

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Form 10-Q

Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended March 31, 2023

OR

Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _____ to _____

Commission File Number 001-08524

Myers Industries, Inc.

(Exact name of registrant as specified in its charter)

Ohio
(State or other jurisdiction of
incorporation or organization)

34-0778636
(IRS Employer Identification
Number)

1293 South Main Street
Akron, Ohio
(Address of principal executive offices)

44301
(Zip code)

(330) 253-5592
(Registrant's telephone number, including area code)

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, without par value	MYE	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-Accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of shares outstanding of the issuer's common stock, without par value, as of April 28, 2023 was 36,741,718 shares.

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Part I — Financial Information

Item 1. Financial Statements

MYERS INDUSTRIES, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Operations (Unaudited)

(Dollars in thousands, except per share data)

	For the Quarter Ended March 31,	
	2023	2022
Net sales	\$ 215,739	\$ 225,486
Cost of sales	144,674	153,558
Gross profit	71,065	71,928
Selling, general and administrative expenses	52,081	47,990
(Gain) loss on disposal of fixed assets	27	(467)
Operating income	18,957	24,405
Interest expense, net	1,646	1,147
Income before income taxes	17,311	23,258
Income tax expense	4,335	5,921
Net income	\$ 12,976	\$ 17,337
Net income per common share:		
Basic	\$ 0.35	\$ 0.48
Diluted	\$ 0.35	\$ 0.47

See notes to unaudited condensed consolidated financial statements.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Comprehensive Income (Loss) (Unaudited)

(Dollars in thousands)

	<u>For the Quarter Ended March 31,</u>	
	<u>2023</u>	<u>2022</u>
Net income	\$ 12,976	\$ 17,337
Other comprehensive income (loss):		
Foreign currency translation adjustment	42	570
Total other comprehensive income	42	570
Comprehensive income	<u>\$ 13,018</u>	<u>\$ 17,907</u>

See notes to unaudited condensed consolidated financial statements.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Financial Position (Unaudited)

(Dollars in thousands)

	March 31, 2023	December 31, 2022
Assets		
Current Assets		
Cash	\$ 28,241	\$ 23,139
Accounts receivable, less allowances of \$3,183 and \$3,259, respectively	130,616	133,716
Inventories, net	102,141	93,351
Prepaid expenses and other current assets	5,781	7,001
Total Current Assets	266,779	257,207
Property, plant, and equipment, net	105,803	101,566
Right of use asset - operating leases	28,381	28,908
Goodwill	95,166	95,157
Intangible assets, net	50,096	51,752
Deferred income taxes	130	129
Other	9,842	7,915
Total Assets	\$ 556,197	\$ 542,634
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable	\$ 93,477	\$ 73,536
Accrued employee compensation	13,647	24,664
Income taxes payable	4,889	2,054
Accrued taxes payable, other than income taxes	2,940	3,169
Accrued interest	661	1,264
Other current liabilities	27,016	26,380
Operating lease liability - short-term	6,072	6,177
Finance lease liability - short-term	523	518
Long-term debt - current portion	25,984	—
Total Current Liabilities	175,209	137,762
Long-term debt	62,784	93,962
Operating lease liability - long-term	22,409	22,786
Finance lease liability - long-term	8,785	8,919
Other liabilities	13,681	15,270
Deferred income taxes	8,082	7,508
Total Liabilities	290,950	286,207
Shareholders' Equity		
Serial Preferred Shares (authorized 1,000,000 shares; none issued and outstanding)	—	—
Common Shares, without par value (authorized 60,000,000 shares; outstanding 36,716,788 and 36,500,020; net of treasury shares of 5,835,669 and 6,052,437, respectively)	22,525	22,332
Additional paid-in capital	316,709	315,865
Accumulated other comprehensive loss	(17,751)	(17,793)
Retained deficit	(56,236)	(63,977)
Total Shareholders' Equity	265,247	256,427
Total Liabilities and Shareholders' Equity	\$ 556,197	\$ 542,634

See notes to unaudited condensed consolidated financial statements.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Shareholders' Equity (Unaudited)

(Dollars in thousands, except per share data)

	Quarter Ended March 31, 2023				
	Common Shares	Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Retained Deficit	Total Shareholders' Equity
Balance at January 1, 2023	\$ 22,332	\$ 315,865	\$ (17,793)	\$ (63,977)	\$ 256,427
Net income	—	—	—	12,976	12,976
Foreign currency translation adjustment	—	—	42	—	42
Shares issued under incentive plans, net of shares withheld for tax	193	(1,060)	—	—	(867)
Stock compensation expense	—	1,904	—	—	1,904
Declared dividends - \$0.135 per share	—	—	—	(5,235)	(5,235)
Balance at March 31, 2023	<u>\$ 22,525</u>	<u>\$ 316,709</u>	<u>\$ (17,751)</u>	<u>\$ (56,236)</u>	<u>\$ 265,247</u>

	Quarter Ended March 31, 2022				
	Common Shares	Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Retained Deficit	Total Shareholders' Equity
Balance at January 1, 2022	\$ 22,172	\$ 306,720	\$ (15,401)	\$ (104,166)	\$ 209,325
Net income	—	—	—	17,337	17,337
Foreign currency translation adjustment	—	—	570	—	570
Shares issued under incentive plans, net of shares withheld for tax	53	74	—	—	127
Stock compensation expense	—	1,727	—	—	1,727
Declared dividends - \$0.135 per share	—	—	—	(4,948)	(4,948)
Balance at March 31, 2022	<u>\$ 22,225</u>	<u>\$ 308,521</u>	<u>\$ (14,831)</u>	<u>\$ (91,777)</u>	<u>\$ 224,138</u>

See notes to unaudited condensed consolidated financial statements.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows (Unaudited)

(Dollars in thousands)

	For the Quarter Ended March 31,	
	2023	2022
Cash Flows From Operating Activities		
Net income	\$ 12,976	\$ 17,337
Adjustments to reconcile net income to net cash provided by (used for) operating activities		
Depreciation and amortization	5,618	5,200
Amortization of deferred financing costs	78	121
Non-cash stock-based compensation expense	1,904	1,727
(Gain) loss on disposal of fixed assets	27	(467)
Other	(827)	521
Cash flows provided by (used for) working capital		
Accounts receivable	3,181	(31,894)
Inventories	(8,778)	(5,980)
Prepaid expenses and other current assets	1,220	614
Accounts payable and accrued expenses	10,387	20,113
Net cash provided by (used for) operating activities	<u>25,786</u>	<u>7,292</u>
Cash Flows From Investing Activities		
Capital expenditures	(9,091)	(5,060)
Acquisition of business, net of cash acquired	(160)	—
Proceeds from sale of property, plant and equipment	33	1,076
Net cash provided by (used for) investing activities	<u>(9,218)</u>	<u>(3,984)</u>
Cash Flows From Financing Activities		
Net borrowings (repayments) from revolving credit facility	(5,200)	1,500
Payments on finance lease	(129)	(124)
Cash dividends paid	(5,274)	(4,939)
Proceeds from issuance of common stock	1,132	471
Shares withheld for employee taxes on equity awards	(1,999)	(344)
Net cash provided by (used for) financing activities	<u>(11,470)</u>	<u>(3,436)</u>
Foreign exchange rate effect on cash	4	49
Net increase (decrease) in cash	5,102	(79)
Cash at January 1	23,139	17,655
Cash at March 31	<u>\$ 28,241</u>	<u>\$ 17,576</u>

See notes to unaudited condensed consolidated financial statements.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES

Notes to Unaudited Condensed Consolidated Financial Statements (Dollars in thousands, except where otherwise indicated)

1. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements include the accounts of Myers Industries, Inc. and all wholly owned subsidiaries (collectively, the “Company”), and have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (the “SEC”). Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States (“GAAP”) have been condensed or omitted pursuant to those rules and regulations, although the Company believes that the disclosures are adequate to make the information not misleading. These interim financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company’s annual report on Form 10-K for the year ended December 31, 2022.

In the opinion of the Company, the accompanying condensed consolidated financial statements contain all adjustments (consisting of normal recurring accruals) necessary to present fairly the financial position as of March 31, 2023, and the results of operations and cash flows for the periods presented. The results of operations for the quarter ended March 31, 2023 are not necessarily indicative of the results of operations that will occur for the year ending December 31, 2023.

Fair Value Measurement

The Company follows guidance included in ASC 820, *Fair Value Measurements and Disclosures*, for its financial assets and liabilities, as required. Under ASC 820, the hierarchy that prioritizes the inputs to valuation techniques used to measure fair value is divided into three levels:

- Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2: Unadjusted quoted prices in active markets for similar assets or liabilities, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active or inputs that are observable either directly or indirectly.
- Level 3: Unobservable inputs for which there is little or no market data or which reflect the entity’s own assumptions.

The Company has financial instruments, including cash, accounts receivable, accounts payable and accrued expenses. The fair value of these financial instruments approximates carrying value due to the nature and relative short maturity of these assets and liabilities.

The fair value of debt under the Company’s Loan Agreement, as defined in Note 11, approximates carrying value due to the floating rates and relative short maturity (less than 90 days) of any revolving borrowings under this agreement. The fair value of the Company’s fixed rate senior unsecured notes was estimated using market observable inputs for the Company’s comparable peers with public debt, including quoted prices in active markets and interest rate measurements which are considered Level 2 inputs. At March 31, 2023 and December 31, 2022, the aggregate fair value of the Company’s outstanding fixed rate senior unsecured notes was estimated to be \$37.6 million and \$37.4 million, respectively.

The purchase price allocations associated with the May 31, 2022 acquisition of Mohawk Rubber Sales of New England Inc. (“Mohawk”), as described in Note 3, required fair value measurements using unobservable inputs which are considered Level 3 inputs. The fair value of the acquired intangible assets was determined using an income approach.

Accumulated Other Comprehensive Income (Loss)

Changes in accumulated other comprehensive income (loss) are as follows:

	<u>Foreign Currency</u>	<u>Defined Benefit Pension Plans</u>	<u>Total</u>
Balance at January 1, 2023	\$ (16,410)	\$ (1,383)	\$ (17,793)
Other comprehensive income (loss) before reclassifications	42	—	42
Net current-period other comprehensive income (loss)	42	—	42
Balance at March 31, 2023	<u>\$ (16,368)</u>	<u>\$ (1,383)</u>	<u>\$ (17,751)</u>

MYERS INDUSTRIES, INC. AND SUBSIDIARIES

Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)
(Dollars in thousands, except where otherwise indicated)

Revenue is recognized when obligations under the terms of a contract with customers are satisfied. In both the Distribution and Material Handling segments, this generally occurs with the transfer of control of the products. This transfer of control may occur at either the time of shipment from a Company facility, or at the time of delivery to a designated customer location. Obligations under contracts with customers are typically fulfilled within 90 days of receiving a purchase order from a customer, and generally no other future obligations are required to be performed. The Company generally does not enter into any long-term contracts with customers greater than one year. Based on the nature of the Company's products and customer contracts, no deferred revenue has been recorded, with the exception of cash advances or deposits received from customers prior to transfer of control of the product. These advances are typically fulfilled within the 90-day time frame mentioned above.

Revenue is measured as the amount of consideration the Company expects to receive in exchange for transferring the products. Certain contracts with customers include variable consideration, such as rebates or discounts. The Company recognizes estimates of this variable consideration each period, primarily based on the most likely level of consideration to be paid to the customer under the specific terms of the underlying programs. While the Company's contracts with customers do not generally include explicit rights to return product, the Company will in practice allow returns in the normal course of business and as part of the customer relationship. Expected returns allowances are recognized each period based on an analysis of historical experience, and when physical recovery of the product from returns occurs, an estimated right to return asset is also recorded based on the approximate cost of the product.

