



Q2 2022 Earnings Call

July 28, 2022



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.

Robust 2nd Quarter 2022 Results

01

Orbia delivered another quarter of **outperformance**, driven by solid results across our business groups and execution against plan

02

Strong financial results, supported by our integrated business model, offsetting the impact of ongoing macroeconomic pressures, such as cost increases in raw materials, labor, freight and energy, as well as supply chain disruptions

03

Orbia continued to **execute a multi-pronged growth strategy** through investments in organic growth, innovation, geographic expansion and select bolt-on acquisitions

Strong performance underpinned by consistent execution

Revenue

\$2.7B

Up 19% YoY

Solid performance across all business groups

EBITDA

\$609M

Up 9% YoY

Due to higher sales and profitability in Data Communications, Fluorinated Solutions and Precision Agriculture

EBITDA Margin

22.9%

Down 205 bps YoY

Due to higher input costs particularly in Polymer Solution and Building and Infrastructure

Operating Cash Flow

\$134M

Down 62% YoY

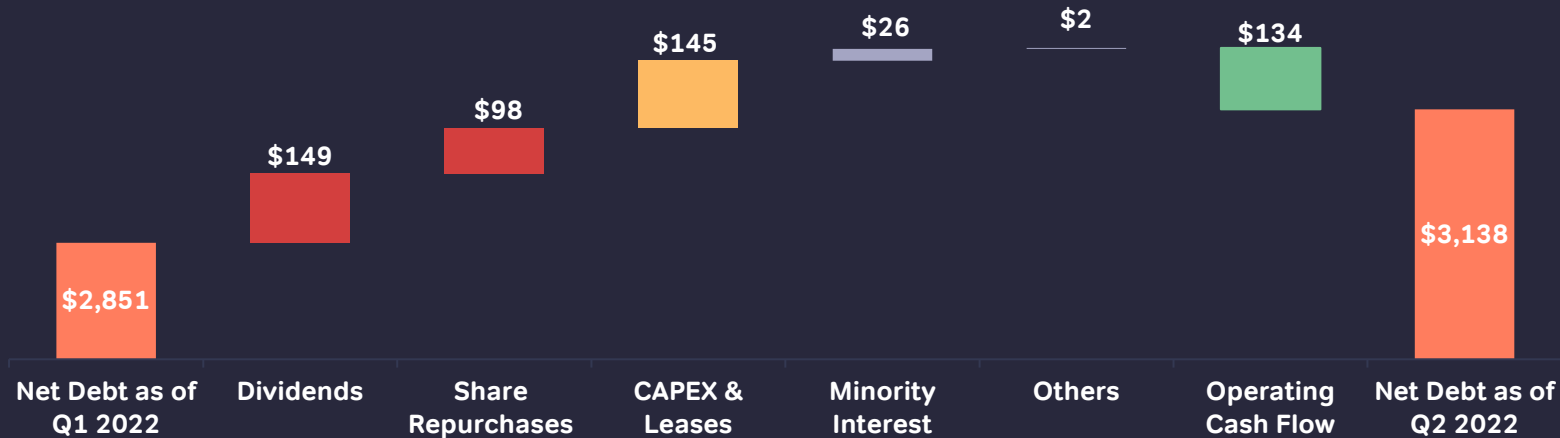
Reflected strong EBITDA performance partially offset by higher taxes paid and increased working capital

Strong Financial Performance

Q2 2022 Highlights

- **Operating cash flow of \$134M**, resulting from strong EBITDA partially offset increased working capital reflecting higher input costs and selling prices
- **Capital expenditures of \$109M**, up 73% compared to a lower base last year, as COVID-19 restrictions prevented us from executing certain projects in the first half of 2021
- **Free cash flow of -\$11M**, resulting from strong EBITDA, offset by increased working capital and higher CAPEX
- During the quarter Orbia **added \$200 million of short-term debt**
- **Paid \$149M in dividends** reflecting the first and second installments of the ordinary and extraordinary 2022 dividends

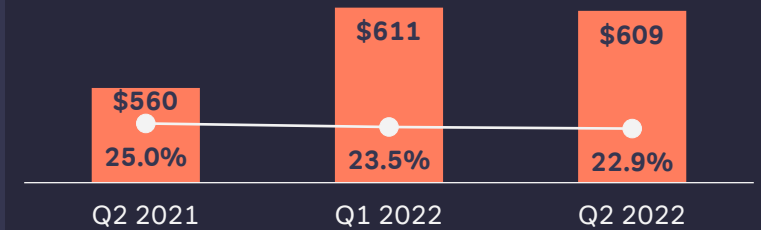
Disciplined Capital Deployment Maintaining Low Debt Levels (\$M)



