

Investor Presentation

Q1 2025.

Safe Harbor Statement

- During the course of this presentation, management may make forward-looking statements regarding financial performance and future events.
- These forward-looking statements generally are identified by the words "believe," "project," "expect," "anticipate," "estimate," "forecast," "outlook," "intend," "strategy," "future," "opportunity," "plan," "may," "should," "will," "would," "will be," "will continue," "will likely result," or the negative thereof or variations thereon or similar expressions generally intended to identify forward-looking statements. You should understand that, even though our forward-looking statements are based on assumptions we believe are reasonable when made, they are still subject to uncertainties that could cause actual results to differ materially from those in the forward-looking statements.
- Important factors and other risks that may affect the Company's business or that could cause actual results to differ materially are included in filings the Company makes with the U.S. Securities and Exchange Commission from time to time, including its Annual Report on Form 10-K, its Quarterly Reports on Form 10-Q, its Current Reports on Form 8-K, and in its other SEC filings.
- Forward-looking statements made herein are summaries of previous public disclosures, do not represent revised guidance, and we do not undertake to revise or update them from the date or dates of previous disclosure.
- In the case of any presentation delivered during the company's prescribed black-out periods, there will be no discussion or questions addressed regarding the current quarter's expected performance.

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02 Vision and Strategic Focus

03 Financial Performance
& Capital Allocation

04 Corporate Social
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Balchem Corporation

At a Glance

2024 Sales

\$954 Million

Approximate number of employees

1,400

Founded in

1967

NASDAQ

BCPC

2024 Adjusted EBITDA

\$250 Million

2024 Adjusted EBITDA margin

26.3%

Balchem Corporation

Three Business Segments – 2024 Revenue

Human Nutrition and Health



63%

Provides a range of branded specialty minerals, nutrients, and vitamins as well as micro-encapsulation technologies and food ingredient formulation systems for the supplement, beverage, cereal, meat, and bakery markets.

Animal Nutrition and Health



23%

Supplies science-based animal feed nutritional ingredients and proprietary micro-encapsulation technologies for production animal productivity and ruminant and companion animal wellness.

Specialty Products



14%

Provides critical sterilization technologies to the medical device and food industries and supplies specialized chelated minerals to the micronutrient agricultural market.

Balchem Corporation

Balchem develops, manufactures, and markets specialty ingredients that help make the world a healthier place.



Executive Leadership

Ted Harris

Chairman, President, and CEO

- Joined Balchem in May 2015
- Prior to Balchem was a Senior VP of Ashland Inc. where he held a series of senior leadership roles over 10+ years
- Independent director and member of the Board of Directors of Pentair plc.
- MBA from Harvard University and bachelor's degree from Lehigh University in chemical engineering

Martin Bengtsson

CFO

- Joined Balchem in February 2019
- Prior to Balchem had a 15-year career at Honeywell and most recently was CFO for the \$11B Performance Materials & Technologies segment
- Bachelor's degree from Northwestern University in economics and began career as Senior Auditor for Deloitte



