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Q1 2023 Earnings Call

April 27, 2023

Safe Harbor

In addition to historical information, this presentation contains "forward-looking" statements that reflect management's expectations for the future. The words "anticipate," "believe," "expect," "hope," "have the intention of," "might," "plan," "should" and similar expressions generally indicate comments on expectations. The final results may be materially different from current expectations due to several factors, which include, but are not limited to, global and local changes in politics, the economy, business, competition, market and regulatory factors, cyclical trends in relevant sectors; as well as other factors that are highlighted under the title "Risk Factors" in the annual report submitted by Orbia to the Mexican National Banking and Securities Commission (CNBV). The forward-looking statements included herein represent Orbia's views as of the date of this presentation. Orbia undertakes no obligation to revise or update publicly any forward-looking statement for any reason unless required by law.

Q1 2023 Overview

01

Orbia had an encouraging start to the year with sequential improvement in all its businesses, despite the continued macroeconomic challenges

02

Orbia continues to demonstrate resilience in its businesses and maintains a strong balance sheet and robust long-term fundamentals

03

Despite the difficult environment, Orbia remains well-positioned to capture growth opportunities to execute on its long-term strategy for value creation

Revenue

\$2.3B

Down 12% YoY

Slowdown in Polymer Solutions, Building and Infrastructure and Precision Agriculture due to lower demand vs strong prior year period; partially offset by strong demand in Connectivity Solutions and improved pricing in Fluorinated Solutions

EBITDA Margin

20.6%

Down 295 bps

Softer demand and lower profitability in Polymer Solutions, Building and Infrastructure and Precision Agriculture

EBITDA

\$469M

Down 23% YoY

Softer demand across certain markets, particularly in Polymer Solutions, Building and Infrastructure, and Precision Agriculture, partially offset by higher profitability in Connectivity Solutions and Fluorinated Solutions

Operating Cash Flow

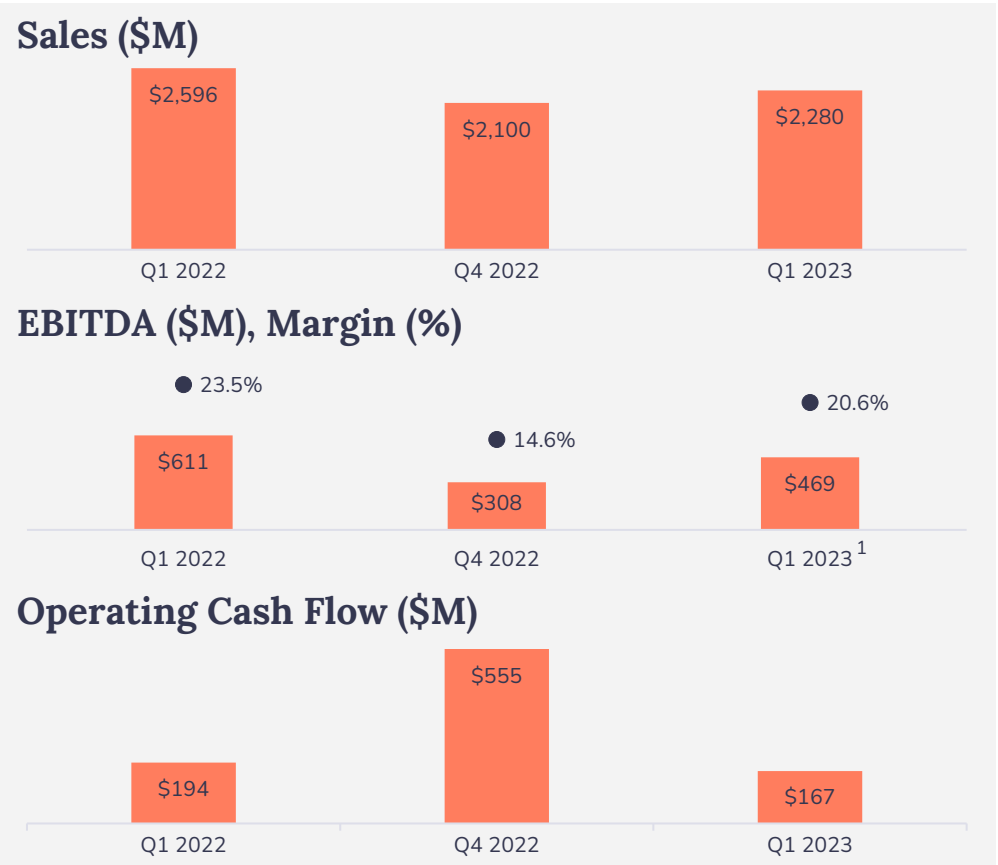
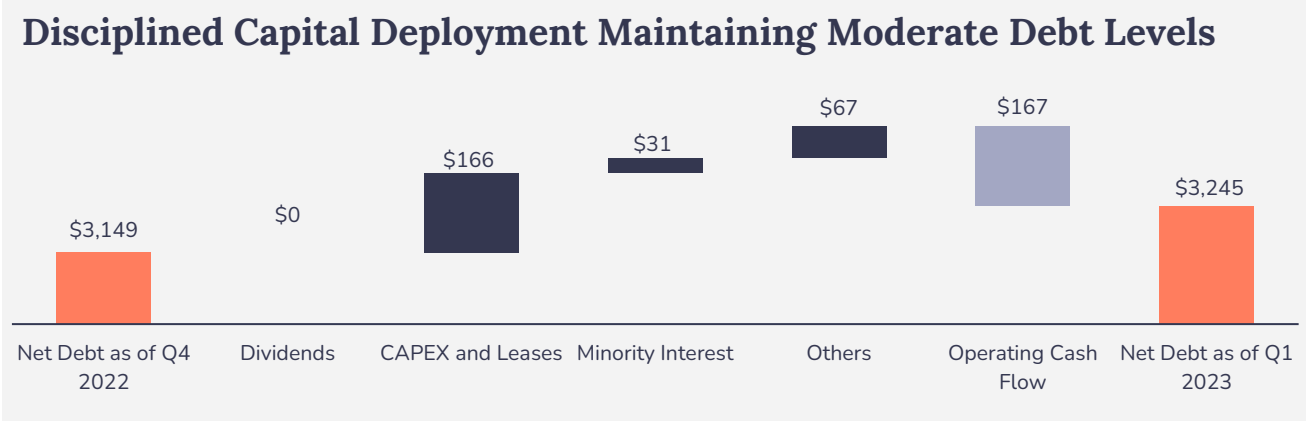
\$167M