Amounts included in the Condensed Consolidated Statements of Financial Position (Unaudited) related to revenue recognition include:

	March 31, 2023	December 31, 2022	Statement of Financial Position Classification
Returns, discounts and other allowances	\$ (970)	\$ (986)	Accounts receivable
Right of return asset	\$ 354	\$ 350	Inventories, net
Customer deposits	\$ (3,297)	\$ (5,896)	Other current liabilities
Accrued rebates	\$ (3,641)	\$ (4,711)	Other current liabilities

Sales, value added, and other taxes collected with revenue from customers are excluded from net sales. The cost for shipments to customers is recognized when control over products has transferred to the customer and is classified as *Selling, General and Administrative* expenses for the Company's manufacturing business and as *Cost of sales* for the Company's distribution business. Costs for shipments to customers in *Selling, General and Administrative* expenses were approximately \$3.0 million and \$3.2 million for the quarters ended March 31, 2023 and 2022, respectively, and in *Cost of sales* were approximately \$4.1 million and \$1.6 million for the quarters ended March 31, 2023 and 2022, respectively.

Based on the short-term nature of contracts described above, contract acquisition costs are not significant. These costs, as well as other incidental items that are immaterial in the context of the contract, are recognized as expense as incurred.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES

Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)
(Dollars in thousands, except where otherwise indicated)

3. Acquisitions

Mohawk

On May 31, 2022, the Company acquired the assets of Mohawk, a leading auto aftermarket distributor, which is included in the Distribution Segment. The Mohawk acquisition aligns with the Company's long-term objective to optimize and grow its Distribution business. Cash consideration was \$27.8 million, net of \$1.1 million of cash acquired. Total cash consideration also includes a \$3.5 million working capital adjustment, of which \$3.3 million was settled in November 2022 and \$0.2 million was settled in February 2023. The Company estimated additional consideration payable of less than \$0.1 million, subject to finalization of working capital and other adjustments. The Company funded the acquisition with proceeds from the Loan Agreement described in Note 11.

The acquisition of Mohawk was accounted for using the acquisition method, whereby all of the assets acquired and liabilities assumed were recognized at their fair value on the acquisition date, with any excess of the purchase price over the estimated fair value recorded as goodwill. The following table summarizes the allocation of the purchase price based on the estimated fair value of assets acquired and liabilities assumed based on their preliminary estimated fair values at the acquisition date, which are subject to adjustment. Measurement period adjustments are also summarized in the table below. The purchase accounting will be finalized within one year from the acquisition date.

	Initial Allocation of Consideration	Measurement Period Adjustments ⁽¹⁾	Updated Preliminary Allocation
Assets acquired:			
Accounts receivable	\$ 10,137	\$ 458	\$ 10,595
Inventories	8,209	(16)	8,193
Prepaid expenses	104	—	104
Other assets - long term	30	—	30
Property, plant and equipment	1,432	(261)	1,171
Right of use asset - operating leases	1,367	—	1,367
Intangible assets	7,720	90	7,810
Goodwill	7,485	(403)	7,082
Assets acquired	\$ 36,484	\$ (132)	\$ 36,352
Liabilities assumed:			
Accounts payable	\$ 5,996	\$ (191)	\$ 5,805
Accrued expenses	1,414	(70)	1,344
Operating lease liability - short term	399	—	399
Operating lease liability - long term	968	—	968
Total liabilities assumed	8,777	(261)	8,516
Net acquisition cost	<u>\$ 27,707</u>	<u>\$ 129</u>	<u>\$ 27,836</u>

⁽¹⁾ The Company's preliminary purchase price allocation changed due to additional information and further analysis.

The goodwill represents the future economic benefits arising from other assets acquired that could not be individually and separately recognized, and the Company expects that the goodwill recognized for the acquisition will be deductible for tax purposes.

The intangible assets included above consist of the following:

	Fair Value	Weighted Average Estimated Useful Life
Customer relationships	\$ 5,500	12.0 years
Trade name	2,000	5.0 years
Non-competition agreements	310	5.0 years
Total amortizable intangible assets	<u>\$ 7,810</u>	

MYERS INDUSTRIES, INC. AND SUBSIDIARIES

Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)
(Dollars in thousands, except where otherwise indicated)

4. Restructuring

In March 2019, the Company committed to implementing a restructuring plan involving its Ameri-Kart Corp. subsidiary (“Ameri-Kart”), a rotational molding business within the Material Handling Segment. The Company is consolidating certain manufacturing operations into a new facility in Bristol, Indiana (the “Ameri-Kart Plan”). In December 2019, as amended in March 2021, Ameri-Kart entered into a lease agreement for a newly constructed manufacturing and distribution facility in Bristol, Indiana. The building became substantially complete in March 2021 as defined in the lease agreement, and the 15-year finance lease of the new Bristol facility commenced. In connection with the lease agreement, Ameri-Kart agreed to sell its original Bristol facility and lease it back for a period of 5 years. During the second quarter of 2021, the sale of the original facility for net proceeds of \$2.8 million was completed, which resulted in a gain of \$1.0 million, and the lease back commenced. The new Bristol facility is in service and the original facility is planned to be closed in the first half of 2023. Remaining costs to complete this consolidation are expected to be approximately \$2.9 million, including approximately \$0.5 million in 2023 related to remaining equipment moves and \$2.4 million to be incurred through 2026 related to remaining lease and maintenance costs for the idled facility.

The Company incurred \$0.3 million and \$0.4 million of restructuring charges related to the initiatives discussed above during the three months ended March 31, 2023 and March 31, 2022, respectively, which were recorded within *Cost of sales* and *Selling, General and Administrative* and \$0.3 million related to loss on disposal of fixed assets during the three months ended March 31, 2022. Accrued and unpaid restructuring expenses were not significant at March 31, 2023 or December 31, 2022.

Severance charges from other restructuring initiatives to reduce overhead costs during the three months ended March 31, 2023 totaled \$0.3 million in *Selling, General and Administrative*. Accrued and unpaid costs for these initiatives were not significant at March 31, 2023. Remaining costs associated with these other restructuring initiatives are not expected to be meaningful.

5. Inventories

Inventories are valued at the lower of cost or market for last-in, first-out (“LIFO”) inventory and lower of cost or net realizable value for first-in, first-out (“FIFO”) inventory. Approximately 40 percent of inventories are valued using the LIFO method of determining cost. All other inventories are valued using the FIFO method of determining cost. An actual valuation of inventory under the LIFO method can be made only at the end of each year based on inventory levels and costs at that time. Accordingly, interim LIFO calculations must be based on management’s estimates of expected year-end inventory levels and costs. Because these calculations are subject to many factors beyond management’s control, annual results may differ from interim results as they are subject to the final year-end LIFO inventory valuation.

Inventories consisted of the following:

	March 31, 2023	December 31, 2022
Finished and in-process products	\$ 61,873	\$ 54,991
Raw materials and supplies	40,268	38,360
	<u>\$ 102,141</u>	<u>\$ 93,351</u>

6. Other Liabilities

The balance in *Other Current Liabilities* is comprised of the following:

	March 31, 2023	December 31, 2022
Customer deposits and accrued rebates	\$ 6,938	\$ 10,607
Dividends payable	5,712	5,722
Accrued litigation, claims and professional fees	3,523	596
Current portion of environmental reserves	4,205	3,284
Other accrued expenses	6,638	6,171
	<u>\$ 27,016</u>	<u>\$ 26,380</u>

MYERS INDUSTRIES, INC. AND SUBSIDIARIES

Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)
(Dollars in thousands, except where otherwise indicated)

The balance in *Other Liabilities* (long-term) is comprised of the following:

	March 31, 2023	December 31, 2022
Environmental reserves	\$ 10,989	\$ 13,078
Supplemental executive retirement plan liability	757	824
Pension liability	174	184
Other long-term liabilities	1,761	1,184
	<u>\$ 13,681</u>	<u>\$ 15,270</u>

7. Goodwill and Intangible Assets

The change in goodwill for the quarter ended March 31, 2023 was as follows:

	Distribution	Material Handling	Total
January 1, 2023	\$ 14,730	\$ 80,427	\$ 95,157
Foreign currency translation	—	9	9
March 31, 2023	<u>\$ 14,730</u>	<u>\$ 80,436</u>	<u>\$ 95,166</u>

Intangible assets other than goodwill primarily consist of trade names, customer relationships, patents, non-competition agreements and technology assets established in connection with acquisitions. These intangible assets, other than certain trade names, are amortized over their estimated useful lives. Indefinite-lived trade names had a carrying value of \$9.8 million at both March 31, 2023 and December 31, 2022. Refer to Note 3 for the intangible assets acquired through the Mohawk acquisition in May 2022.

8. Net Income per Common Share

Net income per common share, as shown on the accompanying Condensed Consolidated Statements of Operations (Unaudited), is determined on the basis of the weighted average number of common shares outstanding during the periods as follows:

	For the Quarter Ended March 31,	
	2023	2022
Weighted average common shares outstanding basic	36,564,775	36,280,268
Dilutive effect of stock options and restricted stock	251,181	230,766
Weighted average common shares outstanding diluted	<u>36,815,956</u>	<u>36,511,034</u>

Options to purchase 245,608 shares of common stock that were outstanding for the quarter ended March 31, 2022 were not included in the computation of diluted earnings per share as the exercise prices of these options were greater than the average market price of common shares, and were therefore anti-dilutive. There were no options to purchase shares of common stock excluded from the computation of diluted earnings for the quarter ended March 31, 2023.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES

Notes to Unaudited Condensed Consolidated Financial Statements – (Continued) (Dollars in thousands, except where otherwise indicated)

9. Stock Compensation

The Company's 2021 Long-Term Incentive Plan (the "2021 Plan") was adopted by the Board of Directors on March 4, 2021, amended by the Board of Directors on April 20, 2021, and approved by shareholders in the annual shareholder meeting on April 29, 2021. The 2021 Plan authorizes the Compensation and Management Development Committee of the Board of Directors ("Compensation Committee") to issue up to 2,000,000 additional various stock awards including stock options, performance stock units, restricted stock units and other forms of equity-based awards to key employees and directors.

Stock compensation expense was approximately \$1.9 million and \$1.7 million for the quarters ended March 31, 2023 and 2022, respectively. These expenses are included in *Selling, General and Administrative* expenses. Total unrecognized compensation cost related to non-vested stock-based compensation arrangements at March 31, 2023 was approximately \$14.2 million, which will be recognized over the next three years, as such compensation is earned. Outstanding options expire, if unexercised, ten years from the date of grant.

10. Contingencies

The Company is a defendant in various lawsuits and a party to various other legal proceedings arising in the ordinary course of business, some of which are covered in whole or in part by insurance. When a loss arising from these matters is probable and can reasonably be estimated, the most likely amount of the estimated probable loss is recorded, or if a range of probable loss can be estimated and no amount within the range is a better estimate than any other amount, the minimum amount in the range is recorded. As additional information becomes available, any potential liability related to these matters is assessed and the estimates are revised, if necessary.

Based on current available information, management believes that the ultimate outcome of these matters, including those described below, will not have a material adverse effect on our financial position, cash flows or overall trends in our results of operations. However, these matters are subject to inherent uncertainties, and unfavorable rulings could occur. If an unfavorable ruling were to occur, there exists the possibility of a material adverse impact on the financial position and results of operations of the period in which the ruling occurs, or in future periods.

