UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): April 4, 2022

ENTEGRIS, INC.

(Exact name of registrant as specified in its charter)

Delaware	001-32598	41-1941551
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

129 Concord Road, Billerica, MA	01821
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number including area code: (978) 436-6500

N/A
(Former name or former address, if changed since last report)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.01 per share	ENTG	The NASDAQ Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act:
None

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☒ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230 .425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

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

Item 7.01. Regulation FD Disclosure.

In connection with the Notes Offering (as defined below), Entegris, Inc. (“Entegris”) has disclosed to certain prospective investors in the notes certain information attached hereto as Exhibit 99.1 and incorporated herein by reference.

Additionally, furnished as Exhibit 99.2 herewith, respectively, are Entegris’ unaudited pro forma condensed combined statement of operations and explanatory notes for the year ended December 31, 2021 and Entegris’ unaudited pro forma condensed combined balance sheet and explanatory notes as of December 31, 2021, to illustrate the estimated effects of the previously announced merger (the “Merger”) with CMC Materials, Inc. (“CMC”) and the other transactions described therein.

The information disclosed under this Item 7.01, including Exhibits 99.1 and 99.2 hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities and Exchange Act of 1934, as amended, nor shall it be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended, except as expressly set forth in such filing.

Item 8.01. Other Events.

On April 4, 2022, Entegris announced that its wholly-owned subsidiary, Entegris Escrow Corporation (the “Escrow Issuer”), intends to offer senior secured notes due 2029, subject to market and customary conditions (the “Notes Offering”).

Entegris intends to use the net proceeds from the Notes Offering, together with the borrowings under its previously announced senior unsecured bridge facility (or other indebtedness that replaces the bridge facility) and senior secured first lien term loan B facility (the “term loan facility”), to (a) finance a portion of the cash consideration for the Merger, (b) pay the fees and expenses related to the Merger, the Notes Offering, the term loan facility and revolving loan facility, (c) refinance certain existing indebtedness of CMC and Entegris and (d) in the case of the term loan facility, finance working capital and general corporate purposes of Entegris.

The gross proceeds of the notes, together with certain additional amounts, will be deposited into a separate escrow account for the notes until the consummation of the Merger. The notes will initially be the senior secured obligations of the Escrow Issuer, secured only by the amounts deposited in the applicable escrow account. Upon consummation of the Merger, the Escrow Issuer will merge with and into Entegris, with Entegris continuing as the surviving entity and assuming all of the Escrow Issuer's obligations under the notes. Following such merger and assumption, the notes will be guaranteed by each of Entegris’ and CMC’s existing and future domestic subsidiaries, other than certain excluded subsidiaries, to the extent that such entities guarantee the term loan facility or Entegris’ outstanding senior unsecured notes or certain other indebtedness. The secured notes and related guarantees will also be secured, subject to permitted liens and certain other exceptions, by first priority liens on the same collateral that secures the obligations under the term loan facility.

A copy of the press release announcing the Notes Offering is attached hereto as Exhibit 99.3 and incorporated herein by reference.

The notes and the related guarantees have not been, and will not be, registered under the Securities Act of 1933, as amended (the “Securities Act”), or any applicable state or foreign securities laws, and will be offered only to qualified institutional buyers in reliance on Rule 144A, and to persons outside the United States in compliance with Regulation S under the Securities Act. Unless so registered, the notes and the related guarantees may not be offered or sold in the United States except pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws. This Current Report will not constitute an offer to sell or a solicitation of an offer to buy any notes or any other securities. The Notes Offering is not being made to any person in any jurisdiction in which the offer, solicitation or sale is unlawful.

Item 9.01. Financial Statements and Exhibits.

(b) Pro forma Financial Information.

Entegris' unaudited pro forma condensed combined statement of operations and explanatory notes for the year ended December 31, 2021 and Entegris' unaudited pro forma condensed combined balance sheet and explanatory notes as of December 31, 2021 are attached hereto as Exhibit 99.2 and are incorporated by herein by reference.

(d) Exhibits.

Exhibit Number	Description
99.1	Certain information with respect to Entegris.
99.2	Unaudited pro forma condensed combined statement of operations and explanatory notes of Entegris for the year ended December 31, 2021 and the Unaudited pro forma condensed combined balance sheet and explanatory notes of Entegris as of December 31, 2021.
99.3	Press Release of Entegris, dated April 4, 2022, related to the Notes Offering.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

Additional Information about the Merger and Where to Find It

This Current Report does not constitute an offer to buy or sell or the solicitation of an offer to buy or sell any securities or a solicitation of any vote or approval. This Current Report relates to a proposed business combination between Entegris and CMC. In connection with the proposed transaction, on January 14, 2022, Entegris filed with the Securities and Exchange Commission (the "SEC") a registration statement on Form S-4 (the "Registration Statement") that includes a proxy statement of CMC and that also constitutes a prospectus of Entegris. Each of Entegris and CMC may also file other relevant documents with the SEC regarding the proposed transaction. This document is not a substitute for the proxy statement/prospectus or Registration Statement or any other document that Entegris or CMC may file with the SEC. Any definitive proxy statement/prospectus (if and when available) will be mailed to stockholders of CMC. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE REGISTRATION STATEMENT, PROXY STATEMENT/PROSPECTUS AND OTHER DOCUMENTS THAT MAY BE FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THESE DOCUMENTS, CAREFULLY AND IN THEIR ENTIRETY IF AND WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION. Investors and security holders will be able to obtain free copies of these documents (if and when available) and other documents containing important information about Entegris and CMC, once such documents are filed with the SEC through the website maintained by the SEC at http://www.sec.gov. Copies of the documents filed with the SEC by Entegris will be available free of charge on Entegris' website at http://Entegris.com or by contacting Entegris' Investor Relations Department by email at irelations@Entegris.com or by phone at +1 978-436-6500. Copies of the documents filed with the SEC by CMC will be available free of charge on CMC's website at www.CMCmaterials.com/investors or by contacting CMC's Investor Relations Department by email at investors@CMCmaterials.com by phone at +1 630-499-2600.

Cautionary Note on Forward Looking Statements

This Current Report may contain statements that are not historical facts and are “forward-looking statements” within the meaning of U.S. securities laws. The words “believe,” “expect,” “anticipate,” “intend,” “estimate,” “forecast,” “project,” “should,” “may,” “will,” “would” or the negative thereof and similar expressions are intended to identify such forward-looking statements. These forward-looking statements may include statements about: the ability of Entegris and the Escrow Issuer to consummate the proposed notes offering; the impact of the COVID-19 pandemic on Entegris’ operations and markets, including supply chain issues related thereto; future period guidance or projections; Entegris’ performance relative to its markets, including the drivers of such performance; market and technology trends, including the duration and drivers of any growth trends and the impact of the COVID-19 pandemic on such trends; the development of new products and the success of their introductions; the focus of Entegris’ engineering, research and development projects; Entegris’ ability to execute on its business strategies, including with respect to Entegris’ expansion of its manufacturing presence in Taiwan; Entegris’ capital allocation strategy, which may be modified at any time for any reason, including share repurchases, dividends, debt repayments and potential acquisitions; the impact of the acquisitions Entegris has made and commercial partnerships it has established; future capital and other expenditures, including estimates thereof; Entegris’ expected tax rate; the impact, financial or otherwise, of any organizational changes; the impact of accounting pronouncements; quantitative and qualitative disclosures about market risk; anticipated results of operations, business strategies of Entegris, CMC and the combined company; anticipated benefits of the Merger; the anticipated impact of the Merger on Entegris’ and CMC’s business and future financial and operating results; the expected amount and timing of synergies from the Merger; the anticipated closing date for the Merger and other aspects of CMC’s and Entegris’ operations or operating results; and other matters.

