

# Matthews

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## Second Quarter Fiscal 2023 Earnings Teleconference April 28, 2023

**Joseph C. Bartolacci**  
President and Chief Executive Officer

**Steven F. Nicola**  
Chief Financial Officer

# DISCLAIMER

Any forward-looking statements contained in this presentation are included pursuant to the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks and uncertainties that may cause the Company’s actual results in future periods to be materially different from management’s expectations. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove correct. Factors that could cause the Company’s results to differ materially from the results discussed in such forward-looking statements principally include changes in domestic or international economic conditions, changes in foreign currency exchange rates, changes in the cost of materials used in the manufacture of the Company’s products, changes in mortality and cremation rates, changes in product demand or pricing as a result of consolidation in the industries in which the Company operates, or other factors such as supply chain disruptions, labor shortages or labor cost increases, changes in product demand or pricing as a result of domestic or international competitive pressures, ability to achieve cost-reduction objectives, unknown risks in connection with the Company’s acquisitions, cybersecurity concerns, effectiveness of the Company’s internal controls, compliance with domestic and foreign laws and regulations, technological factors beyond the Company’s control, impact of pandemics or similar outbreaks, or other disruptions to our industries, customers, or supply chains, the impact of global conflicts, such as the current war between Russia and Ukraine, and other factors described in the Company’s Annual Report on Form 10-K and other periodic filings with the U.S. Securities and Exchange Commission (“SEC”).

Included in this report are measures of financial performance that are not defined by generally accepted accounting principles in the United States (“GAAP”). The Company uses non-GAAP financial measures to assist in comparing its performance on a consistent basis for purposes of business decision-making by removing the impact of certain items that management believes do not directly reflect the Company’s core operations including acquisition and divestiture costs, ERP integration costs, strategic initiative and other charges (which includes non-recurring charges related to operational initiatives and exit activities), stock-based compensation and the non-service portion of pension and postretirement expense. Management believes that presenting non-GAAP financial measures is useful to investors because it (i) provides investors with meaningful supplemental information regarding financial performance by excluding certain items that management believes do not directly reflect the Company’s core operations, (ii) permits investors to view performance using the same tools that management uses to budget, forecast, make operating and strategic decisions, and evaluate historical performance, and (iii) otherwise provides supplemental information that may be useful to investors in evaluating the Company’s results. The Company believes that the presentation of these non-GAAP financial measures, when considered together with the corresponding GAAP financial measures and the reconciliations to those measures, provided herein, provides investors with an additional understanding of the factors and trends affecting the Company’s business that could not be obtained absent these disclosures.

The Company believes that adjusted EBITDA provides relevant and useful information, which is used by the Company’s management in assessing the performance of its business. Adjusted EBITDA is defined by the Company as earnings before interest, income taxes, depreciation, amortization and certain non-cash and/or non-recurring items that do not contribute directly to management’s evaluation of its operating results. These items include stock-based compensation, the non-service portion of pension and postretirement expense, acquisition and divestiture costs, ERP integration costs, and strategic initiatives and other charges. Adjusted EBITDA provides the Company with an understanding of earnings before the impact of investing and financing charges and income taxes, and the effects of certain acquisition and divestiture and ERP integration costs, and items that do not reflect the ordinary earnings of the Company’s operations. This measure may be useful to an investor in evaluating operating performance. It is also useful as a financial measure for lenders and is used by the Company’s management to measure business performance. Adjusted EBITDA is not a measure of the Company’s financial performance under GAAP and should not be considered as an alternative to net income or other performance measures derived in accordance with GAAP, or as an alternative to cash flow from operating activities as a measure of the Company’s liquidity. The Company’s definition of adjusted EBITDA may not be comparable to similarly titled measures used by other companies.

The Company has presented constant currency sales and constant currency adjusted EBITDA and believes these measures provide relevant and useful information, which is used by the Company’s management in assessing the performance of its business on a consistent basis by removing the impact of changes due to foreign exchange translation rates. These measures allow management, as well as investors, to assess the Company’s sales and adjusted EBITDA on a constant currency basis.

The Company has also presented adjusted net income and adjusted earnings per share and believes each measure provides relevant and useful information, which is widely used by analysts and investors, as well as by the Company’s management in assessing the performance of its business. Adjusted net income and adjusted earnings per share provides the Company with an understanding of the results from the primary operations of our business by excluding the effects of certain acquisition, divestiture, and system-integration costs, and items that do not reflect the ordinary earnings of our operations. These measures provide management with insight into the earning value for shareholders excluding certain costs, not related to the Company’s primary operations. Likewise, these measures may be useful to an investor in evaluating the underlying operating performance of the Company’s business overall, as well as performance trends, on a consistent basis.

Lastly, the Company has presented net debt and a net debt leverage ratio and believes each measure provides relevant and useful information, which is widely used by analysts and investors as well as by our management. These measures provide management with insight on the indebtedness of the Company, net of cash and cash equivalents and relative to adjusted EBITDA. These measures allow management, as well as analysts and investors, to assess the Company’s leverage.



