



Earnings Summary

First Quarter 2022

April 26, 2022

Safe Harbor

This presentation contains forward-looking statements. 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 include statements related to future period guidance; future net revenue, operating expenses, net income, diluted earnings per common share, non-GAAP operating expenses, non-GAAP net income, diluted non-GAAP earnings per common share, and other financial metrics; future repayments under the Company's credit facilities; the Company's performance relative to its markets, including the drivers of such performance; the impact, financial or otherwise, of any organizational changes; market and technology trends, including the expected impact of the COVID-19 pandemic; the Company's 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 the Company has made and commercial partnerships the Company has established; the Company's ability to execute on its strategies; and other matters. These statements involve risks and uncertainties, and actual results may differ materially from those projected in the forward-looking statements. These risks and uncertainties include, but are not limited to, risks related to our pending acquisition of CMC Materials, Inc.; the COVID-19 pandemic on the global economy and financial markets, as well as on the Company, our customers and suppliers, which may impact our sales, gross margin, customer demand and our ability to supply our products to our customers; weakening of global and/or regional economic conditions, generally or specifically in the semiconductor industry, which could decrease the demand for the Company's products and solutions; the ongoing conflict between Russia and Ukraine and the global response to it; raw material shortages, supply constraints and price increases; the Company's ability to meet rapid demand shifts; the Company's ability to continue technological innovation and introduce new products to meet customers' rapidly changing requirements; the Company's concentrated customer base; the Company's ability to identify, complete and integrate acquisitions, joint ventures or other transactions; the Company's ability to effectively implement any organizational changes; the Company's ability to protect and enforce intellectual property rights; operational, political and legal risks of the Company's international operations; the Company's dependence on sole source and limited source suppliers; the increasing complexity of certain manufacturing processes; changes in government regulations of the countries in which the Company operates; fluctuation of currency exchange rates; fluctuations in the market price of the Company's stock; the level of, and obligations associated with, the Company's indebtedness; and other risk factors and additional information described in the Company's filings with the Securities and Exchange Commission, including under the heading “Risks Factors” in Item 1A of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2021, filed with the Securities and Exchange Commission on February 4, 2022, and in the Company's other periodic filings. The Company assumes no obligation to update any forward-looking statements or information, which speak as of their respective dates.

This presentation contains references to “Adjusted EBITDA,” “Adjusted EBITDA – as a % of Net Sales,” “Adjusted Operating Income,” “Adjusted Operating Margin,” “Adjusted Gross Profit,” “Adjusted Gross Margin – as a % of Net Sales,” “Adjusted Segment Profit,” “Adjusted Segment Profit Margin,” “Non-GAAP Operating Expenses,” “Non-GAAP Tax Rate,” “Non-GAAP Net Income,” “Diluted Non-GAAP Earnings per Common Share” and “Free Cash Flow” that are not presented in accordance GAAP. The non-GAAP financial measures should not be considered in isolation or as a substitute for GAAP financial measures but should instead be read in conjunction with the GAAP financial measures. Further information with respect to and reconciliations of such measures to the most directly comparable GAAP financial measure can be found attached to this presentation.

First Quarter 2022 Financial Summary



\$650M **+27%**¹
REVENUE

\$163M **+43%**
OPERATING INCOME

\$182M **+42%**
ADJUSTED OPERATING INCOME²

\$0.92 **+48%**
DILUTED GAAP EPS
\$1.06 **+51%**
DILUTED NON-GAAP EPS²

25.1%³ **+290 bps**
OPERATING MARGIN

28.1%³ **+310 bps**
ADJUSTED OPERATING MARGIN²

1. All growth data on this slide is year-on-year.
2. See appendix for GAAP to non-GAAP reconciliations.
3. As a % of net sales.