These forward-looking statements are based on current management expectations and assumptions only as of the date of this Current Report, are not guarantees of future performance and involve substantial risks and uncertainties (many of which are beyond Entegris’ control and are difficult to predict) that could cause actual results of Entegris, CMC and/or the combined company following the Merger to differ materially and adversely from the results expressed in, or implied by, these forward-looking statements. These risks and uncertainties include, but are not limited to: (i) weakening of global and/or regional economic conditions, generally or specifically in the semiconductor industry, which could decrease the demand for Entegris’ and CMC’s products and solutions; (ii) Entegris’ and CMC’s ability to meet rapid demand shifts; (iii) Entegris’ and CMC’s ability to continue technological innovation and introduce new products to meet customers’ rapidly changing requirements; (iv) Entegris’ and CMC’s ability to protect and enforce intellectual property rights; (v) operational, political and legal risks of Entegris’ and CMC’s international operations; (vi) the increasing complexity of certain manufacturing processes; (vii) raw material shortages, supply and labor constraints and price increases; (viii) changes in government regulations of the countries in which Entegris and CMC operate; (ix) the imposition of tariffs, export controls and other trade laws and restrictions and changes foreign and national security policy, especially as they relate to China and as may arise with respect to recent developments regarding Russia and Ukraine; (x) the fluctuation of currency exchange rates; fluctuations in the market price of Entegris’ stock; (xi) the level of, and obligations associated with, Entegris’ indebtedness, including the notes, and the risks related to holding the notes; (xii) the impact of public health crises, such as pandemics (including coronavirus (COVID-19)) and epidemics and any related company or government policies and actions to protect the health and safety of individuals or government policies or actions to maintain the functioning of national or global economies and markets; and (xiii) the other risk factors and additional information described in Entegris’ filings with the SEC. In addition, risks that could cause actual results to differ from forward-looking statements include: the prompt and effective integration of CMC’s businesses and the ability to achieve the anticipated synergies and value-creation contemplated by the Merger; the risk associated with CMC’s ability to obtain the approval of the Merger by its stockholders required to consummate the Merger and the timing of the closing of the Merger, including the risk that the conditions to the Merger are not satisfied on a timely basis or at all and the failure of the Merger to close for any other reason; the risk that a regulatory consent or authorization that may be required for the Merger is not obtained or is obtained subject to conditions that are not anticipated; unanticipated difficulties or expenditures relating to the Merger, the outcome of any legal proceedings related to the Merger, the response and retention of business partners and employees as a result of the announcement and pendency of the Merger; and the diversion of management time on transaction-related issues. These risks, as well as other risks related to the proposed transaction, are included in the offering memorandum. While the list of factors presented here is, and the list of factors to be presented in the offering memorandum are considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties. For a more detailed discussion of such risks and other factors, see Entegris’ and CMC’s filings with the Securities and Exchange Commission, including under the heading “Risks Factors” in Item 1A of Entegris’ Annual Report on Form 10-K for the fiscal year ended December 31, 2021, which was filed with the SEC on February 4, 2022, CMC’s Annual Report on Form 10-K for the fiscal year ended September 30, 2021, which was filed with the SEC on November 12, 2021 and amended by the Form 10-K/A filed with the SEC on January 19, 2022, and CMC’s Quarterly Report on Form 10-Q for the fiscal quarter ended December 31, 2021, which was filed with the SEC on February 3, 2022, and in other periodic filings, available on the SEC website or www.entegris.com or www.cmcmaterials.com. Entegris and CMC assume no obligation to update any forward-looking statements or information, which speak as of their respective dates, to reflect events or circumstances after the date of this Current Report, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws. Investors should not assume that any lack of update to a previously issued “forward-looking statement” constitutes a reaffirmation of that statement.

SIGNATURES

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

ENTEGRIS, INC.
(registrant)

April 4, 2022	By:	/s/ Gregory B. Graves
		Executive Vice President & Chief Financial Officer

SUMMARY UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

The following summary unaudited pro forma condensed combined financial information is based on and derived from the separate historical financial statements of Entegris and CMC which are incorporated by reference elsewhere in this offering memorandum, after giving effect to the Merger and the other Transactions and gives effect to the assumptions and preliminary pro forma adjustments described in the accompanying notes to the unaudited pro forma condensed combined financial statements contained in the section entitled "Unaudited Pro Forma Condensed Combined Financial Information." The summary unaudited pro forma condensed combined balance sheet gives effect to the Transactions as if they had occurred on December 31, 2021. The summary unaudited pro forma condensed combined statement of operations gives effect to the Transactions as if they had occurred on January 1, 2021. All amounts presented within this section are presented in thousands, except per share amounts unless otherwise noted. As a result of displaying amounts in thousands, rounding differences may exist in the tables in this section.

The summary unaudited pro forma condensed combined financial information was prepared using the acquisition method of accounting with Entegris as the acquirer of CMC. Accordingly, consideration given by Entegris to complete the Merger will be allocated to the assets and liabilities of CMC based upon their estimated fair values as of the date of completion of the Merger. Any excess of the consideration over the fair value of assets acquired and liabilities assumed is allocated to goodwill. As of the date of this offering memorandum, Entegris has not completed the detailed valuation studies necessary to arrive at the required estimates of the fair value of the CMC assets to be acquired and the liabilities to be assumed and the related allocations of purchase price, nor has it identified all adjustments necessary to conform CMC's accounting policies to Entegris' accounting policies. A final determination of the fair value of CMC's assets and liabilities will be based on the actual net tangible and intangible assets and liabilities of CMC that exist as of the date of completion of the Merger and, therefore, cannot be made prior to the completion of the transaction. Accordingly, the unaudited pro forma purchase price adjustments as set forth in "Unaudited Pro Forma Condensed Combined Financial Information" are preliminary and are subject to further adjustments as additional information becomes available and as additional analyses are performed, and such further adjustments from purchase price or conforming accounting adjustments may be material. The preliminary unaudited pro forma purchase price adjustments have been made solely for the purpose of providing the summary unaudited pro forma condensed combined financial information. Entegris estimated the fair value of CMC's assets and liabilities based on discussions with CMC's management, preliminary valuation studies, due diligence and information presented in public filings.

The summary unaudited pro forma condensed combined financial information is provided for informational purposes only. The summary unaudited pro forma condensed combined financial information is not necessarily, and should not be assumed to be, an indication of the results that would have been achieved had the Transactions been completed as of the dates indicated or that may be achieved in the future and should not be taken as representative of future consolidated results of operations or financial condition of Entegris. Furthermore, no effect has been given in the summary unaudited pro forma condensed combined statement of operations to synergies and potential cost savings, if any, that may be realized through the combination of the two companies or the costs that may be incurred in integrating their operations.

The summary unaudited pro forma condensed combined financial information should be read in conjunction with "Risk Factors," "Summary Historical Consolidated Financial Data of Entegris," "Summary Historical Consolidated Financial Data of CMC," "Unaudited Pro Forma Condensed Combined Financial Information" and Entegris and CMC's historical consolidated financial statements and related notes incorporated herein by reference. See "Incorporation By Reference" in this offering memorandum.

	Pro Forma Combined Year Ended December 31, 2021
	($ in thousands)
Statement of Operations Data:	
Net sales	$3,518,840
Cost of sales	2,018,560
Gross profit	1,500,280
Operating Expenses:	
Selling, general and administrative expenses	556,656
Engineering, research and development expenses	224,150
Amortization of intangible assets	207,523
Asset impairment charges	232,480
Operating income	279,471
Interest expense	248,931
Interest income	(301)
Other expense, net	34,429
Income before income taxes	(3,588)
Income tax expense (benefit)	(14,970)
Net income	$ 11,382

	Pro Forma Combined Balance Sheet Data as of December 31, 2021
	($ in thousands)
Cash and cash equivalents	$ 345,437
Total assets	$10,474,973
Total debt	$ 5,575,109
Total equity	$ 3,557,932

	Pro Forma Combined Year Ended December 31, 2021 or as of December 31, 2021
	($ in thousands)
Credit Statistics:	
Entegris historical Adjusted EBITDA(1)	$ 699,416
CMC historical Adjusted EBITDA(6)	$ 361,378
Pro Forma Adjusted EBITDA(1),(2)	$1,083,453
Pro Forma Adjusted Operating Income(2)	$ 926,279
Pro Forma Secured Net Debt(3)	$3,650,613
Pro Forma Net Debt(4)	$5,229,672
Cash interest expense(5)	$ 226,850
Ratio of net debt to Pro Forma Adjusted EBITDA	4.83
Ratio of Pro Forma Adjusted EBITDA to cash interest expense	4.78

(1) Entegris defines historical Adjusted EBITDA as net income attributable to Entegris, Inc. before (1) income tax expense, (2) interest expense, (3) interest income, (4) other (income) expense, net, (5) change for fair value write-up of acquired inventory sold, (6) deal costs, (7) integration costs, (8) severance and restructuring costs, (9) amortization of intangible assets and (10) depreciation (collectively, "EBITDA Adjustments"), and defines Pro Forma Adjusted EBITDA as Adjusted EBITDA further adjusted to give effect to the Merger, the other Transactions and the other items identified as permitted adjustments pursuant to the terms of the notes offered hereby or the proposed terms of our Senior Credit Facilities. See Footnote 2 under "Summary—Summary Historical Consolidated Financial Data of Entegris" for a reconciliation of this measure to the most directly comparable financial measure calculated in accordance with GAAP.

