

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON D.C. 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): June 2, 2022



Synalloy Corporation

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	0-19687 (Commission File Number)	57-0426694 (I.R.S. Employer Identification No.)
1400 16th Street, Suite 270, Oak Brook, Illinois (Address of principal executive offices)	(804) 822-3260 (Registrant's telephone number, including area code)	60523 (Zip Code)

Inapplicable

(Former name or former address if changed since last report)

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 (see General Instruction A.2. below):

- ☐ 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))

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

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of exchange on which registered</u>
Common Stock, par value \$1.00 per share	SYNL	NASDAQ Global Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §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.

On June 2, 2022, representatives of the Company will begin making presentations to investors using slides containing the information attached to this Current Report on Form 8-K as Exhibit 99.1 (the “Investor Presentation”) and incorporated herein by reference. The Company expects to use the Investor Presentation, in whole or in part, and possibly with modifications, in connection with presentations to investors, analysts and others during the fiscal year ending December 31, 2022.

The Investor Presentation includes financial information not prepared in accordance with generally accepted accounting principles (“Non-GAAP Financial Measures”). A reconciliation of the Non-GAAP Financial Measures to financial information prepared in accordance with generally accepted accounting principles (“GAAP”), as required by Regulation G, is included within Exhibit 99.1 to this Current Report on Form 8-K. The Company is providing disclosure of the reconciliation of reported Non-GAAP Financial Measures used in the Investor Presentation, among other places, to its comparable financial measures on a GAAP basis. The Company believes that the Non-GAAP Financial Measures provide investors additional ways to view our operations, when considered with both our GAAP results and the reconciliation to net income and net cash provided by operating activities, which we believe provide a more complete understanding of our business than could be obtained absent this disclosure. We believe the Non-GAAP Financial Measures also provide investors a useful tool to assess shareholder value.

By filing this Current Report on Form 8-K and furnishing the information contained herein, the Company makes no admission as to the materiality of any information in this report that is required to be disclosed solely by reason of Regulation FD.

The information contained in the Investor Presentation is summary information that is intended to be considered in the context of the Company's Securities and Exchange Commission (“SEC”) filings and other public announcements that the Company may make, by press release or otherwise, from time to time. The Company undertakes no duty or obligation to publicly update or revise the information contained in this report, although it may do so from time to time as its management believes is warranted. Any such updating may be made through the filing of other reports or documents with the SEC, through press releases or through other public disclosure.

The information presented in Item 7.01 of this Current Report on Form 8-K and Exhibit 99.1 shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, unless the Company specifically states that the information is to be considered “filed” under the Exchange Act or specifically incorporates it by reference into a filing under the Securities Act of 1933, as amended, or the Exchange Act.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
-----------------------	-------------------------------

<u>99.1</u>	<u>Investor Presentation in use beginning June 2, 2022</u>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

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

Dated: June 2, 2022

SYNALLOY CORPORATION

By: /s/ Aaron M. Tam

Aaron M. Tam

Chief Financial Officer



Investor Presentation

June 2022



Forward Looking Statement Safe Harbor and Non-GAAP Information

Forward-Looking Statements

This presentation includes "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and other applicable federal securities laws. All statements that are not historical facts are forward-looking statements. Forward looking statements can be identified through the use of words such as "estimate," "project," "intend," "expect," "believe," "should," "anticipate," "hope," "optimistic," "plan," "outlook," "should," "could," "may" and similar expressions. The forward-looking statements are subject to certain risks and uncertainties, including without limitation those identified below, which could cause actual results to differ materially from historical results or those anticipated. Readers are cautioned not to place undue reliance on these forward-looking statements. The following factors could cause actual results to differ materially from historical results or those anticipated: adverse economic conditions, including risks relating to the impact and spread of and the government's response to COVID-19; inability to weather an economic downturn; the impact of competitive products and pricing; product demand and acceptance risks; raw material and other increased costs; raw material availability; financial stability of the Company's customers; customer delays or difficulties in the production of products; loss of consumer or investor confidence; employee relations; ability to maintain workforce by hiring trained employees; labor efficiencies; risks associated with acquisitions; environmental issues; negative or unexpected results from tax law changes; inability to comply with covenants and ratios required by the Company's debt financing arrangements; and other risks detailed from time-to-time in Synalloy Corporation's Securities and Exchange Commission filings, including our Annual Report on Form 10-K, which filings are available from the SEC. Synalloy Corporation assumes no obligation to update any forward-looking information included in this release.

Non-GAAP Financial Information

Financial statement information included in this presentation includes non-GAAP (Generally Accepted Accounting Principles) measures and should be read along with the accompanying tables which provide a reconciliation of non-GAAP measures to GAAP measures.

Adjusted EBITDA is a non-GAAP financial measure that the Company believes is useful to investors in evaluating its results to determine the value of a company. An item is excluded in the measure if its periodic value is inconsistent and sufficiently material that not identifying the item would render period comparability less meaningful to the reader or if including the item provides a clearer representation of normalized periodic earnings. The Company excludes in Adjusted EBITDA two categories of items: 1) Base EBITDA components, including: interest expense (including change in fair value of interest rate swap), income taxes, depreciation and amortization, and 2) Material transaction costs including: goodwill impairment, asset impairment, gain on lease modification, stock-based compensation, non-cash lease cost, acquisition costs and other fees, proxy contest costs and recoveries, loss on extinguishment of debt, earn-out adjustments, realized and unrealized (gains) and losses on investments in equity securities and other investments, retention costs, and restructuring & severance costs from net income.

Management believes that these non-GAAP measures provide additional useful information to allow readers to compare the financial results between periods. Non-GAAP measures should not be considered as an alternative to any measure of performance or financial condition as promulgated under GAAP, and investors should consider the Company's performance and financial condition as reported under GAAP and all other relevant information when assessing the performance or financial condition of the Company. Non-GAAP measures have limitations as analytical tools, and investors should not consider them in isolation or as a substitute for analysis of the Company's results or financial condition as reported under GAAP.

Synalloy Corporation Overview

Synalloy Snapshot

- ✓ Nasdaq: SYNL
- ✓ Founded in 1945
- ✓ Based in Oak Brook, IL
- ✓ ~640 employees
- ✓ 9 manufacturing and distribution facilities
- ✓ Proprietary capabilities providing wide range of industrial and mission critical infrastructure solutions
- ✓ LTM^[1] consolidated net sales and adjusted EBITDA of \$381.2 million and \$56.4^[2] million, respectively



Who We Are

Growth oriented manufacturer and distributor of stainless steel, seamless carbon, and galvanized pipe and tube, and specialty chemicals