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**BUSINESS  
OVERVIEW**

# BUSINESS UPDATE

## INDUSTRIAL TECHNOLOGIES

- Continued high growth in energy storage solutions business
- Increased interest in our energy storage solutions offerings
- New product development progressing

## MEMORIALIZATION

- Improved pricing and growth in sales of cemetery memorial products and mausoleums
- U.S. death rates have substantially normalized from higher pandemic levels

## SGK BRAND SOLUTIONS

- Challenged by unfavorable currency and weakened economic conditions in Europe
- Cost reduction initiatives expected to produce improved margins

# OUTLOOK FOR FISCAL 2023

## Key Drivers

- Company reaffirms fiscal 2023 adjusted EBITDA in the range of \$215 million to \$235 million
- Growth in Industrial Technologies; strong backlogs in many of our businesses
- Memorialization business continues to perform well despite the return to normal death rates following COVID-19
- Global economic conditions remain uncertain, including impact of currency rate changes
- Higher interest rates, labor costs and inflationary pressures
- Debt levels expected to decline as fiscal 2023 progresses



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**FINANCIAL  
OVERVIEW**

# Q2 2023 SUMMARY

(\$ in millions except per-share amounts)

Q2	Q2 2022	Q2 2023
Sales	\$ 445.0	\$ 479.6
Diluted (L)EPS	\$ (0.06)	\$ 0.29
Non-GAAP Adjusted EPS*	\$ 0.74	\$ 0.65
Net (Loss) Income Attributable to Matthews	\$ (1.9)	\$ 9.1
Adjusted EBITDA*	\$ 55.2	\$ 58.4

YTD	YTD 2022	YTD 2023
Sales	\$ 883.6	\$ 928.8
Diluted (L)EPS	\$ (0.68)	\$ 0.41
Non-GAAP Adjusted EPS*	\$ 1.48	\$ 1.18
Net (Loss) Income Attributable to Matthews	\$ (21.7)	\$ 12.8
Adjusted EBITDA*	\$ 108.5	\$ 107.7

## 2<sup>nd</sup> Quarter ("Q2") Highlights

### Sales

- Industrial Technologies sales over 60% higher
- Memorialization sales growth

### GAAP EPS

- Prior second quarter included asset write-downs related to the Russia-Ukraine conflict

### Adjusted EBITDA

- Increased consolidated sales
- European market conditions, including currency impacts

### Adjusted EPS

- Higher adjusted EBITDA
- Higher interest expense

## Year-to-Date ("YTD") Highlights

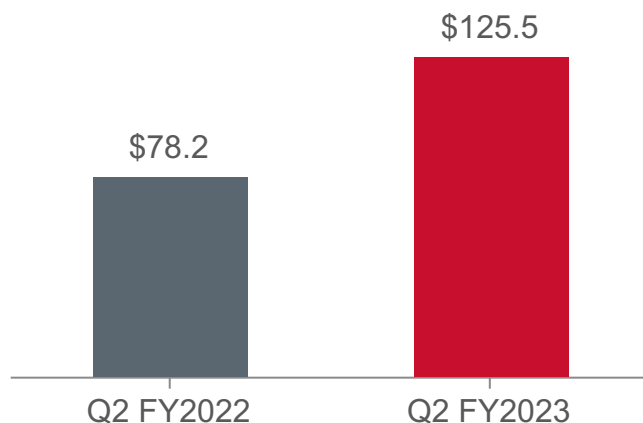
- Consolidated sales 5.1% higher than last year
- Unfavorable impacts due to currency exchange rates
- Significant material (commodity) and other inflationary cost increases and higher labor costs

\* See supplemental slides for Adjusted EPS and Adjusted EBITDA reconciliations and other important disclaimers regarding Matthews' use of Non-GAAP measures

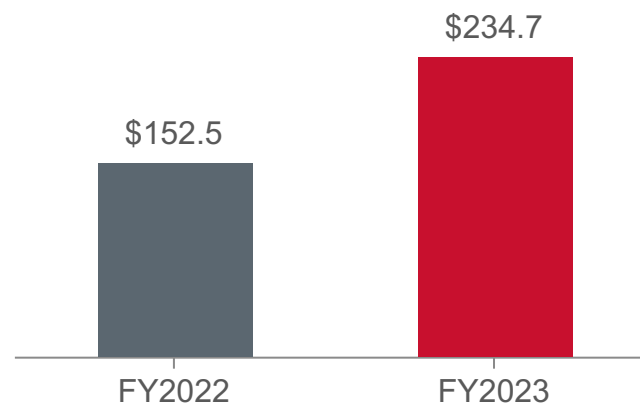
# INDUSTRIAL TECHNOLOGIES

(\$ in millions)