Balchem's Value Proposition

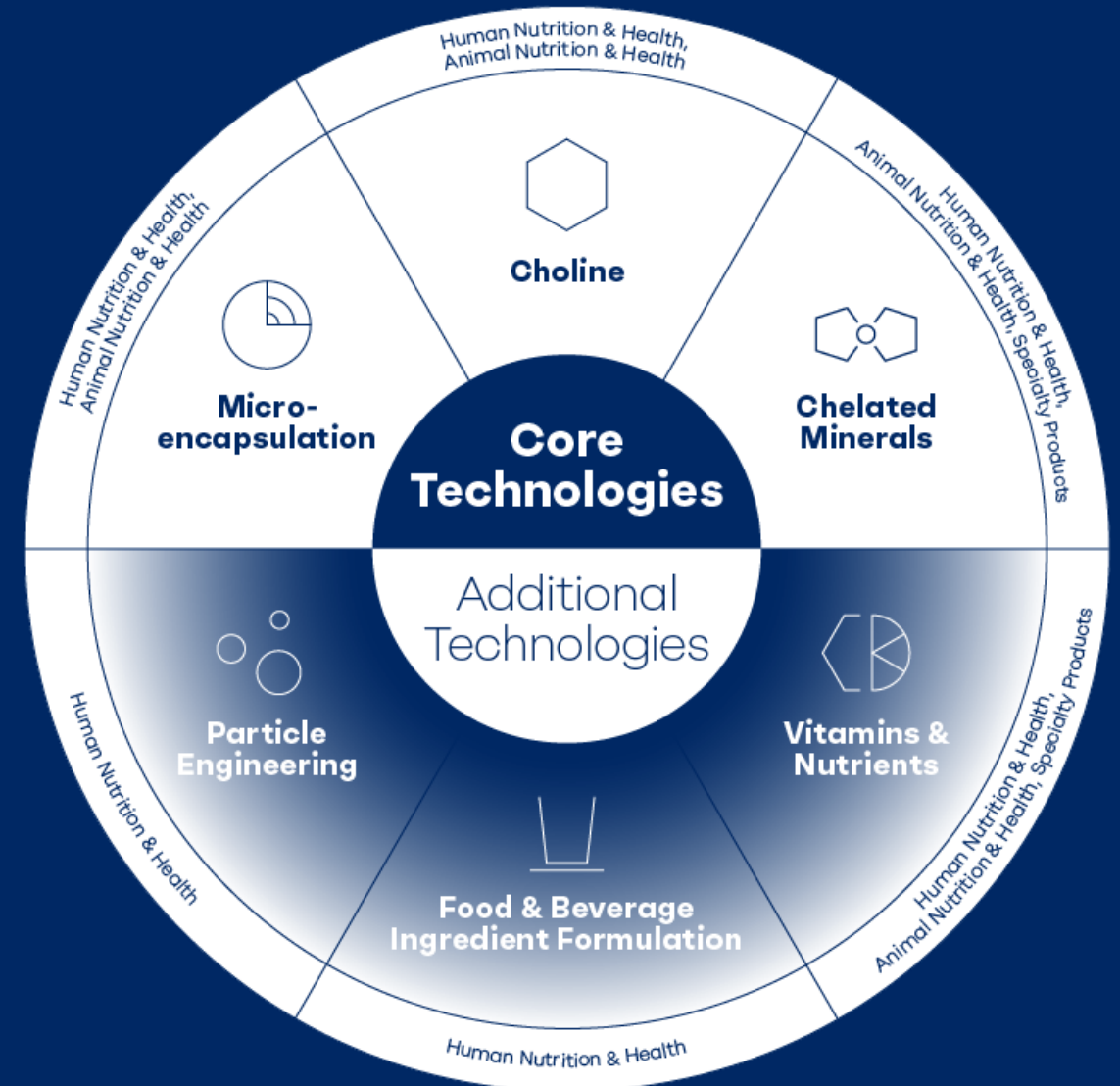
Value to our customers

- High efficacy nutrients essential for life
- Enhanced animal health and feed productivity
- Functional ingredient systems formulations and application expertise
- Crop protection and yield improvement
- Complete supply chain capabilities and assurance

Value to society

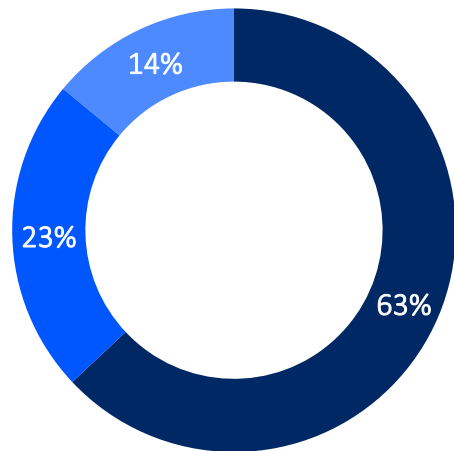
- Increased health and well-being of humans and animals
- Enhanced food chain productivity to give a growing population sustainable access to food

Balchem's Technologies



Segment Overview

Leveraging Solutions Across Segments



- Human Nutrition & Health
- Animal Nutrition & Health
- Specialty Products

Segment	Markets Served	Solutions
Human Nutrition & Health	<ul style="list-style-type: none">• Nutritional Supplements• Food and Beverage• Infant and Toddler Formula• Organic Cereal	<ul style="list-style-type: none">• Microencapsulation• Choline and Vitamin K2• Chelated Minerals• Powder, Flavor, and Cereal Systems
Animal Nutrition & Health	<ul style="list-style-type: none">• Dairy• Poultry and Swine• Companion Animal• Aquaculture	<ul style="list-style-type: none">• Microencapsulation• Choline• Chelated Minerals• Amino Acids and Other Nutrients
Specialty Products	<ul style="list-style-type: none">• Medical Device Sterilization• Nut and Spice Fumigation• Plant Nutrition	<ul style="list-style-type: none">• Chelated Minerals• Performance Gases re-packaging and supply chain capabilities

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Our **Vision**

is clear – to make the world a healthier place.

Our **Mission**

is focused – to build a global nutrition and health company delivering trusted, innovative and science-based solutions to our customers.

Our Core Values

Always
Doing the
Right Thing

Thinking Big
and Acting
Small

Collaborating
and Growing
Together

Playing
to Win

Staying
Focused
on the
Customer

How Do We Make the World a Healthier Place?