Synalloy

★ Headquarters
Oak Brook, IL

Synalloy Metals

79%

of total net sales

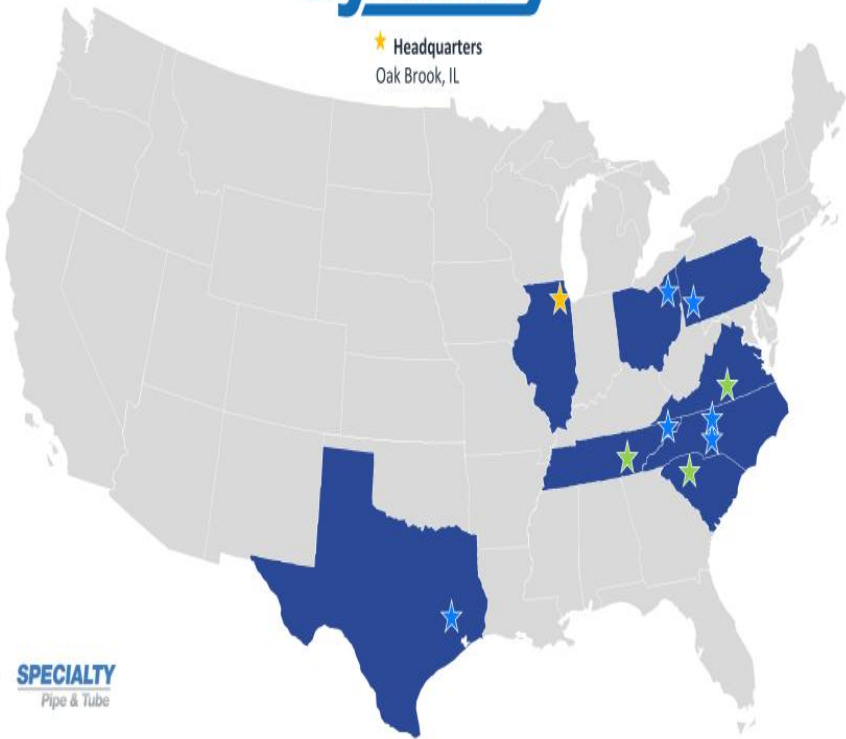
- ★ Metals Businesses
- Munhall, PA
 - Bristol, TN
 - Troutman, NC
 - Statesville, NC
 - Mineral Ridge, OH
 - Houston, TX

Synalloy Chemicals

21%

of total net sales

- ★ Chemicals Businesses
- Danville, VA
 - Fountain Inn, SC
 - Cleveland, TN



American
Stainless Tubing

BRISMET
BRISTOL METALS, LLC

SPECIALTY
Pipe & Tube

Synalloy

Transformation Well Underway...

Foundational changes implemented since new leadership team took control in November 2020

What We Inherited

- ↳ Portfolio of diverse and leading businesses that had not been integrated following acquisition
- ↳ Limited hands-on leadership
- ↳ Bloated corporate cost structure
- ↳ Undermanaged operations leading to below industry standard margins
- ↳ Inefficient cash conversion cycle
- ↳ No clear organic growth or acquisition strategy

What We've Done

- ✓ Recruited experienced operational leaders across the entire organization
- ✓ Stabilized operational execution
- ✓ Produced multiple consecutive quarters of profitable growth
- ✓ Refined growth strategy and executed first acquisition of complementary specialty chemicals manufacturer
- ✓ Raised \$10M through a fully subscribed rights offering to support future growth initiatives

Path Forward

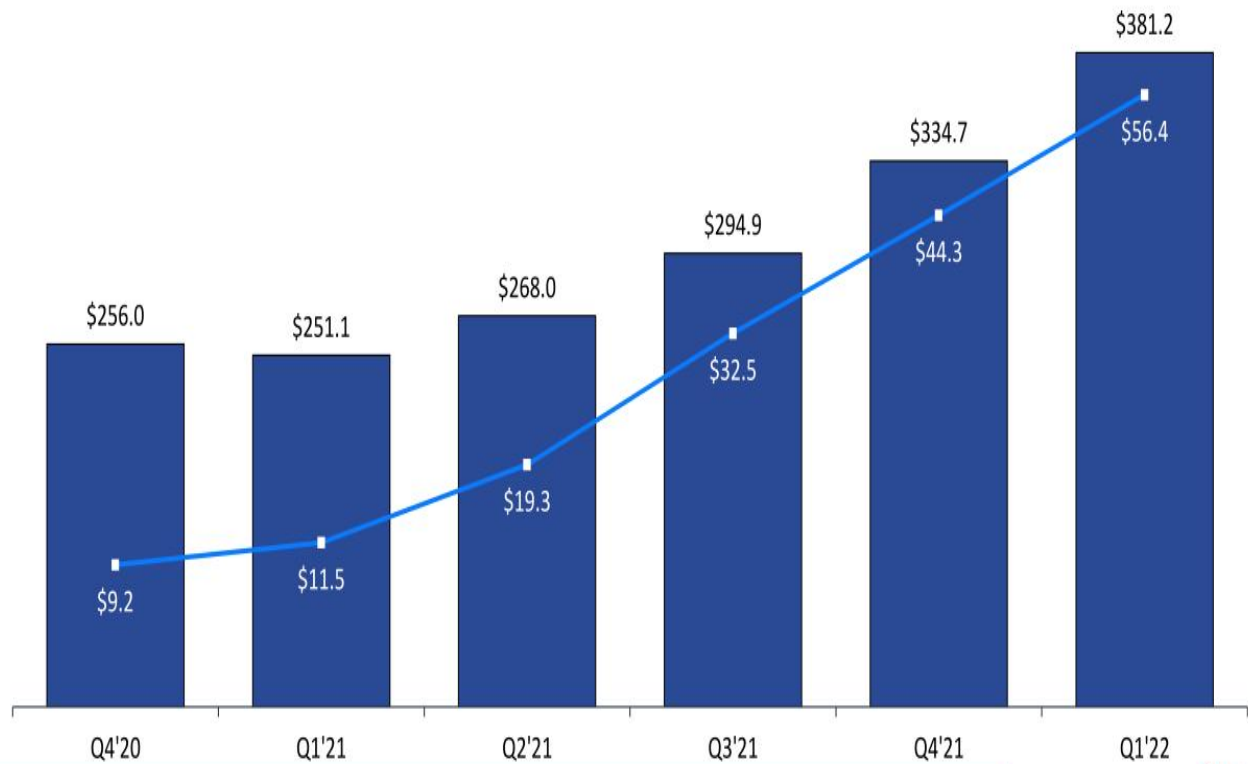
- Continued efficiencies in production processes to enhance margins
- Develop and expand commercial positioning to accelerate organic sales growth
- Invest further in production capabilities and automation to provide all-encompassing solutions to our customers
- Focus on working capital improvement and consistent free cash flow generation
- Growth through strategic and accretive M&A to further diversify product portfolio

...With Results Dramatically Improved Under New Leadership

Strategic and operational changes leading to record results

\$ in millions

■ LTM Net Sales — LTM Adj. EBITDA^[1]



[1] See appendix for non-GAAP reconciliation

Synalloy



Synalloy

Synalloy Metals

Synalloy Metals Portfolio Brands

BRISMET BRISTOL METALS, LLC

- ✓ Largest domestic manufacturer of welded stainless steel, duplex, and nickel alloy pipe and tube, as well as galvanized tubular products

