

A nighttime photograph of a city skyline, likely New York City, viewed from across a body of water. The skyline is filled with illuminated skyscrapers, including the Empire State Building. In the foreground, a bridge with multiple lanes of traffic spans the water, with light trails from cars visible. The water reflects the city lights.

# 1Q24 Earnings Summary

May 2, 2024

**HUNTSMAN**

Enriching lives through innovation

**1<sup>st</sup> Quarter 2024**

# Earnings Summary

**Conference Call**

Friday, May 3, 2024

9:00 a.m. ET

**Webcast Link:**

<https://event.choruscall.com/mediaframe/webcast.html?webcastid=tHuNeZ2X>

**Participant dial-in numbers:**

Domestic callers: (877) 402-8037

International callers: (201) 378-4913





# General Disclosure

## Forward-Looking Statements

This presentation includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements include statements concerning our plans, objectives, goals, strategies, future events, future revenue or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions or strategic transactions, business trends and any other information that is not historical information. When used in this presentation, the words “estimates,” “expects,” “anticipates,” “likely,” “projects,” “outlook,” “plans,” “intends,” “believes,” “forecasts,” or future or conditional verbs, such as “will,” “should,” “could” or “may,” and variations of such words or similar expressions are intended to identify forward-looking statements. These forward-looking statements, including, without limitation, management’s examination of historical operating trends and data, are based upon our current expectations and various assumptions and beliefs. In particular, such forward-looking statements are subject to uncertainty and changes in circumstances and involve risks and uncertainties that may affect the company’s operations, markets, products, prices and other factors as discussed in the Company’s filings with the U.S. Securities and Exchange Commission. Significant risks and uncertainties may relate to, but are not limited to, increased energy costs in Europe, inflation and resulting monetary tightening in the US, geopolitical instability, volatile global economic conditions, cyclical and volatile product markets, disruptions in production at manufacturing facilities, reorganization or restructuring of the Company’s operations, including any delay of, or other negative developments affecting the ability to implement cost reductions and manufacturing optimization improvements in the Company’s businesses and to realize anticipated cost savings, and other financial, operational, economic, competitive, environmental, political, legal, regulatory and technological factors. Any forward-looking statement should be considered in light of the risks set forth under the caption “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2023, which may be supplemented by other risks and uncertainties disclosed in any subsequent reports filed or furnished by the Company from time to time. All forward-looking statements apply only as of the date made. Except as required by law, the Company undertakes no obligation to update or revise forward-looking statements to reflect events or circumstances that arise after the date made or to reflect the occurrence of unanticipated events.

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This presentation contains financial measures that are not in accordance with generally accepted accounting principles in the U.S. (“GAAP”), including adjusted EBITDA, adjusted EBITDA from discontinued operations, adjusted net income (loss), adjusted diluted income (loss) per share, free cash flow, adjusted effective tax rate, and net debt. For more information on the non-GAAP financial measures used by the Company and referenced in this presentation, including definitions and reconciliations of non-GAAP measures to GAAP, please refer to “Non-GAAP Reconciliation” hyperlink available in the “Financials” section of the Company’s website at [www.huntsman.com/investors](http://www.huntsman.com/investors).

The Company does not provide reconciliations of forward-looking non-GAAP financial measures to the most comparable GAAP financial measures on a forward-looking basis because the Company 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, (a) business acquisition and integration expenses, (b) merger costs, and (c) certain legal and other settlements and related costs. Each of such adjustments has not yet occurred, are out of the Company’s control and/or cannot be reasonably predicted. For the same reasons, the Company is unable to address the probable significance of the unavailable information.