Provide food, beverage, and dietary supplement ingredients that support cognitive, emotional, and physical well-being across generations



Improve nutrient bioavailability for animals, reducing feed inputs and land required to produce high quality animal protein



Support prenatal, infant and toddler health with targeted nutritional ingredients



Help farmers grow crops that are hardier when faced with stressors like disease and pests



Provide nutritious foods for companion animals



Improve nutrient bioavailability to reduce animal waste excreted into the environment



Power the day with plant & animal proteins, healthy fats, minerals, nutrients, and specialty nutraceuticals



Create higher yields and higher quality crops with fewer inputs



Decrease food waste from farm to table via natural technologies



Provide products and services to medical device sterilizers

Strategic Focus

01

Strengthening Positions in Attractive, Growing Markets

Building scale, adding adjacent capabilities, expanding market and geographic reach, broadening our portfolio of solutions, investing in new science, enabling market awareness

02

Driving Organic Growth

Creating new demand through innovation, market penetration, new product launches, geographic expansion, and expanding addressable markets

03

Strategic M&A

Augment organic growth and accelerate strategic initiatives

04

Excellence in Execution

Maintaining a strong margin profile, efficient cash flow conversion, and a solid balance sheet

Growth Platforms

Multiple Platforms to Drive Growth

Human Nutrition & Health

- VitaCholine® and K2Vital™ market penetration
- Transition from low to high bioavailable Mineral Nutrition
- Systems for Nutritional Beverages
- Microencapsulation for food safety and preservation
- Geographic expansion and M&A

Animal Nutrition & Health

- Rumen-protected nutrients for dairy
- ReaShure® market penetration
- Next generation rumen by-pass and release technology
- Pet and aquaculture expansion
- Geographic expansion and M&A

Specialty Products

- Metalosate® plant micronutrients penetration and application
- Global Performance Gases platform
- Geographic expansion and M&A



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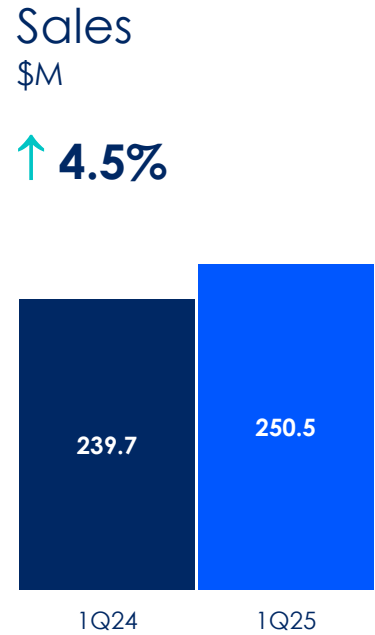
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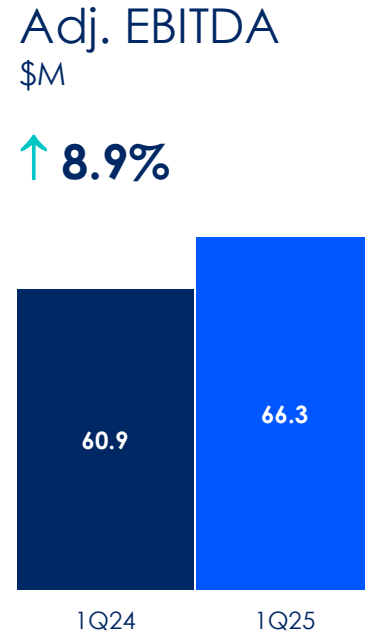
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Q1 2025 Financial Summary

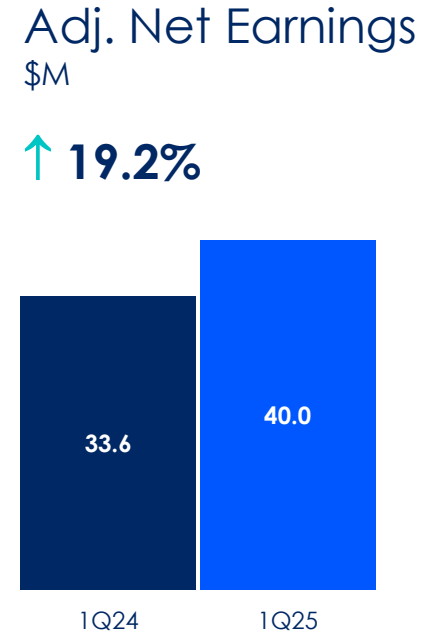
Sales growth, margin expansion, and profit growth



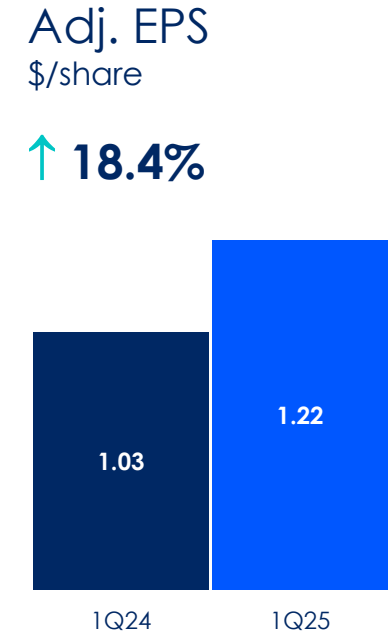
Growth in all 3 segments



Adj. EBITDA growth driven by sales growth, favorable portfolio mix, and volume leverage



Higher operating income and lower interest expense, partially offset by a higher tax rate