New Idria Mercury Mine

In September 2015, the U.S. Environmental Protection Agency ("EPA") informed a subsidiary of the Company, Buckhorn, Inc. ("Buckhorn") via a notice letter and related documents (the "Notice Letter") that it considers Buckhorn to be a potentially responsible party ("PRP") in connection with the New Idria Mercury Mine site ("New Idria Mine"). New Idria Mining & Chemical Company ("NIMCC"), which owned and/or operated the New Idria Mine through 1976, was merged into Buckhorn Metal Products Inc. in 1981, which was subsequently acquired by Myers Industries, Inc. in 1987. As a result of the EPA Notice Letter, Buckhorn and the Company engaged in negotiations with the EPA with respect to a draft Administrative Order of Consent ("AOC") proposed by the EPA for the Remedial Investigation/Feasibility Study ("RI/FS") to determine the extent of remediation necessary and the screening of alternatives.

During the fourth quarter of 2018, Buckhorn and the EPA finalized the AOC and related Statement of Work ("SOW") with regards to the New Idria Mine. The AOC is effective as of November 27, 2018, the date that it was executed by the EPA. The AOC and accompanying SOW document the terms, conditions and procedures for Buckhorn's performance of the RI/FS. In addition, the AOC required \$2 million of financial assurance to be provided to the EPA to secure Buckhorn's performance during the estimated life of the RI/FS. In January 2019, a letter of credit was provided to satisfy this assurance requirement. The AOC also includes provisions for payment of the EPA's costs of oversight of the RI/FS. A draft work plan for the RI/FS, in accordance with the AOC and related SOW, was submitted to the EPA for review and approval in July 2019. Upon preparation of the draft work plan for the RI/FS, Buckhorn received preliminary estimates from its environmental consultants for the cost of the execution of the work plan. Beginning in late 2021 and continuing through the current period, Buckhorn and the EPA continue to actively discuss the scope of the activities in the work plan, resulting in changes to the estimated costs to perform the work plan from time to time. Cost estimates will continue to be refined as the work plan is finalized and as the activities are performed over a period expected to last several years. In the fourth quarter of 2022, Buckhorn reached an agreement with respect to certain insurance coverage related to defense costs, which is expected to apply to a substantial portion of the estimated remediation investigation costs. Buckhorn established a receivable related to the probable insurance recovery of these costs totaling \$6.0 million, as of December 31, 2022. During the three months ended March 31, 2023 Buckhorn received insurance recovery reimbursements of \$0.9 million and recorded additional probable insurance recoveries of \$1.1 million, related to the additional cost estimates discussed below. As of March 31, 2023, Buckhorn has a total receivable related to the probable insurance recovery of \$6.2 million, of which \$1.7 million is classified in *Accounts receivable* and \$4.5 million is classified in *Other* (long-term).

MYERS INDUSTRIES, INC. AND SUBSIDIARIES

Notes to Unaudited Condensed Consolidated Financial Statements – (Continued) (Dollars in thousands, except where otherwise indicated)

As part of the Notice Letter in 2015, the EPA also made a claim for approximately \$1.6 million in past costs for actions it claims it has taken in connection with the New Idria Mine from 1993 through February 2014 ("Past Costs Claim"). In December 2020, the EPA updated its Past Costs Claim to include costs incurred from March 2014 through June 2020, which it further revised through September 2022 to a total claim of \$2.0 million, plus interest. Buckhorn has reached an agreement with the EPA to resolve the past costs claim for \$1.9 million with no interest, which Buckhorn paid in the first quarter of 2023.

Since October 2011, when the New Idria Mine was added to the Superfund National Priorities List by the EPA, Buckhorn has recognized \$17.1 million of cumulative charges, made cumulative payments of \$8.3 million, received insurance recoveries of \$2.9 million and recorded \$7.1 million of probable insurance recoveries through March 31, 2023. These costs are comprised primarily of estimates to perform the RI/FS, negotiation of the AOC, identification of possible other PRPs, EPA oversight fees, past cost claims made by the EPA, periodic monitoring, and responses to demands issued by the EPA under the AOC. Expenses, net of probable insurance recoveries, of \$0.5 million and \$0.7 million were recorded for the quarter ended March 31, 2023 and March 31, 2022, respectively, primarily related to updated estimates of the cost to perform the RI/FS. As of March 31, 2023, Buckhorn has a total reserve of \$10.7 million related to the New Idria Mine, of which \$3.9 million is classified in *Other Current Liabilities* and \$6.8 million in *Other Liabilities* (long-term).

It is possible that adjustments to the aforementioned reserves will be necessary as new information is obtained, including after finalization and EPA approval of the work plan for the RI/FS. Estimates of Buckhorn's liability are based on current facts, laws, regulations and technology. Estimates of Buckhorn's environmental liabilities are further subject to uncertainties regarding the nature and extent of site contamination, the range of remediation alternatives available, evolving remediation standards, imprecise engineering evaluation and cost estimates, the extent of remedial actions that may be required, the extent of oversight by the EPA and the number and financial condition of other PRPs that may be named, as well as the extent of their responsibility for the remediation.

Given the circumstances referred to above, including the fact that the final remediation strategy has not yet been determined, Buckhorn has not accrued for remediation costs in connection with this site as it is unable to estimate the range of a reasonably possible liability for remediation costs.

New Almaden Mine

A number of parties, including the Company and its subsidiary, Buckhorn (as successor to NIMCC), were alleged by trustee agencies of the United States and the State of California to be responsible for natural resource damages due to environmental contamination of areas comprising the historical New Almaden mercury mines located in the Guadalupe River Watershed region in Santa Clara County, California ("County"). In 2005, Buckhorn and the Company, without admitting liability or chain of ownership of NIMCC, resolved the trustees' claim against them through a consent decree that required them to contribute financially to the implementation by the County of an environmentally beneficial project within the impacted area. Buckhorn and the Company negotiated an agreement with the County ("Cost Sharing Agreement"), whereby Buckhorn and the Company agreed to reimburse one-half of the County's costs of implementing the project. A detailed estimate was received from the County in 2016, and estimated costs for implementing the project to range between \$3.3 million and \$4.4 million. In 2022, the County informed the Company that it may begin implementation of the project in 2023 and that costs were expected to be higher. In January 2023, the County informed Buckhorn that the project will commence in 2023 and that it had accepted a bid to complete the project for approximately \$9.0 million. The Company and Buckhorn intend to vigorously challenge, under the terms of the Cost Sharing Agreement, their responsibility to share in the entirety of the project cost increases. No costs were incurred related to New Almaden in the quarters ended March 31, 2023 or 2022, respectively. As of March 31, 2023, the Company has a total reserve of \$4.5 million related to the New Almaden Mine, of which \$0.3 million is classified in *Other Current Liabilities* and \$4.2 million in *Other Liabilities* (long-term).

As work on the project occurs and dispute resolution proceeds, it is possible that adjustments to the aforementioned reserves will be necessary to reflect new information. In addition, the Company may have claims against and defenses to claims by the County under the 2005 agreement that could reduce or offset its obligation for reimbursement of some of these potential additional costs. With the assistance of environmental consultants, the Company will closely monitor this matter and will continue to assess its reserves as additional information becomes available.

Patent Infringement

On December 11, 2018, No Spill Inc. filed suit against Scepter Manufacturing LLC in the United States District Court for the District of Kansas asserting infringement of two patents, breach of contract, and trade dress claims in relation to plastic gasoline containers Scepter manufactures and sells in the United States. Scepter Canada, Inc. was later added in a second amended complaint. On January 6, 2022, the District Court bifurcated the patent infringement and invalidity issues from the antitrust and other issues in the case. Initial

MYERS INDUSTRIES, INC. AND SUBSIDIARIES

Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)
(Dollars in thousands, except where otherwise indicated)

discovery has concluded and dispositive motions have been filed in the matter. The trial on patent infringement and invalidity was held in early March 2023, resulting in jury verdicts on March 14, 2023 in favor of the defendant Scepter entities on each of the alleged claims of infringement. On April 24, 2023, the Court issued an Order dismissing all remaining claims in the case with prejudice and entered final Judgment of the jury verdict in favor of Scepter.

The Scepter companies intend to vigorously defend any appeal by No Spill of the results of the patent infringement litigation. Based on available information, an unfavorable outcome is not considered to be probable, and any possible losses from an adverse outcome are not reasonably estimable, so no contingent loss has been recorded. Due to the inherent uncertainties of litigation, the Company cannot accurately predict whether any unfavorable outcome of this matter could have a material impact on its results of operations, financial condition, or cash flows.

Other Matters

On February 14, 2023, a lawsuit was filed by Nan Morgan McCartney in the Circuit Court of Escambia County, Florida against the Company, Scepter US Holding Company, Scepter Manufacturing, LLC, Scepter Canada Inc., Walmart Inc., and Wal-Mart Stores East, LP. The complaint seeks compensatory damages and court costs for harm caused to Ms. McCartney allegedly arising from use of a 5-gallon portable fuel container manufactured by a Scepter company and alleges amounts in controversy in excess of \$30 thousand exclusive of costs. The case has been removed to the Northern District of Florida, Pensacola Division. The deadline for Answering the Complaint was April 26, 2023, and a Rule 26(f) conference has been conducted by the parties on April 27, 2023 to discuss a discovery plan and case schedule. No other proceedings or discovery have occurred in this litigation matter as of the date of this filing and the Company cannot assess with any meaningful probability the outcome or damages.

11. Long-Term Debt and Loan Agreements

Long-term debt consisted of the following:

	March 31, 2023	December 31, 2022
Loan Agreement	\$ 50,800	\$ 56,000
5.25% Senior Unsecured Notes due January 15, 2024	11,000	11,000
5.30% Senior Unsecured Notes due January 15, 2024	15,000	15,000
5.45% Senior Unsecured Notes due January 15, 2026	12,000	12,000
	<u>88,800</u>	<u>94,000</u>
Less unamortized deferred financing costs	32	38
	<u>88,768</u>	<u>93,962</u>
Less current portion long-term debt	25,984	—
Long-term debt	<u>\$ 62,784</u>	<u>\$ 93,962</u>

MYERS INDUSTRIES, INC. AND SUBSIDIARIES

Notes to Unaudited Condensed Consolidated Financial Statements – (Continued) (Dollars in thousands, except where otherwise indicated)

On September 29, 2022, the Company entered into a Seventh Amended and Restated Loan Agreement (the “Seventh Amendment”), which amended the Sixth Amended and Restated Loan Agreement (the “Sixth Amendment”), dated March 12, 2021. The Seventh Amendment, among other things, extended the maturity date to September 2027 from March 2024. The Seventh Amendment did not change the senior revolving credit facility’s \$250 million borrowing limit, which includes a letter of credit subfacility and swingline subfacility, or the outstanding letters of credit. In connection with the Seventh Amendment, the Company incurred \$0.9 million of deferred financing fees, which are included in *Other Assets* (long-term). Together with unamortized fees from the Sixth Amendment remaining deferred financing fees under the Company’s Loan Agreement were \$1.3 million and \$1.4 million as of March 31, 2023 and December 31, 2022, respectively, which will be amortized to *Interest* expense over the term of the Loan Agreement (defined below).

In March 2021, the Company entered into the Sixth Amendment, which amended the Fifth Amended and Restated Loan Agreement (collectively with the Sixth and Seventh Amendments, the “Loan Agreement”) dated March 2017. The Sixth Amendment increased the senior revolving credit facility’s borrowing limit to \$250 million from \$200 million, extended the maturity date to March 2024 from March 2022, and increased flexibility of the financial and other covenants and provisions. Amounts borrowed under the credit facility are secured by pledges of stock of certain of the Company’s foreign subsidiaries and guaranties of certain of its domestic subsidiaries. In connection with the Sixth Amendment, the Company incurred \$1.1 million of deferred financing fees, which are included in *Other Assets* (long-term) and being amortized to *Interest expense* over the term of the Loan Agreement.