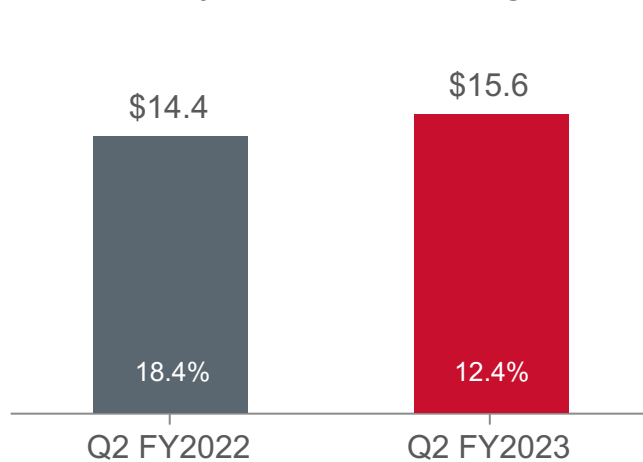
Q2 Sales



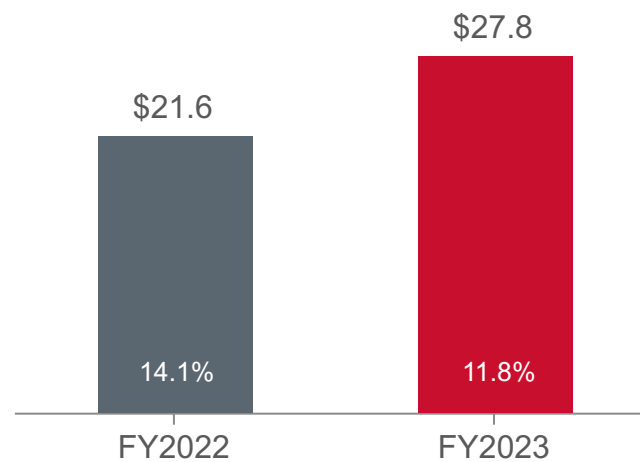
YTD Sales



Q2 Adjusted EBITDA & Margin\*



YTD Adjusted EBITDA & Margin\*



## Sales

- Q2 increased over 60%; YTD increased over 50%
- Olbrich GmbH and R+S Automotive GmbH acquisitions were a significant contributor to the segment's sales increase
- Continued strength in orders for the energy storage solutions business

## Adjusted EBITDA

- Q2 growth impacted unfavorably by the Olbrich GmbH and R+S Automotive GmbH acquisitions and currency exchange rates
- YTD adjusted EBITDA approximately 29% higher than last year

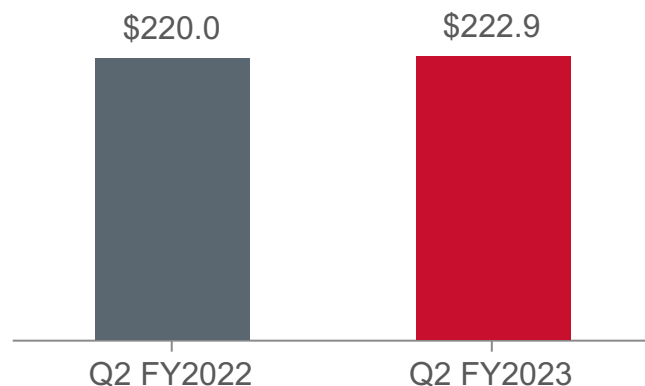
\* See supplemental slide for Adjusted EBITDA reconciliation and other important disclaimers regarding Matthews' use of Non-GAAP measures



# MEMORIALIZIZATION

(\$ in millions)

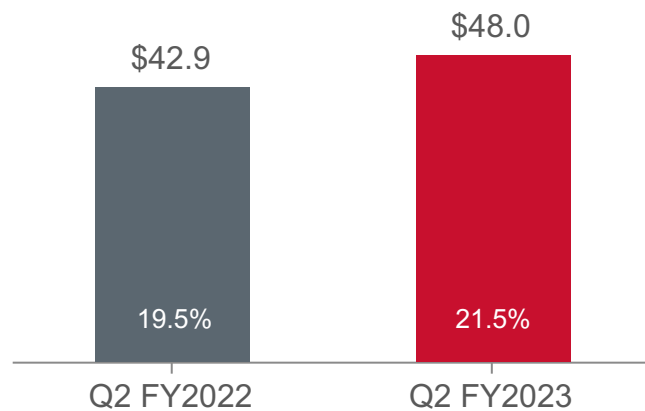
Q2 Sales



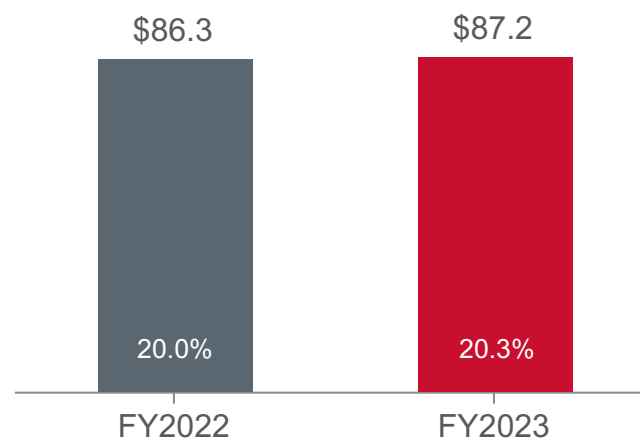
YTD Sales



Q2 Adjusted EBITDA & Margin\*



YTD Adjusted EBITDA & Margin\*



\* See supplemental slide for Adjusted EBITDA reconciliation and other important disclaimers regarding Matthews' use of Non-GAAP measures

