



Q3 2022 Earnings Call

October 27, 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.

Q3 2022 Overview

01

Challenging quarter due to ongoing macroeconomic turbulence, including effects from the war in Ukraine, increased input costs, inflation, the energy crisis in Europe, COVID lockdowns in China and unfavorable currency translation

02

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

03

Despite the near-term headwinds, Orbia continued to execute on its long-term strategy for value creation

Revenue

\$2.3B

Flat YoY

Strong performance in Connectivity Solutions and Fluorinated Solutions, offset by slowdown in Polymer Solutions, Building and Infrastructure and Precision Agriculture

EBITDA Margin

16.6%

Down 660 bps YoY

Higher input costs and currency headwinds

EBITDA

\$381M

Down 28% YoY

Driven by lower volumes in some business segments, FX devaluation on major currencies and higher input costs

Free Cash Flow

\$101M

Up 13% YoY

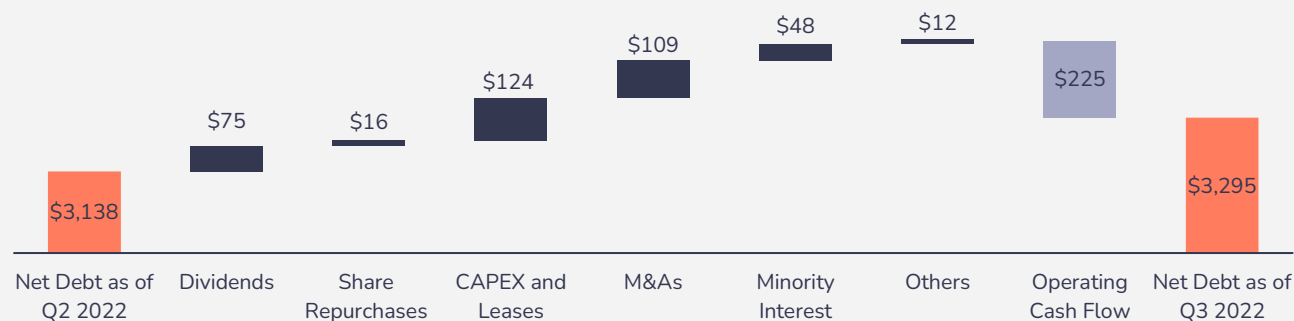
Reflected effective management of working capital partially offset by lower EBITDA, higher CAPEX and taxes paid

Building on Strong Year-to-Date Results

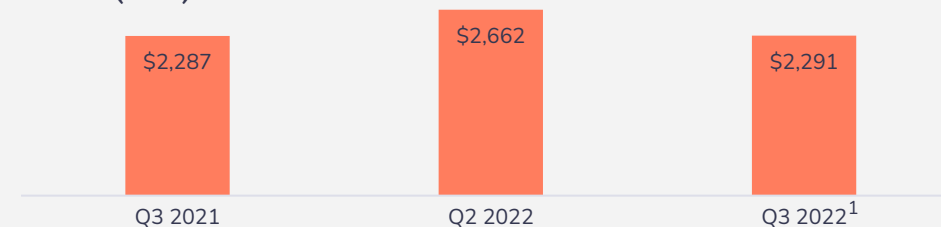
Q3 2022 Highlights

- **Capital expenditures of \$118M**, up 63%, reflecting ongoing maintenance spending and investments to support our growth initiatives
- **Free cash flow of \$101M**, up 13% resulting from effective management of working capital, partially offset by lower EBITDA, higher CAPEX and higher taxes paid
- During the quarter Orbia **added ~\$150 million of borrowings**
- **Paid \$75M in dividends** reflecting the third installment of the ordinary and extraordinary 2022 dividends. **Completed \$16M in share buy-backs**

Disciplined Capital Deployment Maintaining Low Debt Levels



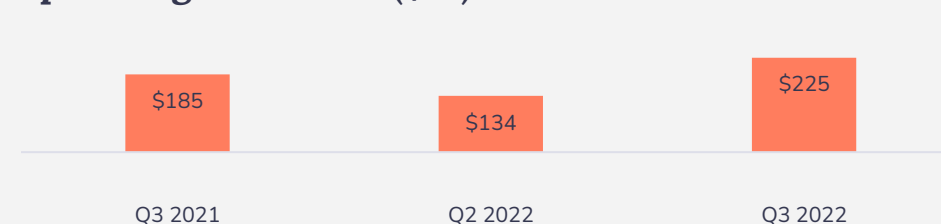
Sales (\$M)