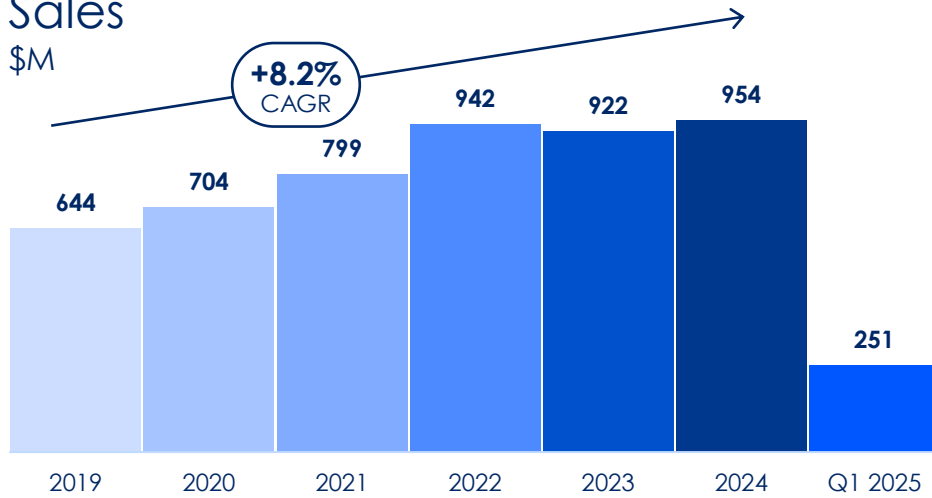


Growth in earnings slightly offset by an increase in diluted outstanding shares

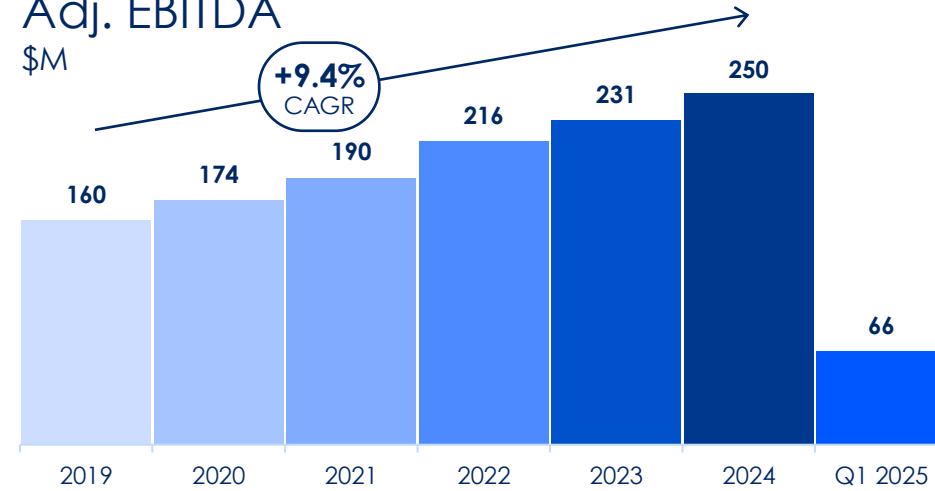
Historical Financials

Consistent performance over the years

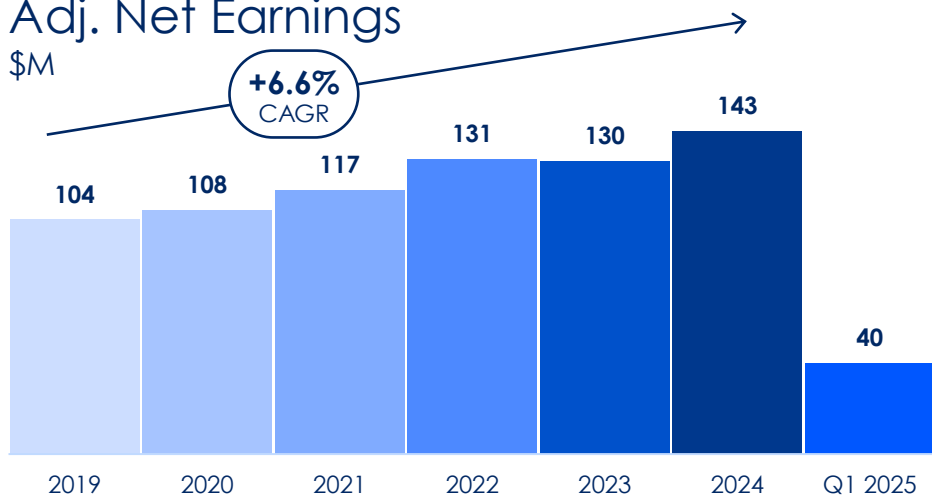
Sales
\$M



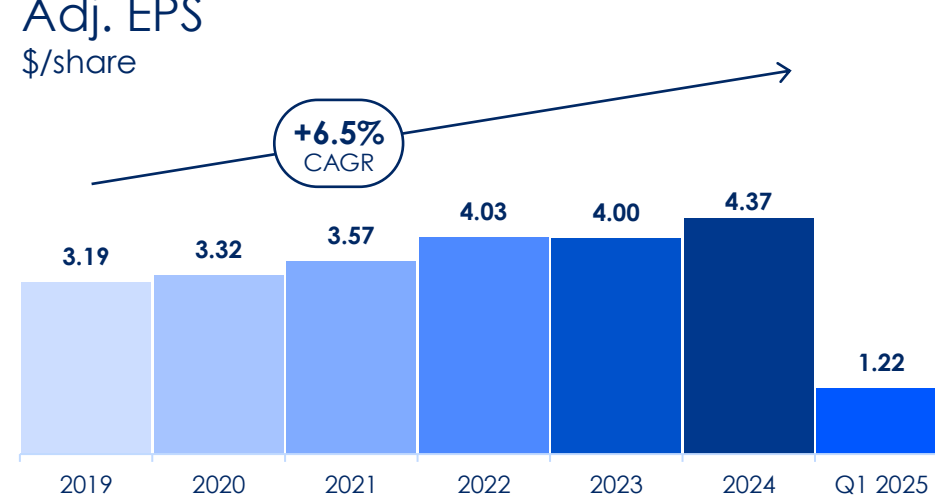
Adj. EBITDA
\$M



Adj. Net Earnings
\$M



Adj. EPS
\$/share



Balchem's Capital Allocation Strategy