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## 1Q24 Earnings Summary

# Highlights



(\$ in millions, except per share amounts)

	1Q24	1Q23
Revenues	\$ 1,470	\$ 1,606
Net (loss) income attributable to Huntsman Corporation	\$ (37)	\$ 153
Adjusted net (loss) income	\$ (11)	\$ 37
Diluted (loss) income per share	\$ (0.22)	\$ 0.83
Adjusted diluted (loss) income per share	\$ (0.06)	\$ 0.20
Adjusted EBITDA	\$ 81	\$ 136
Net cash used in operating activities from continuing operations	\$ (63)	\$ (122)
Free cash flow from continuing operations	\$ (105)	\$ (168)

# 1Q24

## \$(63)M

Operating Cash Flow  
from Continuing  
Operations

## \$(37)M

Net Loss  
Attributable to  
Huntsman

## \$81M

Adjusted EBITDA

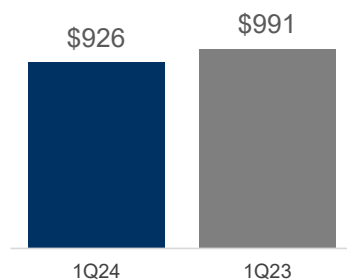
## \$1.5B

Revenues

## 1Q24 Earnings Summary

# Polyurethanes

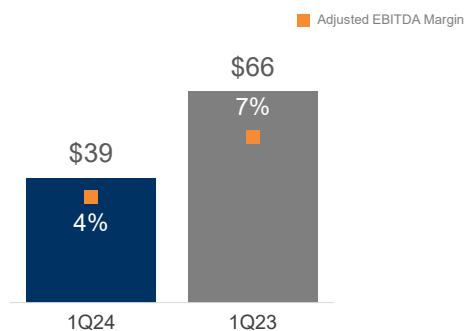
### Revenues



### Highlights

- Volumes increased 9% year-over-year, driven by favorable comparisons, slightly improved demand and business wins
- Unfavorable variable margins negatively impacted EBITDA year-over-year but improved versus 4Q23
- Higher equity earnings year-over-year

### Adjusted EBITDA



### 2Q24 Outlook

- Second quarter 2024 adjusted EBITDA estimated to be between \$70 million and \$80 million
- High single digit volumes growth year-over-year
- Seasonally stronger quarter due to construction demand
- EBITDA margins increase quarter-over-quarter driven by higher volumes and variable margins

### 1Q 2024 LTM

**\$3.8B** Sales Revenue

**\$221M** Adj. EBITDA

**6%** Adj. EBITDA Margin

### 1Q24 Y/Y Change

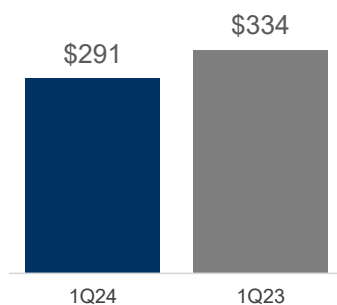
**↓7%** Sales Revenue

**↓41%** Adj. EBITDA

## 1Q24 Earnings Summary

# Performance Products

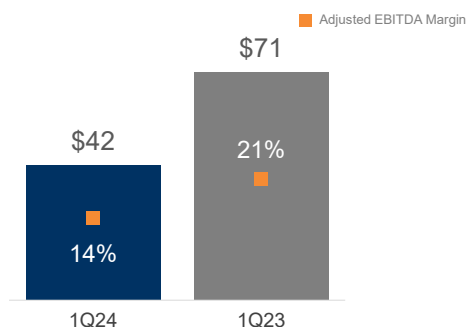
### Revenues



### Highlights

- Volumes increased 4% year-over-year and all regions saw improvement sequentially
- Lower margins year-over-year due to lower average selling prices and product mix
- Sequentially volumes and margins improved, particularly in fuel & lubes, industrial, construction and coatings markets

### Adjusted EBITDA



### 2Q24 Outlook

- Second quarter 2024 adjusted EBITDA estimated to be between \$40 million and \$50 million
- Expect year-over-year volume improvement, driven by modestly improved demand
- Stable prices and margins across most markets versus 1Q24