Down 14% YoY

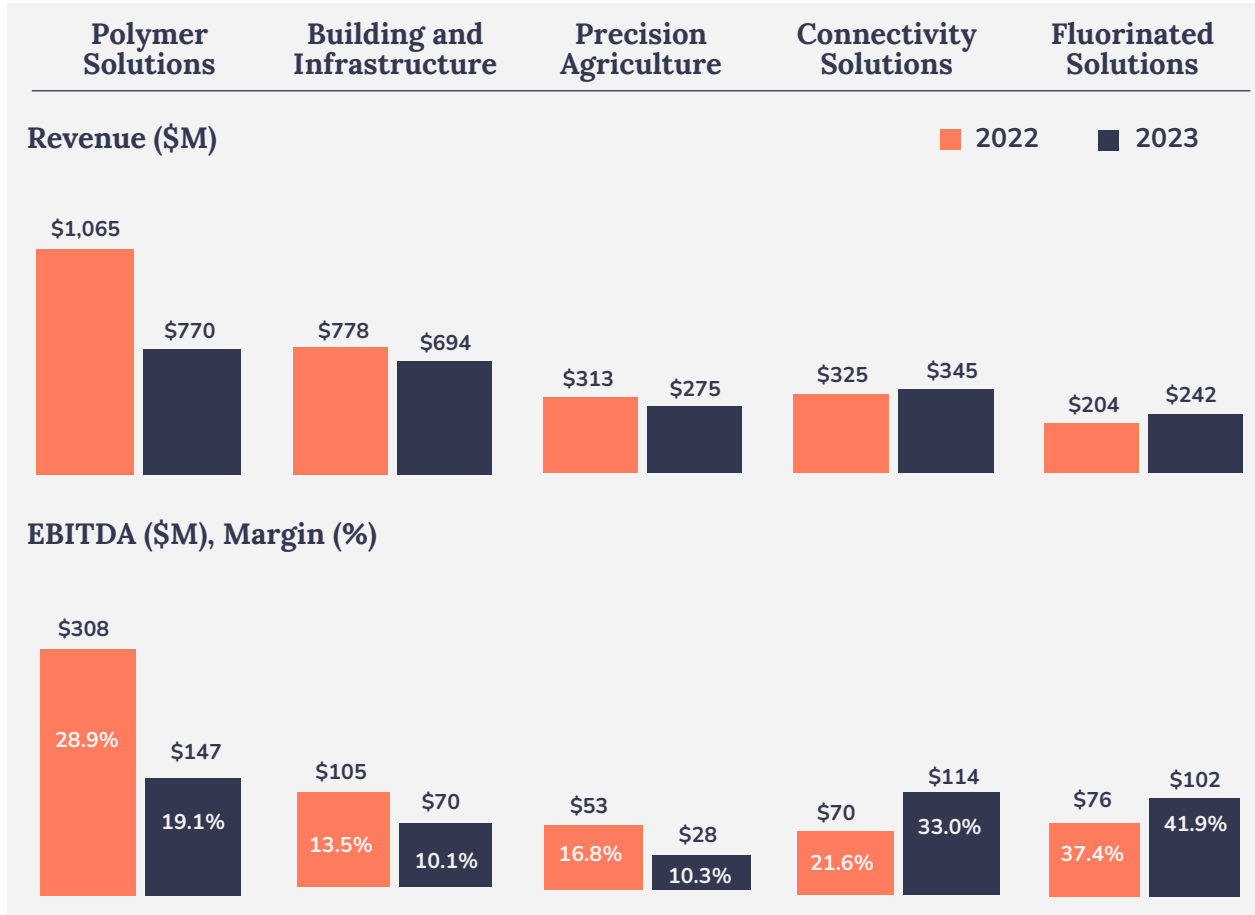
Lower EBITDA, partly offset by effective management of working capital

