

Avient Corporation

NYSE: AVNT

**Q1 2025 results
&
2025 full-year
financial guidance**



MAY 6, 2025

Disclaimer

Forward-looking statements

Certain statements contained in or incorporated by reference into this presentation constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements give current expectations or forecasts of future events and are not guarantees of future performance. They are based on management’s expectations that involve business risks and uncertainties, any of which could cause actual results to differ materially from those expressed in or implied by the forward-looking statements. You can identify these statements by the fact that they do not relate strictly to historic or current facts. They use words such as “will,” “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe” and other words and terms of similar meaning in connection with any discussion of future operating or financial condition, performance and/or sales. Items, include statements relating to future actions; prospective changes in raw material costs, product pricing or product demand; future performance; estimated capital expenditures; results of current and anticipated market conditions and market strategies; sales efforts; expenses; the outcome of contingencies such as legal proceedings and environmental liabilities; and financial results.

Factors that could cause actual results to differ materially from those implied by these forward-looking statements include, but are not limited to:

- disruptions, uncertainty or volatility in the credit markets that could adversely impact the availability of credit already arranged and the availability and cost of credit in the future;
- the effect on foreign operations of currency fluctuations, tariffs and other political, economic and regulatory risks;
- disruptions or inefficiencies in our supply chain, logistics, or operations;
- changes in laws and regulations in jurisdictions where we conduct business, including with respect to plastics and climate change;
- fluctuations in raw material prices, quality and supply, and in energy prices and supply;
- demand for our products and services;
- production outages or material costs associated with scheduled or unscheduled maintenance programs;
- unanticipated developments that could occur with respect to contingencies such as litigation and environmental matters;
- our ability to pay regular quarterly cash dividends and the amounts and timing of any future dividends;
- information systems failures and cyberattacks;
- our ability to service our indebtedness and restrictions on our current and future operations due to our indebtedness;
- amounts for cash and non-cash charges related to restructuring plans that may differ from original estimates, including because of timing changes associated with the underlying actions;
- other factors affecting our business beyond our control, including without limitation, changes in the general economy, changes in interest rates, changes in the rate of inflation, geopolitical conflicts, tariffs, and any recessionary conditions; and
- other factors described in our Annual Report on Form 10-K under Item 1A, “Risk Factors.”

Any forward-looking statement speaks only as of the date on which such statement is made, and we undertake no obligation to publicly update forward-looking statements, whether as a result of new information, future events or otherwise. You are advised to consult any further disclosures we make on related subjects in our reports on Form 10-Q, 8-K and 10-K that we provide to the Securities and Exchange Commission.

Use of non-GAAP measures

This presentation includes the use of both GAAP (generally accepted accounting principles) and non-GAAP financial measures. The non-GAAP financial measures include: Organic Performance (which excludes the impact of foreign exchange), Adjusted Earnings Per Share, Adjusted EBITDA, and Adjusted EBITDA margins. Avient’s chief operating decision maker uses these financial measures to monitor and evaluate the ongoing performance of Avient and each business segment and to allocate resources.

A reconciliation of each historical non-GAAP financial measure with the most directly comparable GAAP financial measure is attached to this presentation which is posted on our website at www.avient.com.

Avient does not provide reconciliations of forward-looking non-GAAP financial measures, such as outlook for Adjusted EBITDA and Adjusted Earnings Per Share, to the most comparable GAAP financial measures on a forward- looking basis because Avient is unable to provide a meaningful or accurate calculation or estimation of reconciling items, and the information is not available without unreasonable effort. This is due to the inherent difficulty of forecasting the timing and amount of certain items, such as, but not limited to, restructuring costs, environmental remediation costs, acquisition-related costs, and other non-routine costs. Each of such adjustments has not yet occurred, are out of Avient’s control and/or cannot be reasonably predicted. For the same reasons, Avient is unable to address the probable significance of the unavailable information.



Q1 2025 highlights

Achieved organic revenue growth with adj. EBITDA margin expansion

	Q1 2025 results	Q1 2025 VS. Q1 2024		
		ORGANIC (excludes impact of foreign exchange)	FX	AS REPORTED
Sales	\$827M	1.8%	(2.1%)	(0.3%)
Adj. EBITDA	\$145M	4.2%	(3.1%)	1.1%
Adj. EPS	\$0.76	4.1%	(4.1%)	0.0%

► **4th consecutive quarter**
of organic revenue growth

Organic sales growth of 1.8%
driven by pricing performance and improved mix

► **Adj. EBITDA margin of 17.5%**

Margin expansion of 20bps driven by favorable mix & cost discipline

► **Adj. EPS of \$0.76 in line with guidance**

against strong comparison to Q1 2024 that grew 21% vs Q1 2023

Q1 2025 organic revenue growth - by region



US & Canada



Europe, Middle East & Africa



Asia



Latin America

(3%)