Summary – Consolidated Statement of Operations (GAAP)

\$ in millions, except per share data	1Q22	1Q22 Guidance	4Q21	1Q21	1Q22 over 1Q21	1Q22 over 4Q21
Net Revenue	\$649.6	\$630 - \$650	\$635.2	\$512.8	26.7%	2.3%
Gross Margin	47.7%		46.5%	45.8%		
Operating Expenses	\$146.5	\$150 - \$152	\$135.5	\$121.0	21.0%	8.1%
Operating Income	\$163.3		\$159.5	\$114.0	43.3%	2.4%
Operating Margin	25.1%		25.1%	22.2%		
Tax Rate	13.7%		20.2%	13.7%		
Net Income	\$125.7	\$111 - \$118	\$118.2	\$84.7	48.5%	6.3%
Diluted Earnings Per Common Share	\$0.92	\$0.81 - \$0.86	\$0.87	\$0.62	48.4%	5.7%

Summary – Consolidated Statement of Operations (Non-GAAP)¹

\$ in millions, except per share data	1Q22	1Q22 Guidance	4Q21	1Q21	1Q22 over 1Q21	1Q22 over 4Q21
Net Revenue	\$649.6	\$630 - \$650	\$635.2	\$512.8	26.7%	2.3%
Adjusted Gross Margin – as a % of Net Sales ²	47.7%		46.5%	45.8%		
Non-GAAP Operating Expenses ³	\$127.6	\$126 - \$128	\$118.7	\$107.0	19.3%	7.4%
Adjusted Operating Income	\$182.3		\$176.8	\$128.0	42.3%	3.1%
Adjusted Operating Margin	28.1%		27.8%	25.0%		
Non-GAAP Tax Rate ⁴	14.2%		20.3%	14.8%		
Non-GAAP Net Income ⁵	\$145.1	\$131 - \$138	\$131.8	\$95.5	52.0%	10.1%
Diluted Non-GAAP Earnings Per Common Share	\$1.06	\$0.96 - \$1.01	\$0.96	\$0.70	51.4%	10.4%

1. See GAAP to non-GAAP reconciliation tables in the appendix of this presentation.

2. Excludes charges for fair value write-up of acquired inventory sold.

3. Excludes amortization expense, deal and transaction costs, integration costs and severance and restructuring costs.

4. Reflects the tax effect of non-GAAP adjustments and discrete tax items to GAAP taxes.

5. Excludes the items noted in footnotes 2, 3, the term loan ticking fee and the tax effect of non-GAAP adjustments.



Specialty Chemicals and Engineered Materials (SCEM)

1Q22 Highlights

\$ in millions	1Q22	4Q21	1Q21	1Q22 over 1Q21	1Q22 over 4Q21
Net Revenue	\$196.4	\$188.0	\$166.5	17.9%	4.5%
Segment Profit	\$48.9	\$47.2	\$34.6	41.4%	3.5%
Segment Profit Margin	24.9%	25.1%	20.7%		
Adj. Segment Profit ¹	\$48.9	\$47.6	\$34.6	41.2%	2.5%
Adj. Segment Profit Margin ¹	24.9%	25.3%	20.8%		

Sales growth (YOY) was primarily driven by advanced deposition materials, surface preparation solutions and specialty gases.

Segment profit margin (adjusted) YOY increase was primarily driven by volume improvement.

1. See GAAP to non-GAAP reconciliation tables in the appendix of this presentation.

Microcontamination Control (MC)

1Q22 Highlights

\$ in millions	1Q22	4Q21	1Q21	1Q22 over 1Q21	1Q22 over 4Q21
Net Revenue	\$266.6	\$258.9	\$207.1	28.7%	3.0%
Segment Profit	\$98.6	\$94.2	\$70.6	39.8%	4.7%
Segment Profit Margin	37.0%	36.4%	34.1%		
Adj. Segment Profit ¹	\$98.6	\$94.2	\$70.6	39.7%	4.7%
Adj. Segment Profit Margin ¹	37.0%	36.4%	34.1%		

Sales growth (YOY) was strong across all major product lines, including gas filtration, gas purification and liquid filtration.

Segment profit margin (adjusted) increase was driven primarily by strong execution and higher volumes.