Continued macro challenges in the first quarter, but sequential quarterly improvements

- ### Q1 2023 Highlights
- **Capital expenditures of \$142M**, up 41%, reflecting the Company’s ongoing growth initiatives
 - **Free cash flow of \$1M**, down \$67 million resulting from lower EBITDA and higher CAPEX, partly offset by a lower consumption of cash from changes in working capital
 - Lower cash balance resulted in an increase of **net debt of \$97M**
 - Orbia did not **pay any dividends** during the quarter



Maintaining Resilience Through Integration



Polymer Solutions

- Lower prices in general resins due to increased availability, and lower volumes reflecting softer demand
- EBITDA decline due to lower prices and volumes, partly offset by lower raw material costs and improvement in specialty resins and derivatives

Building and Infrastructure

- Lower volumes, particularly in Europe and Asia, and lower prices in certain markets within Latin America and Asia
- EBITDA decline due to contraction in Europe, along with lower volumes and prices

Precision Agriculture

- Lower revenues due to demand slowdown in US, Europe and Africa, partially offset by strength in LatAm and China, and Turkey, despite deferred volumes caused by recent earthquakes
- EBITDA decline due to lower demand in key end markets

Connectivity Solutions

- Higher revenues supported by investments in production capacity along with growing demand for fiber infrastructure
- Higher EBITDA due to increased revenues and stabilization of raw material costs

Fluorinated Solutions

- Higher revenues due to strong pricing across portfolio, particularly in refrigerants, combined with higher volumes following prior year supply disruptions
- Higher EBITDA due to strong pricing offsetting higher input costs and strategic investments

Progressing Sustainability Initiatives Across Our Businesses

2022 Impact Report Highlights

Sustainability Targets

- 8% reduction in recordable incident rates for employees and contractors
- Scope 1 and 2 emissions reduction by 11%
- Increased share of renewable electricity from 6% to 16%
- Net-zero roadmap development

Impactful Ventures

- \$10 million invested in sustainability-focused startups working across sectors such as AI enabled advanced battery technology and green hydrogen.



Reaffirming FY 2023 Guidance

2023 Guidance

EBITDA >\$1.65B

CAPEX¹ \$600M – \$700M

Effective Tax Rate 29% – 32%

Polymer Solutions

- Specialty PVC and chlor-alkali market conditions are expected to remain healthy
- The overall PVC environment is expected to gradually improve in 2H23 with the potential of interest rates leveling or decreasing
- Caustic soda prices are expected to remain strong but may decrease from current levels

Building & Infrastructure

- We expect gradual market improvement across all regions and continued growth in indoor climate solutions and urban climate resilience markets. Leading to improved volumes and steady margins

Precision Agriculture

- We expect margins to gradually improve, led by recovery in most markets
- Volumes in Turkey are expected to improve in the coming quarters to compensate for deferred volumes from recent earthquake

Connectivity Solutions

- We expect demand for additional bandwidth and fiber connectivity to continue to grow
- We continue to expand our production capacity to meet market requirement with capacity coming online through 2023 and 2024

Fluorinated Solutions

- Acidspar market remains tight globally
- We remain focused on maximizing value from our existing assets and extension into downstream markets

1. Includes \$300 million to \$350 million of maintenance spending and \$300 million to \$350 million of growth-related investments.

Q&A





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Orbia is a company driven by a shared purpose: to advance life around the world. The five Orbia business groups have a collective focus on expanding access to health and wellness, reinventing the future of cities and homes, ensuring food and water security, connecting communities to information and accelerating a circular economy with basic and advanced materials, specialty products and innovative solutions.