+2%

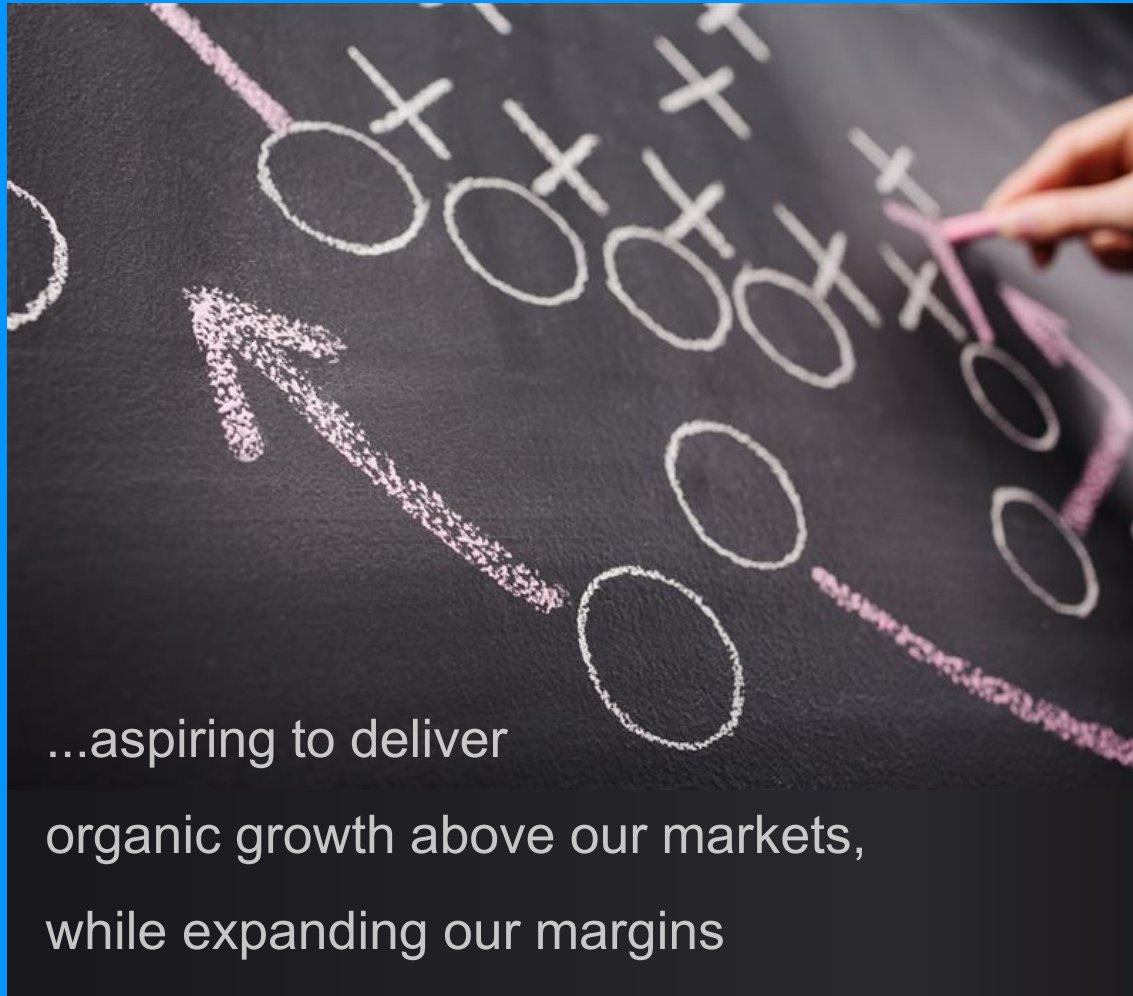
+9%

+17%

Year-over-year revenue growth, excludes the impact of foreign exchange

Playbook in current environment

Focusing on what we control and influence



...aspiring to deliver
organic growth above our markets,
while expanding our margins

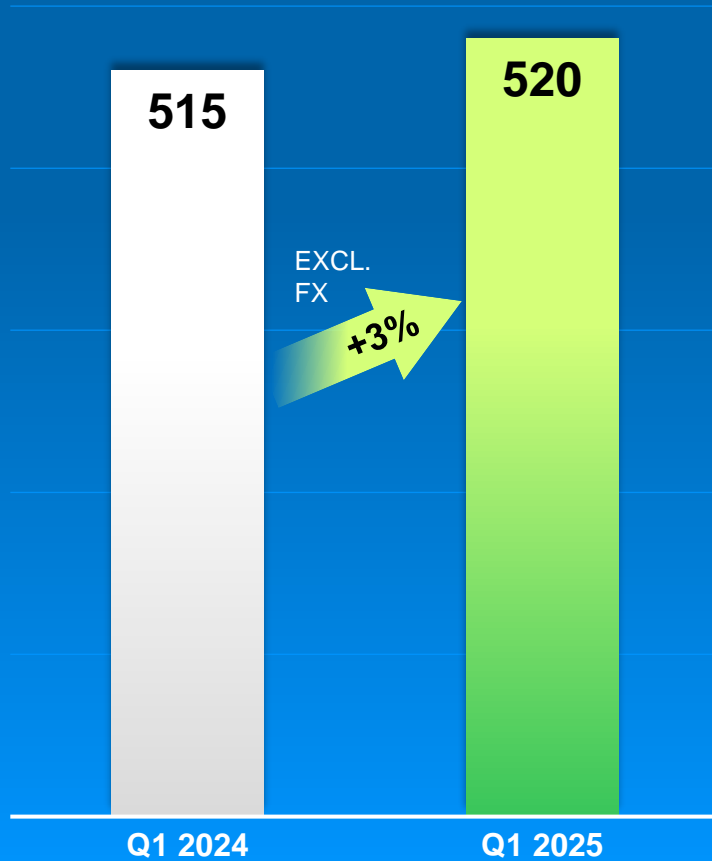
1. **Staying close to our customers** to help them navigate the uncertain environment and execute their respective plans
2. Using our “**global reach with a local touch**” model to win share and new business
3. Sharpening focus on **cost control & driving productivity** in SG&A and in our plants
4. Maintaining discipline around working capital and capex decisions to **generate healthy cash flow**
5. **Offsetting any inflationary headwinds** with our time-tested rigor in raw material sourcing, substitution and pricing actions
6. Executing flawlessly and continue **advancing our strategy** while prioritizing investments and resources for our growth vectors