Sales (\$M)



EBITDA (\$M), Margin (%)

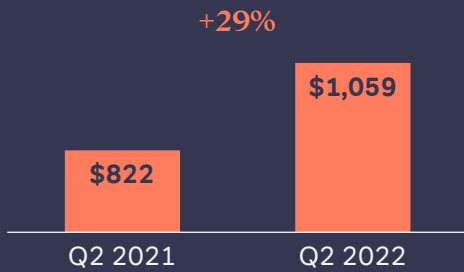


Operating Cash Flow (\$M)

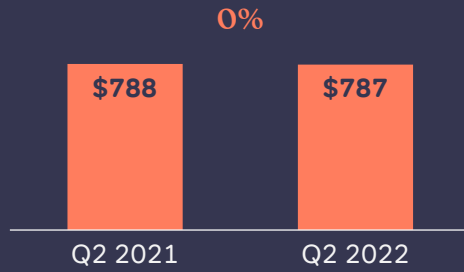


Performance Driven by Strong Results Across Multiple Businesses

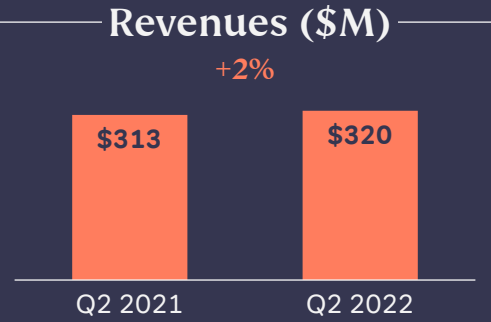
Polymer Solutions



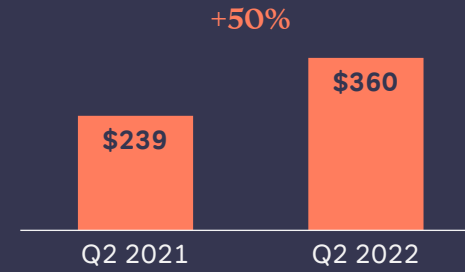
Building & Infrastructure



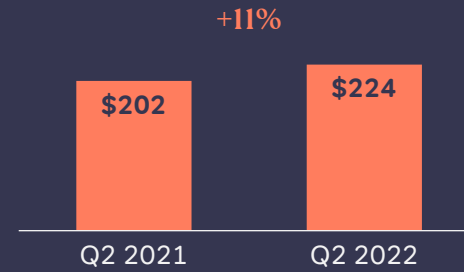
Precision Agriculture



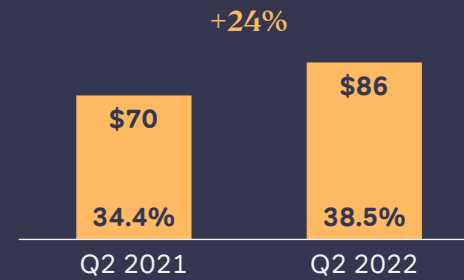
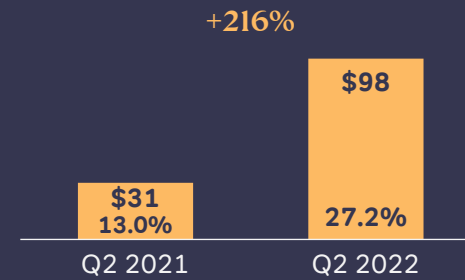
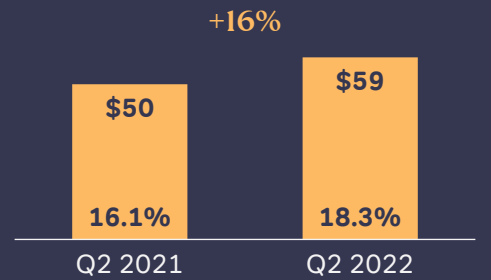
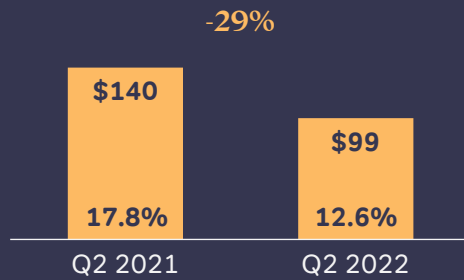
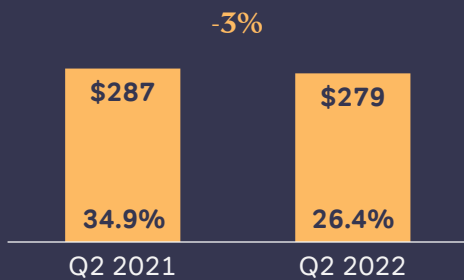
Data Communications