1. See GAAP to non-GAAP reconciliation tables in the appendix of this presentation.

Advanced Materials Handling (AMH)

1Q22 Highlights

\$ in millions	1Q22	4Q21	1Q21	1Q22 over 1Q21	1Q22 over 4Q21
Net Revenue	\$198.1	\$197.7	\$148.5	33.4%	0.2%
Segment Profit	\$46.7	\$45.3	\$32.1	45.5%	3.1%
Segment Profit Margin	23.6%	22.9%	21.6%		
Adj. Segment Profit ¹	\$46.7	\$45.3	\$32.1	45.3%	3.1%
Adj. Segment Profit Margin ¹	23.6%	22.9%	21.6%		

Sales growth (YOY) was strongest in products that benefited from the high level of fab investments, including wafer handling and fluid handling & measurement solutions.

Segment profit margin (adjusted) increase was primarily driven by higher volumes.

1. See GAAP to non-GAAP reconciliation tables in the appendix of this presentation.

Summary – Balance Sheet Items

\$ in millions	1Q22		4Q21		1Q21	
	\$ Amount	% Total	\$ Amount	% Total	\$ Amount	% Total
Cash & Cash Equivalents	\$352.7	10.7%	\$402.6	12.6%	\$548.5	18.7%
Accounts Receivable, net	\$372.8	11.4%	\$347.4	10.9%	\$282.6	9.6%
Inventories	\$545.6	16.6%	\$475.2	14.9%	\$358.8	12.2%
Net PP&E	\$698.6	21.3%	\$654.1	20.5%	\$542.6	18.5%
Total Assets	\$3,283.4		\$3,191.9		\$2,933.5	
Current Liabilities	\$371.7	11.3%	\$379.0	11.9%	\$266.3	9.1%
Long-term Debt, Excluding Current Maturities	\$937.3	28.5%	\$937.0	29.4%	\$1,086.2	37.0%
Total Liabilities	\$1,463.1	44.6%	\$1,478.1	46.3%	\$1,505.2	51.3%
Total Shareholders' Equity	\$1,820.3	55.4%	\$1,713.8	53.7%	\$1,428.3	48.7%
AR – DSOs	52.4		49.9		50.3	
Inventory Turns	2.7		3.0		3.3	

Cash Flows

\$ in millions	1Q22	4Q21	1Q21
Beginning Cash Balance	\$402.6	\$475.8	\$580.9
Cash provided by operating activities	63.8	116.0	53.1
Capital expenditures	(84.4)	(76.6)	(43.3)
Proceeds from revolving credit facilities and long-term debt	79.0	50.0	—
Payments on revolving credit facilities and long-term debt	(79.0)	(50.0)	—
Acquisition of business, net of cash	—	(89.7)	—
Repurchase and retirement of common stock	—	(17.1)	(15.0)
Payments for dividends	(13.9)	(10.9)	(10.9)
Other investing activities	1.1	—	0.1
Other financing activities	(13.7)	6.0	(13.5)
Effect of exchange rates	(2.7)	(0.9)	(2.9)
Ending Cash Balance	\$352.7	\$402.6	\$548.5
Free Cash Flow ¹	(\$20.6)	\$39.3	\$9.8
Adjusted EBITDA ²	\$206.2	\$199.6	\$150.1
Adjusted EBITDA – as a % of net sales ²	31.7%	31.4%	29.3%

1. Equals cash from operations less capital expenditures.

2. See GAAP to non-GAAP reconciliation tables in the appendix of this presentation.

Outlook

GAAP

\$ in millions, except per share data	2Q22 Guidance	1Q22 Actual	4Q21 Actual
Net Revenue	\$660 - \$680	\$649.6	\$635.2
Operating Expenses	\$163 - \$165	\$146.5	\$135.5
Net Income	\$92 - \$99	\$125.7	\$118.2
Diluted Earnings per Common Share	\$0.67 - \$0.72	\$0.92	\$0.87

Non-GAAP

\$ in millions, except per share data	2Q22 Guidance	1Q22 Actual	4Q21 Actual
Net Revenue	\$660 - \$680	\$649.6	\$635.2
Non-GAAP Operating Expenses ¹	\$134 - \$136	\$127.6	\$118.7
Non-GAAP Net Income ¹	\$140 - \$147	\$145.1	\$131.8
Diluted non-GAAP Earnings per Common Share ¹	\$1.02 - \$1.07	\$1.06	\$0.96

1. See GAAP to non-GAAP reconciliation tables in the appendix of this presentation.

A graphic consisting of two concentric red circles, with the text "The science of innovation" centered between them.