(2) Entegris defines Adjusted Operating Income as net income attributable to Entegris, Inc. before (1) income tax expense, (2) interest expense, (3) interest income, (4) other (income) expense, net, (5) change for fair value write-up of acquired inventory sold, (6) deal costs, (7) integration costs, (8) severance and restructuring costs and (9) amortization of intangible assets (collectively, "Operating Income Adjustments"), and defines Pro Forma Adjusted Operating Income as Adjusted Operating Income further adjusted to give effect to the Merger, the other Transactions and the other items identified as permitted adjustments pursuant to the terms of the notes offered hereby or the proposed terms of our Senior Credit Facilities. The reconciliation of GAAP measures to Pro Forma Adjusted Operating Income and Pro Forma Adjusted EBITDA to the most directly comparable financial measure calculated in accordance with GAAP is presented below in the accompanying table. The Entegris fiscal year ends on December 31, whereas CMC's fiscal year ends on September 30. Due to this difference in year end, for the purpose of presenting the selected unaudited condensed combined and pro forma financial information for the twelve months ended December 31, 2021, the CMC financial results for the twelve months ended December 31, 2021 have been calculated by adding its financial results for the three months ended December 31, 2021 to its financial results for the twelve months ended September 30, 2021 and subtracting its financial results for the three months ended December 31, 2020. The selected unaudited condensed combined and pro forma financial information for the twelve months ended December 31, 2021 combines the Entegris audited consolidated statement of operations for the year ended December 31, 2021 and the CMC financial results for the twelve months ended December 31, 2021. For certain pro forma Transaction adjustments, this gives effect to the Merger and the other Transactions as if they occurred on January 1, 2021. Refer also to the "Unaudited Pro Forma Condensed Combined Financial Information" for further information.

	For the Year Ended December 31, 2021	
	2021	**Notes**
	($ in thousands)	
Combined Entegris and CMC historical net sales	$3,527,907	
Combined Entegris and CMC historical GAAP Operating income	$ 529,795	
Entegris adjustments to historical operating income:		
Charge for fair value write-up of acquired inventory sold	428	(A)
Deal costs	4,744	(B)
Integration costs	3,780	(C)
Severance and restructuring costs	529	(D)
Amortization of intangible assets	47,856	
CMC adjustments to historical operating income:		
Impairment changes	232,480	(E)
Acquisition and integration related expenses	8,053	(F)
Entegris Transaction-related expenses	6,050	(G)
Future Forward-related expenses	2,979	(H)
Environmental accrual	2,508	(I)
Costs related to KMG-Bernuth warehouse fire, net of insurance recovery	(1,050)	(J)
Costs related to the Pandemic, net of grants received	(773)	(K)
Net costs related to the restructuring of the wood treatment business	123	(L)
Amortization of intangible assets	66,118	(M)
Combined Entegris and CMC historical Adjusted Operating Income	903,620	
Combined Entegris and CMC historical Depreciation	157,174	
Combined Entegris and CMC historical Adjusted EBITDA	$1,060,794	
Pro Forma Transaction adjustments to combined historical Adjusted EBITDA:		
Wood treatment wind-down	(52,102)	(N)
ITS preacquisition EBITDA	1,792	(O)
Stock-based compensation	(2,031)	(P)
Run-rate cost synergies	75,000	(Q)
Pro Forma Adjusted EBITDA	1,083,453	
Less: Depreciation	(157,174)	
Pro Forma Adjusted Operating Income	$ 926,279	
Pro Forma net sales (after Transaction adjustments)	$3,453,327	
Pro Forma Adjusted EBITDA Margin - as a % of pro forma net sales	31.4%	
Pro Forma Adjusted Operating Income Margin - as a % of pro forma net sales	26.8%	

(A) From the acquisitions of Precision Microchemicals, Global Measurement Technologies Inc., Sinmat and other minor tuck-ins.

(B) Includes deal and transaction costs from the acquisitions of Precision Microchemicals, Global Measurement Technologies Inc., Sinmat and other minor tuck-ins.

(C) Integration costs from the acquisitions of Precision Microchemicals, Global Measurement Technologies Inc., Sinmat and other minor tuck-ins.

(D) Restructuring costs from the acquisitions of Precision Microchemicals, Global Measurement Technologies Inc., Sinmat and other minor tuck-ins.

(E) The pandemic resulted in an impairment charge related to the PIM business in the second quarter of fiscal year 2021 as well as wood treatment impairment charges as the business is wound down.

(F) Includes acquisition and integration costs from ITS and KMG-Beruhth, Inc. ("KMG-Beruhth") acquisitions.

(G) Expenses from sale to Entegris, primarily due to costs of banking and legal services.

(H) Expenses from CMC's cost migration program, "Future Forward."

(I) Environmental accrual related to anticipated remedial action phase of the Star Lake Canal Superfund Site.

(J) In fiscal 2019, a fire, which involved non-hazardous waste materials and caused no injuries, occurred at the warehouse of the wood treatment facility of CMC's subsidiary KMG-Berunth, in Tuscaloosa, Alabama, which processes penta for sale to customers in the U.S. and Canada. KMG-Berunth commenced and completed cleanup with oversight from certain local, state and federal authorities, and CMC recorded related expenses and for disposal of affected inventory in Cost of sales. CMC record expenses of $26, $1,551 and $9,494 for the fiscal years ended September 30, 2021, 2020 and 2019, respectively. Although CMC believes they have completed cleanup efforts related to the fire incident, there are potential other related costs that cannot be reasonably estimated as of this time due to the nature of federally-regulated penta-related requirements. In addition, CMC continues to work with its insurance carriers on possible recovery of losses and costs related to the fire incident. CMC received $1,076 and $468 of insurance recoveries during the fiscal years ended September 30, 2021 and 2020, respectively, which was recorded in Cost of sales.

(K) Non-recurring costs for providing EHS services to employees net of government grants received as pandemic aid.

(L) Restructuring costs related to CMC closure of its wood treatment business, with the wind-down completing in early calendar 2022.

(M) Reflects amortization expense recorded in Selling, general and administrative expenses. Also includes amortization of ITS intangible assets with a weighted average useful life of 12.2 years.

(N) Represents the removal of EBITDA of CMC's wood treatment business due to the planned closure in FY22.

(O) Represents EBITDA of ITS prior to its acquisition by CMC for the period of January 2021 to March 2021.

(P) Adjustment to recognize additional stock-based compensation expenses resulting from Entegris' acquisition of CMC.

(Q) Represents Entegris management's estimated run-rate synergies from the Merger, consisting of approximately $15 million in estimated cost of sales savings from insourcing; logistics and procurement initiatives and approximately $60 million in estimated operating expense savings in executive management costs; duplicate public company costs; back-office support and sales functions and facilities optimization initiatives.

(3) Entegris defines Pro Forma Secured Net Debt, a non-GAAP financial measure, as secured debt expected to be outstanding upon closing of the Merger, net of our cash balance after giving effect to the Merger and other Transactions. For purposes of this pro forma financial information secrued debt expected to be outstanding upon closing of the Merger is assumed to consist of (x) the notes offered hereby and, if the principal amount of notes is less than $1,600 million, other secured debt and (y) $2,495 million under the New Term Facility.

	Pro Forma Combined Balance Sheet Data as of December 31, 2021
	($ in thousands)
Pro Forma Secured Net Debt:	
Secured notes offered hereby	$1,600,000
New Term Facility	2,495,000
Total Pro Forma Secured Debt	4,095,000
Less: Debt issuance costs - allocated	(74,000)
Less: Original issue discount	(24,950)
Pro forma long-term secured debt	3,996,050
Less: Pro forma cash and cash equivalents	(345,437)
Pro forma Secured Net Debt	$3,650,613

(4) Entegris defines Pro Forma Net Debt, a non-GAAP financial measure, as debt expected to be outstanding under the Notes offered hereby and our New Term Facility and Senior Credit Facilities upon closing of the Merger, net of our cash balance after giving effect to the Merger and other Transactions. For purposes of this pro forma financial information, debt expected to be outstanding upon closing of the Merger is assumed to consist of (x) Total Pro Forma Secured Debt and (y) $800 million of unsecured debt under the Bridge Facility.

	Pro Forma Combined Balance Sheet Data as of December 31, 2021
	($ in thousands)
Pro Forma Secured and Unsecured Net Debt:	
Total Pro Forma Secured Debt (above)	$4,095,000
Bridge Facility	800,000
2028 Notes	400,000
2029 Notes	400,000
Total Pro Forma Debt	5,695,000
Less: Debt issuance costs	(94,941)
Less: Original issue discount	(24,950)
Pro forma long-term debt (secured & unsecured)	5,575,109
Less: Pro forma cash and cash equivalents	(345,437)
Pro forma Net Debt	$5,229,672

(5) Entegris defines Cash Interest Expense, a non-GAAP financial measure, as SOFR, with a floor of 0.00%, plus a margin of 3.00% for the New Term Facility, and 4.75% for the secured senior notes offered hereby, and 5.50% for the Bridge Facility or other unsecured debt financing less interest earned on cash balances. A 0.125% increase in the interest rate on the New Senior Credit Facilities would increase our assumed annual interest expense by approximately $6.1 million. See "Unaudited Pro Forma Condensed Combined Financial Information."

