



Polymer
Solutions

Connectivity
Solutions

Building &
Infrastructure

Fluor & Energy
Materials

Precision
Agriculture

Q1 2024 Earnings Call

Friday, April 26, 2024

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 2024 Overview

01 Orbia's performance was in line with previous guidance for the first half of 2024. High interest rates continue to impact demand across most businesses. Also, excess PVC supply from China and the U.S. has reduced PVC prices globally.

02 Orbia's businesses remain underpinned by healthy long-term fundamentals. Orbia will continue to execute its strategy and develop differentiated and innovative products and solutions.

03 Despite the challenging environment, Orbia remains committed to its growth strategy and to creating value for its shareholders.

Revenue

\$1.9B

Down 18% YoY

Lower sales impacted by weak demand, due to a continued high interest rate environment.

EBITDA

\$253M

Down 46% YoY

Lower volumes and lower prices across business segments.

EBITDA Margin

13.6%

Down 701 bps

Lower revenues partially offset by operational efficiencies.

Operating Cash Flow

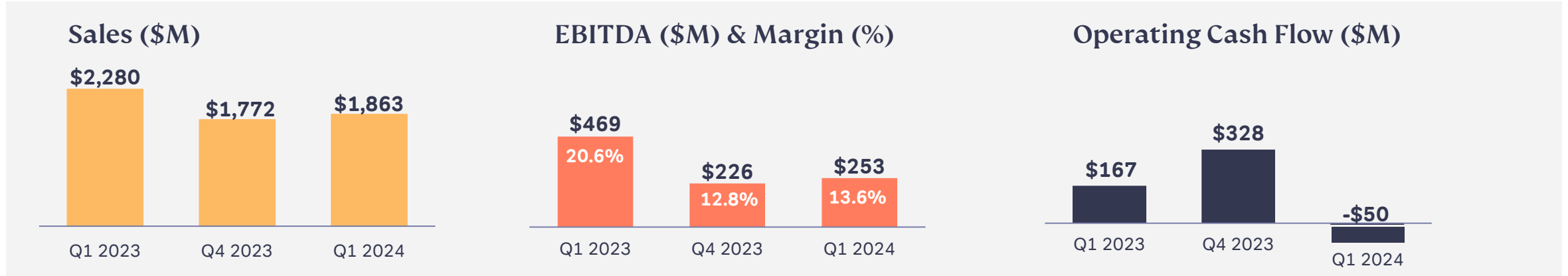
-\$50M

Down \$217M YoY

Driven by lower EBITDA and recurring seasonal increase in Working Capital.

Q1 2024 Earnings Call

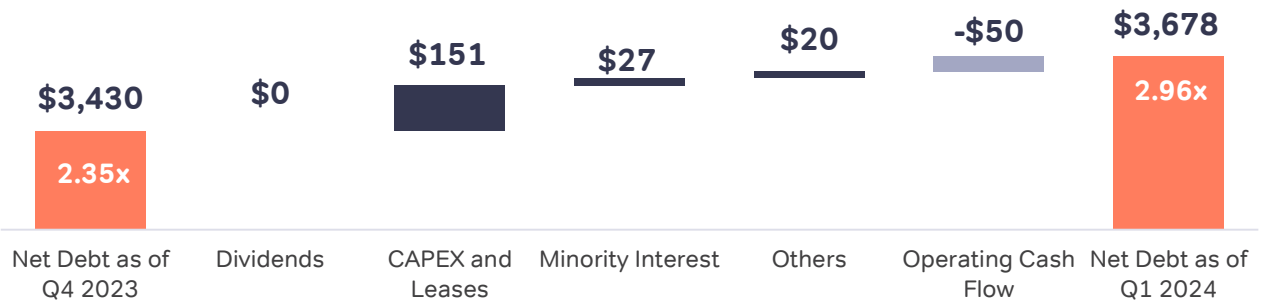
Despite challenging market conditions, Orbia continues to maintain a strong balance sheet.