EBITDA (\$M), Margin (%)

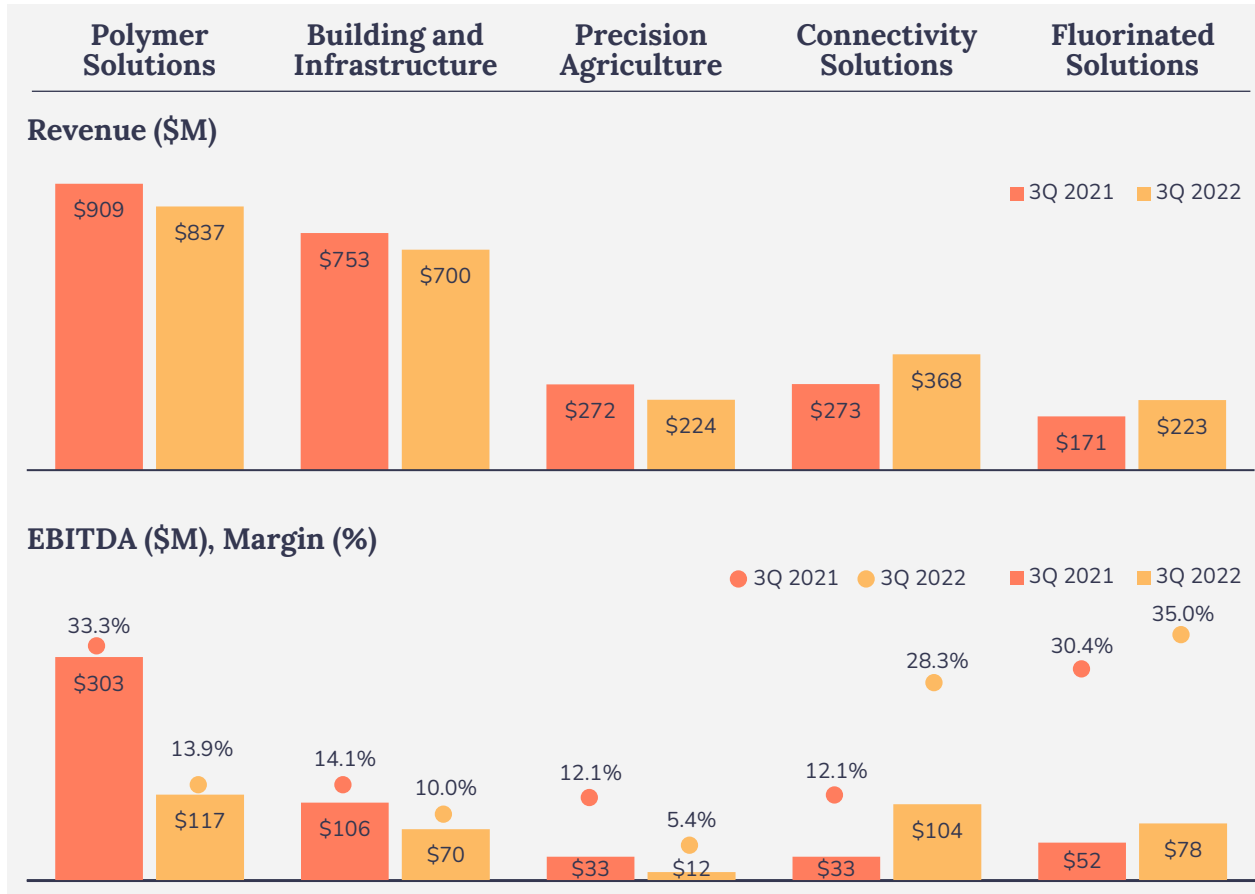


Operating Cash Flow (\$M)