American *Stainless Tubing*

- ✓ The standard in the production of premium ornamental stainless steel tubing

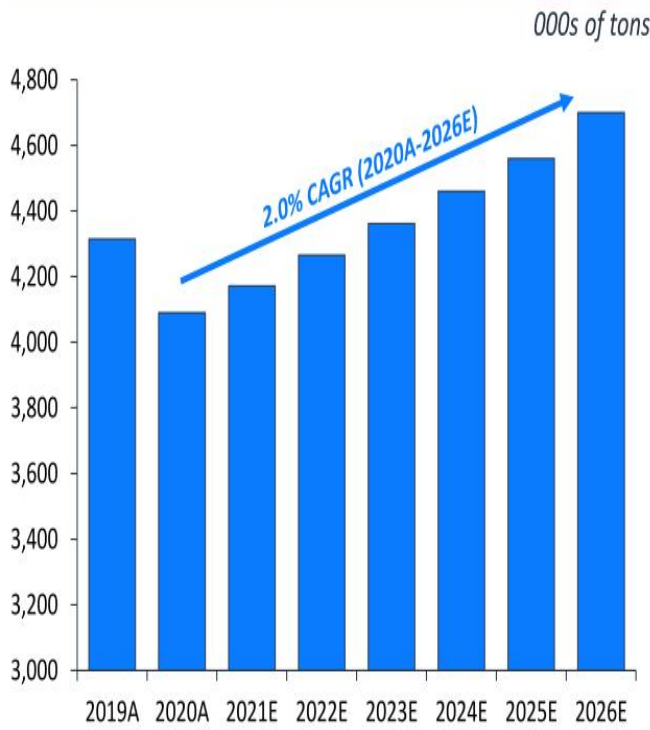
SPECIALTY *Pipe & Tube*

- ✓ Leading master distributor for large diameter, hot finish seamless carbon steel pipe, and mechanical tubing

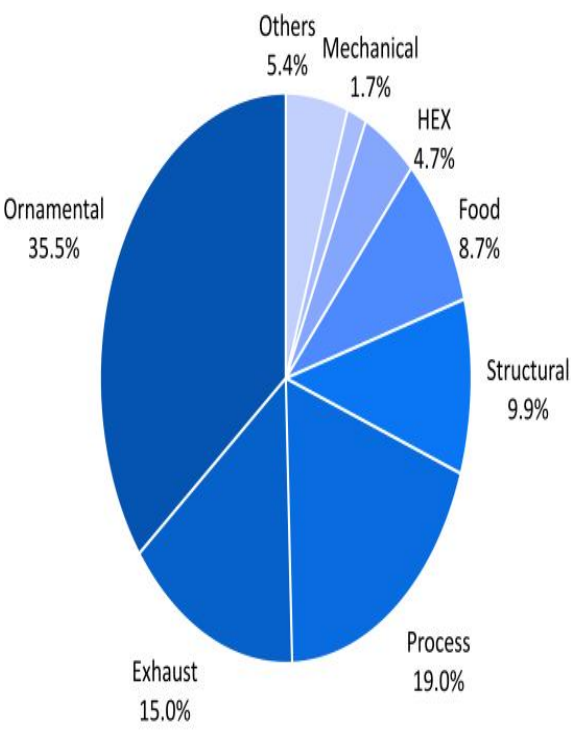


Synalloy Metals Opportunity

World Market for Stainless Steel Welded Tube & Pipe



Tube and Pipe Market Structure (2026E)



Sources: SMR Steel & Metals Research, The World Market for Stainless Steel Welded Tube & Pipe

Bristol Metals (“BRISMET”)

- Founded in 1941 and acquired by Synalloy in 1964
- Located in Bristol, TN and Munhall, PA
- One of the largest producers of welded stainless steel, duplex, nickel alloy, and galvanized pipe and tube in North America
- Extensive ranges of sizes, materials, and in-house capabilities
 - 20 continuous mills with production range of 3/8” – 18” outside diameter (“OD”)
 - Batch lines from 8” – 144” OD with heavy wall thickness up to 1.312” and 48’ length
- Value added services include: annealing, heat treat, pickling, and many others
- ISO-9001-2015, NSF 61, ASME, PED certifications



Representative Markets and Customers

- ✓ Chemical
- ✓ LNG
- ✓ Nuclear
- ✓ Water
- ✓ Pulp & Paper
- ✓ Oil & Gas



Synalloy

American Stainless Tubing ("ASTI")

- Founded in 1994 and acquired by Synalloy in 2019
- Located in Troutman and Statesville, NC
- Leading manufacturer of premium ornamental stainless steel tubing
- Differentiated capabilities:
 - Slitting and welding
 - Proprietary finishing processes
- Superior metal quality and highest levels of customer service:
 - 20 continuous mills producing ½ inch to 5 inch OD
 - Variety of shapes, including squares, rectangles and ellipticals
- ISO 9001-2015 certification ensuring quality and consistency



Representative Markets and Customers

- ✓ Marine industry



- ✓ Automotive

- ✓ Food Service



- ✓ Hospital equipment

- ✓ Pool, Handrails



Synalloy

Specialty Pipe and Tube (“Specialty”)

- Founded in 1964 and acquired by Synalloy in 2014
- Located in Houston, TX and Mineral Ridge, OH
- Nation’s leading distributor of large diameter, heavy wall, hot finish, and seamless carbon steel pipe & tube
- Immediate availability of long-lead time items
 - Full line of Approved Materials List inventory
- Proud distributor of world class products supplied by:



- ISO 9001-2015 certification ensuring quality and consistency



Representative Markets and Customers

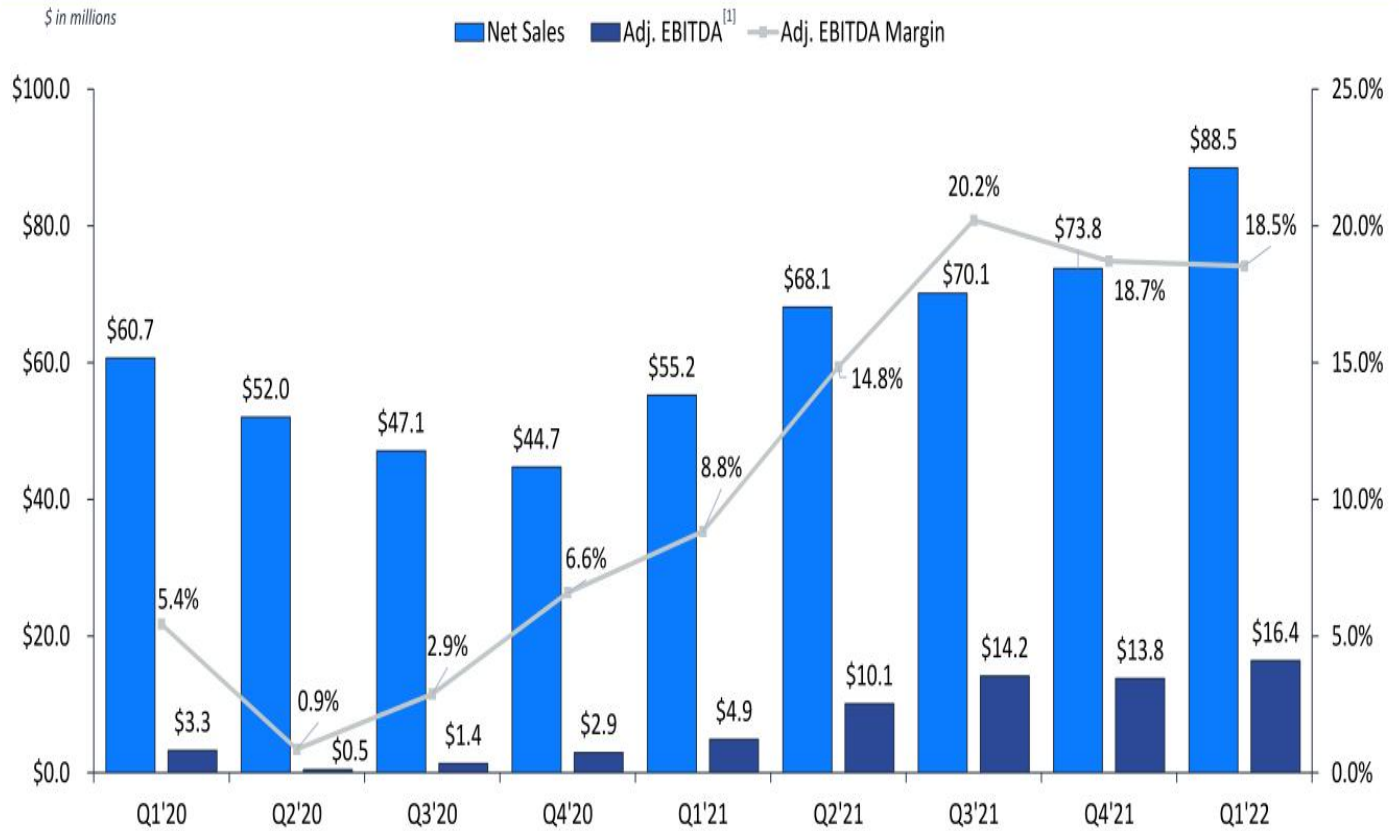
- ✓ Heavy equipment
- ✓ Construction
- ✓ High pressure applications
- ✓ Chemical
- ✓ Oil and Gas



Synalloy

Synalloy Metals Financial Overview

Execution of transformation strategy and strong commodity pricing environment delivering profitable growth



[1] See appendix for non-GAAP reconciliation

Why Synalloy Metals is Positioned to Win





Synalloy

Synalloy Chemicals

Synalloy Chemicals Investment Highlights

Synalloy Chemicals operates three manufacturing sites in the Southeastern US

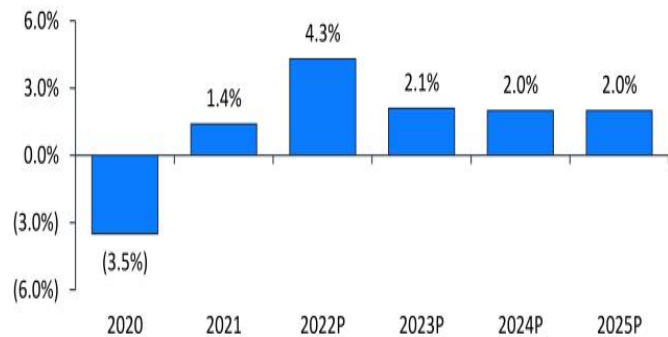
- 1 Flexible and nimble production capacity across three sites with **one of the largest fleets of horizontal reactors in the industry**
- 2 **Unique engineering and process capabilities**, with decades of experience and differentiated capabilities
- 3 Niche leader in fragmented \$500B specialty chemicals market with **proven acquisition capabilities**
- 4 **Highly recurring revenue from blue-chip customers** addressing diversified end markets



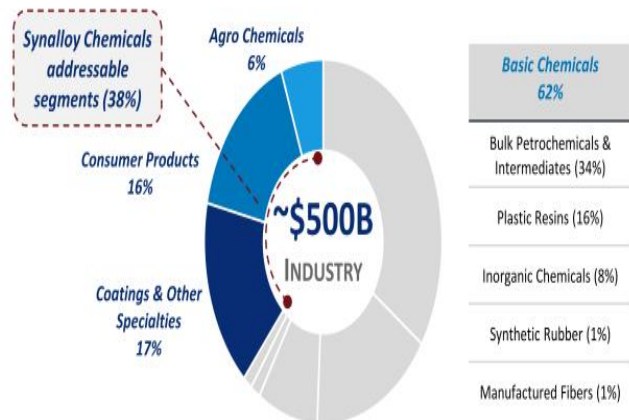
Synalloy Chemicals Opportunity

- **U.S. chemical production volume to grow 4.3% in 2022** driven by strong end-user demand and shoring up of supply chains
 - Mid-to-long term growth to stabilize near 2%
- **Increased outsourcing** as larger chemical companies increasingly look to focus their capital allocation on core offerings while still having an extensive variety of products
- Preference for reliable **partners to provide smaller-volume, high-value products**
- Preference for domestic U.S. sourcing
 - Persistent global supply chain disruptions **increasing demand for U.S. domestic sourcing in order to improve reliability**
- **Synalloy Chemicals addresses ~40% of \$500B industry creating ample room for growth in adjacent end markets**

Total U.S. Chemical Industry Volume Growth ^[1]



U.S. Chemical Industry by End Market



[1] Total chemical volume production in the U.S. excluding pharmaceuticals

Sources: American Chemistry Council, SOCMA

Wide-Ranging Capabilities Providing Solutions for Blue-Chip Customers

Value Proposition

- ✓ Unique capabilities and process ingenuity involving industry-leading fleet of horizontal and vertical reactors
- ✓ Multitude of equipment that can support single-step to complex, multi-step processes
- ✓ Highly specialized products are typically critical ingredients in the overall product or system for blue-chip customer base
 - Numerous materials for which Synalloy Chemicals is the sole source for its customers
- ✓ Multi-site, diverse asset platform creates value-add for customers in the form of enhanced capabilities and operational redundancies



Process Capabilities

Key Chemical Reactions

- | | |
|------------------|------------------|
| ✓ Acetylation | ✓ Methylation |
| ✓ Amidation | ✓ Phosphating |
| ✓ Condensation | ✓ Polymerization |
| ✓ Esterification | ✓ Quaternization |

Key Unit Operations

- | | |
|------------------|------------------|
| ✓ Blending | ✓ High Viscosity |
| ✓ Centrifugation | ✓ Mixing |
| ✓ Drying | ✓ Encapsulation |
| ✓ Emulsification | ✓ Filtration |