The science of innovation

Appendix



Reconciliation of GAAP Gross Profit to Adjusted Gross Profit

\$ in thousands	Three months ended		
	April 2, 2022	April 3, 2021	December 31, 2021
Net sales	\$649,646	\$512,844	\$635,204
Gross profit-GAAP	\$309,820	\$234,986	\$295,090
Adjustments to gross profit:			
Charge for fair value mark-up of acquired inventory sold	—	—	428
Adjusted gross profit	\$309,820	\$234,986	\$295,518
Gross margin – as a % of net sales	47.7%	45.8%	46.5%
Adjusted gross margin – as a % of net sales	47.7%	45.8%	46.5%

Reconciliation of GAAP Operating Expenses and Tax Rate to Non-GAAP Operating Expenses and Tax Rate

\$ in millions	Three months ended		
	April 2, 2022	April 3, 2021	December 31, 2021
GAAP operating expenses	\$146.5	\$121.0	\$135.5
Adjustments to operating expenses:			
Deal and transaction costs	5.0	—	4.7
Integration costs	1.2	2.0	(0.1)
Severance and restructuring costs	—	0.1	—
Amortization of intangible assets	12.7	11.9	12.2
Non-GAAP operating expenses	\$127.6	\$107.0	\$118.7
GAAP tax rate	13.7%	13.7%	20.2%
Other	0.5%	1.1%	0.1%
Non-GAAP tax rate	14.2%	14.8%	20.3%

Reconciliation of GAAP Segment Profit to Adjusted Operating Income and Adjusted Segment Profit

\$ in thousands	Three Months Ended		
	April 2, 2022	April 3, 2021	December 31, 2021
Segment profit-GAAP			
Specialty Chemicals and Engineered Materials (SCEM)	\$48,851	\$34,556	\$47,215
Microcontamination Control (MC)	98,618	70,566	94,203
Advanced Materials Handling (AMH)	46,690	32,095	45,304
Total segment profit	194,159	137,217	186,722
Amortization of intangible assets	12,651	11,871	12,240
Unallocated expenses	18,162	11,368	14,938
Total operating income	\$163,346	\$113,978	\$159,544

\$ in thousands	Three months ended		
	April 2, 2022	April 3, 2021	December 31, 2021
Adjusted segment profit			
SCEM segment profit	\$48,851	\$34,556	\$47,215
Severance and restructuring costs	—	47	—
Charge for fair value write-up of acquired inventory sold	—	—	428
SCEM adjusted segment profit	\$48,851	\$34,603	\$47,643
MC segment profit	\$98,618	\$70,566	\$94,203
Severance and restructuring costs	—	51	—
MC adjusted segment profit	\$98,618	\$70,617	\$94,203
AMH segment profit	\$46,690	\$32,095	\$45,304
Severance and restructuring costs	—	37	—
AMH adjusted segment profit	\$46,690	\$32,132	\$45,304
Unallocated general and administrative expenses	\$18,162	\$11,368	\$14,938
Unallocated deal and integration costs	(6,254)	(2,044)	(4,558)
Unallocated severance and restructuring costs	—	(8)	—
Adjusted unallocated general and administrative expenses	\$11,908	\$9,316	\$10,380
Total adjusted segment profit	\$194,159	\$137,352	\$187,150
Adjusted amortization of intangible assets	—	—	—
Adjusted unallocated general and administrative expenses	11,908	9,316	10,380
Total adjusted operating income	\$182,251	\$128,036	\$176,770

Reconciliation of GAAP Net Income to Adjusted Operating Income and Adjusted EBITDA