### 1Q 2024 LTM

**\$1.1B** Sales Revenue

**\$172M** Adj. EBITDA

**15%** Adj. EBITDA Margin

### 1Q24 Y/Y Change

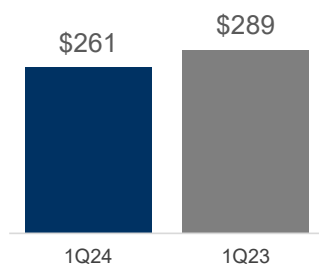
**↓13%** Sales Revenue

**↓41%** Adj. EBITDA

## 1Q24 Earnings Summary

# Advanced Materials

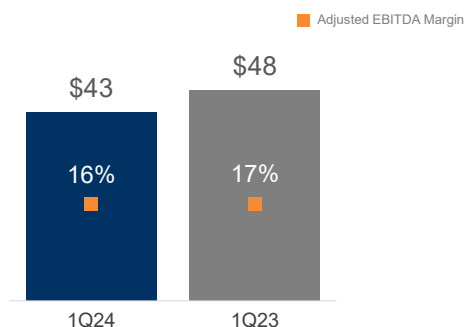
### Revenues



### Highlights

- Volumes decreased 4% year-over-year, driven by weaker demand in industrial markets and deselection of lower margin products
- Relatively stable margins
- Aerospace sales increased on higher commercial aircraft demand

### Adjusted EBITDA



### 2Q24 Outlook

- Second quarter 2024 adjusted EBITDA estimated to be between \$48 million and \$53 million
- Higher volumes quarter-over-quarter across all core industrial markets
- Stable margins quarter-over-quarter