## Sales

- Improved price realization
- Q2 higher cemetery memorial products and mausoleums and the acquisition of Eagle Granite Company
- U.S. death rates have substantially normalized from higher pandemic levels, impacting unit volumes for caskets

## Adjusted EBITDA

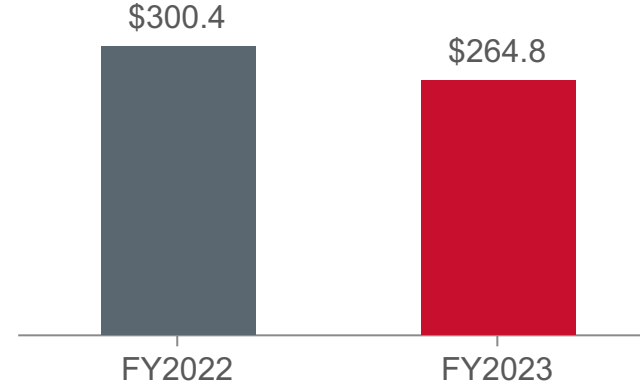
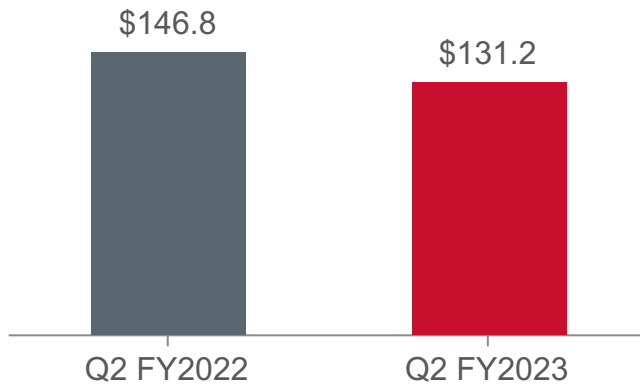
- Improved pricing and benefits from operational cost savings initiatives
- Higher materials, labor, and other inflationary costs
- Lower casket sales volumes

# SGK BRAND SOLUTIONS

(\$ in millions)

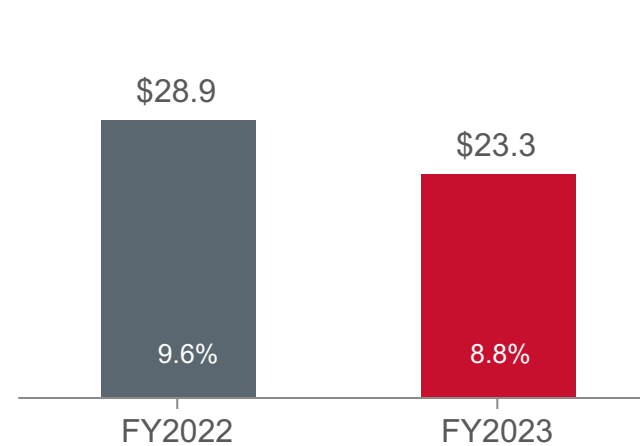
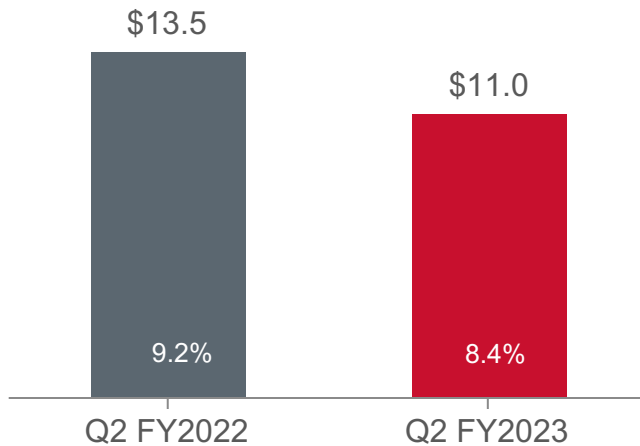
Q2 Sales

YTD Sales



Q2 Adjusted EBITDA & Margin\*

YTD Adjusted EBITDA & Margin\*



## Sales

- Unfavorable currency impacts of \$5.9 million for Q2 and \$16.7 million YTD
- European businesses continued to be challenged by unfavorable market conditions resulting from the Russia/ Ukraine war