Q1 2025 results

Color, Additives & Inks – Q1 2025 performance

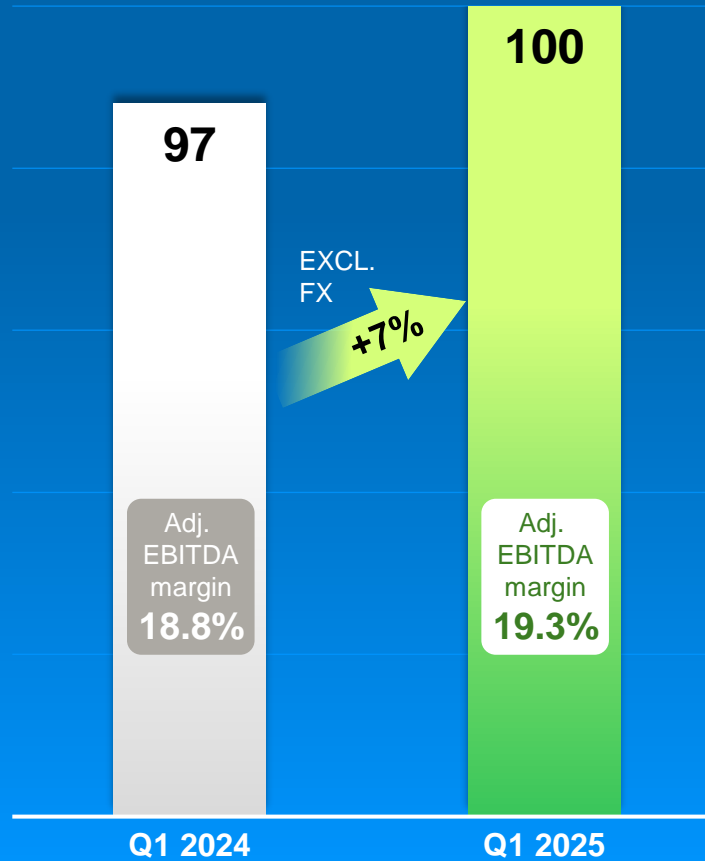
Sales

\$ Millions



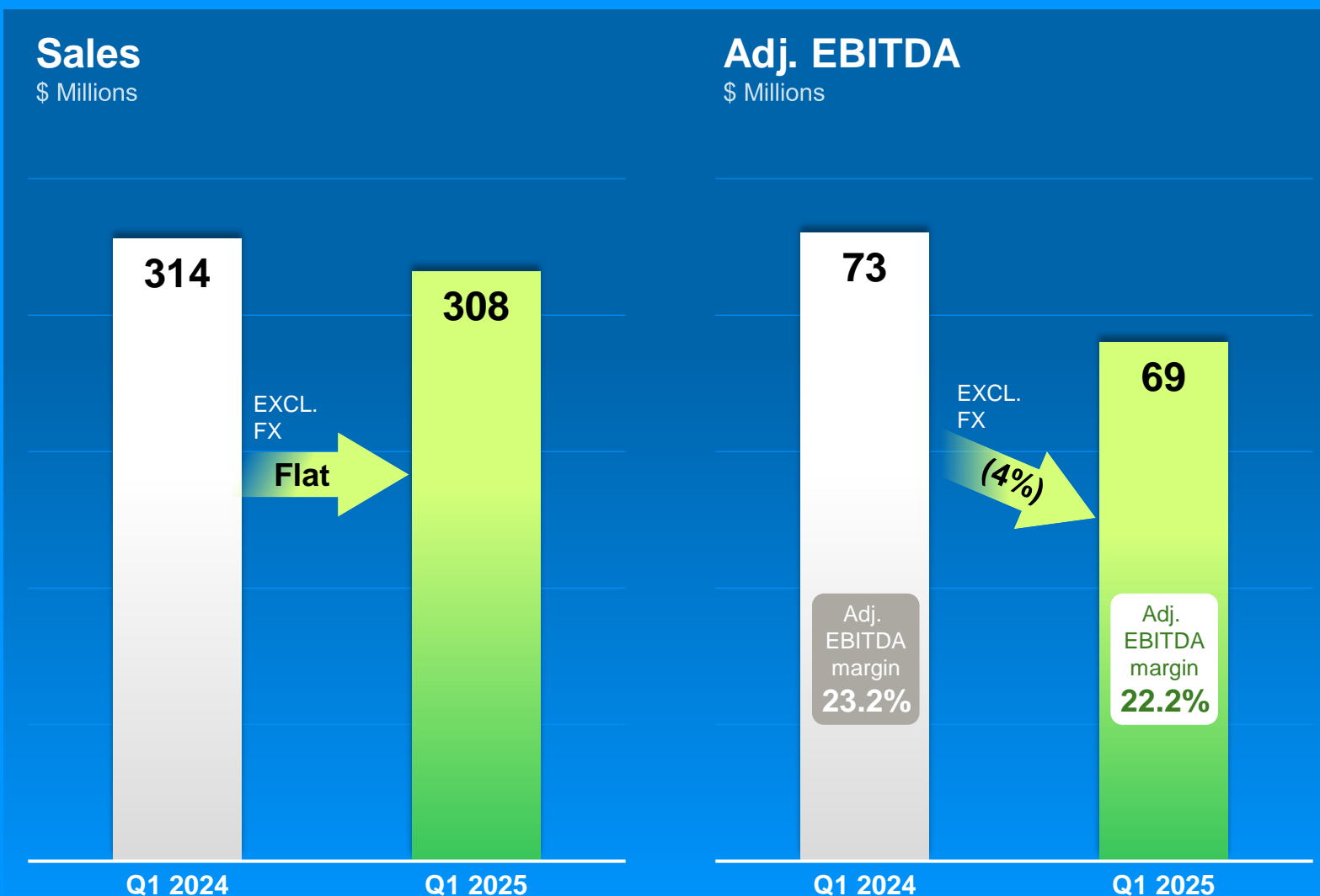
Adj. EBITDA

\$ Millions



- Sales growth led by resilient packaging demand across all regions, which was partially offset by weak transportation sales
- Higher sales, favorable mix, and cost improvements contributed to adjusted EBITDA growth and 50 bps of adjusted EBITDA margin expansion

Specialty Engineered Materials – Q1 2025 performance



- Flat sales (excl. FX) as strong growth in healthcare applications was offset by weak transportation demand, as well as lower defense sales on tough year over year comparisons
- Unfavorable mix related to lower defense sales resulted in lower margin in the quarter

Global reach with a local touch

Regional manufacturing capabilities and supply chains help us serve our customers locally



Tariff exposure

Products and materials imported to and exported from the United States

Sales exposure

LESS THAN **\$100M*** ~3% based on 2024 sales

Raw materials exposure

LESS THAN **\$100M*** ~7.5% based on 2024 purchases

*excl. materials currently exempt by Annex II and USMCA provisions and is based on assessment of tariffs announced to date



2025 guidance

2025 financial guidance unchanged...

