



Orbia

Q2 2021 Earnings Call

July 29, 2021



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.

Strong Quarterly Results With Positive Momentum

- 01** Another strong quarter with revenue and EBITDA growing year-over-year (YoY) and sequentially.
- 02** Continued rigor around cost, expense and supply chain management bringing benefits to our portfolio of businesses despite significant raw material cost increases and freight expense inflation.
- 03** Increased demand driven by continued recovery in key markets matched with consistent execution and delivery. Strengthened balance sheet with healthy cashflow will continue supporting execution of our growth strategy.

Q2 2021 Financial Highlights

REVENUE

\$2.2 Billion

Up 59% YoY and 17% sequentially, driven by higher PVC prices and continued momentum at Wavin.

EBITDA

\$560 Million

Up 113% YoY and 24% sequentially, due to higher PVC prices in Polymer Solutions and strong market dynamics at Wavin.

EBITDA MARGIN

25.0%

Up 629 basis points YoY and 140 basis points sequentially.

FREE CASH FLOW

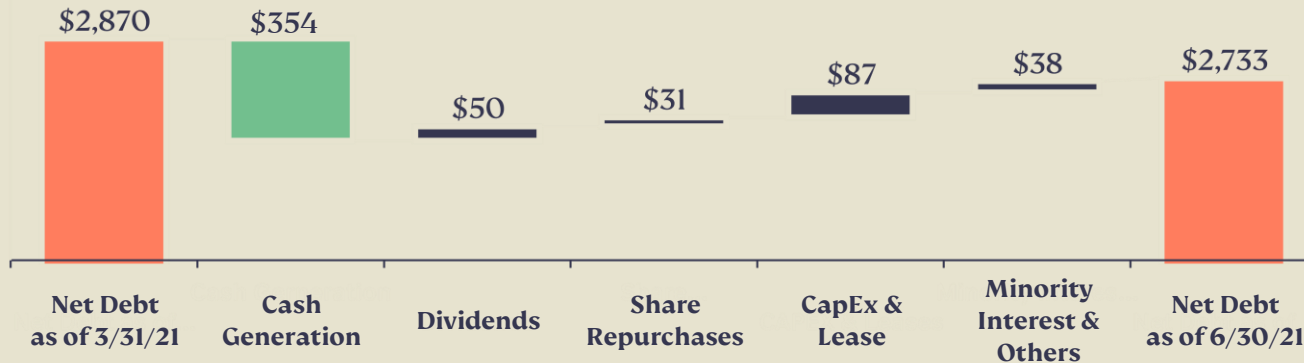
264 Million

Representing 47.3% of EBITDA.

Strong Performance Underpinned by Consistent Execution

Outstanding Financial Performance

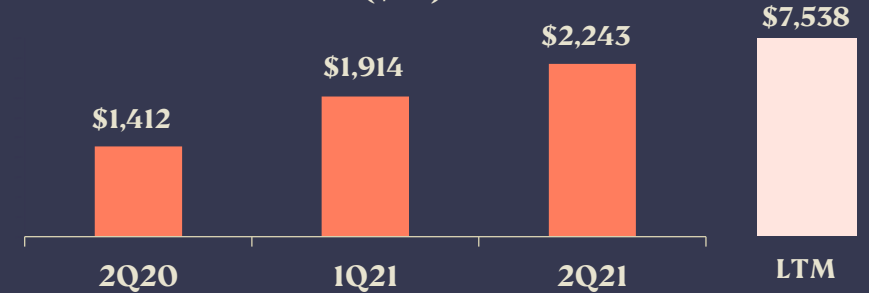
Net Debt reaching one of the lowest levels in years (\$M)