Fluorinated Solutions



EBITDA (\$M) & Margin (%)



- Higher volumes and prices in specialty resins and derivatives. The increase in volume reflects the impact of adverse weather conditions in the US during the prior year period, which negatively affected volumes
- The EBITDA margin was lower, mainly due to higher feedstock and energy costs

- Revenues were flat as compared to a very strong prior year quarter driven by softening demand, most notably in Europe
- EBITDA declined driven primarily by a slowdown in construction activity, due in part to inflation, the war in Ukraine and the depreciation of the Euro. Last year's profitability was particularly strong as the industry faced raw material supply shortages, which have now subsided

- Growing demand, particularly in the Americas and Turkey, with ongoing recovery in India; partly offset by slowing demand in Europe and in our Gakon business
- EBITDA increased driven by higher sales and favorable gross margins as the business continued to pass through higher input costs

- The significant increases in revenue and EBITDA were largely due to robust volumes and pricing in North America

- Growth in revenues from a recovery in pricing across product lines
- EBITDA benefited from a favorable product mix and improved pricing, more than offsetting higher input costs

Executing Against Our Plan

Polymer Solutions

- Diversified geographic footprint and global presence allowed us to mitigate the volume impact from the Russia and Ukraine conflict

Building & Infrastructure

- Integration of Wavin – Vectus India joint venture
- Continued growth from our fully integrated Indoor climate systems and our Building Information Modelling package and products

Precision Agriculture

- Continued to expand our share in extensive crops such as corn, rice, and cotton by steering successful market penetration in the U.S., Brazil and Turkey

Data Communications

- Major conduit capacity expansion projects recently launched in U.S. and Canada

Fluorinated Solutions

- Executed joint venture with Foosung to produce LiPF₆ in Poland
- Continued developing our portfolio of next-generation refrigerants, with significantly lower environmental impacts