ADJ. EBITDA - full year 2025

\$540 to 570M

+4% to +10% growth excluding FX

ADJ. EPS - full year 2025

\$2.70 to \$2.94

+4% to +13% growth excluding FX

ADJ. EPS – Q2 2025

\$0.79

+4% growth as reported

ACCELERATORS

- ▲ U.S. consumer sentiment and GDP growth stays robust
- ▲ China trade war and tariffs de-escalate
- ▲ European economy improves due to increased infrastructure spend
- ▲ Continued strength in defense and healthcare markets

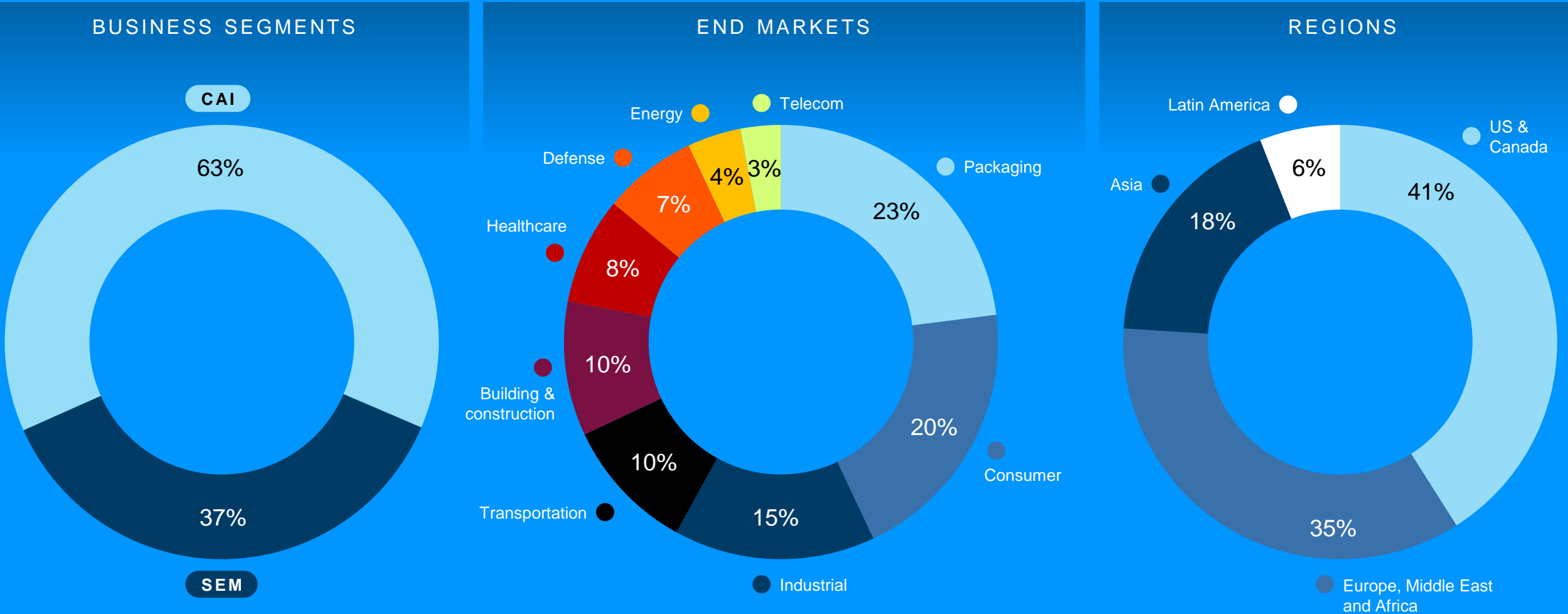
DECELERATORS

- ▼ Global trade uncertainty / volatility
- ▼ Persistent inflation and slowdown in global economies
- ▼ Supply chain disruptions resulting from global trade policy changes
- ▼ FX volatility



Avient 2024 sales

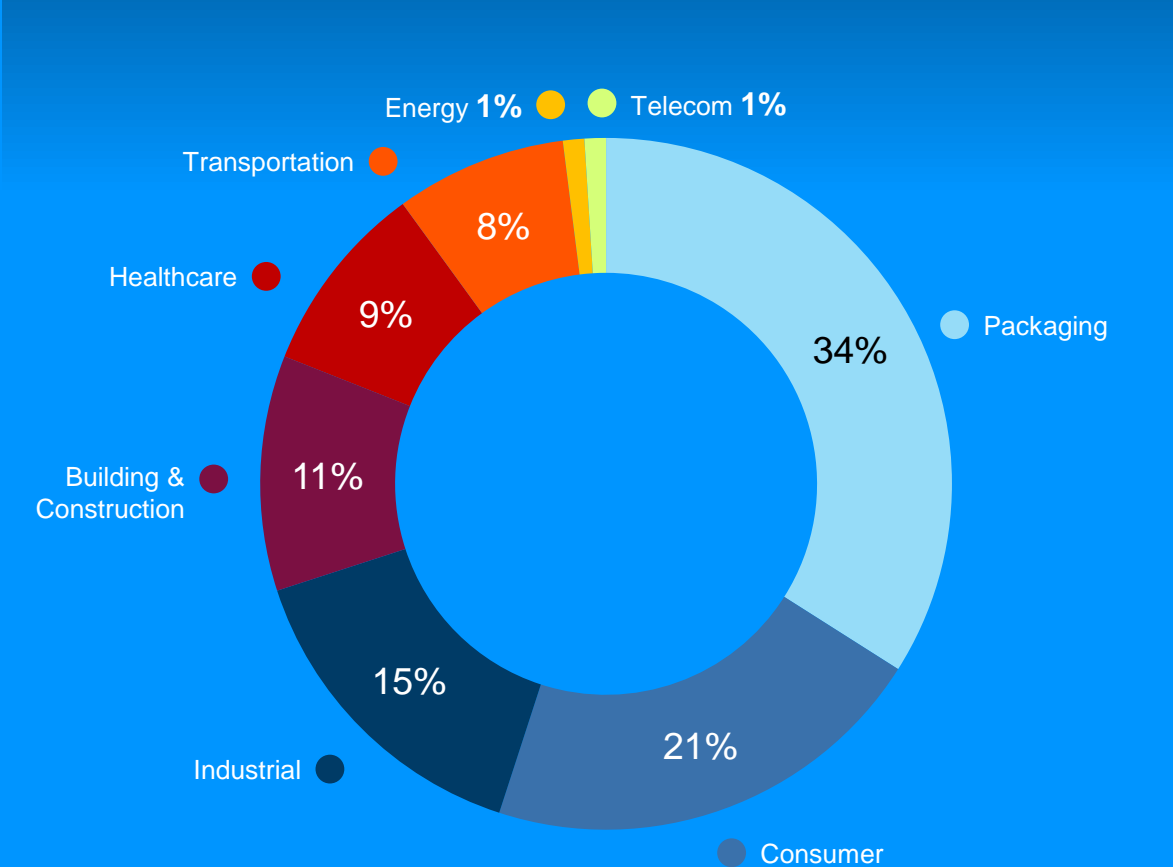
By business segment, by end market and by region