(6) CMC historical Adjusted EBITDA presented to conform with Entegris presentation. CMC defines historical Adjusted EBITDA, a non-GAAP financial measure, as net income (loss) before (1) income tax expense, (2) interest expense, net, (3) acquisition and integration related expenses, (4) impairment charges, (5) Entegris Transaction-related expenses, (6) Future Forward-related expenses, (7) environmental accrual, (8) costs related to KMG-Bernuth warehouse fire, net of insurance recovery, (9) costs related to the Pandemic, net of grants received, (10) net costs related to restructuring of the wood treatment business and (11) depreciation and amortization (collectively, "CMC EBITDA Adjustments"). CMC's Adjusted EBITDA is a non-GAAP measure and, as such, is subject to the same qualifications and limitations described above with respect to Entegris' non-GAAP measures.

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

The following unaudited pro forma condensed combined financial information is based on and derived from the separate historical financial statements of Entegris and CMC which are incorporated by reference elsewhere in this offering memorandum, after giving effect to the Merger and the other Transactions and gives effect to the assumptions and preliminary pro forma adjustments described in the accompanying notes to the unaudited pro forma condensed combined financial statements. The unaudited pro forma condensed combined balance sheet gives effect to the Transactions as if they had occurred on December 31, 2021. The unaudited pro forma condensed combined statement of operations gives effect to the Transactions as if they had occurred on January 1, 2021. All amounts presented within this section are presented in thousands, except per share amounts unless otherwise noted. As a result of displaying amounts in thousands, rounding differences may exist in the tables in this section.

The unaudited pro forma condensed combined financial information was prepared using the acquisition method of accounting with Entegris as the acquirer of CMC. Accordingly, consideration given by Entegris to complete the Merger will be allocated to the assets and liabilities of CMC based upon their estimated fair values as of the date of completion of the Merger. Any excess of the consideration over the fair value of assets acquired and liabilities assumed is allocated to goodwill. As of the date of this offering memorandum, Entegris has not completed the detailed valuation studies necessary to arrive at the required estimates of the fair value of the CMC assets to be acquired and the liabilities to be assumed and the related allocations of purchase price, nor has it identified all adjustments necessary to conform CMC's accounting policies to Entegris' accounting policies. A final determination of the fair value of CMC's assets and liabilities will be based on the actual net tangible and intangible assets and liabilities of CMC that exist as of the date of completion of the Merger and, therefore, cannot be made prior to the completion of the transaction. Accordingly, the unaudited pro forma purchase price adjustments are preliminary and are subject to further adjustments as additional information becomes available and as additional analyses are performed, and such further adjustments from purchase price or conforming accounting adjustments may be material. The preliminary unaudited pro forma purchase price adjustments have been made solely for the purpose of providing the unaudited pro forma condensed combined financial information presented below. Entegris estimated the fair value of CMC's assets and liabilities based on discussions with CMC's management, preliminary valuation studies, due diligence and information presented in public filings.

The unaudited pro forma condensed combined financial information is provided for informational purposes only. The unaudited pro forma condensed combined financial information is not necessarily, and should not be assumed to be, an indication of the results that would have been achieved had the Transactions been completed as of the dates indicated or that may be achieved in the future and should not be taken as representative of future consolidated results of operations or financial condition of Entegris. Furthermore, no effect has been given in the unaudited pro forma condensed combined statement of operations to synergies and potential cost savings, if any, that may be realized through the combination of the two companies or the costs that may be incurred in integrating their operations.

The unaudited pro forma condensed combined financial information should be read in conjunction with "Risk Factors," "Summary Historical Consolidated Financial Data of Entegris," and "Summary Historical Consolidated Financial Data of CMC" and Entegris and CMC's historical consolidated financial statements and related notes incorporated herein by reference. See "Incorporation By Reference" in this offering memorandum.

UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET
AS OF DECEMBER 31, 2021
($ in thousands)

	Historical						
	Entegris	CMC as Reclassified	Transaction Accounting Adjustments	Notes	Other Transaction Accounting Adjustments	Notes	Pro Forma Combined
		Note 2					
ASSETS							
Current assets:							
Cash and cash equivalents	$ 402,565	$ 200,023	$(3,915,911)	4(A)	$ 4,895,000	4(K)	$ 345,437
			(16,000)	4(B)	(1,196,141)	4(M)	
			(24,099)	4(T)	—		
Trade accounts and notes receivable, net	347,413	166,957	(850)	4(C)	—		513,520
Inventories, net	475,213	174,445	47,763	4(D)	—		697,421
Deferred tax charges and refundable income taxes	35,312	4,359	10,660	4(P)	1,743	4(R)	52,074
Other current assets	52,867	28,028	24,099	4(T)	—		104,994
Total current assets	1,313,370	573,812	(3,874,338)		3,700,602		1,713,446
Property, plant and equipment, net	654,098	351,602	134,515	4(E)	—		1,140,215
Other assets:							
Right-of-use assets	66,563	27,566	—		—		94,129
Goodwill	793,702	567,267	3,180,544	4(I)	—		4,541,513
Intangible assets, net	335,113	605,601	1,999,399	4(F)	—		2,940,113
Deferred tax assets and other noncurrent tax assets	17,671	6,467	—		—		24,138
Other noncurrent assets	11,379	26,804	—		(16,764)	4(Q)	21,419
Total assets	$3,191,896	$2,159,119	$ 1,440,120		$ 3,683,838		$10,474,973
LIABILITIES AND EQUITY							
Current liabilities:							
Long-term debt, current maturities	$	$ 13,313	$ 2,876	4(G)	$ (16,189)	4(O)	$ —
Accounts payable	130,734	59,478	(850)	4(C)	—		189,362
Accrued payroll and related benefits	108,818	29,248	—		—		138,066
Other accrued liabilities	90,313	74,747	—		(1,161)	4(Q)	163,899
Income taxes payable	49,136	17,268	—		—		66,404
Total current liabilities	379,001	194,054	2,026		(17,350)		557,731
Long-term debt, excluding current maturities	937,027	901,093	8,430	4(G)	4,782,050	4(L)	5,575,109
			—		(909,523)	4(O)	
					(143,968)	4(N)	
Pension benefit obligations and other liabilities	37,816	43,914	—		(29,114)	4(S)	52,616
Deferred tax liabilities and other noncurrent tax liabilities	64,170	95,460	488,333	4(H)	1,743	4(R)	649,706
Long-term lease liability	60,101	21,778	—		—		81,879
Equity:							
Common stock	1,357	40	90	4(J)	—		1,487
Treasury stock	(7,112)	(624,670)	624,670	4(J)	—		(7,112)
Additional paid-in capital	879,845	1,072,076	811,624	4(J)	—		2,577,633
Retained earnings	879,776	446,193	(485,872)	4(J)	—		840,097
Accumulated other comprehensive loss	(40,085)	9,181	(9,181)	4(J)	—		(40,085)
Total equity	1,713,781	902,820	941,331		—		3,557,932
Total liabilities and equity	$3,191,896	$2,159,119	$ 1,440,120		$ 3,683,838		$10,474,973

UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2021
(*Amounts in thousands, except per share data*)

	Historical						
	Entegris	**CMC as Reclassified**	**Transaction Accounting Adjustments**	**Notes**	**Other Transaction Accounting Adjustments**	**Notes**	**Pro Forma Combined**
		Note 2					
Net sales	$2,298,893	$1,229,014	$ (9,067)	5(A)	$ —		$3,518,840
			12,461	5(B)	—		
			(9,067)	5(A)	—		
Cost of sales	1,239,229	727,913	47,763	5(K)	—		2,018,560
			261	5(J)	—		
Gross profit	1,059,664	501,101	(60,460)		—		1,500,280
			3,169	5(B)	—		
Selling, general and administrative expenses	292,408	169,381	90,166	5(D)	—		556,656
			1,532	5(J)	—		
					—		
Engineering, research and development expenses	167,632	55,095	1,185	5(B)	—		224,150
			238	5(J)	—		
Amortization of intangible assets	47,856	66,118	93,549	5(C)	—		207,523
Asset impairment charges	—	232,480	—		—		232,480
Operating income (loss)	551,768	(21,973)	(250,324)		—		279,471
Interest expense	41,240	38,576	—		194,850	5(F)	248,931
			—		(38,576)	5(G)	
			—		(3,045)	5(H)	
			—		15,866	5(I)	
Interest income	(243)	(58)	—		—		(301)
Other expense, net	31,695	2,734	—		—		34,429
Income (loss) before income taxes	479,076	(63,225)	(250,324)		(169,115)		(3,588)
Income tax expense (benefit)	69,950	9,454	(56,323)	5(E)	(38,051)	5(E)	(14,970)
Net income (loss)	$ 409,126	$ (72,679)	$(194,001)		$(131,064)		$ 11,382
Per common share data:							
(Note 6)							
Earnings per share							
Basic net income (loss) per common share	$ 3.02	$ (2.55)					$ 0.08
Diluted net income (loss) per common share	$ 3.00	$ (2.55)					$ 0.08
Weighted average shares outstanding							
Basic	135,411	28,454					148,373
Diluted	136,574	28,454					150,662