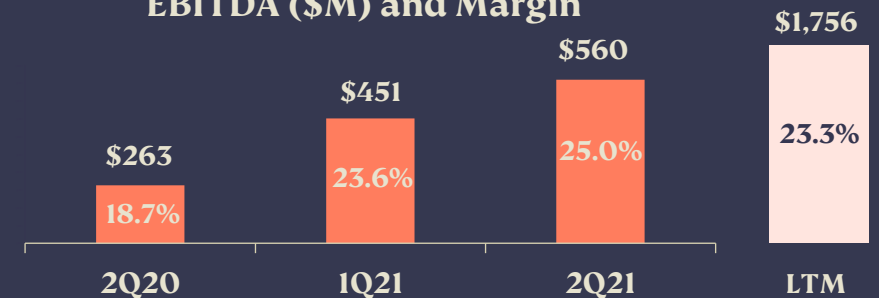
Q2 2021 Highlights

- Issued two sustainability-linked senior notes, reducing average cost of debt by c.50 basis points and increasing our average debt maturity to 14.1 years, with our next significant maturity extended to 2026.
- Completed two bolt-on acquisition: **Gakon and majority share ownership in Shakun.**
- Strong free cash flow of \$264 million, further strengthening our balance sheet for growth initiatives.
- ROIC reached 10.7% up from 6.6% in prior year reflecting the strong business performance during last twelve months.
- Healthy return to shareholders: \$50 million in dividends paid as the first installment of the 2021 dividend and completed share buybacks of \$31 million.

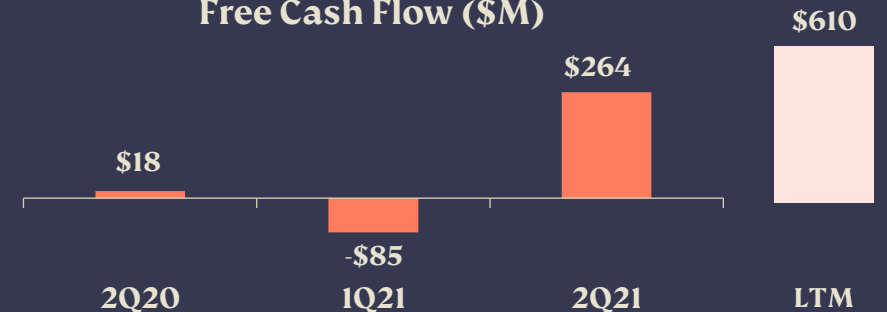
Sales (\$M)



EBITDA (\$M) and Margin



Free Cash Flow (\$M)



Solid Top Line and EBITDA Performance, Driven by Vestolit and Wavin, While Higher Raw Material Costs Continue Affecting Dura-Line and Netafim

V vestolit
alphagary

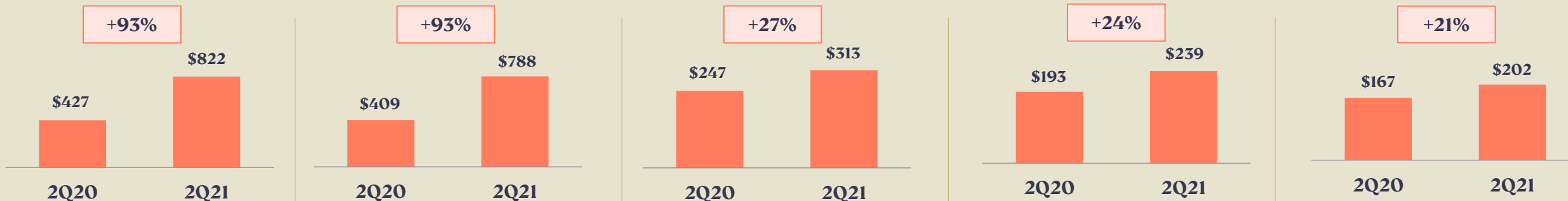
wavin

NETAFIM[™]