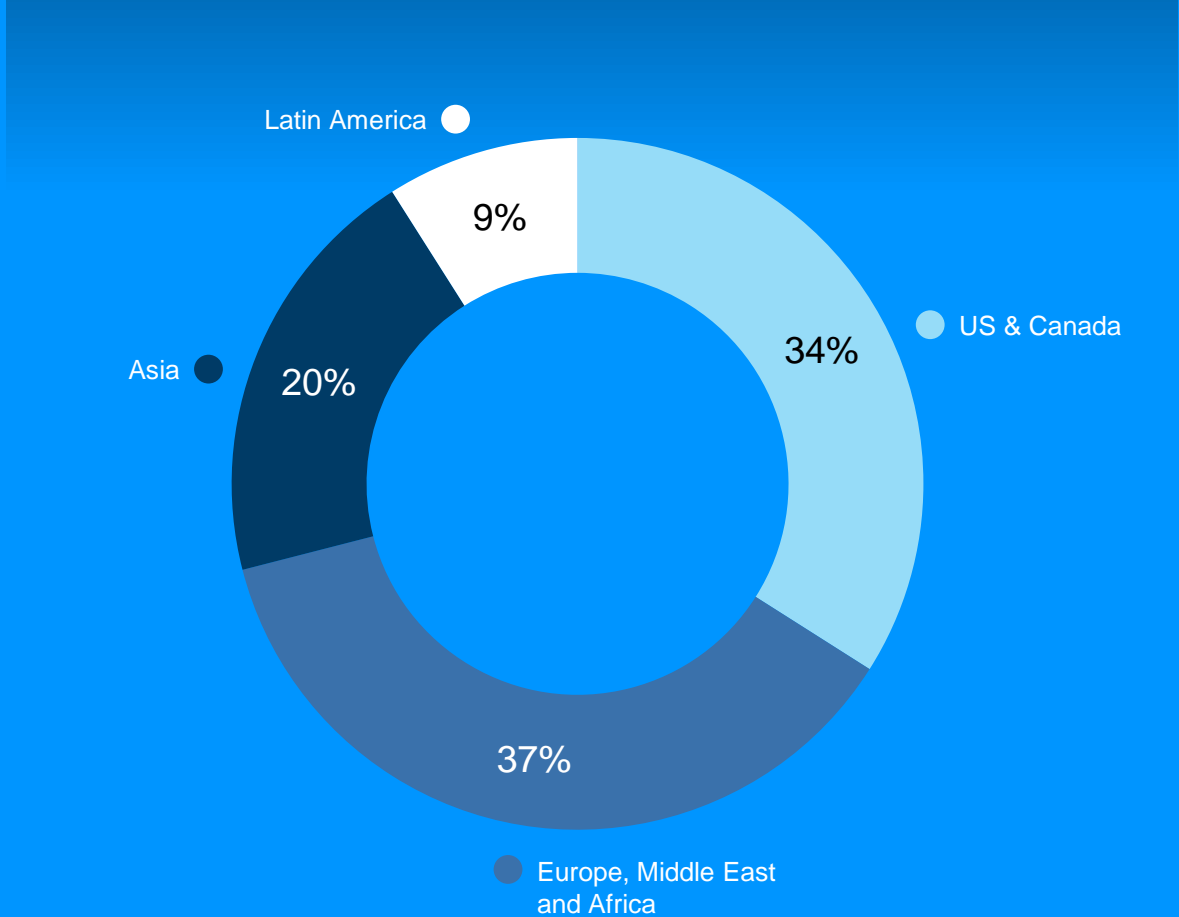
Color, Additives & Inks

2024 revenue: \$2,047M

