Fourth Quarter Outlook

~\$525M
Sales

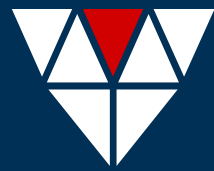
\$70M-\$75M
Operating Income

\$1.35-\$1.45
EPS

- **Similar sales sequentially and YOY**
 - Execution on growth initiatives and more balanced portfolio helping to offset typical seasonality and industrial market softness
- **Seasonally higher costs**
- **Continued YOY margin improvement**
- **Strong cash flow generation**

Full Year 2024 Outlook

- **On-track for record operating income and EPS**
- **Strong operating margin, ahead of target**
- **EPS growth ~15%**
- **Free Cash Flow ~7% of Sales**
- **Strong Balance Sheet**



MINERALS TECHNOLOGIES

Innovative Technologies.
Essential Solutions.™



Appendix

Reconciliation

Net Income and Diluted EPS Excluding Special Items



The information set forth in the Analyst Presentation presents financial measures of the Company that exclude certain special items, and are therefore not in accordance with GAAP. The following is a presentation of the Company's non-GAAP net income, operating income and EBITDA, excluding special items, and free cash flow for the quarterly and nine month periods ended September 29, 2024 and October 1, 2023 and a reconciliation to GAAP net income, operating income and EBITDA, and cash flow from operations, respectively, for such periods. The Company's management believes these non-GAAP measures provide meaningful supplemental information regarding its performance as inclusion of such special items are not indicative of the ongoing operating results and thereby affect the comparability of results between periods. The Company feels inclusion of these non-GAAP measures also provides consistency in its financial reporting and facilitates investors' understanding of historic operating trends.

(millions of dollars, except per share data)	Quarter Ended		Nine Months Ended	
	Sep. 29, 2024	Oct. 1, 2023	Sep. 29, 2024	Oct. 1, 2023
Net income (loss) attributable to MTI	\$ 46.7	\$ (19.2)	\$ 113.1	\$ 44.4
Special items:				
Provision for credit losses	0.0	0.0	30.0	0.0
Restructuring and other items, net	0.0	0.3	0.0	6.9
Impairment of assets	0.0	71.7	0.0	71.7
Acquisition-related expenses	0.0	0.0	0.0	0.3
Litigation expenses	2.6	12.9	8.9	26.8
Related tax effects on special items	<u>(0.6)</u>	<u>(17.2)</u>	<u>(1.4)</u>	<u>(21.8)</u>
Net income attributable to MTI, excluding special items	\$ <u>48.7</u>	\$ <u>48.5</u>	\$ <u>150.6</u>	\$ <u>128.3</u>
Diluted earnings per share, excluding special items	\$ 1.51	\$ 1.49	\$ 4.65	\$ 3.94

Reconciliation

Segment Operating Income Excluding Special Items



(millions of dollars, except per share data)

	Quarter Ended		Nine Months Ended	
	Sep. 29, 2024	Oct. 1, 2023	Sep. 29, 2024	Oct. 1, 2023
Segment Operating Income (Loss) Data				
Consumer & Specialties Segment	\$ 41.7	\$ (46.6)	\$ 127.6	\$ 5.0
Engineered Solutions Segment	38.8	40.6	122.0	111.1
Unallocated Corporate Expenses	<u>(3.9)</u>	<u>(1.9)</u>	<u>(47.2)</u>	<u>(11.1)</u>
Consolidated	\$ 76.6	\$ (7.9)	\$ 202.4	\$ 105.0
Special Items				
Consumer & Specialties Segment	\$ 0.0	\$ 84.9	\$ 0.0	\$ 99.4
Engineered Solutions Segment	0.0	0.0	0.0	3.2
Unallocated Corporate Expenses	<u>2.6</u>	<u>0.0</u>	<u>38.9</u>	<u>3.1</u>
Consolidated	\$ 2.6	\$ 84.9	\$ 38.9	\$ 105.7
Segment Operating Income Data, Excluding Special Items				
Consumer & Specialties Segment	\$ 41.7	\$ 38.3	\$ 127.6	\$ 104.4
Engineered Solutions Segment	38.8	40.6	122.0	114.3
Unallocated Corporate Expenses	<u>(1.3)</u>	<u>(1.9)</u>	<u>(8.3)</u>	<u>(8.0)</u>
Consolidated	\$ 79.2	\$ 77.0	\$ 241.3	\$ 210.7
<i>% of Sales</i>	15.1%	14.1%	15.1%	12.8%