As of March 31, 2023, the Company had \$193.5 million available under the Loan Agreement, which is available for the ongoing working capital requirements of the Company and its subsidiaries and for general corporate purposes. The Company had \$5.7 million of letters of credit issued related to insurance and other contracts requiring financial assurance in the ordinary course of business. Borrowings under the Loan Agreement bear interest at the Term SOFR, RFR, EURIBOR and CDOR-based borrowing rates. Amounts borrowed under the credit facility are secured by pledges of stock of certain of the Company’s foreign subsidiaries and guaranties of certain of its domestic subsidiaries.

The Company also holds Senior Unsecured Notes (“Notes”), which range in face value from \$11.0 million to \$15.0 million, with interest rates ranging from 5.25% to 5.45%, payable semiannually, and maturing between January 2024 and January 2026. At March 31, 2023, \$38.0 million of the Notes were outstanding, of which \$26.0 million are classified as current.

The weighted average interest rate on borrowings under the Company’s long-term debt was 6.43% and 4.12% for the quarters ended March 31, 2023 and 2022, respectively, which includes a quarterly facility fee on the used and unused portion, as well as amortization of deferred financing costs.

As of March 31, 2023, the Company was in compliance with all of its debt covenants associated with its Loan Agreement and Notes. The most restrictive financial covenants for all of the Company’s debt are a leverage ratio (defined as total debt divided by earnings before interest, taxes, depreciation and amortization, as adjusted) and an interest coverage ratio (defined as earnings before interest, taxes, depreciation and amortization, as adjusted, divided by interest expense).

12. Income Taxes

The Company’s effective tax rate was 25.0% for the quarter ended March 31, 2023 compared to 25.5% for the quarter ended March 31, 2022. The effective income tax rate for both periods was different than the Company’s statutory rate, primarily due to state taxes and non-deductible expenses.

The Company and its subsidiaries file U.S. Federal, state and local, and non-U.S. income tax returns. As of March 31, 2023, the Company is no longer subject to U.S. Federal examination by tax authorities for tax years before 2019. The Company is subject to state and local examinations for tax years of 2018 through 2021. In addition, the Company is subject to non-U.S. income tax examinations for tax years of 2017 through 2021.

13. Leases

The Company determines if an arrangement is a lease at inception. The Company has leases for manufacturing facilities, distribution centers, warehouses, office space and equipment, with remaining lease terms of one to thirteen years. Certain of these leases include options to extend the lease for up to five years, and some include options to terminate the lease early. Leases with an initial term of 12 months or less are not recorded on the statement of financial position; the Company recognizes lease expense for these short-term leases on a straight-line basis over the lease term. Operating leases with an initial term greater than 12 months are included in *Right of use asset – operating leases* (“ROU assets”), *Operating lease liability – short term*, and *Operating lease liability – long term* and finance leases are included in *Property, plant and equipment*, *Finance lease liability – short term*, and *Finance lease liability – long term* in the Condensed Consolidated Statement of Financial Position (Unaudited).

MYERS INDUSTRIES, INC. AND SUBSIDIARIES

Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)
(Dollars in thousands, except where otherwise indicated)

The ROU assets represent the right to use an underlying asset for the lease term and the lease liabilities represent the obligation to make lease payments. ROU assets and lease liabilities are recognized at commencement date based on the present value of the lease payments over the lease term. When leases do not provide an implicit rate, the Company's incremental borrowing rate is used, which is then applied at the portfolio level, based on the information available at commencement date in determining the present value of lease payments. The Company has also elected not to separate lease and non-lease components. The lease terms include options to extend or terminate the lease when it is reasonably certain the option will be exercised. Lease expense is recognized on a straight-line basis over the lease term.

Amounts included in the Condensed Consolidated Statement of Financial Position (Unaudited) related to leases include:

	Classification	March 31, 2023	December 31, 2022
Assets:			
Operating lease assets	Right of use asset - operating leases	\$ 28,381	\$ 28,908
Finance lease assets	Property, plant and equipment, net	8,903	9,075
Total lease assets		\$ 37,284	\$ 37,983
Liabilities:			
Current	Operating lease liability - short-term	\$ 6,072	\$ 6,177
Long-term	Operating lease liability - long-term	22,409	22,786
Total operating lease liabilities		28,481	28,963
Current	Finance lease liability - short-term	523	518
Long-term	Finance lease liability - long-term	8,785	8,919
Total finance lease liabilities		9,308	9,437
Total lease liabilities		\$ 37,789	\$ 38,400

The components of lease expense include:

Lease Cost	Classification	For the Quarter Ended March 31,	
		2023	2022
Operating lease cost ⁽¹⁾	Cost of sales	\$ 1,553	\$ 1,356
Operating lease cost ⁽¹⁾	Selling, general and administrative expenses	855	611
Finance lease cost			
Amortization expense	Cost of sales	172	172
Interest expense on lease liabilities	Interest expense, net	81	86
Total lease cost		\$ 2,661	\$ 2,225

(1) Includes short-term leases and variable lease costs, which are immaterial

Supplemental cash flow information related to leases was as follows:

Supplemental Cash Flow Information	For the Quarter Ended March 31,	
	2023	2022
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 1,880	\$ 1,610
Operating cash flows from finance leases	\$ 81	\$ 86
Financing cash flows from finance leases	\$ 129	\$ 124
Right-of-use assets obtained in exchange for new lease liabilities:		
Operating leases	\$ 1,190	\$ —
Finance leases	\$ —	\$ —

MYERS INDUSTRIES, INC. AND SUBSIDIARIES

Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)
(Dollars in thousands, except where otherwise indicated)

Lease Term and Discount Rate	March 31, 2023		December 31, 2022		
Weighted-average remaining lease term (years):					
Operating leases		6.28		6.44	
Finance leases		12.93		13.17	
Weighted-average discount rate:					
Operating leases		3.7%		3.6%	
Finance leases		3.5%		3.5%	
Maturity of Lease Liabilities - As of March 31, 2023	Operating Leases		Finance Leases		Total
2023 ⁽¹⁾	\$	5,362	\$	630	\$ 5,992
2024		5,643		861	6,504
2025		4,797		865	5,662
2026		4,160		865	5,025
2027		3,507		887	4,394
After 2027		8,348		7,521	15,869
Total lease payments		31,817		11,629	43,446
Less: interest		(3,336)		(2,321)	(5,657)
Present value of lease liabilities	\$	28,481	\$	9,308	\$ 37,789

(1) Represents amounts due in 2023 after March 31, 2023

14. Segments

The Company manages its business under two operating segments, Material Handling and Distribution, consistent with the manner in which the Chief Operating Decision Maker (“CODM”) evaluates performance and makes resource allocation decisions. None of the reportable segments include operating segments that have been aggregated. These segments contain individual business components that have been combined on the basis of common management, customers, products, production processes and other economic characteristics. Intersegment sales are recorded with a reasonable margin and are eliminated in consolidation.

The Material Handling Segment manufactures a broad selection of durable plastic reusable containers that are used repeatedly during the course of their service life. At the end of their service life, these highly sustainable products can be recovered, recycled, and reprocessed into new products. The Material Handling Segment’s products include pallets, small parts bins, bulk shipping containers, storage and organization products, OEM parts, custom plastic products, consumer fuel containers and tanks for water, fuel and waste handling. Products in the Material Handling Segment are primarily injection molded, rotationally molded or blow molded. This segment conducts its primary operations in the United States and Canada. Markets served include industrial manufacturing, food processing, retail/wholesale products distribution, agriculture, automotive, recreational vehicles, marine vehicles, healthcare, appliance, bakery, electronics, textiles and consumer, among others. Products are sold both directly to end-users and through distributors.

The Distribution Segment is engaged in the distribution of equipment, tools, and supplies used for tire servicing and automotive under-vehicle repair and the manufacture of tire repair and retreading products. The product line includes categories such as tire valves and accessories, tire changing and balancing equipment, lifts and alignment equipment, service equipment and tools, and tire repair/retread supplies. The Distribution Segment also manufactures and sells certain traffic markings, including reflective highway marking tape. The Distribution Segment operates domestically through its sales offices and nine regional distribution centers in the United States, and in certain foreign countries through export sales. In addition, the Distribution Segment operates directly in certain foreign markets, principally Central America, through foreign branch operations. Markets served include retail and truck tire dealers, commercial auto and truck fleets, truck stop operations, auto dealers, general service and repair centers, tire re-treaders, and government agencies. The acquisition of Mohawk, described in Note 3, is included in the Distribution Segment.

Total sales from foreign business units were approximately \$12.5 million and \$12.7 million for the quarters ended March 31, 2023 and 2022, respectively.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES

Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)
(Dollars in thousands, except where otherwise indicated)

Summarized segment detail for the quarters ended March 31, 2023 and 2022 are presented in the following table:

	For the Quarter Ended March 31,	
	2023	2022
Net Sales		
Material Handling	\$ 152,562	\$ 176,636
Distribution	63,185	48,861
Inter-company sales	(8)	(11)
Total net sales	<u>\$ 215,739</u>	<u>\$ 225,486</u>
Operating income		
Material Handling	\$ 25,351	\$ 31,220
Distribution	2,237	3,301
Corporate ⁽¹⁾	(8,631)	(10,116)
Total operating income	<u>18,957</u>	<u>24,405</u>
Interest expense, net	(1,646)	(1,147)
Income before income taxes	<u>\$ 17,311</u>	<u>\$ 23,258</u>

⁽¹⁾ The company recognized \$0.5 million and \$0.7 million of expense to the estimated environmental reserve, net of probable insurance recoveries in the three months ended March 31, 2023 and 2022, respectively, as described in Note 10. Environmental charges are not included in segment results and are shown with Corporate.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

Forward-Looking Statements

This Quarterly Report on Form 10-Q and the information incorporated by reference contains “forward-looking statements” within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995, including information regarding the Company’s financial outlook, future plans, objectives, business prospects and anticipated financial performance. Forward-looking statements can be identified by words such as “will,” “believe,” “anticipate,” “expect,” “estimate,” “intend,” “plan,” or variations of these words, or similar expressions. These forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on the Company’s current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, these statements inherently involve a wide range of inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. The Company’s actual actions, results, and financial condition may differ materially from what is expressed or implied by the forward-looking statements.

Specific factors that could cause such a difference on our business, financial position, results of operations and/or liquidity include, without limitation, raw material availability, increases in raw material costs, or other production costs; risks associated with our strategic growth initiatives or the failure to achieve the anticipated benefits of such initiatives; unanticipated downturn in business relationships with customers or their purchases; competitive pressures on sales and pricing; changes in the markets for the Company’s business segments; changes in trends and demands in the markets in which the Company competes; operational problems at our manufacturing facilities or unexpected failures at those facilities; future economic and financial conditions in the United States and around the world; inability of the Company to meet future capital requirements; claims, litigation and regulatory actions against the Company; changes in laws and regulations affecting the Company; impacts from the novel coronavirus (“COVID-19”) pandemic; and other risks and uncertainties detailed from time to time in the Company’s filings with the SEC, including without limitation, the risk factors disclosed in Item 1A, “Risk Factors,” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2022. Given these factors, as well as other variables that may affect our operating results, readers should not rely on forward-looking statements, assume that past financial performance will be a reliable indicator of future performance, nor use historical trends to anticipate results or trends in future periods. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date thereof. The Company expressly disclaims any obligation or intention to provide updates to the forward-looking statements and the estimates and assumptions associated with them.

Executive Overview

The Company conducts its business activities in two reportable segments: The Material Handling Segment and the Distribution Segment.