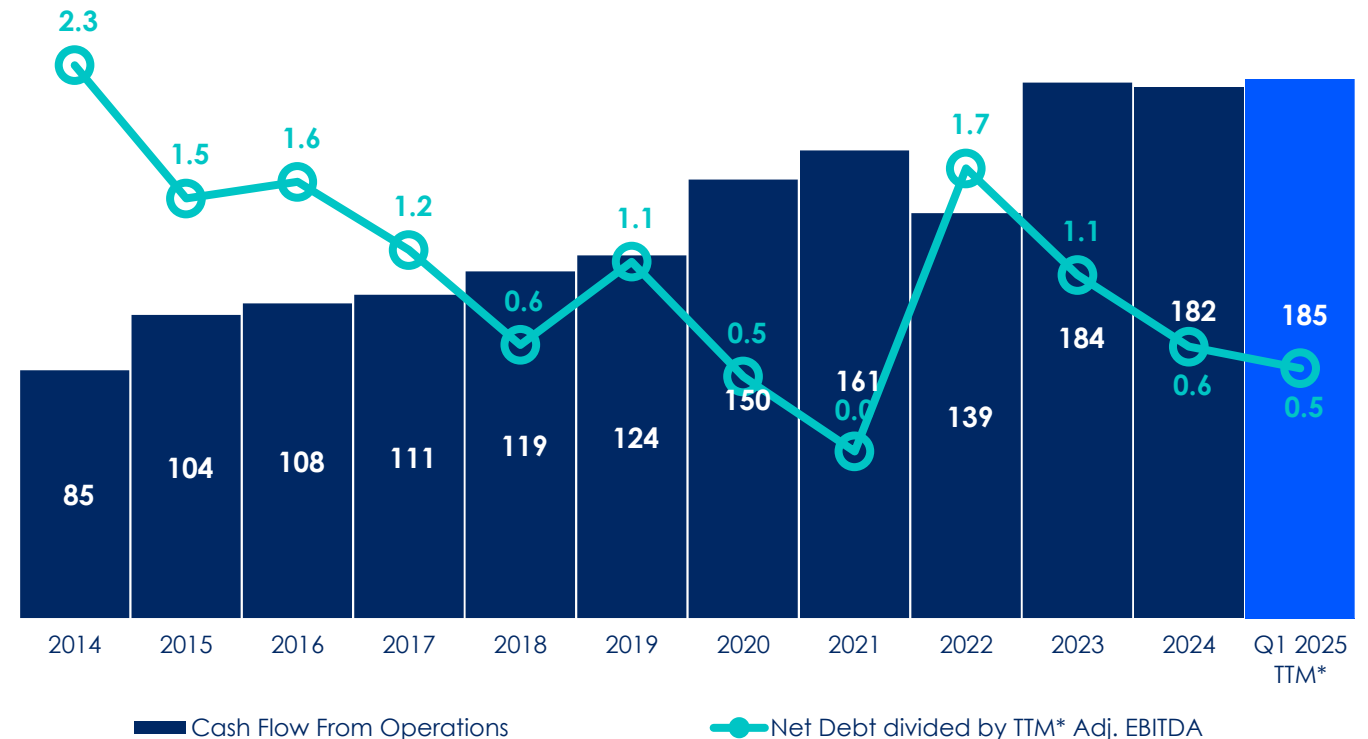
Capital Allocation Priorities

- Support organic growth opportunities
- Augment growth with targeted M&A
- Diligent debt service
- Continue to pay and grow dividend
- Stock buy-backs for anti-dilution

M&A

- Seven key acquisitions since 2016 to augment organic growth
- Focus on nutrition and health
- Adding geographic reach and adjacent products/ technologies