Reconciliation

Adjusted EBITDA Excluding Special Items



(millions of dollars, except per share data)

	Quarter Ended		Nine Months Ended	
	Sep. 29, 2024	Oct. 1, 2023	Sep. 29, 2024	Oct. 1, 2023
Net income (loss) attributable to MTI	\$ 46.7	\$ (19.2)	\$ 113.1	\$ 44.4
Add back:				
Depreciation, depletion and amortization	23.1	24.3	70.6	71.5
Interest expense, net	14.0	15.3	43.8	44.0
Equity in earnings of affiliates, net of tax	(1.9)	(1.0)	(5.2)	(3.0)
Net income attributable to non-controlling interests	1.0	1.1	3.1	3.2
Provision for taxes (benefit) on income	<u>13.7</u>	<u>(3.5)</u>	<u>43.2</u>	<u>14.5</u>
EBITDA	96.6	17.0	268.6	174.6
Add special items:				
Provision for credit losses	0.0	0.0	30.0	0.0
Restructuring and other items, net	0.0	0.3	0.0	6.9
Impairment of assets	0.0	71.7	0.0	71.7
Acquisition-related expenses	0.0	0.0	0.0	0.3
Litigation expenses	<u>2.6</u>	<u>12.9</u>	<u>8.9</u>	<u>26.8</u>
Adjusted EBITDA	\$ 99.2	\$ 101.9	\$ 307.5	\$ 280.3
% of sales	18.9%	18.6%	19.2%	17.0%

Sales Growth Excluding BMI Oldco (f/k/a Barretts Minerals Inc.)



To supplement the Company's consolidated financial statements presented in accordance with GAAP, the following is a presentation of the Company's year over year sales growth, excluding the sales of BMI Oldco Inc. ("Oldco") for the three and nine months ended October 1, 2023, constituting a reconciliation to GAAP sales growth set forth below. On October 2, 2023, Oldco filed for relief under Chapter 11 of the U.S. Bankruptcy Code and as such the results of Oldco are not included in the Company's consolidated results for the three and nine months ended September 29, 2024. Oldco sales for the three and nine month months ended October 1, 2023 were \$13.8 million and \$40.6 million, respectively. The Company's management feels this non-GAAP measure provides meaningful supplemental information regarding its performance and facilitates investors' understanding of sales trends for the three and nine months ended September 29, 2024.

<u>Year over Year Sales Growth</u>	<u>Quarter Ended September 29, 2024</u>			<u>Nine Months Ended September 29, 2024</u>		
	<u>Sales Growth As Reported</u>	<u>Impact of Oldco Deconsolidation</u>	<u>Underlying Sales Growth</u>	<u>Sales Growth As Reported</u>	<u>Impact of Oldco Deconsolidation</u>	<u>Underlying Sales Growth</u>
Specialty Additives	(8)%	9%	1%	(6)%	8%	2%
Consumer & Specialties	(4)%	5%	1%	(2)%	5%	3%
MTI Consolidated	<u>(4)%</u>	<u>2%</u>	<u>(2)%</u>	<u>(3)%</u>	<u>3%</u>	<u>0%</u>

Reconciliation Free Cash Flow



(millions of dollars, except per share data)

	Quarter Ended		Nine Months Ended	
	Sep. 29, 2024	Oct. 1, 2023	Sep. 29, 2024	Oct. 1, 2023
Cash flow from operations	\$ 60.0	\$ 59.1	\$ 166.0	\$ 138.3
Capital expenditures	<u>24.7</u>	<u>25.1</u>	<u>61.4</u>	<u>71.0</u>
Free cash flow	\$ <u>35.3</u>	\$ <u>34.0</u>	\$ <u>104.6</u>	\$ <u>67.3</u>