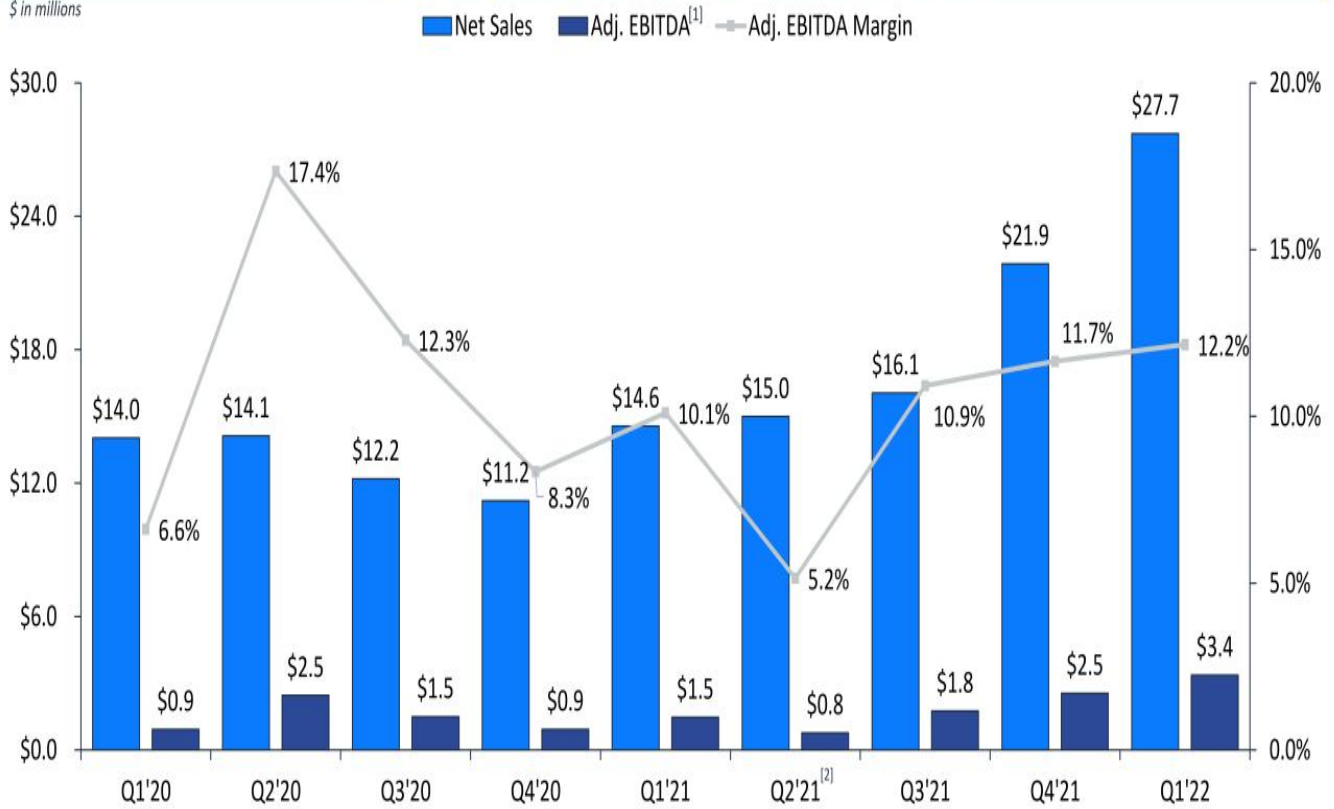


Synalloy

Specialty Chemicals Financial Overview

Steady top-line growth accompanied by historical margin volatility that should continue to improve with integration of DanChem and efficiency enhancements

\$ in millions



[1] See appendix for non-GAAP reconciliation

[2] Q2'21 profitability was significantly impacted by unexpected supply chain constraints, including shipment delays and trucking shortages

Synalloy

DanChem Acquisition Case Study

Overview

- Synalloy purchased DanChem for \$33.0 million
 - Acquired for approximately 6x adjusted EBITDA
- DanChem possesses unique capabilities and ingenuity of process engineering, decades of experience, and the largest horizontal reactor suite in the industry
- ~85% of the company's revenue is recurring from blue-chip customers in diversified and attractive end-markets, including CASE (coatings, adhesives, sealants and elastomers)
- Strong, continued growth on recurring revenue base expected to yield significant margin expansion – especially as best-practices and cost synergies take form throughout the broader organization

Strategic Rationale



Acceleration of Product Development Capabilities



Larger Presence in Target End-Markets



Expansion of Product Offerings



Creation of Leading, Scaled Manufacturing Platform



Acquisition of Top-Tier Management Team to Lead the Combined Operation

Why Synalloy Chemicals is Positioned to Win



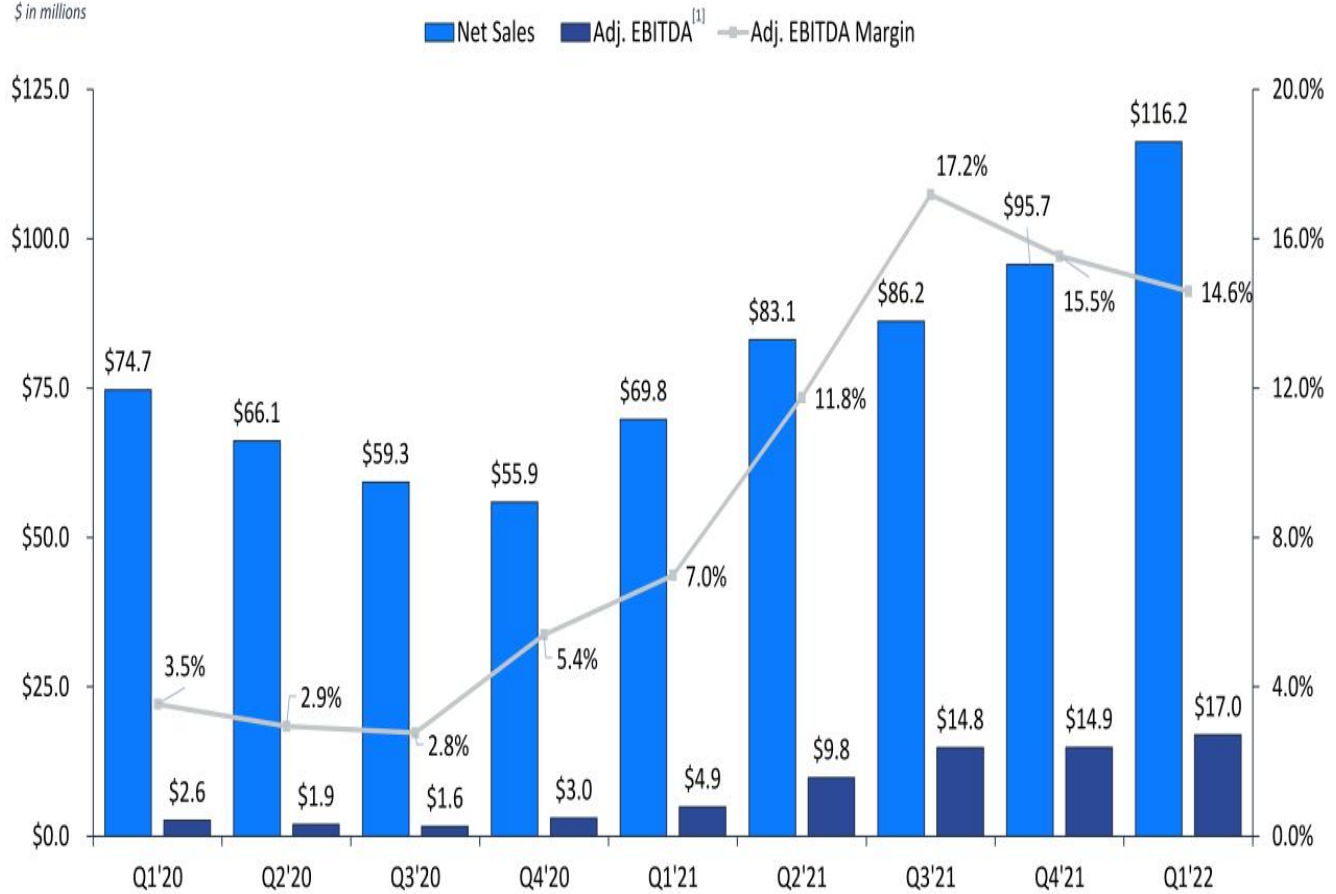
A blue-tinted photograph of a forklift operator moving a large metal pipe in an industrial setting. The forklift is a Nissan model, and the operator is wearing a hard hat. The pipe is being lifted by the forklift's forks. The background shows a large industrial building with corrugated metal siding. The text "Synalloy" is overlaid in the upper center of the image.