Annual Cash Flow and Net Debt Leverage Ratio

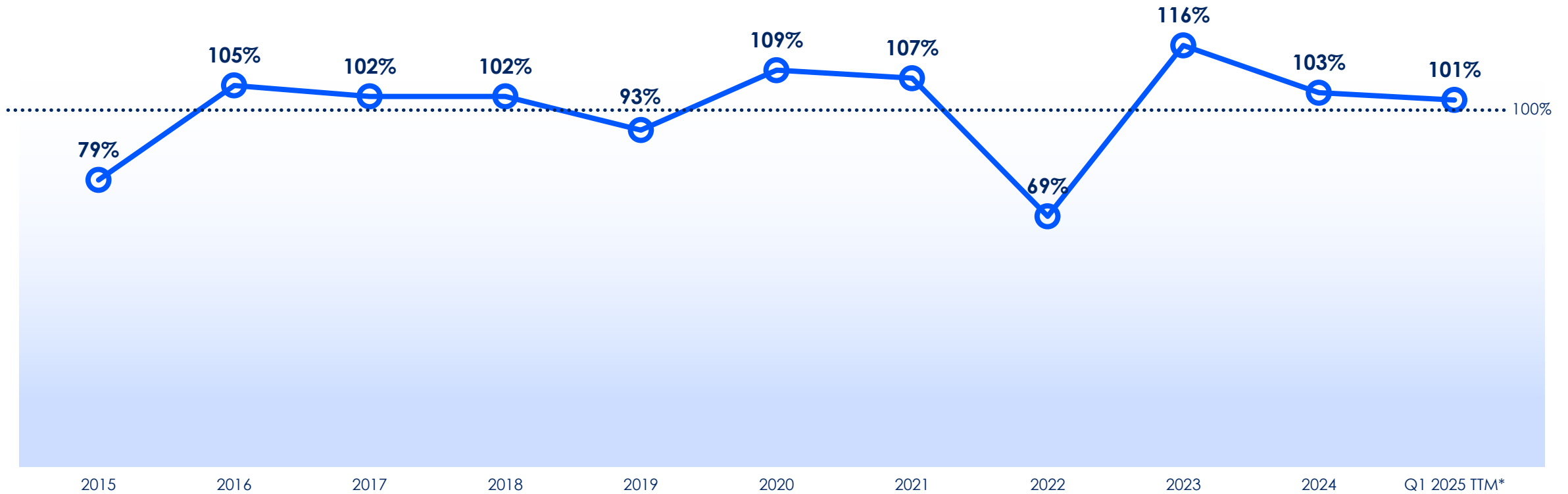


* TTM: Trailing Twelve Months

Free Cash Flow Conversion

Translating profits into cash

Free Cash Flow as % of Non-GAAP Net Earnings



* TTM: Trailing Twelve Months

Key Acquisitions

Augmenting Organic Growth with Targeted Acquisitions Close to Core

Albion Minerals

- Adjacent product offering in high growth market
- Chelated Magnesium, Iron, Calcium, Zinc, etc.

2016

Bioscreen

- Geographic expansion and processing technology
- Microencapsulation and fermentation

2018

2017

IFP

- Market consolidation and processing technology
- Microencapsulation and agglomeration

2019

Chemogas

- Geographic expansion of market leadership to Europe
- Performance gas solutions

Zumbro River Brand

- Consolidation and portfolio extension
- High protein extrusion and agglomeration

Kappa Bioscience

- Portfolio extension in high growth specialty vitamin market
- Vitamin K2 and MK-7