\$ in thousands	Three Months Ended		
	April 2, 2022	April 3, 2021	December 31, 2021
Net sales	\$649,646	\$512,844	\$635,204
Net income	\$125,705	\$84,676	\$118,219
Net income – as a % of net sales	19.3%	16.5%	18.6%
Adjustments to net income:			
Income tax expense	19,875	13,391	30,003
Interest expense, net	12,864	11,581	9,434
Other expense (income), net	4,902	4,330	1,888
GAAP - Operating income	163,346	113,978	159,544
Operating margin - as a % of net sales	25.1%	22.2%	25.1%
Charge for fair value write-up of acquired inventory sold	—	—	428
Deal and transaction costs	5,008	—	4,744
Integration costs	1,246	2,044	(186)
Severance and restructuring costs	—	143	—
Amortization of intangible assets	12,651	11,871	12,240
Adjusted operating income	182,251	128,036	176,770
Adjusted operating margin - as a % of net sales	28.1%	25.0%	27.8%
Depreciation	23,905	22,095	22,801
Adjusted EBITDA	\$206,156	\$150,131	\$199,571
Adjusted EBITDA – as a % of net sales	31.7%	29.3%	31.4%

Reconciliation of GAAP Net Income and Diluted Earnings per Common Share to Non-GAAP Net Income and Diluted Non-GAAP Earnings per Common Share

\$ in thousands, except per share data	Three months ended		
	April 2, 2022	April 3, 2021	December 31, 2021
GAAP net income	\$125,705	\$84,676	\$118,219
Adjustments to net income:			
Charge for fair value write-up of inventory acquired	—	—	428
Deal and transaction costs	5,008	—	4,744
Integration costs	1,246	2,044	(186)
Severance and restructuring costs	—	143	—
Term loan ticking fee	4,683	—	—
Amortization of intangible assets	12,651	11,871	12,240
Tax effect of adjustments to net income and discrete items ¹	(4,160)	(3,221)	(3,662)
Non-GAAP net income	\$145,133	\$95,513	\$131,783
Diluted earnings per common share	\$0.92	\$0.62	\$0.87
Effect of adjustments to net income	\$0.14	\$0.08	\$0.10
Diluted non-GAAP earnings per common share	\$1.06	\$0.70	\$0.96
Weighted average diluted shares outstanding	136,552	136,502	136,629

1. The tax effect of pre-tax adjustments to net income was calculated using the applicable marginal tax rate during the respective years.

Reconciliation of GAAP Outlook to Non-GAAP Outlook

\$ in millions	Second-Quarter 2022 Outlook
Reconciliation GAAP operating expenses to non-GAAP operating expenses	
GAAP operating expenses	\$163 - \$165
Adjustments to net income:	
Deal, transaction and integration costs	17
Amortization of intangible assets	12
Non-GAAP operating expenses	\$134 - \$136

\$ in millions	Second-Quarter 2022 Outlook
Reconciliation GAAP net income to non-GAAP net income	
GAAP net income	\$92 - \$99
Adjustments to net income:	
Deal, transaction and integration costs	17
Amortization of intangible assets	12
Interest costs relating to financing of CMC transaction	31
Income tax effect	(12)
Non-GAAP net income	\$140 - \$147

	Second-Quarter 2022 Outlook
Reconciliation GAAP diluted earnings per share to non-GAAP diluted earnings per share	
Diluted earnings per common share	\$0.67 - \$0.72
Adjustments to diluted earnings per common share:	
Deal, transaction and integration costs	0.12
Amortization of intangible assets	0.09
Interest costs relating to financing of CMC transaction	0.23
Income tax effect	(0.09)
Diluted non-GAAP earnings per common share	\$1.02 - \$1.07



