



**HUNTSGATE**

Enriching lives through innovation

# 2Q24 Earnings Summary

August 5, 2024

**2<sup>nd</sup> Quarter 2024**

# Earnings Summary

**Conference Call**

Tuesday, August 6, 2024  
10:00 a.m. ET

**Webcast Link:**

<https://event.choruscall.com/mediaframe/webcast.html?webcastid=8mlXrKvK>

**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, high energy costs in Europe, inflation and high capital costs, 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.

## Non-GAAP Financial Measures

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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# Highlights

(\$ in millions, except per share amounts)

	2Q24	2Q23
Revenues	\$ 1,574	\$ 1,596
Net income attributable to Huntsman Corporation	\$ 22	\$ 19
Adjusted net income	\$ 24	\$ 39
Diluted income per share	\$ 0.13	\$ 0.11
Adjusted diluted income per share	\$ 0.14	\$ 0.22
Adjusted EBITDA	\$ 131	\$ 156
Net cash provided by operating activities from continuing operations	\$ 55	\$ 40
Free cash flow from continuing operations	\$ 5	\$ (11)

## 2Q24

### \$55M

Operating Cash Flow  
from Continuing  
Operations

### \$22M

Net Income  
Attributable to  
Huntsman

### \$131M

Adjusted EBITDA

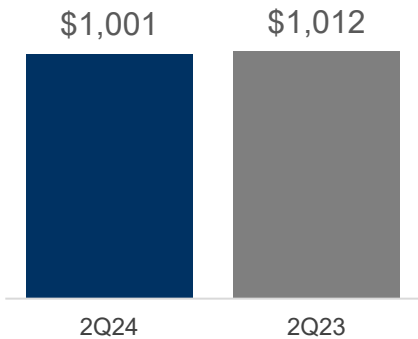
### \$1.6B

Revenues

2Q24 Earnings Summary

# Polyurethanes

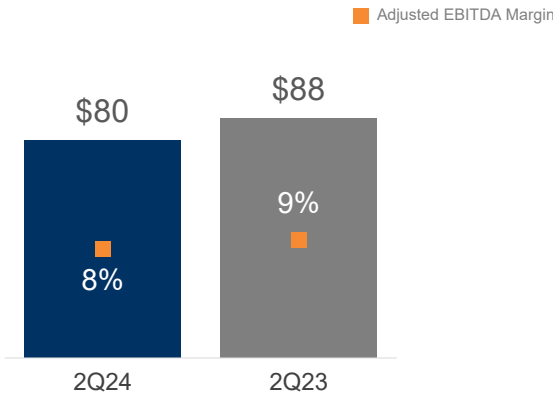
## Revenues



## Highlights

- Volumes increased 9% year-over-year, driven by favorable comparisons, slightly improved demand and business wins
- Higher average MDI selling prices sequentially in all three regions
- Lower equity earnings year-over-year

## Adjusted EBITDA



## 3Q24 Outlook

- Third quarter 2024 adjusted EBITDA estimated to be between \$75 million and \$90 million
- Volumes growth year-over-year, stable sequentially
- \$10 million impact to equity earnings due to PO/MTBE Joint Venture turnaround