Synalloy

Driving Long-Term Shareholder Value

Consolidated Financial Performance

\$ in millions



[1] See appendix for non-GAAP reconciliation

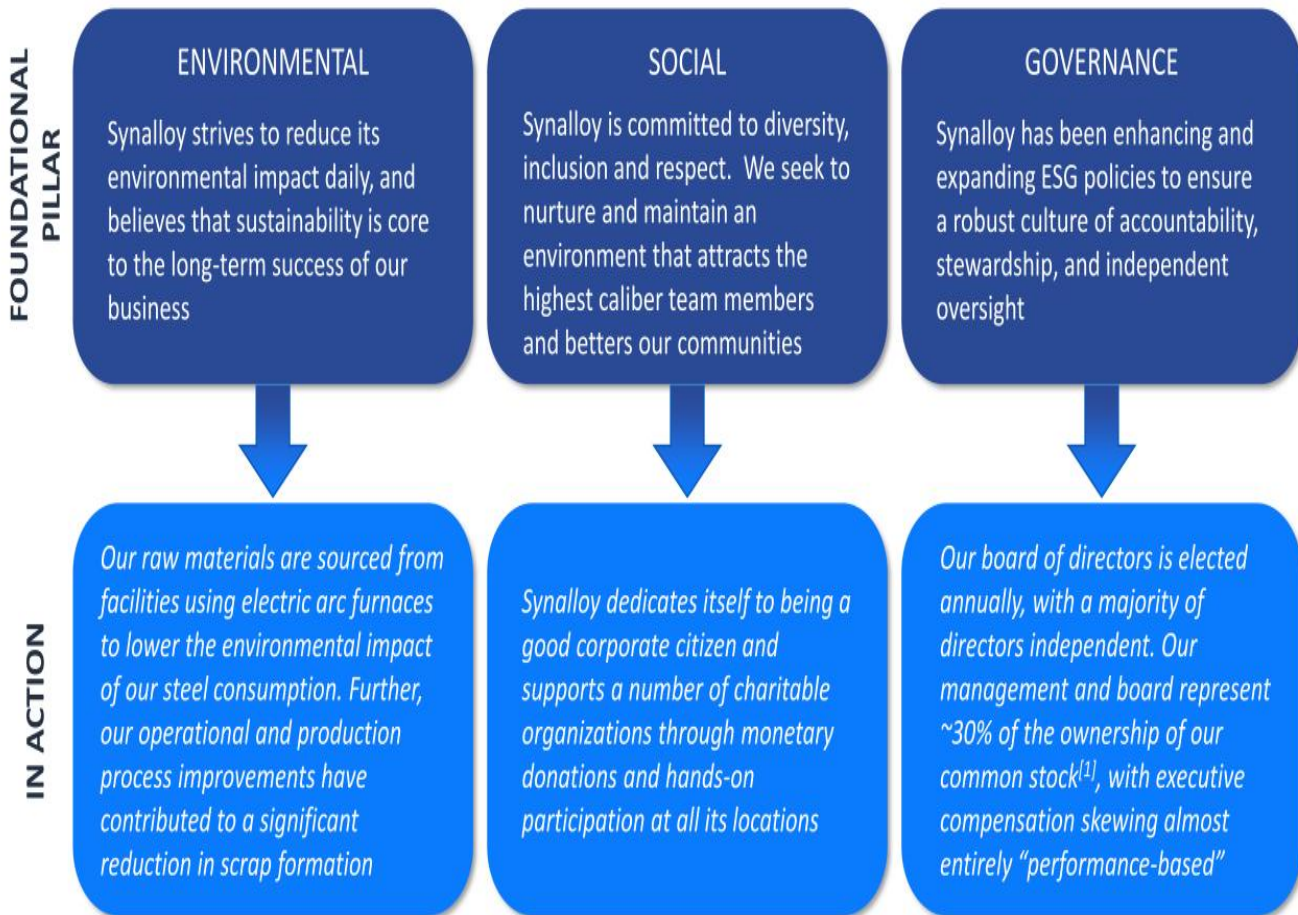
Synalloy

Financial Performance - LTM as of 03/31/22



[1] See appendix for non-GAAP reconciliation

"One Team" - Corporate ESG Initiatives

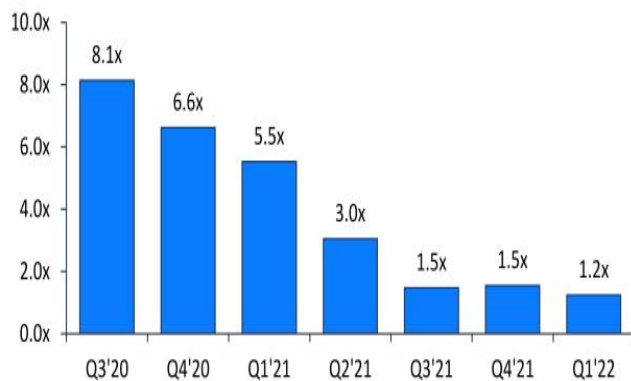


Strong Liquidity Position to Support Capital Allocation Priorities

Stable Balance Sheet

- \$1.2 million in cash as of 03/31/22
- \$38.6 million available borrowing capacity
 - \$40 million in additional borrowing capacity through committed accordion feature
- Raised \$10 million in gross proceeds from a fully subscribed rights offering that concluded in December 2021
- Net Leverage ratio of 1.24x LTM adjusted EBITDA

Net Leverage Ratio^[1]