1. Basis of Pro Forma Presentation

The Merger is reflected in the unaudited pro forma condensed combined financial information as an acquisition of CMC by Entegris in accordance with Accounting Standards Codification Topic 805, "Business Combinations," using the acquisition method of accounting and are based on the annual audited and historical financial information of Entegris and annual and unaudited interim historical financial information of CMC. Under these accounting standards, the total estimated purchase price is calculated as described below, and substantially all the assets acquired and the liabilities assumed have been measured at their estimated fair values. The fair value measurements utilize estimates based on key assumptions of the Merger, including historical and current market data. The unaudited pro forma adjustments included herein are preliminary and will be revised at the time of the Merger as additional information becomes available and as additional analyses are performed. The final purchase price allocation will be determined at the time that the Merger is completed, and the final amounts recorded for the Merger may differ materially from the information presented herein.

Pursuant to the Merger Agreement, upon consummation of the Merger, CMC options will be replaced with Entegris options. The CMC performance-based restricted share unit awards will be replaced with Entegris time vested restricted share unit awards with continued time-based vesting schedule resulting in an estimated $5,380 of pre-combination expense, treated as part of total consideration, with the remaining $12,008 being recognized in post combination periods. Additionally, certain CMC employees are entitled to payments upon a change in control and their subsequent termination. These payments are currently estimated to be $24,100. Please refer to adjustment 4(T) for further details regarding the funding of the rabbi trust which is required immediately prior to a change in control, as defined. Merger-related transaction costs are not included as a component of consideration transferred, but are accounted for as an expense in the period in which the costs are incurred. Please refer to adjustments 4(A) and 5(K) for additional details on the effect of merger-related transaction costs in the condensed combined pro forma financial statements.

Under the acquisition method of accounting, the total estimated acquisition consideration is allocated to the acquired tangible and intangible assets and assumed liabilities of CMC based on their estimated fair values as of the acquisition date. Any excess of the acquisition consideration over the fair value of assets acquired and liabilities assumed is allocated to goodwill. The Company expects that all such goodwill will not be deductible for tax purposes. For the purposes of the unaudited pro forma condensed combined financial statements, Entegris has made a preliminary allocation of the acquisition consideration as follows:

The preliminary purchase price allocation is as follows (in thousands):	
Consideration paid to CMC stockholders	$5,725,575
Repayment of CMC indebtedness	925,712
Total consideration to acquire CMC	6,651,287
Cash and cash equivalents	155,073
Inventories	222,208
Trade accounts and notes receivable	166,957
Other current assets	37,510
Property, plant and equipment	486,117
Intangible assets	2,605,000
Other noncurrent assets	60,837
Deferred tax liabilities and other noncurrent tax liabilities	(583,793)
Income taxes payable	(17,268)
Other current and noncurrent liabilities	(229,165)
Preliminary fair value of assets acquired	2,903,476
Preliminary allocation to goodwill	$3,747,811

Entegris expects to finance the Merger and pay related fees and expenses with $4,095,000 of secured debt, consisting of a New Term Facility of $2,495,000, and $800,000 of unsecured debt, together with cash on hand. If the timing or amount of this offering differs from our expectations, Entegris has obtained a revolving facility of $575,000 that is expected to be unutilized at closing. For purposes of the pro forma financial information the secured debt is assumed to consist of a New Term Facility of $2,495,000 and $1,600,000 of notes offered hereby and the unsecured debt is assumed to consist of a $800,000 Bridge Facility.

The senior secured note has a term of 7 years. For purposes of the pro forma financial information, interest on the senior secured term loan facility is assumed to accrue at an estimated rate per annum equal to 4.750%.

The notes offered hereby have a term of 7 years. For purposes of the pro forma financial information, interest on the notes offered hereby is assumed to accrue at an estimated rate per annum equal to 3.000%.

The Bridge Facility has a term of 8 years. For purposes of the pro forma financial information, interest on the Bridge Facility is assumed to accrue at an estimated interest rate per annum equal to 5.500%.

Refer to footnote 5(F) for details on the sensitivity analysis of interest rate fluctuations with respect to the senior secured note, New Term Facility and Bridge Facility.

For a more complete description of the credit facilities and the notes offered hereby, see “Description of Certain Indebtedness” and “Description of Notes.”

The Company’s fiscal year ends on December 31, whereas CMC’s fiscal year ends on September 30. Due to this difference in year end, for the purpose of the unaudited pro forma condensed combined statement of operations for the twelve months ended December 31, 2021 the CMC financial results for the twelve months ended December 31, 2021 have been calculated by adding its financial results for the three months ended December 31, 2021 to its financial results for the twelve months ended September 30, 2021 and subtracting its financial results for the three months ended December 31, 2020. The unaudited pro forma condensed combined statement of operations, which we refer to as the pro forma statement of operations, for the twelve months ended December 31, 2021 combines the Entegris audited consolidated statement of operations for the year ended December 31, 2021 and the CMC financial results for the twelve months ended December 31, 2021.

($ in thousands)	**Three Months Ended December 31, 2020**	**Twelve Months Ended September 30, 2021**	**Three Months Ended December 31, 2021**	**Twelve Months Ended December 31, 2021**
Income Statement Data:				**Note 2**
	A	**B**	**C**	**D = B+C-A**
Revenues:				
Revenues	$287,863	$1,199,831	$317,046	$1,229,014
Cost of sales	164,959	701,662	191,210	727,913
Gross profit	122,904	498,169	125,836	501,101
Selling, general and administrative	55,920	228,886	56,483	229,449
Research, development and technical	12,428	54,195	13,328	55,095
Asset impairment charges	7,347	230,392	9,435	232,480
Entegris Transaction-related expenses	—	—	6,050	6,050
Operating income	47,209	(15,304)	40,540	(21,973)
Interest expense	9,608	38,360	9,743	38,495
Interest income	(23)	—	—	23
Other (income) expense, net	(1,452)	1,130	152	2,734
Income (loss) before income taxes	39,076	(54,794)	30,645	(63,225)
Provision for income taxes	7,546	13,783	3,217	9,454
Net income (loss)	$ 31,530	$ (68,577)	$ 27,428	$ (72,679)

Financial information presented in the “Historical CMC” column in the unaudited pro forma condensed combined balance sheet and statement of operations has been reclassified to conform to the historical presentation in Entegris’ consolidated financial statements. Please refer to Note 2 for further details.

2. Reclassifications

Certain reclassification adjustments have been made to the historical presentation of CMC financial information in order to conform to Entegris historical financial statements. In order to prepare the pro forma financial statements, Entegris performed a preliminary review of CMC’s accounting policies to identify significant differences.

CMC Unaudited Reclassified Condensed Balance Sheet (as of December 31, 2021)
($ in thousands)

	CMC Before Reclassification	Reclassification	Notes	CMC as Reclassified
ASSETS				
Current assets:				
Cash and cash equivalents	$ 200,023	$ —		$ 200,023
Trade accounts and notes receivable, net	166,957	—		166,957
Inventories, net	174,445	—		174,445
Deferred tax charges and refundable income taxes	—	4,359	(A)	4,359
Other current assets	32,387	(4,359)	(A)	28,028
Total current assets	573,812	—		573,812
Property, plant and equipment, net	351,602			351,602
Other assets:	—			
Right-of-use assets	—	27,566	(B)	27,566
Goodwill	567,267	—		567,267
Intangible assets, net	605,601	—		605,601
Deferred tax assets and other noncurrent tax assets	6,467	—		6,467
Other noncurrent assets	54,370	(27,566)	(B)	26,804
Total assets	$2,159,119	$ —		$2,159,119
LIABILITIES AND EQUITY				
Current liabilities:				
Long-term debt, current maturities	$ 13,313	$ —		$ 13,313
Accounts payable	59,478	—		59,478
Accrued expenses, income taxes payable and other current liabilities	121,263	(121,263)	(C)	—
Accrued payroll and related benefits	—	29,248	(C)	29,248
Other accrued liabilities	—	74,747	(C)	74,747
Income taxes payable	—	17,268	(C)	17,268
Total current liabilities	194,054	—		194,054
Long-term debt, excluding current maturities	901,093	—		901,093
Pension benefit obligations and other liabilities	—	43,914	(E)	43,914
Deferred tax liabilities and other noncurrent tax liabilities	74,499	20,961	(F)	95,460
Other long-term liabilities	86,653	(86,653)	(D),(E), (F)	—
Long-term lease liabilities	—	21,778	(D)	21,778
Common stock	40	—		40
Treasury stock	(624,670)	—		(624,670)
Additional paid-in capital	1,072,076	—		1,072,076
Retained earnings	446,193	—		446,193
Accumulated other comprehensive loss	9,181	—		9,181
Total equity	902,820	—		902,820
Total liabilities and equity	$2,159,119	$ —		$2,159,119

(A) Reclassification from "Other current assets" to "Deferred tax charges and refundable income taxes."