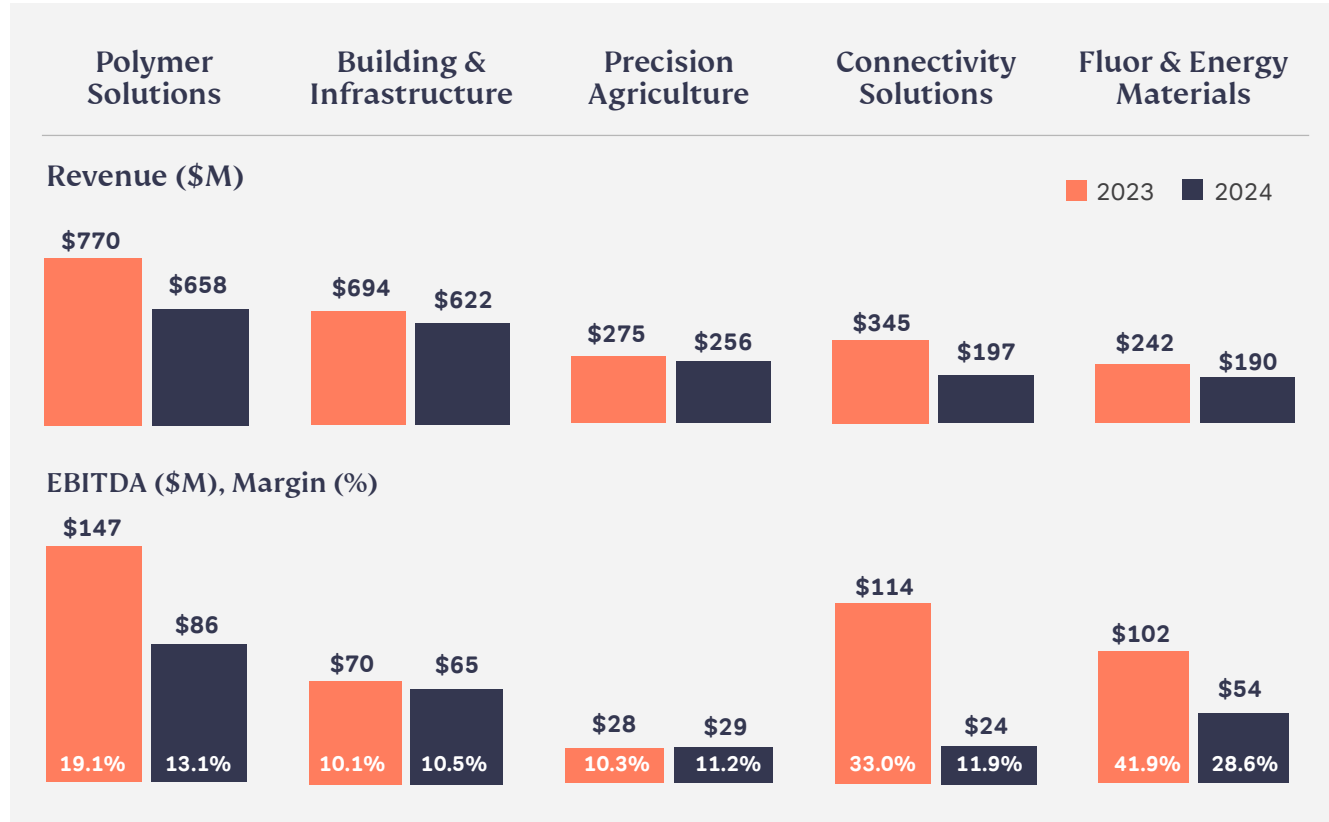
Q1 2024 Highlights

- Capital expenditures of \$132M, down 7%, including ongoing maintenance spending and investments to support the Company’s growth initiatives.
- Orbia repaid \$173M of short-term debt resulting in a net change in debt of \$158M after currency adjustments.
- Consistent with previous years, no dividends were paid in the first quarter. The Annual Shareholder Meeting on April 9, 2024, approved a \$160M annual dividend.
- Net debt-to-EBITDA ratio increased from 2.35x to 2.96x. compared to previous quarter, largely due to lower cumulative 12-month EBITDA.

Disciplined capital deployment, maintaining moderate debt levels.



Challenging market conditions across all businesses.