Capital Allocation Priorities

Pursuing Strategic and Accretive Acquisitions

- Investments aligned with core strengths driving high returns
- Expand capabilities for growth in value-added products and solutions
- Access to new, growing, and sustainable markets
- Expand geographic reach of our products

Investing in Manufacturing Capabilities and Facility Improvements

- Innovative, value-added products in attractive markets to further differentiate ourselves
- Production efficiency through automation
- Increase sales footprint
- Protect and extend the life of current capital assets

[1] Net Leverage Ratio = (Total Debt less Cash and Cash Equivalents) divided by LTM Adjusted EBITDA. See appendix for non-GAAP reconciliation

Synalloy

Strategic and Disciplined Approach to M&A

Our goal is to increase free cash flow through sustainable organic growth, accretive acquisitions, and continuous operational efficiencies

Thoughtful Acquisition Strategy

- Leverage our go-to-market strategy and customer relationships, including our extensive distribution network, to source strategic and proprietary opportunities
- Build out adjacencies to current portfolio in existing markets or further increase geographic reach through access to incremental markets
- Drive enhanced returns through automation of redundant and manual operational processes
- Continue to be opportunistic while utilizing cost-efficient capital and maintaining a strong balance sheet

Target Strategic & Financial Criteria



Market Leadership and Key Product Category



Geographic/Market Expansion



Executable Cost and Revenue Synergies



Strong Cultural Fit



ROIC > Cost of Capital



Demonstrable Growth Potential

Experienced Leadership Team

Company leadership is directly aligned with stockholders – insider ownership of ~30% of outstanding shares^[1]

Ben Rosenzweig
Executive Chairman

- Partner at Privet Fund Management
- Has served on the board of directors of eight publicly traded companies
- Graduated magna cum laude from Emory University with Bachelor's degree in finance and economics

Chris Hutter
CEO & President

- Co-founder and manager of UPG Enterprises
- 10+ years of experience in the metals industry
- Holds an MBA from Lewis University and graduated cum laude from University of Illinois with a bachelor's degree in finance

Aaron Tam
CFO

- 20+ years of executive level experience in finance and accounting
- Former CFO of Northstar Aerospace and served in senior roles with FTI Consulting and PWC
- Holds a PhD and MA in corporate finance, industrial organization and econometrics from Northwestern

Doug Tackett
Chief Legal Officer

- 20+ years of legal experience, including private practice and with global corporations
- Most recent roles include serving as CLO for two Nasdaq-listed companies
- Holds a JD from the University of Memphis

Tim Lynch
EVP of Synalloy Metals

- 20+ years of leadership experience in the steel industry
- Previously held senior positions at Outokumpu and US Steel and serves as a board member of the Committee on Pipe and Tube Imports (CPTI)
- Graduated from Duquesne University

John Zuppo
EVP of Synalloy Chemicals

- 20+ years of executive leadership experience in the specialty chemicals industry
- Former CEO of DanChem and spent nearly a decade at Emerald Performance Materials
- Holds an MBA from the Weatherhead School of Management at Case Western Reserve University

[1] Inclusive of shares held by Privet Fund Management where Executive Chairman, Ben Rosenzweig, serves as a Partner

Synalloy Highlights

1

Currently in the middle innings of a transformation and growth strategy, with proven results since new management was put in place

2

Two business segments well-positioned to capture market share and better serve their respective customers through both organic and inorganic growth

3

Multiple consecutive quarters of rebounding financial performance across the top and bottom line in both segments

4

Strong liquidity position and thoughtful capital allocation priorities to support growth initiatives

5

New leadership team in place with significant industry experience to drive profitable growth



Contact Us

Synalloy

Aaron Tam

Chief Financial Officer

1-804-822-3260



Cody Slach or Cody Cree

Gateway Group

1-949-574-3860

SYNL@gatewayir.com



Synalloy

Appendix

SEAMER

Non-GAAP Reconciliations – Consolidated LTM Adjusted EBITDA

(in 000s)	12 Months Ended December 31, 2020	12 Months Ended March 31, 2021	12 Months Ended June 30, 2021	12 Months Ended September 30, 2021	12 Months Ended December 31, 2021	12 Months Ended March 31, 2022
Net Income (Loss)	(27,266)	(24,994)	(15,151)	3,587	20,246	29,412
Interest Expense	2,160	1,741	1,566	1,459	1,485	1,503
Income Tax Expense / (Benefit)	(4,706)	(3,085)	(154)	4,555	5,253	7,601
Depreciation	7,572	7,431	7,216	7,279	7,547	7,846
Amortization	3,030	2,900	2,770	2,745	2,794	2,835
EBITDA	(19,210)	(16,007)	(3,753)	19,625	37,325	49,197
Acquisition Costs and Other	1,019	715	709	254	1,001	1,532
Proxy Contest Costs and Recoveries	2,941	2,477	375	168	168	632
Earn-out Adjustments	(1,195)	(974)	897	1,203	1,871	1,748
(Gain) Loss in equity securities and other investments	(171)	(660)	432	363	363	-
Asset Impairments	6,214	6,214	368	368	233	233
Goodwill Impairment	16,203	16,203	16,203	5,455	-	-
(Gain) Loss on Lease Modification	(171)	(171)	(171)	-	-	-
Stock-based compensation	1,791	1,642	1,481	1,450	798	743
Non-cash lease expense	510	506	502	496	480	463
(Gain) Loss on Extinguishment of Debt	-	223	223	223	223	-
Retention expense	235	235	476	494	500	500
Restructuring and severance costs	1,076	1,076	1,553	2,364	1,345	1,345
Adjusted EBITDA	9,242	11,479	19,295	32,463	44,307	56,393

Non-GAAP Reconciliations – Consolidated Quarterly Adjusted EBITDA

(\$ in 000s)	3 Months Ended March 31, 2020	3 Months Ended June 30, 2020	3 Months Ended September 30, 2020	3 Months Ended December 31, 2020	3 Months Ended March 31, 2021	3 Months Ended June 30, 2021	3 Months Ended September 30, 2021	3 Months Ended December 31, 2021	3 Months Ended March 31, 2022
Net Income (Loss)	(1,178)	(6,957)	(10,539)	(8,592)	1,094	2,886	8,199	8,067	10,260
Interest Expense	804	528	436	392	385	353	329	418	403
Income Tax Expense / (Benefit)	(1,380)	(2,116)	(2,530)	1,320	241	815	2,179	2,018	2,589
Depreciation	1,958	1,989	1,805	1,820	1,817	1,774	1,868	2,088	2,116
Amortization	810	810	705	705	680	680	680	754	721
EBITDA	1,014	(5,746)	(10,123)	(4,355)	4,217	6,508	13,255	13,345	16,089
Acquisition Costs and Other	304	6	656	53	-	-	201	800	531
Proxy Contest Costs and Recoveries	-	2,734	207	-	(464)	632	-	-	-
Earn-out Adjustments	4	(827)	(146)	(226)	225	1,044	160	442	102
(Gain) Loss in equity securities and other investments	852	(1,092)	69	-	363	-	-	-	-
Asset Impairments	-	6,079	-	135	-	233	-	-	-
Goodwill Impairment	-	-	10,748	5,455	-	-	-	-	-
(Gain) Loss on Lease Modification	-	-	(171)	-	-	-	-	-	-
Stock-based compensation	336	430	270	755	187	269	239	103	132
Non-cash lease expense	128	128	130	124	124	124	124	108	107
(Gain) Loss on Extinguishment of Debt	-	-	-	-	223	-	-	-	-
Retention expense	-	235	-	-	-	476	18	6	-
Restructuring and severance costs	-	-	-	1,076	-	477	811	57	-
Adjusted EBITDA	2,638	1,947	1,640	3,017	4,875	9,763	14,808	14,861	16,961