(B) Reclassification from "Other noncurrent assets" to "Right-of-use assets."

(C) Reclassification of "Accrued expenses, income taxes payable and other current liabilities" to "Accrued payroll and related benefits," "Other accrued liabilities" and "Income taxes payable."

(D) Reclassification from "Other long-term liabilities" to "Long-term lease liabilities."

(E) Reclassification from "Other long-term liabilities" to "Pension benefit obligations and other liabilities."

(F) Reclassification from "Other long-term liabilities" to "Deferred tax liabilities and other noncurrent tax liabilities."

CMC Unaudited Reclassified Condensed Statement of Operations (for year ended December 31, 2021)
($ in thousands)

	CMC Before Reclassification	Reclassifications	Notes	CMC as Reclassified
	Note 1			
Revenues	$1,229,014	$ —		$1,229,014
Cost of sales	727,913	—		727,913
Gross profit	501,101	—		501,101
Selling, general and administrative	229,449	(60,068)	(A), (C)	169,381
Research, development and technical	55,095	—		55,095
Amortization of intangible assets	—	66,118	(A)	66,118
Asset impairment charges	232,480	—		232,480
Entegris transaction related expenses	6,050	(6,050)	(C)	—
Operating (loss) income	(21,973)	—		(21,973)
Interest expense	38,495	81	(B)	38,576
Interest income	23	(81)	(B)	(58)
Other expense, net	2,734	—		2,734
Income (loss) before income taxes	(63,225)	—		(63,225)
Provision for income taxes	9,454	—		9,454
Net income (loss)	$ (72,679)	$ —		$ (72,679)

(A) Reclassification from "Selling, general and administrative expenses" to "Amortization of intangible assets."
(B) Reclassification from "Interest expense" to "Interest income."
(C) Reclassification from "Entegris transaction related expenses" to "Selling, general and administrative expenses."

3. Preliminary Consideration

(Amounts in thousands, except per share data)

CMC pro forma diluted shares outstanding as of January 31, 2022	28,765
Cash consideration per share	$ 133.00
Cash consideration (value)	$3,825,745
CMC pro forma diluted shares outstanding as of January 31, 2022	28,765
Entegris exchange ratio	0.4506
Entegris common shares issued in exchange	12,962
Entegris closing share price as of March 29, 2022	$ 140.83
Estimated stock consideration to be transferred	$1,825,438
Fair value of Entegris options issued in exchange for CMC options	$ 69,012
Fair value of Entegris RSU's issued in exchange for CMC PSU's	$ 5,380
Estimate of equity consideration expected to be transferred	$1,899,830
Estimate of cash and stock consideration expected to be transferred	$5,725,575

4. Adjustments to Unaudited Pro Forma Condensed Combined Balance Sheet

4(A) Represents the cash proceeds paid for the cash consideration of the acquisition and one-time transaction-related costs to be incurred prior to, or concurrent with, the closing of the Merger including bank fees. Acquisition-related transaction costs, such as investment banker, advisory, legal, and other professional fees are not included as a component of consideration transferred but are expensed as incurred. See also note 4(J) for the impact to retained earnings.

($ in thousands)	December 31, 2021
Cash component of Merger consideration (Note 3)	$(3,825,745)
Cash paid for Entegris and CMC combined transaction fees and expenses	(101,000)
Less: Total Entegris and CMC accrued transaction expenses	10,834
Total pro forma adjustment to Cash and cash equivalents	$(3,915,911)

4(B) Represents cash reduction related to the equity financing costs.

4(C) Represents the elimination of $850 between accounts receivable and accounts payable resulting from transactions between Entegris and CMC which would be eliminated upon consolidation.

4(D) Represents the preliminary fair value of inventories, which considers replacement cost for materials and net realizable value for work-in-process and finished goods. Refer to note 5(K) for further details.

4(E) Represents the preliminary fair value and resulting adjustment to net property, plant and equipment. The preliminary amounts assigned to net property, plant and equipment and estimated weighted average useful lives are as follows:

($ in thousands)	**Preliminary Fair Value**	**Estimated Weighted Average Useful Life (in years)**
Property, Plant and Equipment	$437,500	8
Construction in progress	48,617	15
Total fair value of CMC's property, plant and equipment, net	486,117	
Less: CMC's historical property, plant and equipment, net	351,602	
Pro forma adjustment	$134,515	

4(F) Represents the adjustment of historical and newly created intangible assets acquired by the Company to their estimated fair values (other than Goodwill). As part of the preliminary valuation analysis, the Company identified intangible assets, including technology, trade names, and customer relationships. The fair value of identifiable intangible assets is determined considering market research and a limited valuation analysis of the intangible assets. Since all information required to perform a detailed valuation analysis of CMC's intangible assets could not be obtained as of the date of this filing, for purposes of these unaudited pro forma condensed combined financial statements, the Company used certain assumptions based upon publicly available transaction data for the industry. The following table summarizes the estimated fair values of CMC's identifiable intangible assets and their estimated useful lives and uses a straight-line method of amortization:

($ in thousands)	**Preliminary Fair Value**	**Estimated Weighted Average Useful Life (in years)**
Customer relationships	$1,860,000	20
Developed Technology	510,000	10
Trademark / Trade Name	235,000	15
Total fair value of CMC's intangible assets (other than Goodwill)	2,605,000	
Less: CMC historical other intangible assets	605,601	
Pro forma adjustment	$1,999,399	

4(G) Represents the adjustment to eliminate deferred financing costs.

4(H) Represents the preliminary adjustment to deferred tax liabilities primarily associated with the one-time deductible transaction costs and fair value adjustments for property, plant, and equipment, inventories, and other intangible assets excluding goodwill, using a blended statutory tax rate of 22.5%.

4(I) Represents the excess of the preliminary consideration over the preliminary fair value of the assets acquired and liabilities assumed. Goodwill will be tested for impairment at least annually and whenever events or circumstances have occurred that may indicate a possible impairment. Goodwill is attributable to planned growth in new markets and synergies expected to be achieved from the combined operations of Entegris and CMC. Goodwill is not expected to be deductible for income tax purposes.

4(J) The following table summarizes the transaction accounting adjustments impacting equity:

($ in thousands)	Adjustments to Historical Equity	New Equity Structure	Other Items	Transaction Accounting Adjustments
Common stock	$ (40)	$ 130	$ —	$ 90
Treasury stock	624,670	—	—	624,670
Additional paid-in capital	(1,072,076)	1,883,700	—	811,624
Retained earnings	(446,193)	—	(39,679)	(485,872)
Accumulated other comprehensive loss	(9,181)	—	—	(9,181)
Total equity	$ (902,820)	$1,883,830	$(39,679)	$ 941,331

Adjustments to Historical Equity: Represents the elimination of CMC's historical equity.

New Equity Structure: Represents the allocation of the preliminary stock consideration of $1,883,830 to common stock at the Corporation par value of $.01 ($130) and additional paid-in-capital ($1,899,700) based on the price as of March 29, 2022, net of $16,000 of equity issuance costs.

Other Items: Represents the impact of the Entegris nonrecurring transaction costs, net of applicable taxes, to retained earnings, which is discussed within 4(A).

($ in thousands)	
Entegris transaction costs, net of amounts previously accrued	$(45,216)
Estimated tax benefit of Entegris transaction costs, net of amounts previously accrued	5,537
Entegris transaction costs treated as reduction to retained earnings	$(39,679)

4(K) Represents the cash proceeds of $4,895,000 from the debt financing funding of the Merger consideration from the notes offered hereby, Bridge Facility and the New Term Facility (see note 1 for further details).

4(L) Represents the debt financing obligation incurred totaling $4,895,000 from the notes offered hereby, Bridge Facility and the New Term Facility (see note 1 for further details), net of applicable debt issuance costs of $88,000 and original issuance discount of $24,950.