The Company designs, manufactures, and markets a variety of plastic, metal and rubber products. The Material Handling Segment manufactures a broad selection of plastic reusable containers, pallets, small parts bins, bulk shipping containers, storage and organization products, OEM parts, custom plastic products, consumer fuel containers and tanks for water, fuel and waste handling. Products in the Material Handling Segment are primarily injection molded, rotationally molded or blow molded. The Distribution Segment is engaged in the distribution of tools, equipment and supplies used for tire, wheel and under vehicle service on passenger, heavy truck and off-road vehicles, as well as the manufacturing of tire repair and retreading products.

The Company’s results of operations for the quarter ended March 31, 2023 are discussed below. The current economic environment includes heightened risks from inflation, interest rates, banking liquidity, volatile commodity costs, supply chain disruptions and labor availability stemming from the broader economic effects of the international geopolitical climate, including the conflict between Russia and Ukraine, and the COVID-19 pandemic. Russia’s invasion of Ukraine in the first quarter of 2022 has increased volatility in global commodity markets, including oil (a component of many plastic resins), energy and agricultural commodities. The Company believes it is well-positioned to manage through this uncertainty as it has a strong balance sheet with sufficient liquidity and borrowing capacity as well as a diverse product offering and customer base.

Results of Operations:

Comparison of the Quarter Ended March 31, 2023 to the Quarter Ended March 31, 2022

Net Sales:

(dollars in thousands)

Segment	Quarter Ended March 31,		Change	% Change
	2023	2022		
Material Handling	\$ 152,562	\$ 176,636	\$ (24,074)	(13.6)%
Distribution	63,185	48,861	14,324	29.3%
Inter-company sales	(8)	(11)	3	
Total net sales	\$ 215,739	\$ 225,486	\$ (9,747)	(4.3)%

Net sales for the quarter ended March 31, 2023 were \$215.7 million, a decrease of \$9.7 million or 4.3% compared to the quarter ended March 31, 2022. Net sales increases in the food and beverage market were more than offset by decreases in the consumer, vehicle, and specific demand from industrial markets, as shown in Note 2. Net sales decreased due to lower volume/mix of \$25.4 million and the effect of unfavorable currency translation of \$0.7 million. The decrease in net sales was partially offset by higher pricing of \$2.5 million and \$13.9 million of incremental sales from the acquisition of Mohawk on May 31, 2022, included in the Distribution Segment. Mohawk's annual sales were approximately \$65 million at the time of acquisition. The Company continues to pursue further pricing initiatives, and beginning in February 2023, the Company began to implement a series of additional pricing increases across a majority of its portfolio of products within its Distribution segment.

Net sales in the Material Handling Segment decreased \$24.1 million or 13.6% for the quarter ended March 31, 2023 compared to the quarter ended March 31, 2022. Net sales decreased due to lower volume/mix \$23.2 million, pricing \$0.2 million and the effect of unfavorable currency translation of \$0.7 million.

Net sales in the Distribution Segment increased \$14.3 million or 29.3% for the quarter ended March 31, 2023 compared to the quarter ended March 31, 2022, primarily due to \$13.9 million of incremental sales from the acquisition of Mohawk on May 31, 2022 and higher pricing of \$2.6 million. The increase in net sales was partially offset by lower volume/mix of \$2.2 million.

Cost of Sales & Gross Profit:

(dollars in thousands)

	Quarter Ended March 31,		Change	% Change
	2023	2022		
Cost of sales	\$ 144,674	\$ 153,558	\$ (8,884)	(5.8)%
Gross profit	\$ 71,065	\$ 71,928	\$ (863)	(1.2)%
Gross profit as a percentage of sales	32.9%	31.9%		

Gross profit decreased \$0.9 million, or 1.2%, for the quarter ended March 31, 2023 compared to the quarter ended March 31, 2022, due to lower volume/mix as described under Net Sales above and increased labor and freight costs. Increased contributions from higher pricing, lower material costs and the acquisition of Mohawk on May 31, 2022 all partially offset the decrease to gross profit for the quarter ended March 31, 2023. As a result, gross profit margin improved to 32.9% for the quarter ended March 31, 2023 compared with 31.9% for the quarter ended March 31, 2022.

Selling, General and Administrative Expenses:

(dollars in thousands)

	Quarter Ended March 31,		Change	% Change
	2023	2022		
SG&A expenses	\$ 52,081	\$ 47,990	\$ 4,091	8.5%
SG&A expenses as a percentage of sales	24.1%	21.3%		

Selling, general and administrative ("SG&A") expenses for the quarter ended March 31, 2023 were \$52.1 million, an increase of \$4.1 million or 8.5% compared to the same period in the prior year. Increases in SG&A expenses in the first quarter 2023 were primarily due to \$3.1 million of incremental SG&A from the acquisition of Mohawk on May 31, 2022 and \$1.1 million of higher salaries and benefits, partially offset by \$0.8 million of lower incentive compensation, \$0.7 million of lower variable selling expenses and \$0.3 million of lower facility costs. Legal and professional fees also increased \$1.8 million, primarily related to \$1.4 million of success fees payable in conjunction with the favorable patent trial result, as described in Note 10.

Net Interest Expense:

<i>(dollars in thousands)</i>	Quarter Ended March 31,		Change	% Change
	2023	2022		
Net interest expense	\$ 1,646	\$ 1,147	\$ 499	43.5%
Average outstanding borrowings, net	\$ 99,924	\$ 105,852	\$ (5,928)	(5.6)%
Weighted-average borrowing rate	6.43%	4.12%		

Net interest expense for the quarter ended March 31, 2023 was \$1.6 million, an increase of \$0.5 million, or 43.5%, compared with \$1.1 million for the quarter ended March 31, 2022. The higher net interest expense was due to a higher weighted-average borrowing rate, partially offset by lower average outstanding borrowings in the current year.

Income Taxes:

<i>(dollars in thousands)</i>	Quarter Ended March 31,	
	2023	2022
Income from continuing operations before income taxes	\$ 17,311	\$ 23,258
Income tax expense	\$ 4,335	\$ 5,921
Effective tax rate	25.0%	25.5%

The Company's effective tax rate was 25.0% for the quarter ended March 31, 2023, compared to 25.5% for the quarter ended March 31, 2022. The decrease in the effective tax rate was driven primarily by lower state taxes.

Liquidity and Capital Resources:

The Company's primary sources of liquidity are cash on hand, cash generated from operations and availability under the Loan Agreement (defined below). At March 31, 2023, the Company had \$28.2 million of cash, \$193.5 million available under the Loan Agreement and outstanding debt of \$98.1 million, including the finance lease liability of \$9.3 million. Based on this liquidity and borrowing capacity, the Company believes it is well-positioned to manage through the working capital demands and the heightened uncertainty in the current macroeconomic environment. The Company believes that cash on hand, cash flows from operations and available capacity under its Loan Agreement will be sufficient to meet expected business requirements including capital expenditures, dividends, working capital, debt service, and to fund future growth, including selective acquisitions.

Operating Activities

Net cash provided by operating activities was \$25.8 million for the quarter ended March 31, 2023, compared to \$7.3 million in the same period in 2022. The increase was primarily due to lower working capital driven by decreases in accounts receivable.

Investing Activities

Net cash used by investing activities was \$9.2 million for the quarter ended March 31, 2023 compared to cash used of \$4.0 million for the same period in 2022. In 2022, the Company received proceeds of \$1.1 million from the sale of fixed assets. Capital expenditures were \$9.1 million and \$5.1 million for the quarter ended March 31, 2023 and 2022, respectively. Full year 2023 capital expenditures are expected to be approximately \$25 million to \$30 million.

Financing Activities

Cash used by financing activities was \$11.5 million for the quarter ended March 31, 2023 compared to cash used of \$3.4 million for the same period in 2022. Net repayments of the credit facility for the quarter ended March 31, 2023 were \$5.2 million compared to net borrowings of \$1.5 million in the quarter ended March 31, 2022. Net proceeds from the issuance of common stock in connection with incentive stock option exercises were \$1.1 million and \$0.5 million for the quarter ended March 31, 2023 and 2022, respectively. Cash paid for tax withholdings on vesting of stock compensation totaled \$2.0 million and \$0.3 million in the quarter ended March 31, 2023 and 2022 respectively, primarily due to improved vesting of performance-based awards and higher option exercises. The Company also used cash to pay dividends of \$5.3 million and \$4.9 million for the quarter ended March 31, 2023 and 2022, respectively.

Credit Sources

On September 29, 2022, the Company entered into a Seventh Amended and Restated Loan Agreement (the "Seventh Amendment"), which amended the Sixth Amended and Restated Loan Agreement (the "Sixth Amendment"), dated March 12, 2021. The Seventh Amendment, among other things, extended the maturity date to September 2027 from March 2024. There was no change to the credit facility's borrowing limit of \$250 million.

In March 2021, the Company entered into the Sixth Amendment, which amended the Fifth Amended and Restated Loan Agreement (collectively with the Sixth and Seventh Amendments, the "Loan Agreement") dated March 2017. The Sixth Amendment increased the senior revolving credit facility's borrowing limit to \$250 million from \$200 million, extended the maturity date to March 2024 from March 2022, and increased flexibility of the financial and other covenants and provisions.

As of March 31, 2023, \$193.5 million was available under the Loan Agreement, after borrowings and the Company had \$5.7 million of letters of credit issued related to insurance and other financing contracts in the ordinary course of business. Borrowings under the Loan Agreement bear interest at the Term SOFR, RFR, EURIBOR and CDOR-based borrowing rates.

At March 31, 2023, \$38 million face value of Senior Unsecured Notes are outstanding. The series of notes range in face value from \$11 million to \$15 million, with interest rates ranging from 5.25% to 5.45%, payable semiannually. As described in Note 11, \$26.0 million of the Senior Unsecured Notes mature on January 15, 2024 and \$12.0 million mature on January 15, 2026.

As of March 31, 2023, the Company was in compliance with all of its debt covenants. The most restrictive financial covenants for all of the Company's debt are an interest coverage ratio (defined as earnings before interest, taxes, depreciation and amortization, as adjusted, divided by interest expense) and a leverage ratio (defined as total debt divided by earnings before interest, taxes, depreciation and amortization, as adjusted). The ratios as of and for the period ended March 31, 2023 are shown in the following table:

	<u>Required Level</u>	<u>Actual Level</u>
Interest Coverage Ratio	3.00 to 1 (minimum)	17.83
Leverage Ratio	3.25 to 1 (maximum)	0.93

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements that have, or are reasonably expected to have, a material current or future effect on its financial condition, results of operations, liquidity, capital expenditures or capital resources at March 31, 2023.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk

The Company has certain financing arrangements that require interest payments based on floating interest rates, and to that extent, the Company's financial results are subject to changes in the market rate of interest. Borrowings under the Loan Agreement bear interest at the Term SOFR, RFR, EURIBOR and CDOR-based borrowing rates. At present, the Company has not entered into any interest rate swaps or other derivative instruments to fix the interest rate on any portion of its financing arrangements with floating rates. Based on current debt levels at March 31, 2023, if market interest rates increase one percent, the Company's annual variable interest expense would increase approximately \$0.5 million.

Foreign Currency Exchange Risk

Certain of the Company's subsidiaries operate in foreign countries and their financial results are subject to exchange rate movements. The Company has operations in Canada with foreign currency exposure, primarily due to U.S. dollar sales made from businesses in Canada to customers in the United States. The Company has a systematic program to limit its exposure to fluctuations in exchange rates related to certain assets and liabilities of its operations in Canada that are denominated in U.S. dollars. The net exposure is generally less than \$1 million. The foreign currency contracts and arrangements created under this program are not designated as hedged items under ASC 815, *Derivatives and Hedging*, and accordingly, the changes in the fair value of the foreign currency arrangements, which have been immaterial, are recorded in the Condensed Consolidated Statements of Operations (Unaudited). The Company's foreign currency arrangements are typically three months or less and are settled before the end of a reporting period. At March 31, 2023, the Company had no foreign currency arrangements or contracts in place.