END MARKETS

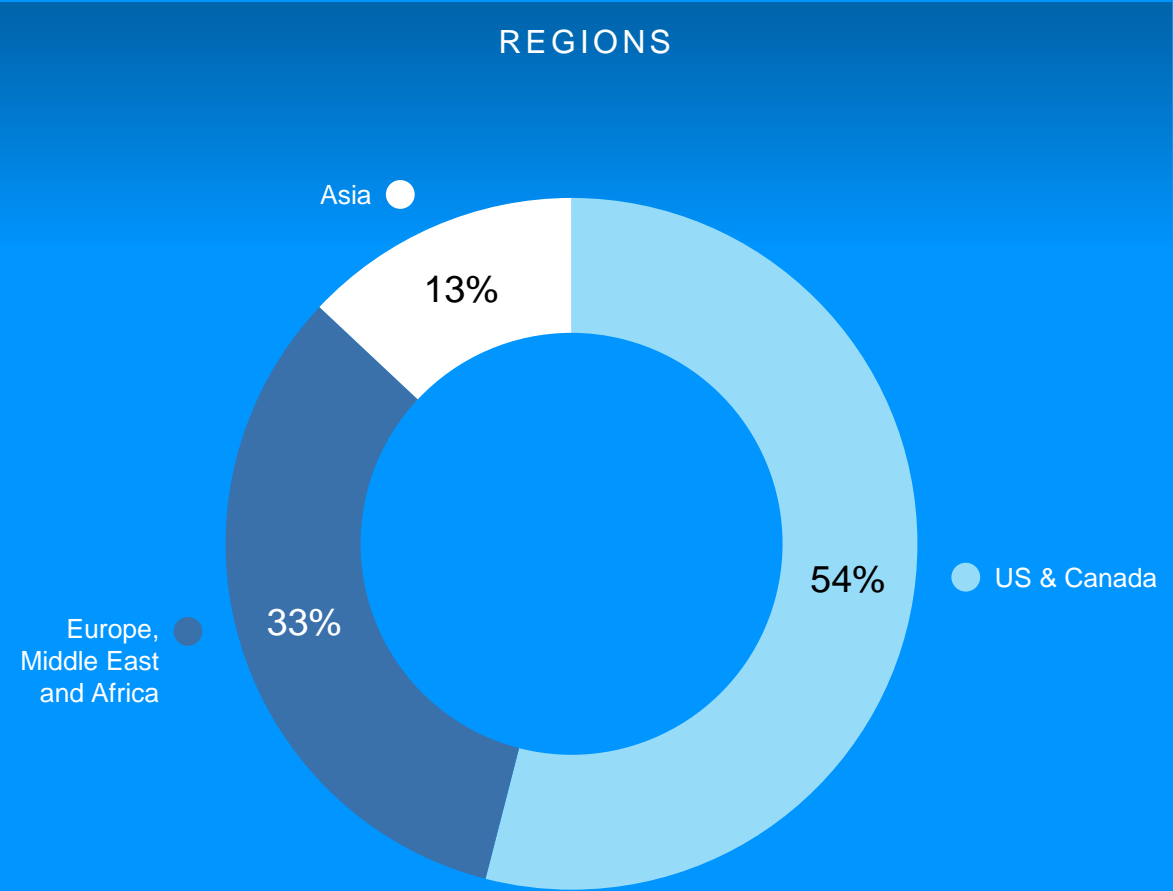
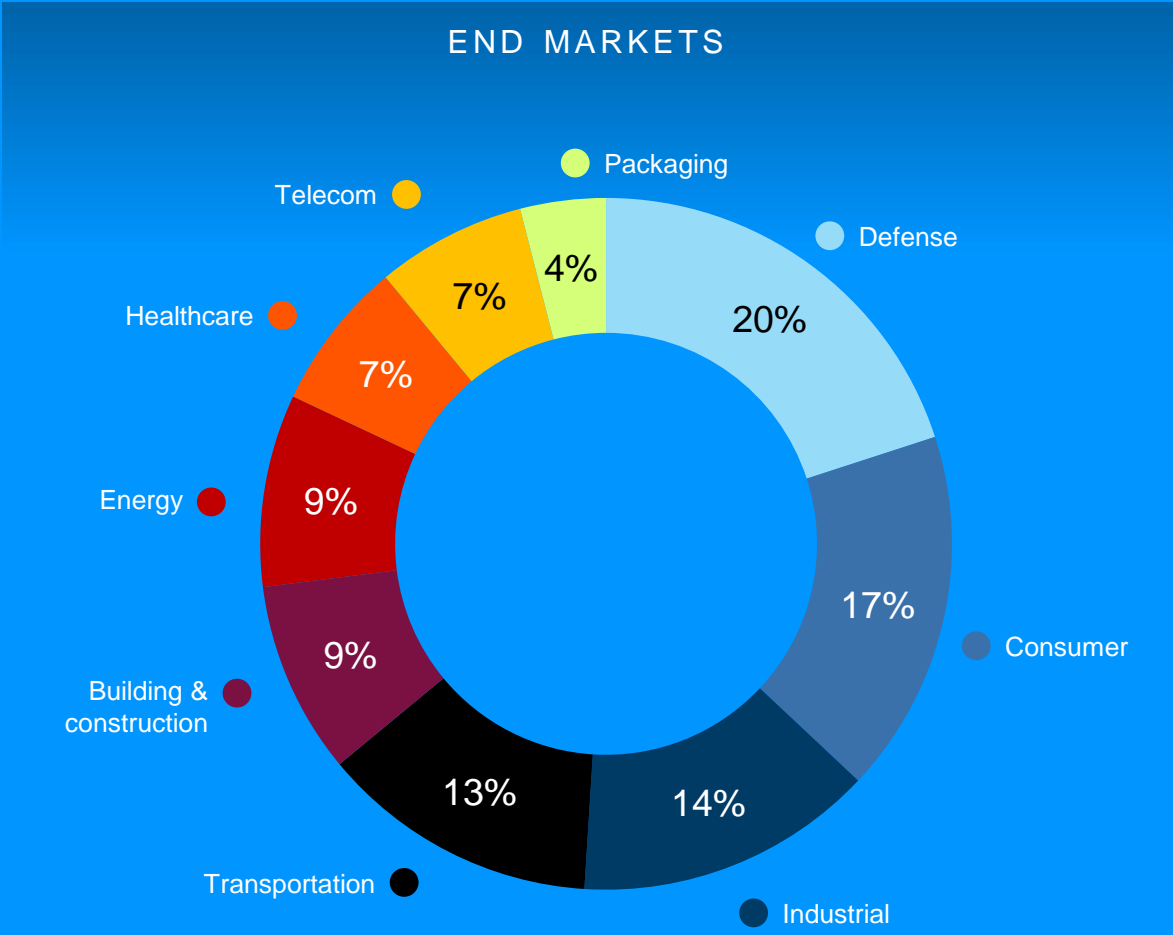