### 1Q 2024 LTM

**\$1.1B** Sales Revenue

**\$181M** Adj. EBITDA

**17%** Adj. EBITDA Margin

### 1Q24 Y/Y Change

**↓10%** Sales Revenue

**↓10%** Adj. EBITDA

1Q24 Earnings Summary

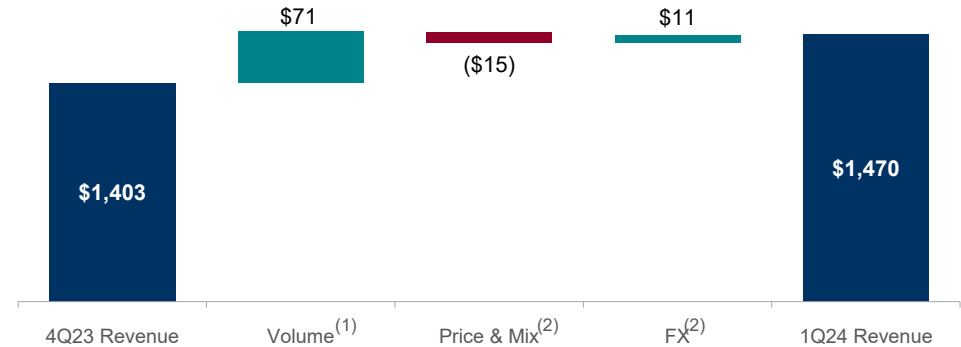
# Revenue Bridge



Year / Year



Quarter / Quarter

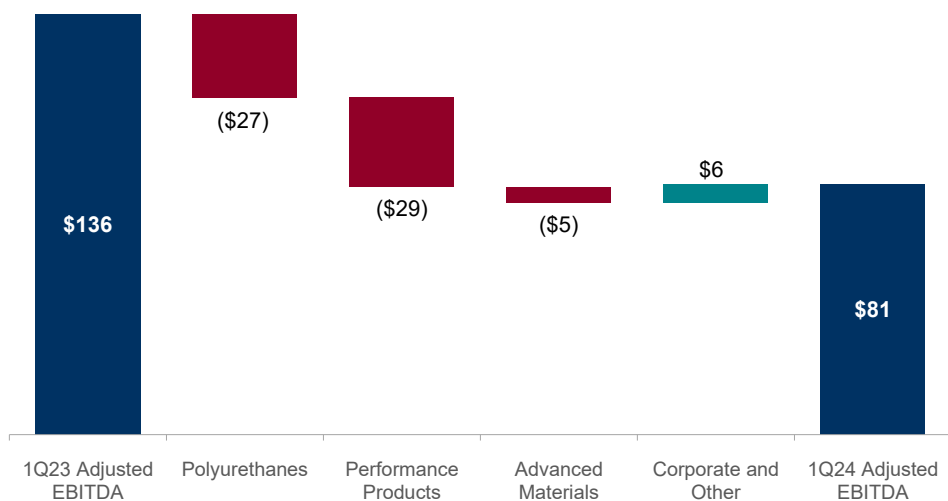


(1) Excludes sales volumes of byproducts and raw materials  
(2) Excludes revenues from tolling arrangements, byproducts and raw materials

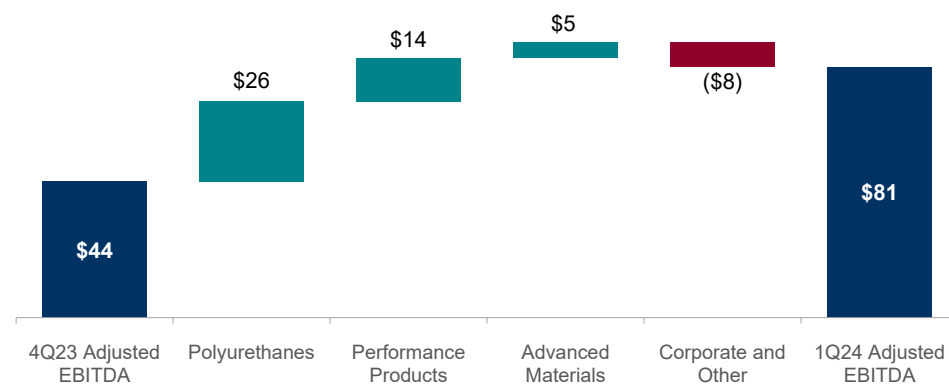


# Adjusted EBITDA Bridge – By Division

Year / Year



Quarter / Quarter



## 1Q24 Earnings Summary

# Cash Flow and Liquidity Considerations

Earnings and Cash Flow	1Q23	1Q24	2023	LTM
Adjusted EBITDA	\$136	\$81	\$472	\$417
Cash Flow From Operations	(\$122)	(\$63)	\$251	\$310
Capital Expenditures	(\$46)	(\$42)	(\$230)	(\$226)
Free Cash Flow	(\$168)	(\$105)	\$21	\$84
Free Cash Flow Conversion			4%	20%

Equity Return	1Q23	1Q24
Diluted Shares Outstanding	184	172
Share Repurchases	\$101	\$0
Dividend Per Share	\$0.2375	\$0.25

Capital Structure	1Q23	1Q24
Liquidity	\$2,040	\$1,607
Net Debt	\$905	\$1,504
Net Debt Leverage	1.0x	3.6x
Credit Ratings (Moody's / S&P / Fitch)	Baa3 / BBB- / BBB	Baa3 / BBB- / BBB