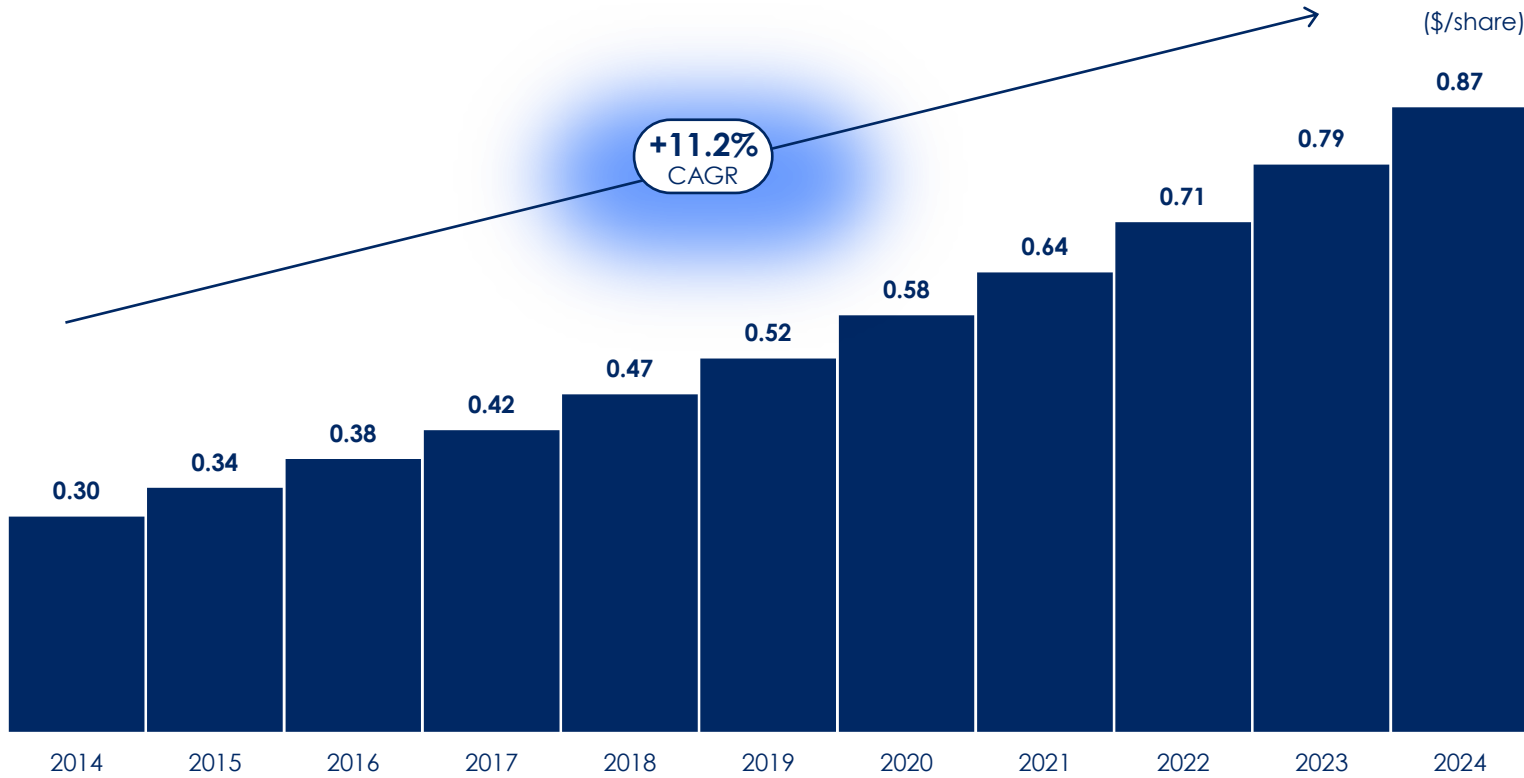
2022

Bergstrom Nutrition

- Portfolio extension in high growth specialty mineral market
- Specialty sulfur for supplements

Dividends

Consistent dividend policy



Annual double-digit dividend growth for the last decade

Consistency in execution

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Sustainability at Balchem

Our Sustainability Objectives & Framework

Making
the
world a
healthier
place

Company

Provide innovative solutions for the health & nutritional needs of the world.



People



Planet



Profit

Culture

Operate with excellence as strong stewards of our employees, customers, shareholders & communities

1.2

billion people
reached in 2024

The total number of people impacted is calculated by measuring the annual consumption of protein and the daily recommended doses of minerals, essential nutrients and vitamins.

Recent Sustainability Progress

7th

sustainability report
released in April 2025



Our 2024
Sustainability
Report.



4th

 anniversary
of **UN Global Compact**
commitment is marked

~70% of our product revenue
aligns with at least one UN
SDG (SDGs 2, 3, and 12).

Scope 3

GHG emissions successfully
measured and reported

Surpassed our 2030 GHG
emissions reduction goal,
by reducing Scope 1 and 2
emissions by 32%.



Reduced our water withdrawal

by **15%**
from baseline and remain
on track to meet 2030 goal.

Learn more
about our
sustainability
programs:



Enhanced transparency

reported to
EcoVadis and CDP



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Balchem Summary

A global nutrition and health company delivering trusted, innovative and science-based solutions to our customers



Leading positions
in attractive
markets



Creating new
demand through
innovation



**Strong financial
performance,**
delivering healthy
margins and cash
flows available for
reinvestment



Proven track
record and
**well positioned
for the future**

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Non-GAAP Financial Information

In addition to disclosing financial results in accordance with United States (U.S.) generally accepted accounting principles (GAAP), this earnings release contains non-GAAP financial measures that we believe are helpful in understanding and comparing our past financial performance and our future results. The non-GAAP financial measures in this press release include adjusted gross margin, adjusted earnings from operations, adjusted net earnings and the related adjusted per diluted share amounts, EBITDA, adjusted EBITDA, adjusted income tax expense, and free cash flow. The non-GAAP financial measures disclosed by the company exclude certain business combination accounting adjustments and certain other items related to acquisitions, certain equity compensation, nonqualified deferred compensation plan expense (income), and certain one-time or unusual transactions. Detailed non-GAAP adjustments are described in the reconciliation tables below and also explained in the related footnotes. These non-GAAP financial measures should not be considered a substitute for, or superior to, financial measures calculated in accordance with GAAP, and the financial results calculated in accordance with GAAP and reconciliations from these results should be carefully evaluated. Investors should not consider non-GAAP measures as alternatives to the related GAAP measures.