## 2Q 2024 LTM

\$3.8B Sales Revenue

\$213M Adj. EBITDA

6% Adj. EBITDA Margin

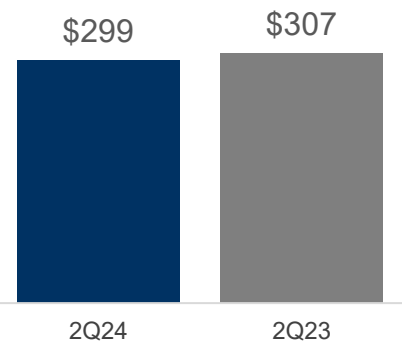
## 2Q24 Y/Y Change

↓1% Sales Revenue

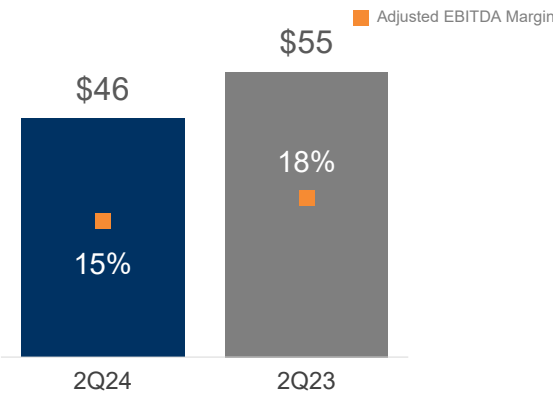
↓9% Adj. EBITDA

# Performance Products

## Revenues



## Adjusted EBITDA



## Highlights

- Volumes increased 8% year-over-year
- Lower margins year-over-year due to competitive pressure in certain markets
- The coatings & adhesives and fuels & lubes markets with largest improvement year-over-year partially due to favorable comparisons

## 3Q24 Outlook

- Third quarter 2024 adjusted EBITDA estimated to be between \$35 million and \$45 million
- Expect year-over-year volume improvement, driven by modestly improved demand and favorable comparisons, some quarter-over-quarter seasonality
- Variable unit margins remain above pre-pandemic levels

## 2Q 2024 LTM

\$1.1B Sales Revenue

\$163M Adj. EBITDA

14% Adj. EBITDA Margin

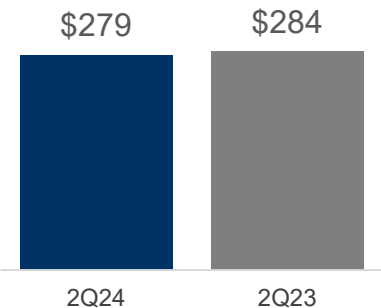
## 2Q24 Y/Y Change

↓3% Sales Revenue

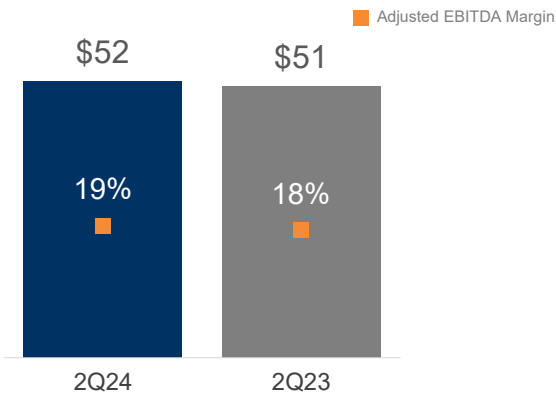
↓16% Adj. EBITDA

# Advanced Materials

## Revenues



## Adjusted EBITDA



## Highlights

- Volumes increased 9% year-over-year, driven by stronger demand in aerospace and industrial markets
- Improved adjusted EBITDA margins year-over-year at 19%
- Aerospace sales increased year-over-year due to growth in interior adhesives applications

## 3Q24 Outlook

- Third quarter 2024 adjusted EBITDA estimated to be between \$48 million and \$53 million
- Higher volumes quarter-over-quarter driven by improvement in general industrial market
- Stable margins