Non-GAAP Reconciliations – Metals Quarterly Adjusted EBITDA

(\$ in 000s)	3 Months Ended March 31, 2020	3 Months Ended June 30, 2020	3 Months Ended September 30, 2020	3 Months Ended December 31, 2020	3 Months Ended March 31, 2021	3 Months Ended June 30, 2021	3 Months Ended September 30, 2021	3 Months Ended December 31, 2021	3 Months Ended March 31, 2022
Net Income (Loss)	926	(7,308)	(11,417)	(4,590)	2,538	6,463	11,556	11,335	14,424
Interest Expense	4	7	-	-	-	-	-	-	-
Income Tax Expense / (Benefit)	-	-	-	-	-	-	-	-	-
Depreciation	1,511	1,559	1,387	1,398	1,393	1,350	1,449	1,293	1,213
Amortization	810	810	705	705	680	680	680	680	625
EBITDA	3,251	(4,932)	(9,325)	(2,487)	4,611	8,493	13,685	13,308	16,262
Acquisition Costs and Other	-	-	-	13	-	-	-	-	-
Proxy Contest Costs and Recoveries	-	-	-	-	-	-	-	-	-
Earn-out Adjustments	4	(827)	(146)	(226)	225	1,044	160	442	102
(Gain) Loss in equity securities and other investments	-	-	-	-	-	-	-	-	-
Asset Impairments	-	6,079	-	135	-	-	-	-	-
Goodwill Impairment	-	-	10,748	5,455	-	-	-	-	-
(Gain) Loss on Lease Modification	-	-	-	-	-	-	-	-	-
Stock-based compensation	41	130	78	54	38	46	(7)	54	35
Non-cash lease expense	-	-	-	-	-	-	-	-	-
(Gain) Loss on Extinguishment of Debt	-	-	-	-	-	-	-	-	-
Retention expense	-	-	-	-	-	476	18	6	-
Restructuring and severance costs	-	-	-	-	-	50	313	-	-
Adjusted EBITDA	3,296	450	1,355	2,944	4,874	10,109	14,169	13,810	16,399

Non-GAAP Reconciliations – Chemicals Quarterly Adjusted EBITDA

(\$ in 000s)	3 Months Ended March 31, 2020	3 Months Ended June 30, 2020	3 Months Ended September 30, 2020	3 Months Ended December 31, 2020	3 Months Ended March 31, 2021	3 Months Ended June 30, 2021	3 Months Ended September 30, 2021	3 Months Ended December 31, 2021	3 Months Ended March 31, 2022
Net Income (Loss)	480	1,980	1,061	525	1,055	(414)	1,360	1,588	2,378
Interest Expense	8	1	-	-	-	-	-	9	9
Income Tax Expense / (Benefit)	-	-	-	-	-	-	-	-	-
Depreciation	403	389	378	381	386	390	389	768	886
Amortization	-	-	-	-	-	-	-	73	96
EBITDA	891	2,370	1,439	906	1,441	(24)	1,749	2,438	3,369
Acquisition Costs and Other	-	-	-	-	-	-	-	61	-
Proxy Contest Costs and Recoveries	-	-	-	-	-	-	-	-	-
Earn-out Adjustments	-	-	-	-	-	-	-	-	-
(Gain) Loss in equity securities and other investments	-	-	-	-	-	-	-	-	-
Asset Impairments	-	-	-	-	-	233	-	-	-
Goodwill Impairment	-	-	-	-	-	-	-	-	-
(Gain) Loss on Lease Modification	-	-	-	-	-	-	-	-	-
Stock-based compensation	38	80	59	29	31	136	5	(8)	6
Non-cash lease expense	-	-	-	-	-	-	-	-	-
(Gain) Loss on Extinguishment of Debt	-	-	-	-	-	-	-	-	-
Retention expense	-	-	-	-	-	427	-	-	-
Restructuring and severance costs	-	-	-	-	-	-	-	57	-
Adjusted EBITDA	929	2,450	1,498	935	1,472	772	1,754	2,548	3,375

Non-GAAP Reconciliations – Net Leverage Ratio

(in 000s)	September 30, 2020	December 31, 2020	March 31, 2021	June 30, 2021	September 30, 2021	December 31, 2021	March 31, 2022
Total Debt	71,343	61,370	63,767	59,500	48,963	70,392	71,074
Less: Cash & Cash Equivalents	163	236	398	761	1,174	2,021	1,241
Net Debt	71,180	61,134	63,369	58,739	47,789	68,371	69,833

Trailing twelve months:

Net Income (Loss)	(19,567)	(27,266)	(24,994)	(15,151)	3,587	20,246	29,412
Interest Expense	2,607	2,160	1,741	1,566	1,459	1,485	1,503
Income Tax Expense / (Benefit)	(6,092)	(4,706)	(3,085)	(154)	4,555	5,253	7,601
Depreciation	7,640	7,572	7,431	7,216	7,279	7,547	7,846
Amortization	3,195	3,030	2,900	2,770	2,745	2,794	2,835
EBITDA	(12,217)	(19,210)	(16,007)	(3,753)	19,625	37,325	49,197
Acquisition Costs and Other	966	1,019	715	709	254	1,001	1,532
Proxy Contest Costs and Recoveries	3,105	2,941	2,477	375	168	168	632
Earn-out Adjustments	(73)	(1,195)	(974)	897	1,203	1,871	1,748
(Gain) Loss in equity securities and other investments	(1,850)	(171)	(660)	432	363	363	-
Asset Impairments	6,079	6,214	6,214	368	368	233	233
Goodwill Impairment	10,748	16,203	16,203	16,203	5,455	-	-
(Gain) Loss on Lease Modification	(171)	(171)	(171)	(171)	-	-	-
Stock-based compensation	1,366	1,791	1,642	1,481	1,450	798	743
Non-cash lease expense	513	510	506	502	496	480	463
(Gain) Loss on Extinguishment of Debt	-	-	223	223	223	223	-
Retention expense	277	235	235	476	494	500	500
Restructuring and severance costs	-	1,076	1,076	1,553	2,364	1,345	1,345
Adjusted EBITDA	8,743	9,242	11,479	19,295	32,463	44,307	56,393
Net Leverage Ratio	8.1x	6.6x	5.5x	3.0x	1.5x	1.5x	1.2x