Amounts in millions, except per share amounts

## 1Q24 Commentary

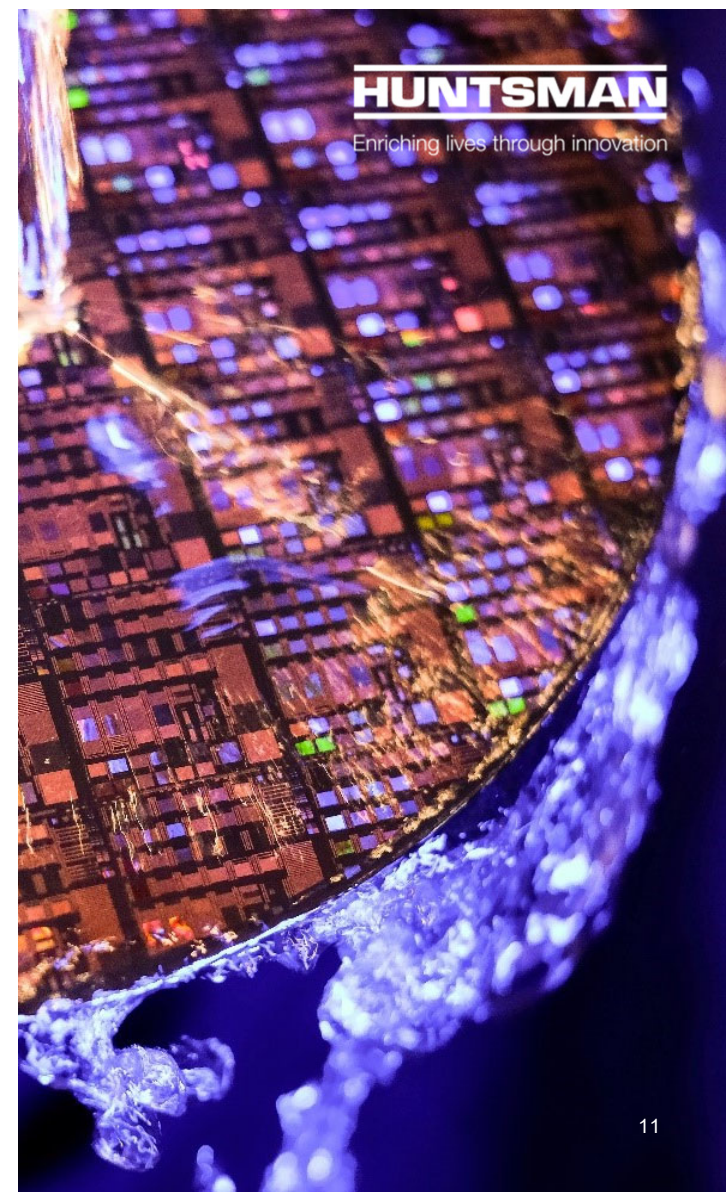
- Investment grade balance sheet with \$1.6 billion of liquidity at the close of the quarter
- Net debt leverage increased to 3.6x due to year-over-year decline in Adjusted EBITDA
- Increased the quarterly dividend by 5% to \$0.25 per share
- Seasonal cash flow from operations outflow of \$63 million in the quarter
  - Cash flow from operations improved \$59 million year-over-year
  - Full year focus on improving free cash flow vs 2023
- Capital expenditures of \$42 million
  - Organic investments in Performance Products are progressing, targeting energy saving insulation and semi-conductors
  - Full year 2024 capital expenditures expected to be ~\$200 million
- Diluted loss per share of \$0.22 and adjusted diluted loss per share of \$0.06
- Effective tax rate was 56% and adjusted tax rate was 57%

1Q24 Earnings Summary

## 2Q24 Outlook Summary

### 2Q24 Adjusted EBITDA

Polyurethanes	<i>\$70M – \$80M</i>
Performance Products	<i>\$40M – \$50M</i>
Advanced Materials	<i>\$48M – \$53M</i>
Corporate	<i>~(\$43M)</i>
<b>Total</b>	<b><i>~\$115M – \$140M</i></b>



## 2024 Additional Modeling Considerations

### Adjusted EBITDA/ Income Statement

Full Year Corporate & Other	~\$170M
In Year Cost Savings Benefit	~\$60M, <i>excluding inflation</i>
Pension Expense	<i>Similar to 2023</i>
Interest Expense	<i>Similar to 2023</i>
Depreciation & Amortization	~\$280M
2024 Adj. Effective Tax Rate %	34% - 37%
Long-Term Adj. Effective Tax Rate %	22% - 24%