## 2Q 2024 LTM

\$1.1B Sales Revenue

\$182M Adj. EBITDA

17% Adj. EBITDA Margin

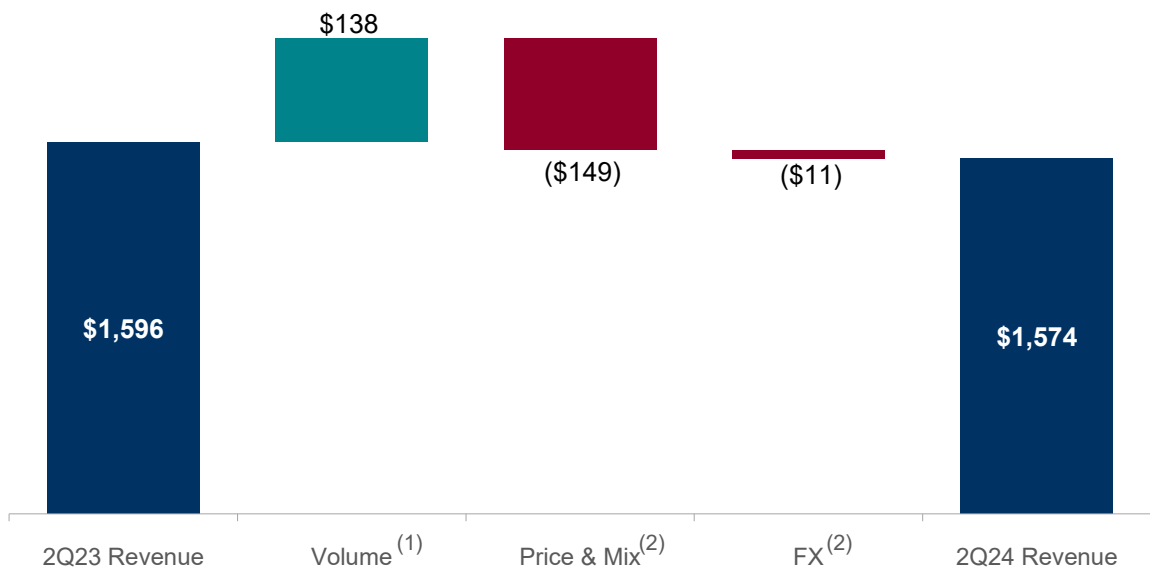
## 2Q24 Y/Y Change

↓2% Sales Revenue

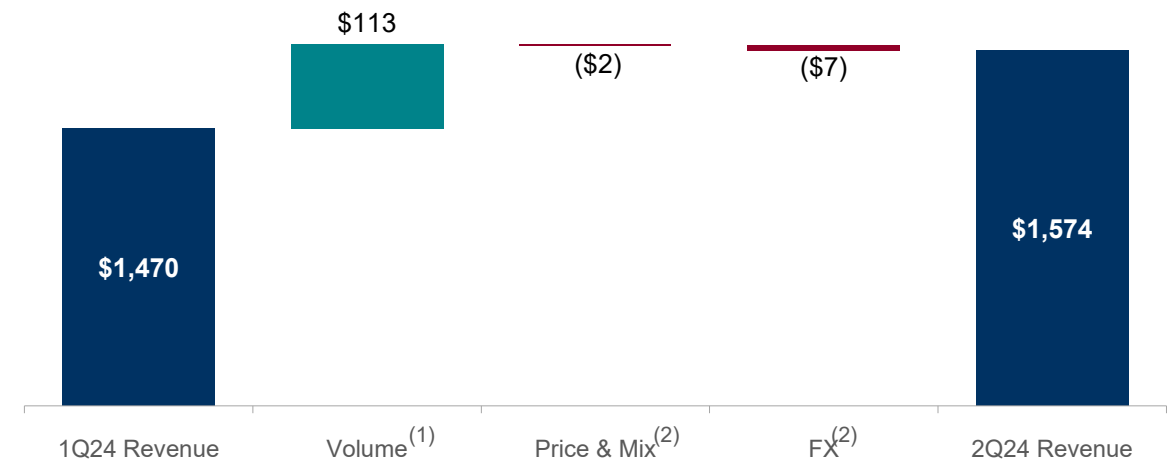
↑2% Adj. EBITDA

# Revenue Bridge

Year / Year



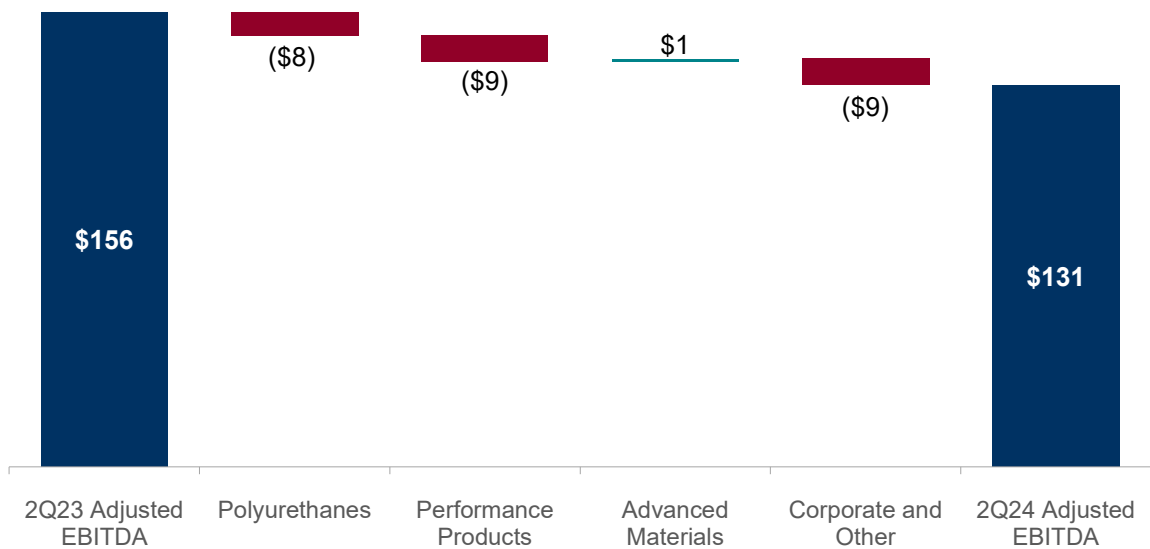
Quarter / Quarter



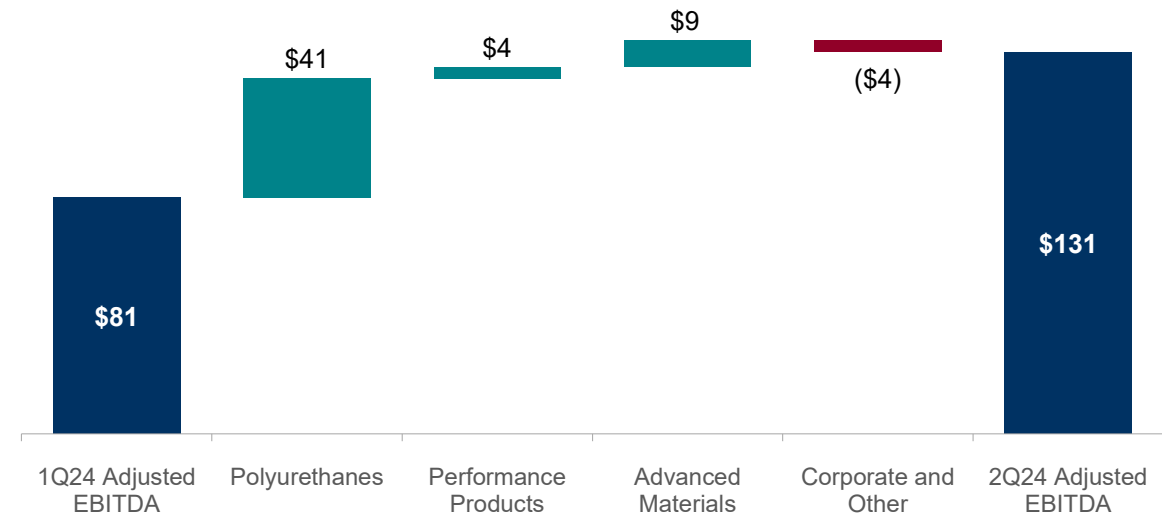
(1) Excludes sales volumes of byproducts and raw materials  
(2) Excludes revenues from tolling arrangements, byproducts and raw materials

# Adjusted EBITDA Bridge – By Division

Year / Year



Quarter / Quarter



# Cash Flow and Liquidity Considerations

Earnings and Cash Flow	2Q23	2Q24	2023	LTM
Adjusted EBITDA	\$156	\$131	\$472	\$392
Cash Flow From Operations	\$40	\$55	\$251	\$325
Capital Expenditures	(\$51)	(\$50)	(\$230)	(\$225)
Free Cash Flow	(\$11)	\$5	\$21	\$100
Cash Flow From Operations Conversion			53%	83%
Free Cash Flow Conversion			4%	26%

Equity Return	2Q23	2Q24
Diluted Shares Outstanding	180	173
Share Repurchases	\$98	\$0
Dividend Per Share	\$0.2375	\$0.25

Capital Structure	2Q23	2Q24
Liquidity	\$1,866	\$1,334
Net Debt	\$1,071	\$1,585
Net Debt Leverage	1.6x	4.0x
Credit Ratings (Moody's / S&P / Fitch)	Baa3 / BBB- / BBB	Baa3 / BBB- / BBB