Commodity Price Risk

The Company uses certain commodity raw materials, primarily plastic resins, and other commodities, such as natural gas, in its operations. The cost of operations can be affected by changes in the market for these commodities, particularly plastic resins. The Company currently has no derivative contracts to hedge changes in raw material pricing. The Company may from time to time enter into forward buy positions for certain utility costs, which were not material at March 31, 2023. Significant future increases in the cost of plastic resin or other adverse changes in the general economic environment could have a material adverse impact on the Company's financial position, results of operations or cash flows.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures, as defined under Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended, that are designed to ensure that information required to be disclosed in the Company's reports under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to the Company's management, including its Chief Executive Officer and Interim Chief Financial Officer, as appropriate, to allow for timely decisions regarding required disclosure.

The Company carries out a variety of on-going procedures, under the supervision and with the participation of the Company's management, including the Company's Chief Executive Officer and Interim Chief Financial Officer, to evaluate the effectiveness of the design and operation of the Company's disclosure controls and procedures. Based on the foregoing, the Company's Chief Executive Officer and Interim Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective as of March 31, 2023.

Changes in Internal Control Over Financial Reporting

On May 31, 2022, the Company acquired the assets of Mohawk. As permitted by SEC rules and regulations, the scope of management's evaluation of internal control over financial reporting as of March 31, 2023 did not include an evaluation of the internal control over financial reporting of Mohawk. However, we are extending our oversight and monitoring processes that support our review of internal control over financial reporting to include Mohawk's operations.

During the quarter ended March 31, 2023, there have been no changes in our internal control over financial reporting during the period covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – Other Information

Item 1. Legal Proceedings

Certain legal proceedings in which the Company is involved are discussed in Note 10, Contingencies, in the Unaudited Condensed Consolidated Financial Statements in Part I of this report, and Part I, Item 3 of the Company's Annual Report on Form 10-K for the year ended December 31, 2022. The Company's disclosures relating to legal proceedings in Note 10, Contingencies, in the Unaudited Condensed Consolidated Financial Statements in Part I of this report is incorporated into Part II of this report by reference. The Company is a defendant in various lawsuits and a party to various other legal proceedings, in the ordinary course of business, some of which are covered in whole or in part by insurance. We believe that the outcome of these lawsuits and other proceedings will not individually or in the aggregate have a future material adverse effect on our consolidated financial position, results of operations or cash flows.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table presents information regarding the Company's stock repurchase plan during the quarter ended March 31, 2023:

	<u>Total Number of Shares Purchased</u>	<u>Average Price Paid per Share</u>	<u>Total Number of Shares Purchased as Part of the Publicly Announced Plans or Programs</u>	<u>Maximum number of Shares that may yet be Purchased Under the Plans or Programs (1)</u>
1/1/2023 to 1/31/2023	—	\$ —	5,547,665	2,452,335
2/1/2023 to 2/28/2023	—	—	5,547,665	2,452,335
3/1/2023 to 3/31/2023	—	—	5,547,665	2,452,335

- (1) On July 11, 2013, the Board authorized the repurchase of up to 5.0 million shares of the Company's common stock. This authorization was in addition to the 2011 Board authorized repurchase of up to 5.0 million shares. The Company completed the repurchase of approximately 2.0 million shares in 2011 pursuant to Rule 10b5-1 plans, which were adopted pursuant to the 2011 authorized share repurchase.

Item 6. Exhibits

- 3.1 [Myers Industries, Inc. Second Amended and Restated Articles of Incorporation. Reference is made to Exhibit 3.1 to Form 8-K filed with the SEC on April 29, 2021.](#)
- 3.2 [Myers Industries, Inc. Amended and Restated Code of Regulations. Reference is made to Exhibit 3.2 to Form 8-K filed with the SEC on April 29, 2021.](#)
- 10.1* [Form of 2023 Restricted Stock Unit Award Agreement for Executive Officers under the 2021 Long-Term Incentive Plan of Myers Industries, Inc.* \(filed herewith\)](#)
- 10.2* [Form of 2023 Performance Stock Unit Award Agreement for Executive Officers under the 2021 Long-Term Incentive Plan of Myers Industries, Inc.* \(filed herewith\)](#)
- 10.3* [Non-Competition, Non-Solicitation and Confidentiality Agreement between Myers Industries, Inc. and Grant E. Fitz effective May 8, 2023. Reference is made to Exhibit 10.1 to Form 8-K filed April 3, 2023.](#)
- 31.1 [Certification of Michael P. McGaugh, President and Chief Executive Officer of Myers Industries, Inc., pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#)
- 31.2 [Certification of Monica P. Vinay, Interim Chief Financial Officer of Myers Industries, Inc., pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#)
- 32.1 [Certifications of Michael P. McGaugh, President and Chief Executive Officer, and Monica P. Vinay, Interim Chief Financial Officer, of Myers Industries, Inc., pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.](#)
- 101 The following financial information from Myers Industries, Inc. Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2023, formatted in inline XBRL includes: (i) Condensed Consolidated Statements of Operations, (ii) Condensed Consolidated Statements of Comprehensive Income (Loss), (iii) Condensed Consolidated Statements of Financial Position, (iv) Condensed Consolidated Statements of Shareholders' Equity, (v) Condensed Consolidated Statements of Cash Flows and (vi) the Notes to Condensed Consolidated Financial Statements.
- 104 Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).
- * Indicates executive compensation plan or arrangement

SIGNATURE

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

May 4, 2023

MYERS INDUSTRIES, INC.

/s/ Monica P. Vinay

Monica P. Vinay
Interim Chief Financial Officer
(Principal Financial and Accounting Officer)

**RESTRICTED STOCK UNIT AWARD AGREEMENT
(2023)**

This Restricted Stock Unit Award Agreement (the "Agreement") is made as of the 6th day of March, 2023 between Myers Industries, Inc., an Ohio corporation (the "Company"), and _____ an employee (the "Employee") of the Company or one or more of its Subsidiaries.

WHEREAS, the Company has heretofore adopted the 2021 Long-Term Incentive Plan of Myers Industries, Inc. (the "Plan"); and

WHEREAS, it is a requirement of the Plan that a Restricted Stock Unit Award Agreement be executed to evidence the Restricted Stock Units ("Stock Units") awarded to the Employee.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto have agreed, and do hereby agree as follows:

1. Grant of Stock Units. The Company hereby grants to the Employee an Award of _____ Stock Units on the terms and conditions set forth herein and in the Plan. Each Stock Unit represents the right of the Employee to receive an amount equal to the Fair Market Value of a Share on the date that payment is made with respect to the Stock Unit.

2. Rights and Restrictions with Respect to Stock Units.

(a) The Stock Units granted pursuant to this Agreement represent an unfunded and unsecured obligation of the Company, and the Employee shall have no rights with respect to the Stock Units other than those of a general creditor of the Company. Prior to the issuance of Shares as payment with respect to the Stock Units, the Employee shall have no rights of ownership in or to the Shares underlying the Stock Units and shall not be deemed the beneficial owner of such Shares.

(b) Except as otherwise provided in this Agreement, none of the Stock Units may be sold, exchanged, transferred, pledged, hypothecated or otherwise disposed of; provided, however, the right to receive payment with respect to the Stock Units may be transferred upon the death of the Employee to the Employee's Successor.

3. Vesting of the Stock Units.

(a) The Stock Units subject to this Agreement shall vest in three equal installments on March 16 of the first three years after the date of this Agreement (each such date, a "Vesting Date") or, if earlier upon any of the following "Acceleration Events": (i) termination of the Employee's employment with the Company and its Subsidiaries by reason of his or her death, disability, or retirement, or (ii) termination of the Employee's employment with the Company and its Subsidiaries without Cause (as defined herein unless defined in any written agreement or severance plan between the Company and the Employee in effect at the time of such termination of employment) if by the Company or for Good Reason (as defined herein unless defined in any written agreement or severance plan between the Company and the Employee in effect at the time of such termination of employment) if by the Employee, in either case following a Change in Control of the Company.

(b) In the event of the termination of the Employee's employment with the Company and its Subsidiaries for any reason other than (i) by reason of the Employee's death, disability or retirement on or after the Employee's sixty-fifth birthday prior to the earlier of the third anniversary of the date of this Agreement or (ii) by the Company without Cause or by the Employee for Good Reason, in either case following a Change in Control of the Company, the Stock Units that have not vested as of the date of such termination shall be immediately and automatically forfeited to the Company without notice for no consideration.

(c) For purposes of this Agreement, "disability" shall mean a physical or mental incapacity that prevents the Employee from performing his or her duties for a total of one hundred eighty (180) days in any twenty four (24) month period, and "retirement" shall mean retiring at age 65 or older with at least three years of service (as credited for purposes of the Company's qualified retirement plan).

4. Payment and Issuance of Shares.

(a) General Provision. On each Vesting Date or, if earlier, upon an Acceleration Event (each such Vesting Date or Acceleration Event, a "Payment Date"), or within thirty (30) days thereafter in the case of an Acceleration Event or by March 15 of the year in which such Vesting Date occurs, the Company shall make a payment to the Employee of one Share for every Stock Unit that became vested as of such Payment Date (and with respect to which a payment has not previously been made pursuant to this Section 4) as payment with respect to each such vested Stock Unit.

(b) Dividends. If any dividends are declared on the Company's Shares while the Stock Units subject to this Agreement are outstanding, the Company shall make a payment to the Employee on each Payment Date, or within thirty (30) days thereafter in the case of an Acceleration Event or by March 15 of the year in which such Vesting Date occurs, with respect to each Stock Unit that became vested as of such Payment Date, in an amount equal to the aggregate amount of dividends that would have been payable to the Employee with respect to each such vested Stock Unit had such vested Stock Unit instead been an issued and outstanding Share on the record date of any such dividends (the "Dividend Equivalent Amount"), but only to the extent that the Dividend Equivalent Amount has not previously been paid to the Employee with respect to such vested Stock Unit. At the Company's discretion, payment of the Dividend Equivalent Amount may be made in cash or in Shares having a Fair Market Value on the Payment Date equal to the Dividend Equivalent Amount.

(c) Manner of Delivery. At the Company's election, the Company shall cause the Shares delivered as payment with respect to the vested Stock Units to either be evidenced by a book entry account maintained by the Company's stock transfer agent (the "Transfer Agent"), by a certificate issued in the Employee's name, or by delivery to the Employee's individual share holdings account in the Company's equity plan manager's system ("Employee's Account").

(d) Shareholder Status. Upon the earlier of the date the Shares are evidenced in a book entry account maintained by the Transfer Agent, the date a certificate for the Shares are issued in the Employee's name, or the transfer to the Employee's Account, the Employee shall be a shareholder with respect to the Shares and shall have all of the rights of a shareholder with respect to the Shares, including the right to vote the Shares and to receive any dividends and other distributions paid with respect to the Shares.

(e) Mandatory Holding Period. Employee shall maintain beneficial ownership of all Shares delivered as payment with respect to vested Stock Units, less any Shares disposed of in order to satisfy income tax withholding requirements, until the earlier to occur of the first anniversary of the Vesting Date of such Shares or Employee's termination of employment for any reason. For purposes hereof, beneficial ownership shall be determined in accordance with Section 16 of the Securities Exchange Act of 1934.

(f) Cash Payment Election. Notwithstanding anything to the contrary herein, following a Change of Control of the Company, the Company or its successor, at its election, may elect to make any payment required to be made to the Employee pursuant to this Section 4 in cash rather than Shares.