### Cash Flow

Dividends from Equity Affiliates	~\$15M <i>Tailwind YoY</i>
Pension Contributions	~\$15M <i>Tailwind YoY</i>
Cash Interest	<i>Similar to 2023</i>
Cash Tax Rate %	<i>Similar to 2023</i>
Restructuring Cash	~\$30M <i>Tailwind YoY</i>
Capital Expenditures	~\$200M
Turnaround Spend	~\$15M <i>Headwind YoY</i>
Net Working Capital	<i>Driven by economic activity and raw material costs 2024 v 2023</i>

## 1Q24 Earnings Summary

# Financials and Reconciliation



USD In millions	1Q22	2Q22	3Q22	4Q22	FY22	1Q23	2Q23	3Q23	4Q23	FY23	1Q24	1Q24 LTM
<b>Segment Revenues:</b>												
Polyurethanes	\$ 1,386	\$ 1,353	\$ 1,257	\$ 1,071	\$ 5,067	\$ 991	\$ 1,012	\$ 967	\$ 895	\$ 3,865	\$ 926	\$ 3,800
Performance Products	480	492	434	307	1,713	334	307	277	260	1,178	291	1,135
Advanced Materials	335	336	328	278	1,277	289	284	268	251	1,092	261	1,064
<b>Total Reportable Segments' Revenues</b>	<u>2,201</u>	<u>2,181</u>	<u>2,019</u>	<u>1,656</u>	<u>8,057</u>	<u>1,614</u>	<u>1,603</u>	<u>1,512</u>	<u>1,406</u>	<u>6,135</u>	<u>1,478</u>	<u>5,999</u>
Intersegment Eliminations	(9)	(11)	(8)	(6)	(34)	(8)	(7)	(6)	(3)	(24)	(8)	(24)
<b>Total Revenues</b>	<u>\$ 2,192</u>	<u>\$ 2,170</u>	<u>\$ 2,011</u>	<u>\$ 1,650</u>	<u>\$ 8,023</u>	<u>\$ 1,606</u>	<u>\$ 1,596</u>	<u>\$ 1,506</u>	<u>\$ 1,403</u>	<u>\$ 6,111</u>	<u>\$ 1,470</u>	<u>\$ 5,975</u>
<b>Segment Adjusted EBITDA:</b>												
Polyurethanes	\$ 224	\$ 229	\$ 138	\$ 37	\$ 628	\$ 66	\$ 88	\$ 81	\$ 13	\$ 248	\$ 39	\$ 221
Performance Products	146	152	110	61	469	71	55	47	28	201	42	172
Advanced Materials	67	67	58	41	233	48	51	49	38	186	43	181
<b>Total Reportable Segments' Adjusted EBITDA</b>	<u>437</u>	<u>448</u>	<u>306</u>	<u>139</u>	<u>1,330</u>	<u>185</u>	<u>194</u>	<u>177</u>	<u>79</u>	<u>635</u>	<u>124</u>	<u>574</u>
Corporate and Other	(50)	(38)	(35)	(52)	(175)	(49)	(38)	(41)	(35)	(163)	(43)	(157)
<b>Total Adjusted EBITDA</b>	<u>\$ 387</u>	<u>\$ 410</u>	<u>\$ 271</u>	<u>\$ 87</u>	<u>\$ 1,155</u>	<u>\$ 136</u>	<u>\$ 156</u>	<u>\$ 136</u>	<u>\$ 44</u>	<u>\$ 472</u>	<u>\$ 81</u>	<u>\$ 417</u>

Data reflects the continuing operations of Huntsman Corporation and treats the textile effects business as discontinued operations.