REGIONS

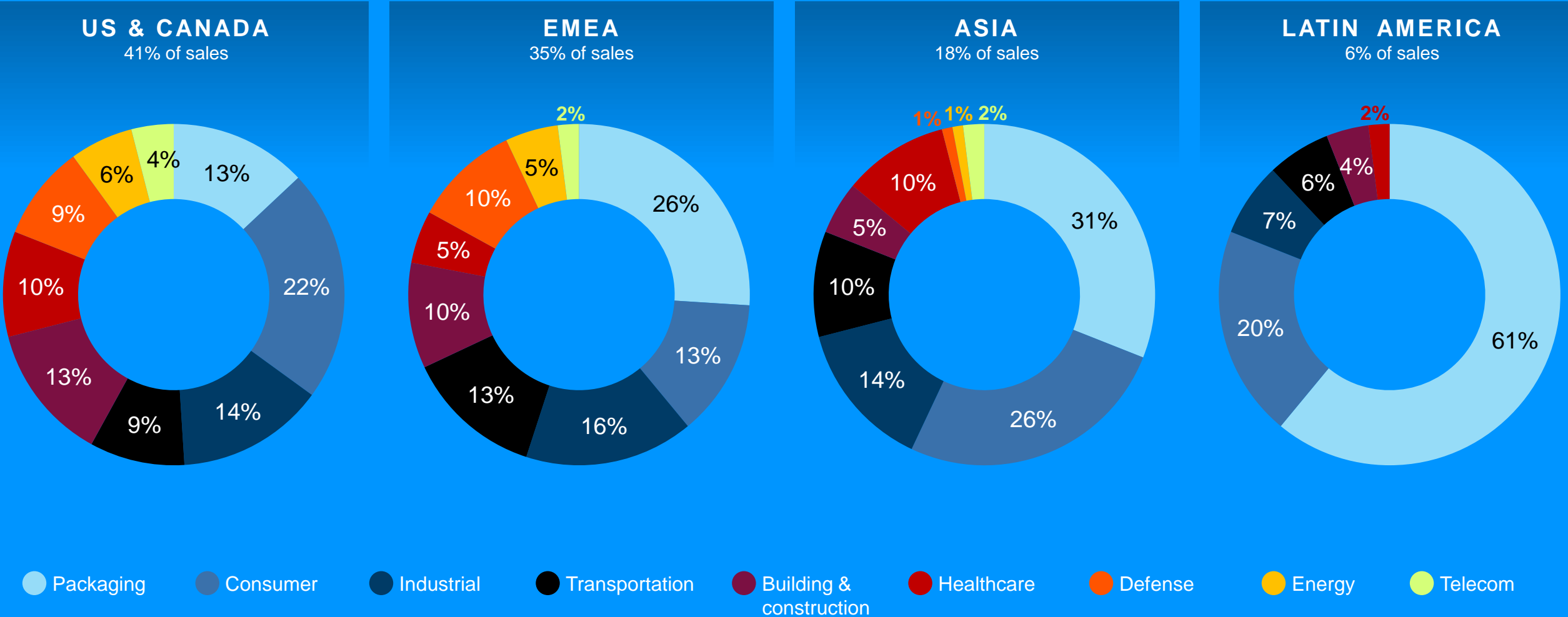


Specialty Engineered Materials

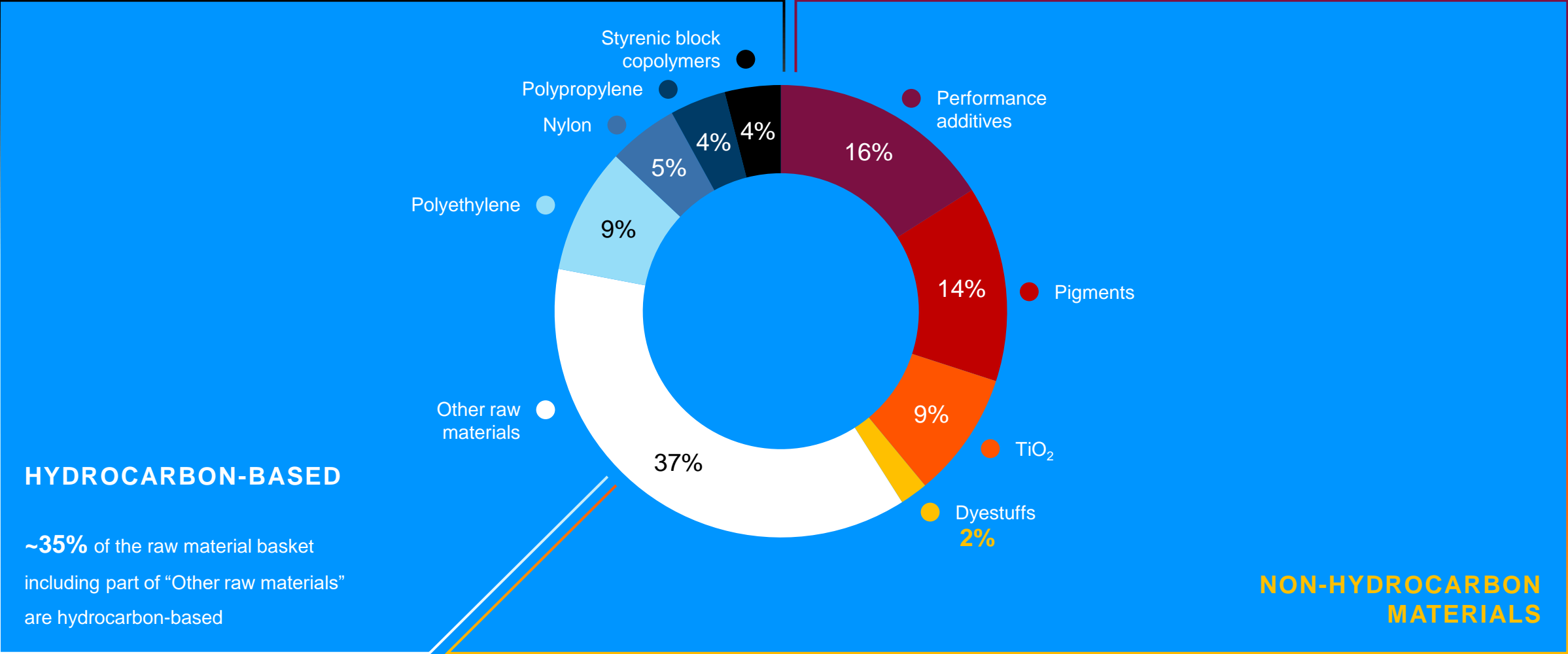
2024 revenue: \$1,197M



Avient 2024 regional sales, by end market



Raw material basket



**Reconciliation of Non-GAAP Financial Measures
(Unaudited)**

(Dollars in millions, except for per share data)