Non-GAAP Financial Information

Reconciliation of Non-GAAP Measures to GAAP

(Dollars in thousands, except per share data; unaudited)

	Three Months	
	Ended March 31,	
	2025	2024
Reconciliation of adjusted earnings from operations		
GAAP earnings from operations	\$51,015	\$41,676
Amortization of intangible assets and finance leases ⁽¹⁾	4,112	6,402
Transaction and integration costs ⁽²⁾	489	440
Nonqualified deferred compensation plan expense ⁽³⁾	34	403
Adjusted earnings from operations	\$55,650	\$48,921
Reconciliation of adjusted net earnings	2025	2024
GAAP net earnings	\$37,053	\$28,986
Amortization of intangible assets and finance leases ⁽¹⁾	4,184	6,474
Transaction and integration costs ⁽²⁾	489	440
Income tax adjustment ⁽⁴⁾	-1,709	-2,316
Adjusted net earnings	\$40,017	\$33,584
Adjusted net earnings per common share - diluted	\$1.22	\$1.03

Non-GAAP Financial Information

Reconciliation of GAAP Net Earnings to EBITDA and to Adjusted EBITDA

(Dollars in thousands; unaudited)

	Three Months	
	Ended March 31,	
	2025	2024
Net earnings – as reported	\$37,053	\$28,986
Add back:		
Provision for income taxes	10,887	7,864
Interest and other expenses	3,075	4,826
Depreciation and amortization	10,942	13,597
EBITDA	61,957	55,273
Add back:		
Non-cash compensation expense related to equity awards	3,810	4,750
Transaction and integration costs ⁽²⁾	489	440
Nonqualified deferred compensation plan expense ⁽³⁾	34	403
Adjusted EBITDA	\$66,290	\$60,866

Non-GAAP Financial Information

Reconciliation of GAAP Effective Income Tax Rate to Non-GAAP Effective Income Tax Rate

(Dollars in thousands; unaudited)

	Three Months	
	Ended March 31,	
	2025	2024
GAAP Income Tax Expense	\$10,887	\$7,864
GAAP Effective Tax Rate	22.7%	21.3%
Impact of ASU 2016-09 ⁽⁵⁾	590	708
Adjusted Income Tax Expense	\$11,477	\$8,572
Adjusted Effective Tax Rate	23.9%	23.3%

Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow

(Dollars in thousands; unaudited)

	Three Months	
	Ended March 31,	
	2025	2024
Net cash provided by operating activities	\$36,457	\$33,388
Capital expenditures and proceeds from the sale of assets	(5,421)	(6,573)
Free Cash Flow	\$31,036	\$26,815

Non-GAAP Financial Information - Continued

⁽¹⁾ **Amortization of intangible assets and finance leases:** Amortization of intangible assets and finance leases consists of amortization of customer relationships, trademarks and trade names, developed technology, regulatory registration costs, patents and trade secrets, capitalized loan issuance costs, other intangibles acquired primarily in connection with business combinations, and finance leases. We record expense relating to the amortization of these intangibles and finance leases in our GAAP financial statements. Amortization expenses for our intangible assets and finance leases are inconsistent in amount and are significantly impacted by the timing and valuation of an acquisition. Consequently, our non-GAAP adjustments exclude these expenses to facilitate an evaluation of our current operating performance and comparisons to our past operating performance.

⁽²⁾ **Transaction and integration costs:** Transaction and integration costs related to acquisitions and divestitures are expensed in our GAAP financial statements. Management excludes these items for the purposes of calculating Adjusted EBITDA and other non-GAAP financial measures. We believe that excluding these items from our non-GAAP financial measures is useful to investors because these are items associated with transactions that are inconsistent in amount and frequency causing comparison of current and historical financial results to be difficult.

⁽³⁾ **Nonqualified deferred compensation plan (income) expense:** Gains and losses on rabbi trust assets related to our nonqualified deferred compensation plan are recorded in other (income) expense while the offsetting increases or decreases to the deferred compensation liability are recorded within earnings from operations. The increases and decreases in the deferred compensation liability are driven by market volatility and are not a true reflection of company performance. We believe excluding these amounts from our non-GAAP financial measures is useful to investors because these items are inconsistent in amount based on market conditions causing comparison of current and historical financial results to be difficult.

⁽⁴⁾ **Income tax adjustment:** For purposes of calculating adjusted net earnings and adjusted diluted earnings per share, we adjust the provision for (benefit from) income taxes to tax effect the taxable and deductible non-GAAP adjustments described above as they have a significant impact on our income tax (benefit) provision. Additionally, the income tax adjustment is adjusted for the impact of adopting ASU 2016-09, "Improvements to Employee Share-Based Payment Accounting" and uses our non-GAAP effective rate applied to both our GAAP earnings before income tax expense and non-GAAP adjustments described above. See Table for the calculation of our non-GAAP effective tax rate.

⁽⁵⁾ **Impact of ASU 2016-09:** The primary impact of ASU No. 2016-09, "Improvements to Employee Share-Based Payment Accounting" ("ASU 2016-09"), was the recognition during the three months ended March 31, 2025 and 2024, of excess tax benefits as a reduction to the provision for income taxes and the classification of these excess tax benefits in operating activities in the consolidated statement of cash flows instead of financing activities. Management excludes this item for the purpose of calculating Adjusted Income Tax Expense. We believe that excluding the item in our non-GAAP financial measures is useful to investors because it is inconsistent in amount and frequency causing comparison of current and historical financial results to be difficult.



balchem[®]

Solve Today. Shape Tomorrow.