Polymer Solutions

- Lower demand and increased PVC exports by U.S. and China reduced global PVC and caustic soda prices.
- Lower EBITDA driven by lower prices and volumes was partly offset by lower ethane cost in the U.S. and electricity costs in Europe.

Building & Infrastructure

- Lower volumes and prices due to challenging market conditions across parts of Western and Northern Europe while Latin America remained largely stable.
- The decline in EBITDA was partially offset by business optimization efforts.

Precision Agriculture

- Lower demand in Turkey and the U.S. was partially offset by higher demand in China, India and parts of Latin America.
- The EBITDA margin improved mainly due to operational efficiencies.

Connectivity Solutions

- Lower revenues were driven by lower volumes due to customer inventory management, project deferrals due to high interest rates and an unfavorable product mix.
- The decline in EBITDA was driven by lower volumes, an unfavorable mix and lower absorption of fixed costs, partly offset by cost optimization efforts.

Fluor & Energy Materials

- Revenues decreased on lower volumes due to a step-down in quotas for refrigerants in U.S. and Europe as well as certain delays in mineral shipments.
- Pricing remained resilient across all product groups.
- EBITDA declined on lower revenues and the strengthening of the Mexican Peso, which was partly offset by cost control efforts.

Updates on our sustainability journey.



Low-Impact and Resilient Operations

Updated our **Climate Risk and Opportunity Assessment**

Developed further our roadmap to **Net Zero**

Reduced our SOx emissions by 84% (vs. 2018 baseline) surpassing our sustainability-linked bond goal by 24%

Increased 52% consumption of **renewable energy** (vs. 2022)



Sustainable Solutions

Expanding portfolio of sustainable solutions:

- New low GWP refrigerants
- Innovative digital farming add-ons
- FuturePath ECO and MicroDuct ECO conduit launched in North America in Connectivity Solutions



Impact Ventures

Three Orbia Venture's portfolio companies earned recognition from TIME magazine as top GreenTech innovators for 2024.

Follow-on investments in Greeneye and Chloris

Recent Announcements

The Fluor and Energy Materials business will be **scaling up its custom electrolyte** offering for critical non-electric vehicle applications.

The groundbreaking of the **PVDF manufacturing facility** in Augusta, Georgia with our joint venture partner Syensqo is **expected to begin operations in late 2026**.

Responsible Business

2023 Impact Report released in March includes:

- ✓ Orbia's first double materiality assessment
- ✓ New Water Positive framework
- ✓ New Orbia Supplier Code of Conduct
- ✓ Details on the company's net-zero roadmap

2024 Guidance and Market Outlook

EBITDA

\$1.3B – \$1.4B

CAPEX

~\$600M

Effective Tax Rate

29% – 32%¹

Polymer Solutions

- We expect stable general resins and caustic soda prices with the possibility of marginal improvement in demand.
- We maintain a cautious outlook due to the impact of oversupplied export markets, a slower pace of interest rate reductions and global logistics challenges.

Building & Infrastructure

- We expect continued headwinds across parts of Europe and stable conditions in most of Latin America.
- Our focus will be on strengthening our presence in recently entered geographies, advancing the development of new products and applications and executing cost optimization initiatives.

Precision Agriculture

- We continue to see weakness in the U.S. and Turkey, offset by strength in some parts of Latin America, China and India.
- We remain focused on growth in extensive crops, scaling the roll out of our digital farming solution GrowSphere and introducing differentiated new products.

Connectivity Solutions

- We are seeing volume growth month-over-month with gradual improvement in product mix. Further improvement is expected as customers finalize their inventory management initiatives.
- We anticipate an uptick in activity as U.S. government infrastructure projects, such as BEAD, are funded, which at this time appears to be likely late in 2024

Fluor & Energy Materials

- We expect stabilization as refrigerant markets adjust to new quota levels and strength in product segments across the board.
- As we ramp up investments related to planned energy materials projects, we will maintain strict control on fixed and operating costs.

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 well-being, reinventing the future of cities and homes, ensuring food, water and sanitation security, connecting communities to information and enabling the energy transition with basic and advanced materials, specialty products and innovative solutions.