## Adjusted EBITDA

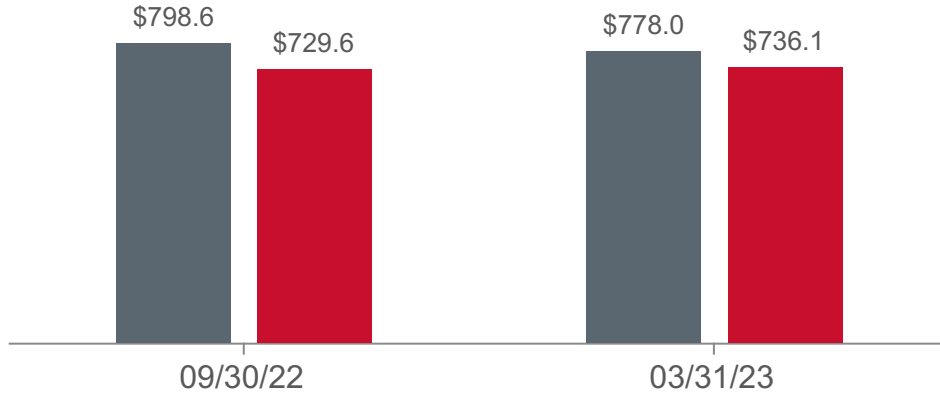
- Impacted by lower sales, higher material, labor, and travel and entertainment costs
- These impacts were partially offset by benefits from cost-reduction initiatives

\* See supplemental slide for Adjusted EBITDA reconciliation and other important disclaimers regarding Matthews' use of Non-GAAP measures

# CAPITALIZATION AND CASH FLOWS

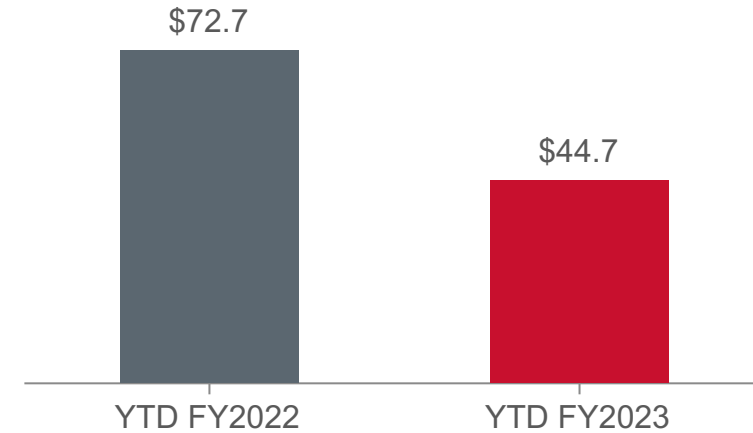
(\$ in millions)

Total Debt and Net Debt\*

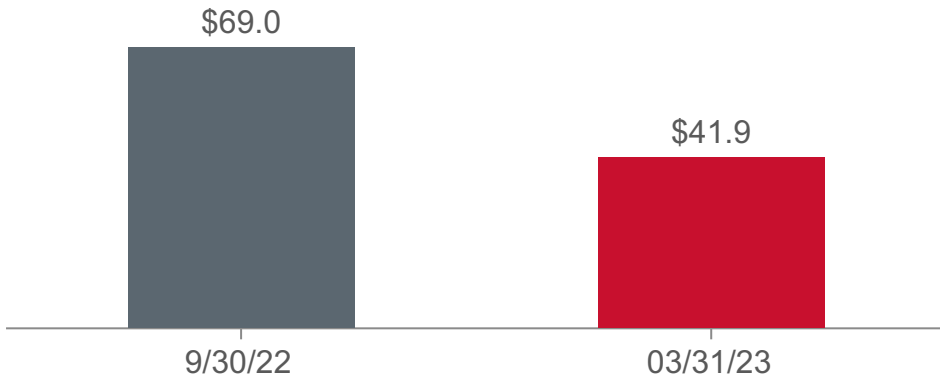


Note: Dark gray shades on the left represent Total Debt.

Operating Cash Flow



Cash



- Operating cash flow for both periods reflected final payouts for the settlement of the Company's U.S. retirement plan obligations
- Net Debt Leverage Ratio\* 3.5 as of March 31, 2023
  - Debt levels expected to decline as fiscal 2023 progresses
- Quarterly dividend of \$0.23/share, payable 5/22/2023

\* See supplemental slide for Net Debt and Net Debt Leverage Ratio reconciliation and other important disclaimers regarding Matthews' use of Non-GAAP measures



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**SUPPLEMENTAL  
INFORMATION**

# RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES

Included in this report are measures of financial performance that are not defined by GAAP, including, without limitation, adjusted EBITDA, adjusted net income and EPS, constant currency sales, constant currency adjusted EBITDA, and net debt and net debt leverage ratio. The Company defines net debt leverage ratio as outstanding debt (net of cash) relative to adjusted EBITDA. The Company uses non-GAAP financial measures to assist in comparing its performance on a consistent basis for purposes of business decision-making by removing the impact of certain items that management believes do not directly reflect the Company's core operations including acquisition and divestiture costs, ERP integration costs, strategic initiative and other charges (which includes non-recurring charges related to operational initiatives and exit activities), stock-based compensation and the non-service portion of pension and postretirement expense. Constant currency sales and constant currency adjusted EBITDA removes the impact of changes due to foreign exchange translation rates. To calculate sales and adjusted EBITDA on a constant currency basis, amounts for periods in the current fiscal year are translated into U.S. dollars using exchange rates applicable to the comparable periods of the prior fiscal year. Management believes that presenting non-GAAP financial measures is useful to investors because it (i) provides investors with meaningful supplemental information regarding financial performance by excluding certain items that management believes do not directly reflect the Company's core operations, (ii) permits investors to view performance using the same tools that management uses to budget, forecast, make operating and strategic decisions, and evaluate historical performance, and (iii) otherwise provides supplemental information that may be useful to investors in evaluating the Company's results. The Company's calculations of its non-GAAP financial measures, however, may not be comparable to similarly titled measures reported by other companies. The Company believes that the presentation of these non-GAAP financial measures, when considered together with the corresponding GAAP financial measures and the reconciliations to those measures, provided herein, provide investors with an additional understanding of the factors and trends affecting the Company's business that could not be obtained absent these disclosures.

# ADJUSTED EBITDA

## NON-GAAP RECONCILIATION (Unaudited) (In thousands)

	Three Months Ended March 31,		Six Months Ended March 31,	
	2023	2022	2023	2022
<b>Net income (loss)</b>	<b>\$ 9,125</b>	<b>\$ (1,936)</b>	<b>\$ 12,772</b>	<b>\$ (21,746)</b>
Income tax provision (benefit)	3,382	3,277	4,694	(3,351)
<b>Income (loss) before income taxes</b>	<b>\$ 12,507</b>	<b>\$ 1,341</b>	<b>\$ 17,466</b>	<b>\$ (25,097)</b>
Net loss attributable to noncontrolling interests	2	31	58	38
Interest expense	12,047	6,260	22,262	12,767
Depreciation and amortization *	24,148	23,724	47,877	57,225
RPA and factoring financing fees <sup>(1)</sup>	1,090	—	1,546	—
Acquisition and divestiture costs <sup>(2)**</sup>	2,852	—	4,137	—
Strategic initiatives and other charges <sup>(3)**</sup>	1,280	6,750	3,040	10,573
Non-recurring / incremental coronavirus disease 2019 ("COVID-19") costs <sup>(4)***</sup>	—	1,213	—	1,903
Exchange losses related to highly inflationary accounting <sup>(5)</sup>	160	—	1,248	—
Defined benefit plan termination related items <sup>(6)</sup>	—	(79)	21	347
Asset write-downs <sup>(7)</sup>	—	10,486	—	10,486
Stock-based compensation	4,278	5,222	8,612	8,931
Non-service pension and postretirement expense <sup>(8)</sup>	83	242	1,471	31,350
<b>Total Adjusted EBITDA</b>	<b>\$ 58,447</b>	<b>\$ 55,190</b>	<b>\$ 107,738</b>	<b>\$ 108,523</b>
<i>Adjusted EBITDA margin</i>	<i>12.2 %</i>	<i>12.4 %</i>	<i>11.6 %</i>	<i>12.3 %</i>

<sup>(1)</sup> Represents fees for receivables sold under the RPA and factoring arrangements.

<sup>(2)</sup> Includes certain non-recurring costs associated with recent acquisition and divestiture activities.

<sup>(3)</sup> Includes certain non-recurring costs associated with productivity and cost-reduction initiatives intended to result in improved operating performance, profitability and working capital levels and costs associated with global ERP system integration efforts, net of loss recoveries related to a previously disclosed theft of funds by a former employee initially identified in fiscal 2015.

<sup>(4)</sup> Includes certain non-recurring direct incremental costs (such as costs for purchases of computer peripherals and devices to facilitate working-from-home, additional personal protective equipment and cleaning supplies and services, etc.) incurred in response to COVID-19. This amount does not include the impact of any lost sales or underutilization due to COVID-19.

<sup>(5)</sup> Represents exchange losses associated with highly inflationary accounting related to the Company's Turkish subsidiaries.

<sup>(6)</sup> Represents items associated with the termination of the Company's DB Plan, supplemental retirement plan and the defined benefit portion of the officers retirement restoration plan.

<sup>(7)</sup> Represents asset write-downs within the SGK Brand Solutions segment.