4(M) Represents the cash outflow for the payment of Entegris and CMC debt that is expected to be extinguished and refinanced (see note 4(O) and 4(N)), net of applicable debt issuance costs and original issue discount (see note 4(L)), as well as the extinguished outstanding interest rate swaps noted within note 4(Q) and 4(S), respectively, as summarized below.

($ in thousands)	December 31, 2021
Cash settlement of interest rate swap asset related to CMC's debt	$ 16,764
Cash payment of CMC's long term debt, current maturities	(16,189)
Cash settlement of interest rate swap liability related to CMC's debt	(1,161)
Cash payment of CMC's long term debt, excluding current maturities	(909,523)
Partial extinguishment of Entegris debt	(143,968)
Cash settlement of CMC's terminated swap	(29,114)
Cash payment of new debt issuance costs	(88,000)
Cash payment of original issue discount	(24,950)
Cash outflow for pay down for extinguishment of Entegris and CMC debt and refinancing	$(1,196,141)

4(N) Represents the paydown of $145,000 of Entegris debt associated with the refinancing arrangement, net of applicable debt issuance costs of $1,032.

4(O) Represents the elimination of CMC outstanding debt of $925,712, inclusive of unamortized deferred financing fees, associated with the refinancing arrangement of $11,306.

4(P) Represents the expected tax benefit of the anticipated CMC transaction costs to be incurred prior to, or concurrent with, the closing of the Merger including bank fees, legal fees or other transaction expenses that are treated as a reduction in goodwill.

4(Q) Represents the repayment of CMC outstanding interest rate swaps associated with the extinguished and refinanced CMC debt as noted within 4(O).

4(R) Represents the reclassification of the CMC deferred tax asset of $1,743 from Deferred tax liabilities and other noncurrent tax liabilities to Deferred tax charges and refundable income taxes. Upon the extinguishment of the existing CMC debt and interest rate swaps, any associated deferred tax assets liabilities will become current income taxes receivable/payable.

4(S) Represents the elimination of the outstanding terminated CMC interest rate swap. During the last quarter of 2020, CMC entered into a new interest rate swap agreement and the existing interest rate swap was terminated and the hedging relationship was de-designated.

4(T) Represents the estimated cash outflow to fund a rabbi trust (recorded within other current assets) which is required immediately prior to a change in control in which CMC or its successor must establish to fully fund the expected severance benefits due under applicable change in control agreements. Our estimate of funding for the rabbi trust is based upon preliminary assumptions that are subject to further refinement as additional information is obtained.

5. Adjustments to Unaudited Pro Forma Condensed Combined Statement of Operations

5(A) Transactions between Entegris and CMC have been eliminated as if Entegris and CMC were consolidated affiliates for the period presented.

5(B) Represents the preliminary pro forma adjustment to recognize changes to straight-line depreciation expense resulting from the fair value adjustments to acquired property, plant, and equipment. The preliminary fair value of the property, plant and equipment may not represent the actual value of the property, plant and equipment when the Merger is completed resulting in a potential difference in straight-line depreciation expense, and that difference may be material. For example, an increase or decrease of 15% in the fair value of property, plant and equipment on the closing date of the Merger from the fair value of property, plant and equipment assumed in these pro forma financial statements would change the value of the property, plant and equipment by approximately $72,918, which would be reflected as a corresponding increase or decrease to straight-line depreciation expense of $9,115 assuming a useful life of 8 years.

5(C) Represents estimated incremental straight-line amortization expense resulting from the allocation of purchase consideration to definite-lived intangible assets subject to amortization. An increase or decrease of 15% in the fair value of intangible assets on the closing date of the Merger from the fair value of intangible assets assumed in these pro forma financial statements would change the value of the intangible assets approximately by $390,750, which would be reflected as a corresponding increase or decrease to straight-line amortization expense of $26,050 assuming an average useful life of 15 years.

5(D) Represents the one-time transaction-related costs for both Entegris and CMC that have yet to be expensed or accrued in the historical financial statements through December 31, 2021 in connection with the Merger including bank fees, legal fees, consulting fees, and other transaction expenses. As of December 31, 2021, the total estimated transaction-related costs amounted to $101,000 with $10,834 expensed to date resulting in a net pro forma adjustment of $90,166.

5(E) Represents the income tax effect of the transaction accounting adjustments related to the Merger calculated using a blended statutory income tax rate of 22.5%. The effective tax rate of the combined company could be significantly different depending on the mix of actual earnings in foreign jurisdictions for periods subsequent to completion of the Merger and various other reasons.

5(F) Represents the estimated interest expense on the new debt raised to fund in part the consideration paid to effect the Merger using estimated interest rates as shown in the table below which is subject to market fluctuations until such time as the loan facilities are in put in place (refer also to Note 1 for further details). From a sensitivity analysis perspective, an increase or decrease of 12.5 basis points in anticipated interest rates would result in an increase or decrease of $6,119 in interest expense for the year ended December 31, 2021.

($ in thousands)	**Year Ended December 31, 2021**
Interest expense on Bridge Facility (5.500%)	$ 44,000
Interest expense senior secured notes offered hereby (4.750%)	76,000
Interest expense on New Term Facility (3.000%)	74,850
Total adjustment	$194,850

5(G) Represents the elimination of interest expense associated with the extinguished CMC debt outstanding.

5(H) Represents the elimination of interest expense associated with the partial payment of Entegris debt outstanding.

5(I) Represents the amortization of deferred financing costs and original issue discount associated with the aggregate new debt facilities (refer also to Note 1 for further details). For illustrative purposes of presenting the pro forma financial statements, we have allocated the deferred financing costs to the notes offered hereby, Bridge Facility and the New Term Facility on a pro-rata basis which has an expected seven, eight and seven-year term, respectively.

5(J) Represents the incremental differences in stock-based compensation for replaced equity awards. Subject to the terms of the Merger Agreement, unvested CMC performance-based restricted share awards will be replaced and converted into Entegris time vested restricted share awards.

5(K) Represents the additional cost of goods sold recognized in connection with the step-up of inventory valuation. Entegris will recognize the increased value of inventory in cost of sales as the inventory is sold, which for purposes of these pro forma financial statements is assumed to occur within the first year after the Merger and is non-recurring in nature. Refer to note 4(D) for additional details.

6. Entegris Earnings Per Share Information

The following table shows our calculation of pro forma combined basic and diluted earnings per share for the fiscal year ended December 31, 2021.

(Amounts in thousands, except per share data)	**Year Ended December 31, 2021**
Pro forma net income attributable to Entegris common stock	$ 11,382
Basic weighted average Entegris shares outstanding	135,411
CMC shares converted to Entegris shares[(1)]	12,962
Pro forma basic weighted average shares outstanding	148,373
Dilutive effect of securities:	
Weighted common shares assumed upon exercise of Entegris options and vesting of Entegris restricted stock units	1,163
Entegris options issued in consideration for CMC options[(2)]	1,003
Entegris RSU’s issued in exchange for CMC PSU’s[(3)]	123
Pro forma diluted weighted average shares outstanding	150,662
Pro forma basic earnings per share	$ 0.08
Pro forma diluted earnings per share	$ 0.08

(1) Represents the estimated number of shares of Entegris common stock to be issued to CMC stockholders based on the number of shares of CMC common stock outstanding as of January 31, 2022 (28,765 CMC pro forma shares outstanding—see Footnote 3) and after giving effect to the exchange ratio of 0.4506 as determined in the Merger Agreement. This amount is inclusive of 84 shares of prior CMC equity-based awards that were fully vested and converted to merger consideration.

(2) Represents the total vested and unvested CMC options as of January 31, 2022 which are being converted to Entegris options.

(3) Represents the total CMC PSU’s as of January 31, 2022 which are being converted to Entegris RSU’s.

Exhibit 99.3

Entegris

Entegris, Inc. Announces Proposed Private Offering of Notes

NEW YORK, April 4, 2022 – Entegris, Inc. (Nasdaq: ENTG) ("Entegris") today announced that its wholly-owned subsidiary, Entegris Escrow Corporation (the "Escrow Issuer"), intends to offer senior secured notes due 2029, subject to market and customary conditions.

Entegris intends to use the net proceeds from the proposed offering, together with the borrowings under its previously announced senior unsecured bridge facility (or other indebtedness) and senior secured first lien term loan B facility (the "term loan facility") and cash on hand, to (a) finance a portion of the cash consideration for the previously announced merger (the "Merger") with CMC Materials, Inc. ("CMC"), (b) pay the fees and expenses related to the Merger, the offering, the term loan facility and its bridge facility, (c) refinance certain existing indebtedness of CMC and Entegris and (d) in the case of the term loan facility, finance working capital and general corporate purposes of Entegris.