5. Taxes. The Company shall have the right to satisfy any obligation of the Company to withhold taxes or other amounts with respect to the Stock Units by withholding Shares otherwise deliverable to the Employee with respect to the Stock Units having a Fair Market Value equal to the amount of such tax or other withholdings, provided the amount will not result in liability accounting for the Company. Furthermore, the Company may elect to deduct from any cash payment made to the Employee pursuant to this Agreement the amount of any taxes or other amounts which the Company is or will be required to withhold with respect to such cash payment.

6. No Right to Employment. Nothing in this Agreement shall confer upon the Employee any right to continue in the employ of the Company or any of its Subsidiaries or interfere with or restrict in any way with the right of the Company or any such Subsidiary to terminate his or her employment at any time for any reason whatsoever, with or without Cause.

7. Acknowledgement and Section 409A Compliance.

(a) Employee acknowledges that neither the Company nor any of the Company's affiliates, officers, shareholders, employees, agents or representatives has provided or is providing the undersigned with tax advice regarding the Stock Units subject to this Agreement or any other matter, and the Company has urged the Employee to consult with his or her own tax advisor with respect to the income taxation consequences associated with the Stock Units subject to this Agreement.

(b) It is intended that this Award of Stock Units comply with Section 409A of the Code, and this Award and the terms of this Agreement shall be interpreted and administered in a manner consistent with such intent, although in no event shall the Company have any liability to the Employee if this Award or the terms of this Agreement are determined not to comply with Section 409A of the Code. For purposes of this Agreement, termination of employment means a "separation from service" within the meaning of Treasury Regulations Section 1.409A-1(h).

(c) Whenever payment under this Agreement specifies a payment period with reference to a number of days (e.g., payment may be made within thirty (30) days after the Payment Date), the actual date of payment within the specified period will be determined solely by the Company.

(d) If the Employee is a “specified employee” within the meaning of Section 409A of the Code at the time of his or her “separation from service” within the meaning of Section 409A of the Code, then any payment otherwise required to be made to him under this Agreement on account of his or her separation from service, to the extent such payment (after taking into account all exclusions applicable to such payment under Section 409A of the Code) is properly treated as deferred compensation subject to Section 409A of the Code, shall not be made until the first business day after (i) the expiration of six months from the date of the Employee’s separation from service, or (ii) if earlier, the date of the Employee’s death.

(e) The Employee’s right to receive each installment of Stock Units shall be treated as separate payments for purposes of Section 409A of the Code.

8. Cause and Good Reason. Unless otherwise defined in a written agreement between the Employee and the Company, for purposes of this Agreement the terms “Cause” and “Good Reason” shall have the following meanings:

(a) “Cause” means:

(i) The commission by the Employee (evidenced by a conviction or written, voluntary and freely given confession) of a criminal act constituting a felony involving fraud or moral turpitude;

(ii) the repeated failure of the Employee to follow the reasonable directives of the Employee’s superiors after having been given written notice thereof; or

(iii) commission by the Employee of any act, which both (A) constitutes gross negligence or willful misconduct and (B) results in material economic harm to the Company or has a materially adverse effect on the Company’s operations, properties or business relationships.

(b) “Good Reason” means the occurrence of one or more of the following conditions arising without the consent of the Employee:

(i) a material diminution in the Employee’s annual base salary;

(ii) a material diminution in the Employee’s duties and responsibilities; or

(iii) a material change in the geographic location at which the Employee must perform his or her Duties.

In order for a condition to constitute a Good Reason, the Employee must provide written notification to the Company of the existence of the condition within forty-five (45) days of the initial existence of the condition (or within forty-five (45) days

following the Employee actually becoming aware of such condition, if later), upon the notice of which the Company shall have a period of thirty (30) days during which it may remedy the condition. Furthermore, to constitute a Good Reason, the Employee must voluntarily terminate employment with the Company within one hundred eighty (180) days following the initial existence of the condition (or within one hundred eighty (180) days following the Employee actually becoming aware of such condition. The parties agree that “Good Reason” will not be deemed to have occurred merely because the Company becomes a subsidiary or division of another entity following a Change in Control.

9. Incorporation of Provisions of the Plan. All of the provisions of the Plan pursuant to which the Stock Units are granted are hereby incorporated by reference and made a part hereof as if specifically set forth herein, and to the extent of any conflict between this Agreement and the terms contained in the Plan, the Plan shall control. To the extent any capitalized terms are not otherwise defined herein, they shall have the meanings set forth in the Plan.

10. Invalidity of Provisions. The invalidity or unenforceability of any provision of this Agreement as a result of a violation of any state or federal law, or of the rules or regulations of any governmental regulatory body, shall not affect the validity or enforceability of the remainder of this Agreement.

11. Waiver and Modification. The provisions of this Agreement may not be waived or modified unless such waiver or modification is in writing and signed by the parties hereto.

12. Interpretation. All decisions or interpretations made by the Committee with regard to any question arising under the Plan or this Agreement as provided by Section 4 of the Plan, shall be binding and conclusive on the Company and the Employee.

13. Multiple Counterparts. This Agreement may be signed in multiple counterparts, all of which together shall constitute an original agreement. The execution by one party of any counterpart shall be sufficient execution by that party, whether or not the same counterpart has been executed by any other party.

14. Governing Law. This Agreement shall be governed by the laws of the State of Ohio.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed, and the Employee has hereunto set his or her hand, all as of the day and year first above written.

MYERS INDUSTRIES, INC.

By: /s/ Michael P. McGaugh

Its: President & Chief Executive Officer

Employee

**PERFORMANCE STOCK UNIT AWARD AGREEMENT
(2023)**

This Performance Stock Unit Award Agreement (the “Agreement”) is made as of the 6th day of March, 2023 between Myers Industries, Inc., an Ohio corporation (the “Company”), and _____ an employee (the “Employee”) of the Company or one or more of its Subsidiaries.

WHEREAS, the Company has heretofore adopted the 2021 Long-Term Incentive Plan of Myers Industries, Inc. (the “Plan”); and

WHEREAS, it is a requirement of the Plan that a Performance Stock Unit Award Agreement be executed to evidence the Performance Stock Units awarded to the Employee.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto have agreed, and do hereby agree as follows:

1. Grant of Performance Stock Units. The Company hereby grants to the Employee an Award of Performance Stock Units (such number to be determined as set forth in Section 4(b) based on a target award of _____ Performance Stock Units on the terms and conditions set forth herein and in the Plan. Each Performance Stock Unit represents the right of the Employee to receive the payment of one Share on the date that payment is made.

2. Defined Terms. Capitalized terms not defined herein shall have the meanings ascribed to them in the Plan. For purposes of this Agreement, the following terms shall have the meanings set forth below:

(a) “Adjusted EBITDA” means the Company’s earnings before interest, taxes, depreciation and amortization in each case as set forth on the Company’s audited financial

statements for the fiscal year with such adjustments as may be approved by the Compensation Committee of the Company's Board of Directors, in its discretion.

- (b) Unless otherwise defined in a written agreement between Employee and the Company, "Cause" means:
- (i) The commission by the Employee (evidenced by a conviction or written, voluntary and freely given confession) of a criminal act constituting a felony or involving fraud or moral turpitude;
 - (ii) The repeated failure of the Employee to follow the reasonable directives of the Employee's superiors after having been given written notice thereof; or
 - (iii) Commission by the Employee of any act, which both (A) constitutes gross negligence or willful misconduct and (B) has a materially adverse effect on the Company's operations, properties or business relationships.

(c) "Disability" means a physical or mental incapacity that prevents the Employee from performing his or her duties for a total of one hundred eighty (180) days in any twenty four (24) month period.

(d) Unless otherwise defined in a written agreement between the Employee and the Company, "Good Reason" means the occurrence of one or more of the following conditions arising without the consent of the Employee:

- (i) A material diminution in the Employee's annual base salary;
- (ii) A material diminution in the Employee's duties and responsibilities; or
- (iii) A material change in the geographic location at which the Employee must perform his duties.

In order for a condition to constitute Good Reason, the Employee must provide written notice to the Company of the existence of the condition within forty-five (45) days of the initial existence of the condition (or within forty-five (45) days following the Employee actually becoming aware of such condition, if later), upon receipt of such notice,

the Company shall have a period of thirty (30) days during which it may remedy the condition. Furthermore, to constitute Good Reason, the Employee must voluntarily terminate employment with the Company within one hundred eighty (180) days following the initial existence of the condition (or within one hundred eighty (180) days following the Employee actually becoming aware of such condition, if later). The parties agree that “Good Reason” will not be deemed to have occurred merely because the Company becomes a subsidiary or division of another entity following a Change of Control.

(e) “Performance Goals” mean the levels of cumulative Adjusted EBITDA and Relative TSR established by the Compensation Committee of the Company’s Board of Directors for the Performance Period.

(f) “Performance Period” means the three calendar year period commencing on January 1 of the year of this Agreement and ending on December 31 of the third calendar year thereafter, provided, however, that the performance period for purposes of determining Relative TSR (“rTSR Performance Period”) means the three year calendar period commencing on March 16, 2023 and ending on March 15, 2026.

(g) “Relative TSR” or “rTSR” means the Total Shareholder Return (“TSR”) of the Company during the rTSR Performance Period compared to the TSR of all companies in the Industrials and Materials industry sectors of the S&P 600, as identified by their 2-digit GICS (“Comparator Group”) during the rTSR Performance Period, expressed as a percentile of the Company’s TSR relative to the Comparator Group’s TSR, respectively, for the rTSR Performance Period. TSR shall be calculated as follows

$$\frac{\text{Ending Stock Price}^{(1)} - \text{Beginning Stock Price}^{(2)} + \text{Reinvested Dividends}^{(3)}}{\text{Beginning Stock Price}}$$

(1) Average stock price over last 20 trading days of rTSR Performance Period

(2) Average stock price over last 20 trading days preceding the start of the rTSR Performance Period

⁽³⁾ Dividends are assumed to be reinvested as of the ex-dividend date

(h) “Retirement” means retiring at age 65 or older with at least three years of service (as credited for purposes of the Company’s qualified retirement plan).

3. Rights and Restrictions with Respect to Performance Stock Units.

(a) The Performance Stock Units granted pursuant to this Agreement represent an unfunded and unsecured obligation of the Company, and the Employee shall have no rights with respect to the Performance Stock Units other than those of a general creditor of the Company. Prior to the issuance of Shares as payment with respect to the Performance Stock Units, the Employee shall have no voting, dividend or other rights of ownership in or to the Shares underlying the Performance Stock Units and shall not be deemed the beneficial owner of such Shares.

(b) Except as otherwise provided in this Agreement, none of the Performance Stock Units may be sold, exchanged, transferred, pledged, hypothecated or otherwise disposed of; provided, however, the right to receive payment with respect to the Performance Stock Units may be transferred upon the death of the Employee to the Employee’s Successor.

4. Vesting of and Earning the Performance Stock Units.

(a) The Performance Stock Units subject to this Agreement shall vest on March 16, 2026 (the “Vesting Date”) or, if earlier, upon any of the following “Acceleration Events”: (i) termination of the Employee’s employment with the Company and its Subsidiaries by reason of his or her death or Disability, subject to the additional provisions of Section 5(b), (ii) Retirement, subject to the additional provisions of Section 5(c), or (iii) termination of the Employee’s employment with the Company and its Subsidiaries by the Company without Cause (as defined herein unless defined in any written agreement or

severance plan between the Company and the Employee in effect at the time of such termination of employment) or by the Employee for Good Reason (as defined herein unless defined in any written agreement or severance plan between the Company and the Employee in effect at the time of such termination of employment), in either case following a Change in Control of the Company, subject to the additional provisions of Section 5(c).