1. Impact from FX devaluation in revenues for the quarter was \$163 million
2. Impact from FX devaluation in EBITDA for the quarter was \$18 million

Maintaining Resilience Through Integration



Polymer Solutions

- Lower volumes reflecting softening demand and lower prices in general resins due to increased availability of low-cost supply in key markets; partially offset by higher prices in specialty resins and derivatives
- EBITDA decline due to lower volumes and higher feedstock costs, mainly in Europe

Building and Infrastructure

- Lower revenue driven by lower volumes, particularly in Europe, due to destocking of inventories in the customer value chain and currency devaluation
- EBITDA decline due to volume decrease, continued input cost increases and currency depreciation, partially offset by solid pricing

Precision Agriculture

- Lower revenue due to demand slowdown in most markets, except for Latin America, Turkey and China
- EBITDA decline due to lower demand, higher raw material, and transportation costs, as well as currency devaluation
- Cumulative impact from adoption of accounting standard IAS 29, related to hyperinflation in Turkey

Connectivity Solutions

- Higher revenue due to increased demand in North America, supported by investments in production capacity, and stable pricing
- Strong EBITDA due to increased revenues and stabilization of material costs

Fluorinated Solutions

- Higher revenue due to strong pricing across product portfolio
- EBITDA increase due to revenue growth, improved pricing, and a better product mix, which helped offset higher input and logistics costs

Executing Against Our Plan

Polymer Solutions

- Optimizing production volumes in general resins and derivatives according to market environment, and working on engineering and capital cost optimization for our intended capacity expansion

Building and Infrastructure

- Ongoing integration of Vectus India and recently acquired Bow Plumbing; new acquisition of MetroPolder and construction of new production plant in Indonesia announcement

Precision Agriculture

- Focusing on implementing growth projects in target geographies to support market demand in the coming years amid strong market fundamentals, including expansion towards extensive crops

Connectivity Solutions

- Deepening our customer relationships, providing specialized product and service offerings, supported by recently acquired Biarri Networks, as well as expanding production capacity

Fluorinated Solutions

- Developing innovative refrigerants including Klea 473a, which won the 2022 Refrigeration Innovation of the Year award; and expanding into the energy storage market



Advancing Sustainability in Orbia and beyond

Low-Impact Operations

- Vestolit started a partnership at one of its plants in reducing Orbia's total waste sent to landfill by approximately 25%.
- Wavin started the installation of solar panels that will contribute to reduce Scope 2 GHG emissions

Sustainable Solutions

- Vestolit has seen its PVC recycling projects gain traction and has unveiled its Future-Fit PVC range
- Wavin strengthened the use of recycled materials in its water solutions and began to offer Verified Life Cycle Assessments in EMEA
- Netafim opened Mexico's largest agricultural plastics recycling facility in Culiacán

Impactful Ventures

- Orbia participated in the most recent funding round of Ascend Elements in line with our strategy of investing in Impactful Ventures



Reaffirming Full Year 2022 Outlook

2022 Guidance

EBITDA Range \$1.8B – \$1.9B

Effective Tax Rate 29% – 32%

CAPEX¹ \$400M – \$450M

Polymer Solutions

- Lower PVC prices driven by short-term excess supply may continue
- Continued pressure on general resins margins in the near term, while specialty resins markets are expected to be stable, and derivatives business is expected to remain strong

Building & Infrastructure

- Softening demand is expected to continue as a result of geopolitical uncertainty, particularly in our European markets and unfavorable currency translation is expected to continue to impact results
- These impacts may be partly offset by a benefit from sales of lower cost inventories and higher value-added applications

Precision Agriculture

- The macroeconomic environment and high energy costs are expected to continue to impact demand

Connectivity Solutions

- Expected growth in North America to continue, driven by demand for additional bandwidth, fiber connectivity and the adoption of, or conversion to, advanced products, continuing the tight supply/demand environment for our products

Fluorinated Solutions

- Demand is expected to remain strong in our downstream sectors, with continued strong pricing from refrigerants and medical products offsetting increased input costs

1. Includes incremental, high-return, growth-related projects but excludes potential larger growth investments.

Q&A





V vestolit

alphagary

wavin

NETAFIM

dura·line

koura

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.