<sup>(8)</sup> Non-service pension and postretirement expense includes interest cost, expected return on plan assets, amortization of actuarial gains and losses, curtailment gains and losses, and settlement gains and losses. These benefit cost components are excluded from adjusted EBITDA since they are primarily influenced by external market conditions that impact investment returns and interest (discount) rates. Curtailment gains and losses and settlement gains and losses are excluded from adjusted EBITDA since they generally result from certain non-recurring events, such as plan amendments to modify future benefits or settlements of plan obligations. The service cost and prior service cost components of pension and postretirement expense are included in the calculation of adjusted EBITDA, since they are considered to be a better reflection of the ongoing service-related costs of providing these benefits. Please note that GAAP pension and postretirement expense or the adjustment above are not necessarily indicative of the current or future cash flow requirements related to these employee benefit plans.

\* Depreciation and amortization was \$5,711 and \$5,803 for the Memorialization segment, \$5,916 and \$2,531 for the Industrial Technologies segment, \$11,319 and \$14,060 for the SGK Brand Solutions segment, and \$1,202 and \$1,330 for Corporate and Non-Operating, for the three months ended March 31, 2023 and 2022, respectively. Depreciation and amortization was \$11,285 and \$11,613 for the Memorialization segment, \$11,769 and \$5,184 for the Industrial Technologies segment, \$22,379 and \$37,785 for the SGK Brand Solutions segment, and \$2,444 and \$2,643 for Corporate and Non-Operating, for the six months ended March 31, 2023 and 2022, respectively.

\*\* Acquisition and divestiture costs, ERP integration costs, and strategic initiatives and other charges were \$333 and \$516 for the Memorialization segment, \$2,437 and \$161 for the Industrial Technologies segment, \$2,610 and \$4,475 for the SGK Brand Solutions segment, and income of \$1,248 and charges of \$1,598 for Corporate and Non-Operating, for the three months ended March 31, 2023 and 2022, respectively. Acquisition and divestiture costs, ERP integration costs, and strategic initiatives and other charges were \$711 and \$1,188 for the Memorialization segment, \$3,374 and \$193 for the Industrial Technologies segment, \$3,131 and \$5,703 for the SGK Brand Solutions segment, and income of \$39 and charges of \$3,489 for Corporate and Non-Operating, for the six months ended March 31, 2023 and 2022, respectively.

\*\*\* Non-recurring/incremental COVID-19 costs were \$579 for the Memorialization segment, \$1 for the Industrial Technologies segment, \$170 for the SGK Brand Solutions segment, and \$463 for Corporate and Non-Operating, for the three months ended March 31, 2022. Non-recurring/incremental COVID-19 costs were \$1,043 for the Memorialization segment, \$5 for the Industrial Technologies segment, \$390 for the SGK Brand Solutions segment, and \$465 for Corporate and Non-Operating, for the six months ended March 31, 2022.

\* See Disclaimer (page 2) for Management's assessment of supplemental information related to adjusted EBITDA.

# ADJUSTED NET INCOME AND EARNINGS PER SHARE

## NON-GAAP RECONCILIATION (Unaudited) (In thousands, except per share data)

	Three Months Ended March 31,				Six Months Ended March 31,			
	2023		2022		2023		2022	
	per share		per share		per share		per share	
<b>Net income (loss) attributable to Matthews</b>	<b>\$ 9,127</b>	<b>\$ 0.29</b>	<b>\$ (1,905)</b>	<b>\$ (0.06)</b>	<b>\$ 12,830</b>	<b>\$ 0.41</b>	<b>\$ (21,708)</b>	<b>\$ (0.68)</b>
Acquisition and divestiture costs <sup>(1)</sup>	1,953	0.07	—	—	3,015	0.10	—	—
Strategic initiatives and other charges <sup>(2)</sup>	1,153	0.03	4,965	0.16	2,924	0.09	7,974	0.24
Non-recurring / incremental COVID-19 costs <sup>(3)</sup>	—	—	905	0.03	—	—	1,441	0.05
Exchange losses related to highly inflationary accounting <sup>(4)</sup>	160	—	—	—	1,248	0.04	—	—
Defined benefit plan termination related items <sup>(5)</sup>	—	—	82	—	16	—	401	0.01
Asset write-downs <sup>(6)</sup>	—	—	10,308	0.33	—	—	10,308	0.33
Non-service pension and postretirement expense <sup>(7)</sup>	62	0.01	181	—	1,103	0.04	23,512	0.74
Amortization	7,887	0.25	8,964	0.28	15,644	0.50	25,124	0.79
<b>Adjusted net income</b>	<b>\$ 20,342</b>	<b>\$ 0.65</b>	<b>\$ 23,500</b>	<b>\$ 0.74</b>	<b>\$ 36,780</b>	<b>\$ 1.18</b>	<b>\$ 47,052</b>	<b>\$ 1.48</b>

Note: Adjustments to net income for non-GAAP reconciling items were calculated using an income tax rate of 29.8% and 25.9% for the three and six months ended March 31, 2023, respectively, and 16.9% and 22% for the three and six months ended March 31, 2022, respectively.