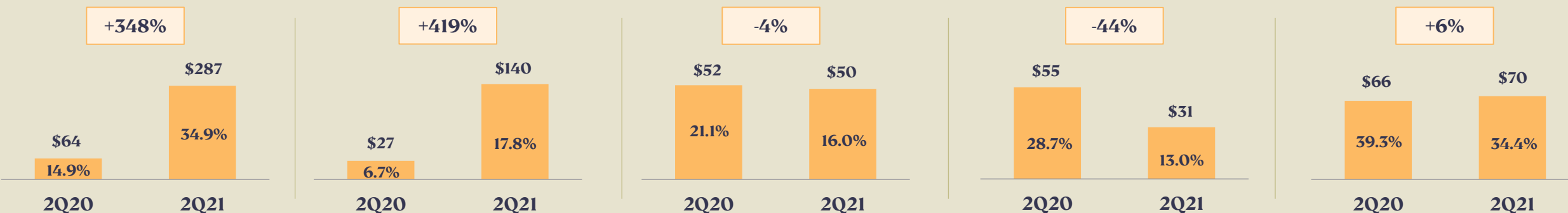
dura-line

Koura

Second Quarter Revenues (\$M)



Second Quarter EBITDA (\$M) & Margin



- Robust PVC demand and pricing environment in the PVC industry continued in the quarter.

- Improved pricing, product mix and volume in a tight market in both EMEA and LatAm.

- Strong market demand mainly in USA, Europe, South Africa and Turkey. EBITDA impacted by higher input costs.

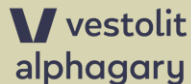
- Continued strong demand mostly in North America; however, results affected by higher input cost, not yet fully reflected in pricing.

- Improving performance across key product groups including HF and refrigerants that were key contributors to growth.

Relentlessly Pursuing Growth Across our Portfolio

Focused On Organic Growth Projects and Bolt-on Acquisitions That Create Long-term Shareholder Value

POLYMER SOLUTIONS



- Completed the acquisition of the majority share ownership of Shakun Polymers Limited
- Exploring options for de-bottlenecking and capacity expansions in Vestolit

BUILDING & INFRASTRUCTURE



- Continued investing in strategic value-added segments; hot & cold-water systems, storm water management and indoor climate solutions
- Advancing greenfield project in Indonesia and two brownfield sites in India

PRECISION AGRICULTURE



- Completed acquisition of Gakon Horticulture Projects
- Initiated projects to expand capacity across regions to meet growing market demand
- Launched innovative new product: “Alpha-Disc”, the most advanced disc filtration solution in the market

DATA COMMUNICATION



- Advanced capital projects in North America to expand capacity and capture growth associated with 5G rollouts and infrastructure initiatives
- Accelerating our deployment of fiber projects

FLUORINATED SOLUTIONS



- Launched new low global warming potential refrigerant Klea® 473A for ultra-low temperature cooling applications
- Orbia Ventures led and completed an investment in Battery Resourcers, a differentiated recycler of lithium-ion batteries

Aligned with Favorable Global Mega Trends

We continue to emphasize sustainability, investing in the communities in which we operate, and enhanced corporate governance to advance life around the world



Full Year 2021 Outlook and Global Business Trends

| | Prior (as of 4/29/21) | Current (as of 7/29/21) |
|----------------------|---|---|
| EBITDA Growth | ~15% with potential upside, if strong conditions prevail in 2021 and there are no further COVID-19 or other material disruptions. | 32 to 35% reflecting the strong performance in 1H 2021, and the ongoing momentum. This revised outlook assumes no pandemic-related or other material disruptions to Orbia's businesses. |
| CAPEX | \$350M – \$400M | Unchanged |

Trends Across Our Global Businesses



Demand is expected to remain strong throughout the year despite PVC prices starting to ease as supply normalizes

Strong demand from the construction & infrastructure sectors expected to continue in the year

Demand expected to continue the positive trend during the year while prices expected to catch up with raw material increases

Strong demand in North America and Europe driven by customer ramp-up of fiber deployment, while prices expected to fully overcome the rise in raw material costs in the fourth quarter

Rising aluminum prices shall drive the recovery in aluminum fluoride during the second half

Well Positioned to Benefit from Continued Recovery and Strong Demand in 2021

Closing Remarks

01

Disciplined execution of Orbia's growth strategy expanding into new markets and developing new solutions for our customers.

02

Leveraging our business model in order to optimize our cost position, realize synergies, and capture market share.

03

Our focus on addressing the world's most pressing environmental challenges drives our business agenda and our strategic approach to sustainability.

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