## 1Q24 Earnings Summary



# Financials and Reconciliation

USD in millions	1Q22	2Q22	3Q22	4Q22	FY22	1Q23	2Q23	3Q23	4Q23	FY23	1Q24	1Q24 LTM
<b>Net income (loss)</b>	<b>\$ 240</b>	<b>\$ 242</b>	<b>\$ 115</b>	<b>\$ (74)</b>	<b>\$ 523</b>	<b>\$ 166</b>	<b>\$ 31</b>	<b>\$ 15</b>	<b>\$ (59)</b>	<b>\$ 153</b>	<b>\$ (23)</b>	<b>\$ (36)</b>
Net income attributable to noncontrolling interests	(17)	(14)	(15)	(17)	(63)	(13)	(12)	(15)	(12)	(52)	(14)	(53)
<b>Net income (loss) attributable to Huntsman Corporation</b>	<b>223</b>	<b>228</b>	<b>100</b>	<b>(91)</b>	<b>460</b>	<b>153</b>	<b>19</b>	<b>-</b>	<b>(71)</b>	<b>101</b>	<b>(37)</b>	<b>(89)</b>
Interest expense from continuing operations	14	16	16	16	62	18	15	15	17	65	19	66
Income tax expense (benefit) from continuing operations	60	65	30	31	186	11	28	27	(2)	64	(20)	33
Income tax expense (benefit) from discontinued operations	5	2	7	5	19	15	1	(2)	3	17	(1)	1
Depreciation and amortization from continuing operations	67	68	72	74	281	69	70	69	70	278	69	278
Depreciation and amortization from discontinued operations	4	4	3	1	12	-	-	-	-	-	-	-
Business acquisition and integration expenses and purchase accounting inventory adjustment	6	4	1	1	12	1	2	-	1	4	20	23
Costs associated with the Albermarle Settlement, net	1	1	1	-	3	-	-	-	-	-	-	-
EBITDA from discontinued operations, net of tax	(27)	(19)	(9)	12	(43)	(137)	1	2	(1)	(135)	8	10
Loss (gain) on sale of businesses/assets	4	7	16	(27)	-	-	(1)	-	1	-	-	-
Income from transition services arrangements	(1)	(1)	-	-	(2)	-	-	-	-	-	-	-
Fair value adjustments to Venator investment, net	2	-	7	3	12	1	4	-	-	5	-	4
Certain legal and other settlements and related expenses (income)	12	2	1	(8)	7	1	1	2	2	6	1	6
Certain nonrecurring information technology implementation costs	2	1	1	1	5	2	1	2	-	5	-	3
Amortization of pension and postretirement actuarial losses	12	10	10	17	49	8	7	10	12	37	8	37
Restructuring, impairment and plant closing and transition costs (credits)	3	27	14	52	96	(6)	8	11	12	25	14	45
Plant incident remediation (credits) costs	-	(5)	1	-	(4)	-	-	-	-	-	-	-
<b>Adjusted EBITDA<sup>(1)</sup></b>	<b>\$ 387</b>	<b>\$ 410</b>	<b>\$ 271</b>	<b>\$ 87</b>	<b>\$ 1,155</b>	<b>\$ 136</b>	<b>\$ 156</b>	<b>\$ 136</b>	<b>\$ 44</b>	<b>\$ 472</b>	<b>\$ 81</b>	<b>\$ 417</b>
<b>Non-GAAP Adjusted EBITDA Margin Information:</b>												
Revenue	\$ 2,192	\$ 2,170	\$ 2,011	\$ 1,650	\$ 8,023	\$ 1,606	\$ 1,596	\$ 1,506	\$ 1,403	\$ 6,111	\$ 1,470	\$ 5,975
Adjusted EBITDA	387	410	271	87	1,155	136	156	136	44	472	81	417
<b>Non-GAAP Adjusted EBITDA Margin</b>	<b>18%</b>	<b>19%</b>	<b>13%</b>	<b>5%</b>	<b>14%</b>	<b>8%</b>	<b>10%</b>	<b>9%</b>	<b>3%</b>	<b>8%</b>	<b>6%</b>	<b>7%</b>
<b>GAAP Net Income Margin</b>	<b>11%</b>	<b>11%</b>	<b>6%</b>	<b>-4%</b>	<b>7%</b>	<b>10%</b>	<b>2%</b>	<b>1%</b>	<b>-4%</b>	<b>3%</b>	<b>-2%</b>	<b>-1%</b>

Data reflects the continuing operations of Huntsman Corporation and treats the textile effects business as discontinued operations.