Progressing Sustainability Initiatives Across Our Businesses

Second Quarter Accomplishments

Low-Impact Operations

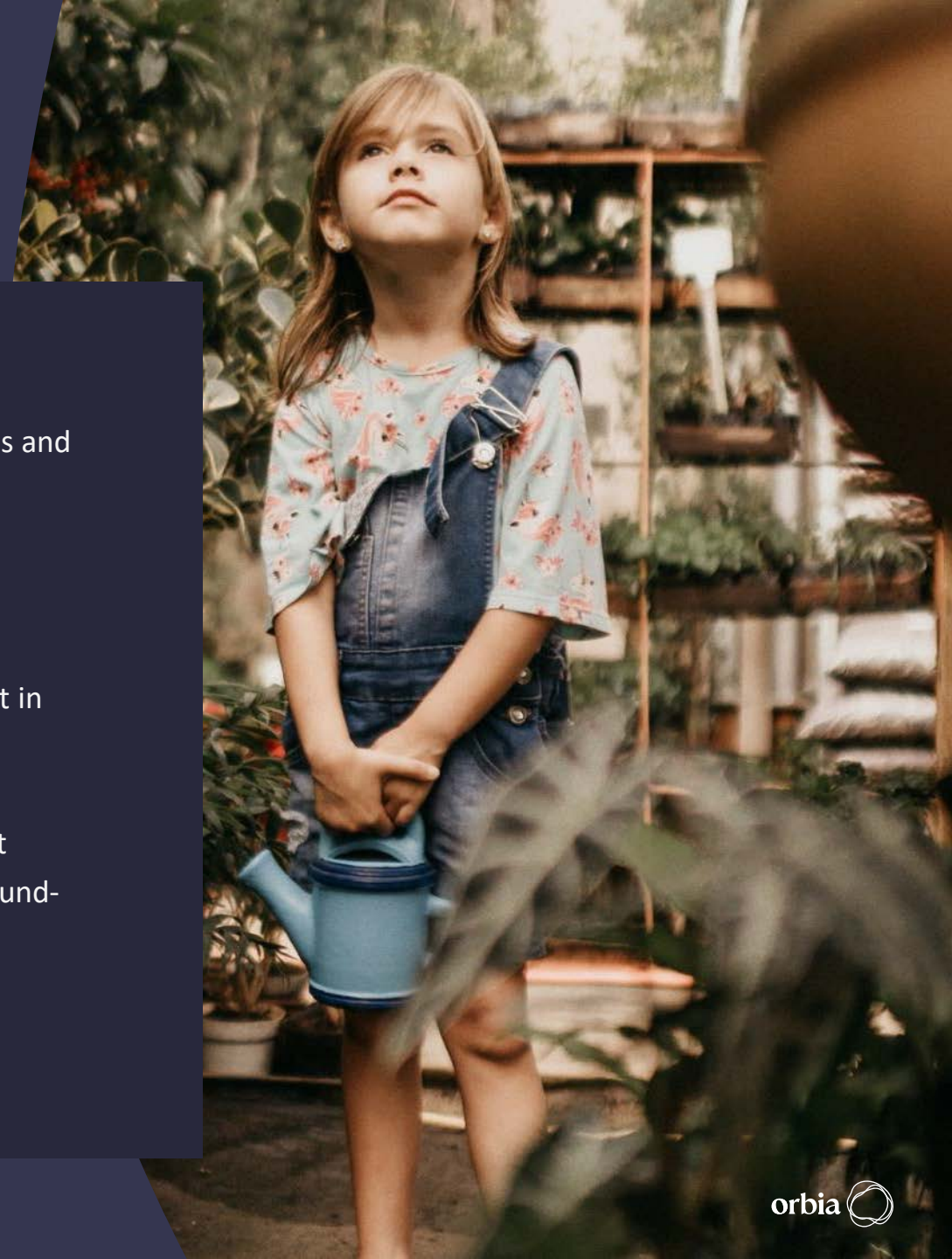
- Focus on steering the transition to renewable-powered site operations and production across our businesses, inclusive of solar energy expansion projects in Europe and Latin America

Sustainable Solutions

- Data Communications launched FuturePath ECO its first high density polyethylene conduit product to utilize 100% scrap
- Polymer Solutions through Vestolit continued to see customer interest in its bio-based circular PVC range and caustic blue soda

Impactful Ventures

- Commitment to sustainability also guides our internal and external Impactful Venture investments that focus on decarbonizing our planet
- Through Orbia Ventures, we have invested in the last two years in ground-breaking startups



Reaffirming Full Year 2022 Outlook and Global Business Assumptions

2022 Guidance

- EBITDA Range** • \$1.75B – \$1.90B (currently trending towards higher end of range)
- Effective Tax Rate** • 29% – 32%
- CAPEX¹** • \$350M – \$450M

Assumptions and Trends Across Our Global Businesses

Polymer Solutions	Building & Infrastructure	Precision Agriculture	Data Communications	Fluorinated Solutions
<ul style="list-style-type: none"> • PVC prices may be weighed down in the coming months due to a slowdown in construction activity in Europe and some other parts of the world. This may change direction when China lifts Covid related shutdowns and resumes PVC consumption • Once the situation returns to normal, PVC markets are expected to remain favorable over the long-term, with global demand outpacing supply. Specialty resin and derivative markets are presently strong 	<ul style="list-style-type: none"> • Demand is expected to decrease in the coming months due to a slowdown in the construction industry in certain regions. • The conflict between Russia and Ukraine is expected to generate continued volatility, especially in our European markets, potentially leading to softening demand and rising input costs 	<ul style="list-style-type: none"> • The market continues to remain strong in the Americas, with a slowdown expected in Europe. India continues to recover. We expect to continue our effort to manage prices to offset higher costs 	<ul style="list-style-type: none"> • Volume and revenue growth will continue to be driven by fiber infrastructure investments in the U.S. and Canada 	<ul style="list-style-type: none"> • Demand and market conditions remain favorable across all our product lines • Additionally, the business expects to continue passing through higher input costs

1. Includes incremental, high-return, growth-related projects but excludes potential larger growth investments.
Orbia Q2 2022 Earnings | 8

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Q&A