<sup>(1)</sup> Includes certain non-recurring costs associated with recent acquisition and divestiture activities.

<sup>(2)</sup> Includes certain non-recurring costs associated with productivity and cost-reduction initiatives intended to result in improved operating performance, profitability and working capital levels and costs associated with global ERP system integration efforts, net of loss recoveries related to a previously disclosed theft of funds by a former employee initially identified in fiscal 2015.

<sup>(3)</sup> Includes certain non-recurring direct incremental costs (such as costs for purchases of computer peripherals and devices to facilitate working-from-home, additional personal protective equipment and cleaning supplies and services, etc.) incurred in response to COVID-19. This amount does not include the impact of any lost sales or underutilization due to COVID-19.

<sup>(4)</sup> Represents exchange losses associated with highly inflationary accounting related to the Company's Turkish subsidiaries.

<sup>(5)</sup> Represents items associated with the termination of the Company's DB Plan, supplemental retirement plan and the defined benefit portion of the officers retirement restoration plan.

<sup>(6)</sup> Represents asset write-downs within the SGK Brand Solutions segment.

<sup>(7)</sup> Non-service pension and postretirement expense includes interest cost, expected return on plan assets, amortization of actuarial gains and losses, curtailment gains and losses, and settlement gains and losses. These benefit cost components are excluded from adjusted EBITDA since they are primarily influenced by external market conditions that impact investment returns and interest (discount) rates. Curtailment gains and losses and settlement gains and losses are excluded from adjusted EBITDA since they generally result from certain non-recurring events, such as plan amendments to modify future benefits or settlements of plan obligations. The service cost and prior service cost components of pension and postretirement expense are included in the calculation of adjusted EBITDA, since they are considered to be a better reflection of the ongoing service-related costs of providing these benefits. Please note that GAAP pension and postretirement expense or the adjustment above are not necessarily indicative of the current or future cash flow requirements related to these employee benefit plans.

\* See Disclaimer (page 2) for Management's assessment of supplemental information related to adjusted net income and adjusted EPS.

# CONSTANT CURRENCY SALES AND ADJUSTED EBITDA

## NON-GAAP RECONCILIATION (Unaudited) (In thousands)

	Memorialization	Industrial Technologies	SGK Brand Solutions	Corporate and Non-Operating	Consolidated
Reported sales for the quarter ended March 31, 2023	\$ 222,889	\$ 125,514	\$ 131,177	\$ —	\$ 479,580
Changes in foreign exchange translation rates	672	3,319	5,930	—	9,921
Constant currency sales for the quarter ended March 31, 2023	\$ 223,561	\$ 128,833	\$ 137,107	\$ —	\$ 489,501
Reported sales for the six months ended March 31, 2023	\$ 429,391	\$ 234,657	\$ 264,772	\$ —	\$ 928,820
Changes in foreign exchange translation rates	2,153	8,140	16,659	—	26,952
Constant currency sales for the six months ended March 31, 2023	\$ 431,544	\$ 242,797	\$ 281,431	\$ —	\$ 955,772
Reported adjusted EBITDA for the quarter ended March 31, 2023	\$ 48,030	\$ 15,565	\$ 11,020	\$ (16,168)	\$ 58,447
Changes in foreign exchange translation rates	(46)	1,178	308	82	1,522
Constant currency adjusted EBITDA for the quarter ended March 31, 2023	\$ 47,984	\$ 16,743	\$ 11,328	\$ (16,086)	\$ 59,969
Reported adjusted EBITDA for the six months ended March 31, 2023	\$ 87,167	\$ 27,767	\$ 23,252	\$ (30,448)	\$ 107,738
Changes in foreign exchange translation rates	(184)	2,289	1,291	(266)	3,130
Constant currency adjusted EBITDA for the six months ended March 31, 2023	\$ 86,983	\$ 30,056	\$ 24,543	\$ (30,714)	\$ 110,868

\* See Disclaimer (page 2) for Management's assessment of supplemental information related to constant currency sales and constant currency adjusted EBITDA.



# NET DEBT AND NET DEBT LEVERAGE RATIO

## NON-GAAP RECONCILIATION (Unaudited) (Dollars in thousands)

	<u>March 31, 2023</u>	<u>September 30, 2022</u>
Long-term debt, current maturities	\$ 2,825	\$ 3,277
Long-term debt	775,202	795,291
<b>Total debt</b>	<b>778,027</b>	<b>798,568</b>
Less: Cash and cash equivalents	(41,916)	(69,016)
<b>Net Debt</b>	<b><u>\$ 736,111</u></b>	<b><u>\$ 729,552</u></b>
Adjusted EBITDA	\$ 209,623	\$ 210,408
<b>Net Debt Leverage Ratio</b>	<b><u>3.5</u></b>	<b><u>3.5</u></b>

\* See Disclaimer (page 2) for Management's assessment of supplemental information related to net debt and net debt leverage ratio.