GAAP Segment Trend Data

\$ in thousands	Q120	Q220	Q320	Q420	Q121	Q221	Q321	Q421	Q122
Sales									
SCEM	\$144,214	\$146,213	\$150,480	\$168,625	\$166,541	\$180,366	\$176,380	\$188,004	\$196,421
MC	159,261	183,758	193,541	205,626	207,099	227,521	225,877	258,866	266,637
AMH	116,137	126,434	144,370	151,741	148,541	172,502	186,200	197,703	198,113
Inter-segment elimination	(7,285)	(8,000)	(7,404)	(8,398)	(9,337)	(9,037)	(8,964)	(9,369)	(11,525)
Total Sales	\$412,327	\$448,405	\$480,987	\$517,594	\$512,844	\$571,352	\$579,493	\$635,204	\$649,646
Segment Profit									
SCEM	\$32,670	\$32,938	\$32,600	\$29,761	\$34,556	\$44,945	\$41,091	\$47,215	\$48,851
MC	50,167	62,137	64,915	71,691	70,566	78,132	78,399	94,203	98,618
AMH	20,632	22,809	33,266	34,321	32,095	42,093	40,503	45,304	46,690
Total Segment Profit	\$103,469	\$117,884	\$130,781	\$135,773	\$137,217	\$165,170	\$159,993	\$186,722	\$194,159
Segment Profit Margin									
SCEM	22.7%	22.5%	21.7%	17.6%	20.7%	24.9%	23.3%	25.1%	24.9%
MC	31.5%	33.8%	33.5%	34.9%	34.1%	34.3%	34.7%	36.4%	37.0%
AMH	17.8%	18.0%	23.0%	22.6%	21.6%	24.4%	21.8%	22.9%	23.6%

Non-GAAP Segment Trend Data

\$ in thousands	Q120	Q220	Q320	Q420	Q121	Q221	Q321	Q421	Q122
Sales									
SCEM	\$144,214	\$146,213	\$150,480	\$168,625	\$166,541	\$180,366	\$176,380	\$188,004	\$196,421
MC	159,261	183,758	193,451	205,626	207,099	227,521	225,877	258,866	266,637
AMH	116,137	126,434	144,370	151,741	148,541	172,502	186,200	197,703	198,113
Inter-segment elimination	(7,285)	(8,000)	(7,404)	(8,398)	(9,337)	(9,037)	(8,964)	(9,369)	(11,525)
Total Sales	\$412,327	\$448,405	\$480,897	\$517,594	\$512,844	\$571,352	\$579,493	\$635,204	\$649,646
Adjusted Segment Profit									
SCEM segment profit	\$32,670	\$32,938	\$32,600	\$29,761	\$34,556	\$44,945	\$41,091	\$47,215	\$48,851
Integration costs	—	(1,557)	—	—	—	—	—	—	—
Severance and restructuring costs	174	455	277	155	47	51	69	—	—
Charge for fair value write-up of acquired inventory sold	235	—	—	—	—	—	—	428	—
SCEM adjusted segment profit	\$33,079	\$31,836	\$32,877	\$29,916	\$34,603	\$44,996	\$41,160	\$47,643	\$48,851
MC segment profit	\$50,167	\$62,137	\$64,915	\$71,691	\$70,566	\$78,132	\$78,399	\$94,203	\$98,618
Severance and restructuring costs	190	494	301	167	51	55	75	—	—
Charge for fair value write-up of acquired inventory sold	126	—	—	—	—	—	—	—	—
MC adjusted segment profit	\$50,483	\$62,631	\$65,216	\$71,858	\$70,617	\$78,187	\$78,474	\$94,203	\$98,618
AMH segment profit	\$20,632	\$22,809	\$33,266	\$34,321	\$32,095	\$42,093	\$40,503	\$45,304	\$46,690
Severance and restructuring costs	135	814	213	121	37	38	52	—	—
Charge for fair value write-up of acquired inventory sold	—	—	229	—	—	—	—	—	—
AMH adjusted segment profit	\$20,767	\$23,623	\$33,708	\$34,442	\$32,132	\$42,131	\$40,555	\$45,304	\$46,690
Adjusted Segment Profit Margin									
SCEM	22.9%	21.8%	21.8%	17.7%	20.8%	24.9%	23.3%	25.3%	24.9%
MC	31.7%	34.1%	33.7%	34.9%	34.1%	34.4%	34.7%	36.4%	37.0%
AMH	17.9%	18.7%	23.3%	22.7%	21.6%	24.4%	21.8%	22.9%	23.6%