Senior management uses comparisons of adjusted net income attributable to Avient common shareholders and diluted adjusted earnings per share (EPS) attributable to Avient common shareholders, excluding special items, to assess performance and facilitate comparability of results. Further, as a result of Avient's strategic shift to an innovator of materials solutions, it has completed several acquisitions and divestitures which have resulted in a significant amount of intangible asset amortization. Management excludes intangible asset amortization from adjusted EPS as it believes excluding acquired intangible asset amortization is a useful measure of current period earnings per share. Senior management believes these measures are useful to investors because they allow for comparison to Avient's performance in prior periods without the effect of items that, by their nature, tend to obscure Avient's operating results due to the potential variability across periods based on timing, frequency and magnitude. The presentation of these non-GAAP measures is not intended to be considered in isolation from, as a substitute for, or as superior to, the financial information prepared and presented in accordance with U.S. GAAP. Non-GAAP financial measures have limitations as analytical tools and should not be considered in isolation from, or solely as alternatives to, financial measures prepared in accordance with GAAP. Below is a reconciliation of these non-GAAP financial measures to their most directly comparable financial measures calculated and presented in accordance with GAAP.

	Three Months Ended March 31,			
	2025		2024	
	\$	EPS ⁽¹⁾	\$	EPS ⁽¹⁾
Reconciliation to Condensed Consolidated Statements of Income				
Net (loss) income attributable to Avient common shareholders	\$ (20.2)	\$ (0.22)	\$ 49.4	\$ 0.54
Special items, after-tax	75.7	0.82	5.5	0.06
Amortization expense, after-tax	14.5	0.16	14.9	0.16
Adjusted net income / EPS	<u>\$ 70.0</u>	<u>\$ 0.76</u>	<u>\$ 69.8</u>	<u>\$ 0.76</u>

⁽¹⁾ Per share amounts may not recalculate from figures presented herein due to rounding

	Three Months Ended March 31,	
	2025	2024
Reconciliation to EBITDA and Adjusted EBITDA:		
Net (loss) income – GAAP	\$ (19.9)	\$ 49.7
Income tax (benefit) expense	(6.7)	16.8
Interest expense, net	26.9	26.6
Depreciation & amortization	45.3	44.3
EBITDA	<u>\$ 45.6</u>	<u>\$ 137.4</u>
Special items, before tax	101.2	6.2
Interest expense included in special items	(1.7)	—
Depreciation & amortization included in special items	(0.4)	(0.5)
Adjusted EBITDA	<u>\$ 144.7</u>	<u>\$ 143.1</u>
Adjusted EBITDA as a percent of sales	17.5 %	17.3 %

		Three Months Ended March 31,	
		2025	2024
Sales:			
Color, Additives and Inks	\$	519.7	\$ 515.3
Specialty Engineered Materials		308.4	314.4
Corporate		(1.5)	(0.7)
Sales	\$	<u>826.6</u>	<u>\$ 829.0</u>
Operating income:			
Color, Additives and Inks	\$	78.6	\$ 74.8
Specialty Engineered Materials		47.1	53.4
Corporate		(125.0)	(34.2)
Operating income	\$	<u>0.7</u>	<u>\$ 94.0</u>
Depreciation & amortization:			
Color, Additives and Inks	\$	21.7	\$ 21.9
Specialty Engineered Materials		21.5	19.6
Corporate		2.1	2.8
Depreciation & amortization	\$	<u>45.3</u>	<u>\$ 44.3</u>
Earnings before interest, taxes, depreciation and amortization (EBITDA):			
Color, Additives and Inks	\$	100.3	\$ 96.7
Specialty Engineered Materials		68.6	73.0
Corporate		(122.9)	(31.4)
Other expense, net		(0.4)	(0.9)
EBITDA	\$	<u>45.6</u>	<u>\$ 137.4</u>
Special items, before tax		101.2	6.2
Interest expense included in special items		(1.7)	—
Depreciation & amortization included in special items		(0.4)	(0.5)
Adjusted EBITDA	\$	<u>144.7</u>	<u>\$ 143.1</u>
Adjusted EBITDA as a percent of sales:			
Color, Additives and Inks		19.3 %	18.8 %
Specialty Engineered Materials		22.2 %	23.2 %

Reconciliation to EBITDA and Adjusted EBITDA:	Year Ended December 31, 2024
Net income – GAAP	\$ 170.7
Income tax expense	54.1
Interest expense	105.6
Depreciation & amortization	179.7
EBITDA	\$ 510.1
Special items, before tax	20.1
Interest expense included in special items	(2.3)
Depreciation & amortization included in special items	(1.5)
Adjusted EBITDA	\$ 526.4
Adjusted EBITDA as a percent of sales	16.2 %

**Three Months Ended
March 31, 2023**

Reconciliation to Condensed Consolidated Statements of Income	\$	EPS⁽¹⁾
Net income from continuing operations attributable to Avient common shareholders	\$ 20.8	\$ 0.23
Special items, after tax	22.3	0.24
Amortization expense, after-tax	15.1	0.16
Adjusted net income / EPS	<u>\$ 58.2</u>	<u>\$ 0.63</u>

⁽¹⁾ Per share amounts may not recalculate from figures presented herein due to rounding

**Three Months Ended
June 30, 2024**

Reconciliation to Condensed Consolidated Statements of Income	\$	EPS⁽¹⁾
Net income attributable to Avient common shareholders	\$ 33.6	\$ 0.36
Special items, after-tax	21.8	0.24
Amortization expense, after-tax	14.8	0.16
Adjusted net income / EPS	<u>\$ 70.2</u>	<u>\$ 0.76</u>

⁽¹⁾ Per share amounts may not recalculate from figures presented herein due to rounding

**Year Ended
December 31, 2024**

Reconciliation to Condensed Consolidated Statements of Income	\$	EPS⁽¹⁾
Net income attributable to Avient common shareholders	\$ 169.5	\$ 1.84
Special items, after-tax	15.9	0.17
Amortization expense, after-tax	59.5	0.65
Adjusted net income / EPS	<u>\$ 244.9</u>	<u>\$ 2.66</u>

⁽¹⁾ Per share amounts may not recalculate from figures presented herein due to rounding