(b) The number of Performance Stock Units earned by the Employee shall be determined based on the relative level of achievement of the Performance Goals during the Performance Period as set forth in Exhibit A or, upon an Acceleration Event, as described in Section 5 (such number of Performance Stock Units, the “Earned Performance Stock Units”). Performance between two stated levels will be interpolated when determining the percentage of the Earned Percentage Stock Units. The determination of the Earned Performance Stock Units shall be made by the Compensation Committee of the Board of Directors in its sole discretion as soon as administratively possible after the Company’s audited financial statements are available for the final fiscal year of the Performance Period. Any Performance Stock Units or rights to Performance Stock Units that do not become Earned Performance Stock Units as of the Vesting Date or earlier upon an Acceleration Event shall be immediately and automatically forfeited to the Company without notice and without consideration.

(c) In the event of the termination of the Employee’s employment by the Company for Cause (as defined herein unless defined in any written agreement between the Company and the Employee in effect at the time of such termination of employment) or by the Employee without Good Reason (as defined herein unless defined in any written agreement between the Company and the Employee in effect at the time of such termination of employment) prior to the earlier of the Vesting Date or an Acceleration

Event, the Employee's right to any Performance Stock Units subject to this Agreement shall be immediately and automatically forfeited to the Company without notice for no consideration. For the avoidance of doubt, a termination by the Employee without Good Reason will not include a termination by reason of the Employee's death, Disability, Retirement, or a termination by the Employee for Good Reason.

5. Determination of Earned Performance Units; Payment and Issuance of Shares.

(a) General Provision. As soon as administratively practicable following the determination of the achievement of the Performance Goals for the Performance Period, but in no event later than March 15 following the end of the last Performance Period (the "Payment Date"), the Company shall make a payment to the Employee of one Share for every Earned Performance Stock Unit as payment with respect to each such Earned Performance Stock Unit.

(b) Death or Disability. If the Employee's employment with the Company is terminated prior to the last day of the Performance Period by reason of an Acceleration Event based on Employee's death or Disability, then (i) for purposes of determining the number of Earned Performance Stock Units as of such Acceleration Event, the achievement of the Performance Goals shall be deemed to be at the target level of 100%, (ii) the number of Earned Performance Units that vest shall be pro-rated by multiplying the total number of Earned Performance Units determined under Section 5(b)(i) by a fraction, the numerator of which is the number of whole months the Employee was employed from the date of this Agreement until the date of death or Disability and the denominator of which is 36, (iii) the Company shall make a payment to the Employee of one Share for every Earned Performance Stock Unit as soon as reasonably practicable following such Acceleration Event, but in no event later than thirty (30) days after the date of the Acceleration Event,

and (iv) the Employee will not be entitled to any further payment pursuant to this Agreement.

(c) Other Acceleration Events. If an Acceleration Event occurs prior to the Vesting Date (i) by reason of Retirement, (ii) by the Company without Cause (as defined herein unless defined in any written agreement between the Company and the Employee in effect at the time of such termination of employment), or (iii) by the Employee for Good Reason (as defined herein unless defined in any written agreement between the Company and the Employee in effect at the time of such termination of employment), the determination of the number of Earned Performance Stock Units, and any payment to be made to the Employee with respect to any Earned Performance Stock Units, shall be made as soon as reasonably practicable following the determination of the achievement of the Performance Goals for the Performance Period, but in no event later than March 15 of the calendar year following the end of the last Performance Period.

(d) Dividends. If any dividends are declared on the Company's Shares while the Performance Stock Units subject to this Agreement are outstanding, the Company shall make a payment to the Employee on the Payment Date or the Acceleration Event, as the case may be, with respect to each Performance Stock Unit that became a Earned Performance Stock Unit on the Payment Date or the Acceleration Event, in an amount equal to the aggregate amount of dividends that would have been payable to the Employee with respect to each such Earned Performance Stock Unit had such Earned Stock Performance Unit instead been an issued and outstanding Share on the record date of any such dividends (the "Dividend Equivalent Amount"). At the Company's discretion, payment of the Dividend Equivalent Amount may be made in cash or in Shares having a Fair Market Value on the Payment Date or the Acceleration Event, as the case may be,

equal to the Dividend Equivalent Amount. In no event will dividends or any dividend equivalents be paid on unvested Performance Stock Units which are forfeited.

(e) Manner of Delivery. At the Company's election, the Company shall cause the Shares delivered as payment with respect to the Earned Performance Stock Units to either be evidenced by a book entry account maintained by the Company's stock transfer agent (the "Transfer Agent"), by a certificate issued in the Employee's name, or by delivery to the Employee's individual share holdings account in the Company's equity plan manager's system ("Employee's Account").

(f) Shareholder Status. Upon the earlier of the date the Shares are evidenced in a book entry account maintained by the Transfer Agent, the date a certificate for the Shares are issued in the Employee's name, or the date transferred to Employee's Account, the Employee shall be a shareholder with respect to the Shares and shall have all of the rights of a shareholder with respect to the Shares, including the right to vote the Shares and to receive any dividends and other distributions paid with respect to the Shares.

(g) Mandatory Holding Period. Employee shall maintain beneficial ownership of all Shares delivered as payment with respect to Earned Performance Stock Units, less any Shares disposed of in order to satisfy income tax withholding requirements, until the earlier to occur of the first anniversary of the Vesting Date of such Shares or Employee's termination of employment for any reason. For purposes hereof, beneficial ownership shall be determined in accordance with Section 16 of the Securities Exchange Act of 1934.

(h) Cash Payment Election. Notwithstanding anything to the contrary herein, following a Change of Control of the Company, the Company or its successor, at its election, may elect to make any payment required to be made to the Employee pursuant to this Section 5 in cash rather than Shares.

6. Taxes. The Company shall have the right to satisfy any obligation of the Company to withhold taxes or other amounts with respect to the Earned Performance Stock Units by withholding Shares otherwise deliverable to the Employee with respect to the Earned Performance Stock Units having a Fair Market Value equal to the amount of such tax or other withholdings, provided that the amount will not result in liability accounting for the Company. Furthermore, the Company may elect to deduct from any cash payment made to the Employee pursuant to this Agreement the amount of any taxes or other amounts which the Company is or will be required to withhold with respect to such cash payment.

7. No Right to Employment. Nothing in this Agreement shall confer upon the Employee any right to continue in the employ of the Company or any of its Subsidiaries or interfere with or restrict in any way with the right of the Company or any such Subsidiary to terminate his employment at any time for any reason whatsoever, with or without Cause.

8. Acknowledgement and Section 409A Compliance.

(a) Employee acknowledges that neither the Company nor any of the Company's affiliates, officers, shareholders, employees, agents or representatives has provided or is providing the undersigned with tax advice regarding the Performance Stock Units subject to this Agreement or any other matter, and the Company has urged the Employee to consult with his own tax advisor with respect to the income taxation consequences associated with the Performance Stock Units subject to this Agreement.

(b) It is intended that this Award of Performance Stock Units comply with Section 409A of the Code, and this Award and the terms of this Agreement shall be interpreted and administered in a manner consistent with such intent, although in no event shall the Company have any liability to the Employee if this Award or the terms of this Agreement are determined not to comply with Section 409A of the Code. For purposes of this

Agreement, termination of employment means a “separation from service” within the meaning of Treasury Regulations Section 1.409A-1(h).

(c) Whenever payment under this Agreement specifies a payment period with reference to a number of days (e.g., payment may be made within thirty (30) days after the Payment Date), the actual date of payment within the specified period will be determined solely by the Company.

(d) If the Employee is a “specified employee” within the meaning of Section 409A of the Code at the time of his “separation from service” within the meaning of Section 409A of the Code, then any payment otherwise required to be made to him under this Agreement on account of his separation from service, to the extent such payment (after taking into account all exclusions applicable to such payment under Section 409A of the Code) is properly treated as deferred compensation subject to Section 409A of the Code, shall not be made until the first business day after (i) the expiration of six months from the date of the Employee’s separation from service, or (ii) if earlier, the date of the Employee’s death.

9. Incorporation of Provisions of the Plan. All of the provisions of the Plan pursuant to which the Performance Stock Units are granted are hereby incorporated by reference and made a part hereof as if specifically set forth herein, and to the extent of any conflict between this Agreement and the terms contained in the Plan, the Plan shall control. To the extent any capitalized terms are not otherwise defined herein, they shall have the meanings set forth in the Plan.

10. Invalidity of Provisions. The invalidity or unenforceability of any provision of this Agreement as a result of a violation of any state or federal law, or of the rules or regulations of any governmental regulatory body, shall not affect the validity or enforceability of the remainder of this Agreement.

11. Waiver and Modification. The provisions of this Agreement may not be waived or modified unless such waiver or modification is in writing and signed by the parties hereto.

12. Interpretation. All decisions or interpretations made by the Committee with regard to any question arising under the Plan or this Agreement as provided by Section 4 of the Plan, shall be binding and conclusive on the Company and the Employee.

13. Multiple Counterparts. This Agreement may be signed in multiple counterparts, all of which together shall constitute an original agreement. The execution by one party of any counterpart shall be sufficient execution by that party, whether or not the same counterpart has been executed by any other party.

14. Governing Law. This Agreement shall be governed by the laws of the State of Ohio.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed, and the Employee has hereunto set his hand, all as of the day and year first above written.

MYERS INDUSTRIES, INC.

By: /s/ Michael P. McGaugh

Its: President & Chief Executive Officer

Employee

EXHIBIT A



Myers Industries Performance Stock Unit Measures

in millions

	<u>2023-2025 Performance Targets</u>		
	<u>Threshold</u>	<u>Target</u>	<u>Maximum</u>
Payout %	50.0%	100.0%	200.0%
3-year Adjusted EBITDA (in millions)			
EBITDA % of Target			
Myers rTSR Percentile Ranking		TSR Modifier (% of Target Units)	
75 th percentile or higher		125%	
25 th percentile to 74.99 th percentile		100%	
24.99 th percentile or lower		75%	

Exhibit 31.1
Certification Per Section 302 of the Sarbanes-Oxley Act of 2002

I, Michael P. McGaugh, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Myers Industries, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f), for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected or is reasonably likely to materially affect the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 4, 2023

/s/ Michael P. McGaugh

Michael P. McGaugh, President and Chief Executive Officer

Exhibit 31.2
Certification Per Section 302 of the Sarbanes-Oxley Act of 2002

I, Monica P. Vinay, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Myers Industries, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f), for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected or is reasonably likely to materially affect the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 4, 2023

/s/ Monica P. Vinay

Monica P. Vinay, Interim Chief Financial Officer

Exhibit 32.1
CERTIFICATION
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Myers Industries, Inc. (the Company) on Form 10-Q for the period ended March 31, 2023, as filed with the Securities and Exchange Commission on the date hereof (the Report), I, Michael P. McGaugh, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and to my knowledge:

- (1) The Quarterly Report on Form 10-Q of the Company for the period ended March 31, 2023 which this certification accompanies fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 4, 2023

/s/ Michael P. McGaugh

Michael P. McGaugh, President and Chief Executive Officer

Exhibit 32.1
CERTIFICATION
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Myers Industries, Inc. (the Company) on Form 10-Q for the period ended March 31, 2023, as filed with the Securities and Exchange Commission on the date hereof (the Report), I, Monica P. Vinay, Interim Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and to my knowledge:

- (1) The Quarterly Report on Form 10-Q of the Company for the period ended March 31, 2023 which this certification accompanies fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 4, 2023

/s/ Monica P. Vinay

Monica P. Vinay, Interim Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.