The gross proceeds of the notes, together with certain additional amounts, will be deposited into a separate escrow account for the notes until the consummation of the Merger. The notes will initially be the senior secured obligations of the Escrow Issuer, secured only by the amounts deposited in the applicable escrow account. Upon consummation of the Merger, the Escrow Issuer will merge with and into Entegris, with Entegris continuing as the surviving entity and assuming all of the Escrow Issuer's obligations under each series of notes. Following such merger and assumption, the notes will be guaranteed by each of Entegris' and CMC's existing and future domestic subsidiaries, other than certain excluded subsidiaries, to the extent that such entities guarantee the term loan facility or Entegris' outstanding senior unsecured notes or certain other indebtedness. The secured notes and related guarantees will also be secured, subject to permitted liens and certain other exceptions, by first priority liens on the same collateral that secures the obligations under the term loan facility.

The notes and the related guarantees have not been, and will not be, registered under the Securities Act of 1933, as amended (the "Securities Act"), or any applicable state or foreign securities laws, and will be offered only to qualified institutional buyers in reliance on Rule 144A, and to persons outside the United States in compliance with Regulation S under the Securities Act. Unless so registered, the notes and the related guarantees may not be offered or sold in the United States except pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws. This press release will not constitute an offer to sell or a solicitation of an offer to buy any notes or any other securities. The offering is not being made to any person in any jurisdiction in which the offer, solicitation or sale is unlawful.

About Entegris, Inc.

Entegris is a leading supplier of advanced materials and process solutions for the semiconductor and other high-technology industries. Its mission is to help its customers improve their productivity, performance and technology by providing solutions for the most advanced manufacturing environments. Entegris leverages its unique breadth of capabilities to create mission-critical microcontamination control products, specialty chemicals and advanced materials handling solutions that maximize manufacturing yields, reduce manufacturing costs and enable higher device performance for its customers.

Additional Information about the Merger and Where to Find It

This press release does not constitute an offer to buy or sell or the solicitation of an offer to buy or sell any securities or a solicitation of any vote or approval. This press release relates to a proposed business combination between Entegris and CMC. In connection with the proposed transaction, on January 14, 2022, Entegris filed with the Securities and Exchange Commission (the "SEC") a registration statement on Form S-4 (the "Registration Statement") that includes a proxy statement of CMC and that also constitutes a prospectus of Entegris. Each of Entegris and CMC may also file other relevant documents with the SEC regarding the proposed transaction. This document is not a substitute for the proxy statement/prospectus or Registration Statement or any other document that Entegris or CMC may file with the SEC. Any definitive proxy statement/prospectus (if and when available) will be mailed to stockholders of CMC. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE REGISTRATION STATEMENT, PROXY STATEMENT/PROSPECTUS AND OTHER DOCUMENTS THAT MAY BE FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THESE DOCUMENTS, CAREFULLY AND IN THEIR ENTIRETY IF AND WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION. Investors and security holders will be able to obtain free copies of these documents (if and when available) and other documents containing important information about Entegris and CMC, once such documents are filed with the SEC through the website maintained by the SEC at http://www.sec.gov. Copies of the documents filed with the SEC by Entegris will be available free of charge on Entegris' website at http://Entegris.com or by contacting Entegris' Investor Relations Department by email at irelations@Entegris.com or by phone at +1 978-436-6500. Copies of the documents filed with the SEC by CMC will be available free of charge on CMC's website at www.CMCmaterials.com/investors or by contacting CMC's Investor Relations Department by email at investors@CMCmaterials.com by phone at +1 630-499-2600.

Cautionary Note on Forward-Looking Statements

This press release may contain statements that are not historical facts and are "forward-looking statements" within the meaning of U.S. securities laws. The words "believe," "expect," "anticipate," "intend," "estimate," "forecast," "project," "should," "may," "will," "would" or the negative thereof and similar expressions are intended to identify such forward-looking statements. These forward-looking statements may include statements about: the ability of Entegris and the Escrow Issuer to consummate the proposed notes offering; the impact of the COVID-19 pandemic on Entegris' operations and markets, including supply chain issues related thereto; future period guidance or projections; Entegris' performance relative to its markets, including the drivers of such performance; market and technology trends, including the duration and drivers of any growth trends and the impact of the COVID-19 pandemic on such trends; the development of new products and the success of their introductions; the focus of Entegris' engineering, research and development projects; Entegris' ability to execute on its business strategies, including with respect to Entegris' expansion of its manufacturing presence in Taiwan; Entegris' capital allocation strategy, which may be modified at any time for any reason, including share repurchases, dividends, debt repayments and potential acquisitions; the impact of the acquisitions Entegris has made and commercial partnerships it has established; future capital and other expenditures, including estimates thereof; Entegris' expected tax rate; the impact, financial or otherwise, of any organizational changes; the impact of accounting pronouncements; quantitative and qualitative disclosures about market risk; anticipated results of operations, business strategies of Entegris, CMC and the combined company; anticipated benefits of the Merger; the anticipated impact of the Merger on Entegris' and CMC's business and future financial and operating results; the expected amount and timing of synergies from the Merger; the anticipated closing date for the Merger and other aspects of CMC's and Entegris' operations or operating results; and other matters.

These forward-looking statements are based on current management expectations and assumptions only as of the date of this press release, are not guarantees of future performance and involve substantial risks and uncertainties (many of which are beyond Entegris' control and are difficult to predict) that could cause actual results of Entegris, CMC and/or the combined company following the Merger to differ materially and adversely from the results expressed in, or implied by, these forward-looking statements. These risks and uncertainties include, but are not limited to: (i) weakening of global and/or regional economic conditions, generally or specifically in the semiconductor industry, which could decrease the demand for Entegris' and CMC's products and solutions; (ii) Entegris' and CMC's ability to meet rapid demand shifts; (iii) Entegris' and CMC's ability to continue technological innovation and introduce new products to meet customers' rapidly changing requirements; (iv) Entegris' and CMC's ability to protect and enforce intellectual property rights; (v) operational, political and legal risks of Entegris' and CMC's international operations; (vi) the increasing complexity of certain manufacturing processes; (vii) raw material shortages, supply and labor constraints and price increases; (viii) changes in government regulations of the countries in which Entegris and CMC operate; (ix) the imposition of tariffs, export controls and other trade laws and restrictions and changes foreign and national security policy, especially as they relate to China and as may arise with respect to recent developments regarding Russia and Ukraine; (x) the fluctuation of currency exchange rates; fluctuations in the market price of Entegris' stock; (xi) the level of, and obligations associated with, Entegris' indebtedness, including the notes, and the risks related to holding the notes; (xii) the impact of public health crises, such as pandemics (including coronavirus (COVID-19)) and epidemics and any related company or government policies and actions to protect the health and safety of individuals or government policies or actions to maintain the functioning of national or global economies and markets; and (xiii) the other risk factors and additional information described in Entegris' filings with the SEC. In addition, risks that could cause actual results to differ from forward-looking statements include: the prompt and effective integration of CMC's businesses and the ability to achieve the anticipated synergies and value-creation contemplated by the Merger; the risk associated with CMC's ability to obtain the approval of the Merger by its stockholders required to consummate the Merger and the timing of the closing of the Merger, including the risk that the conditions to the Merger are not satisfied on a timely basis or at all and the failure of the Merger to close for any other reason; the risk that a regulatory consent or authorization that may be required for the Merger is not obtained or is obtained subject to conditions that are not anticipated; unanticipated difficulties or expenditures relating to the Merger, the outcome of any legal proceedings related to the Merger, the response and retention of business partners and employees as a result of the announcement and pendency of the Merger; and the diversion of management time on transaction-related issues. These risks, as well as other risks related to the proposed transaction, are included in the offering memorandum. While the list of factors presented here is, and the list of factors to be presented in the offering memorandum are considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties. For a more detailed discussion of such risks and other factors, see Entegris' and CMC's filings with the Securities and Exchange Commission, including under the heading "Risks Factors" in Item 1A of Entegris' Annual Report on Form 10-K for the fiscal year ended December 31, 2021, which was filed with the SEC on February 4, 2022, CMC's Annual Report on Form 10-K for the fiscal year ended September 30, 2021, which was filed with the SEC on November 12, 2021 and amended by the Form 10-K/A filed with the SEC on January 19, 2022, and CMC's Quarterly Report on Form 10-Q for the fiscal quarter ended December 31, 2021, which was filed with the SEC on February 3, 2022, and in other periodic filings, available on the SEC website or www.entegris.com or www.cmcmaterials.com. Entegris and CMC assume no obligation to update any forward-looking statements or information, which speak as of their respective dates, to reflect events or circumstances after the date of this press release, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws. Investors should not assume that any lack of update to a previously issued "forward-looking statement" constitutes a reaffirmation of that statement.

SOURCE Entegris, Inc.

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