Amounts in millions, except per share amounts

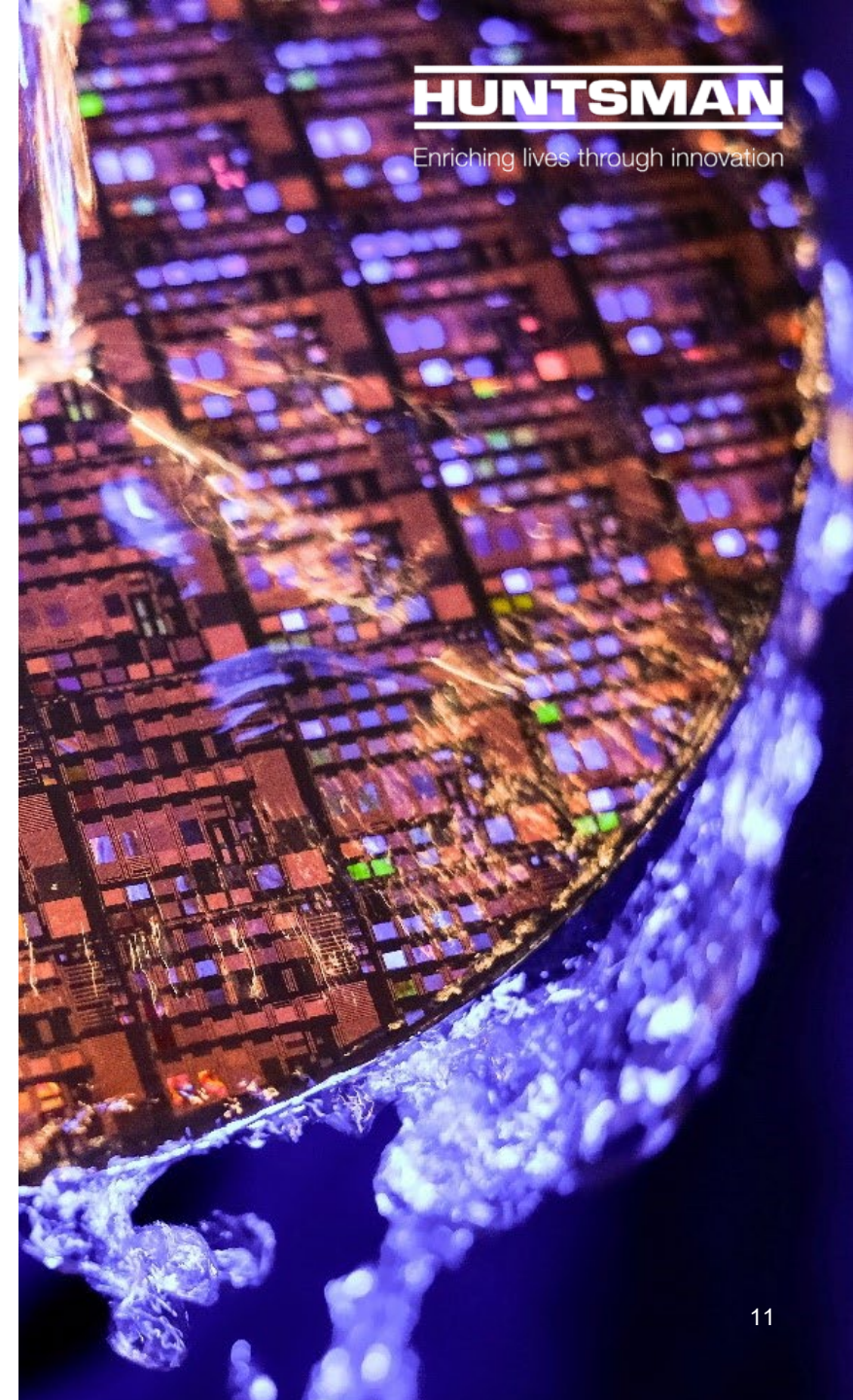
## 2Q24 Commentary

- Investment grade balance sheet with \$1.3 billion of liquidity at the close of the quarter vs \$1.7 billion at YE 2023
- Net debt leverage at 4.0x with net debt at \$1.6 billion
- Seasonal cash flow from operations inflow of \$55 million in the quarter
  - Full year focus on improving free cash flow vs 2023
- Capital expenditures of \$50 million
  - Organic investments in Performance Products are progressing, targeting energy saving insulation and semi-conductors
  - Full year 2024 capital expenditures expected to be between \$180 million and \$200 million
- Diluted income per share of \$0.13 and adjusted diluted income per share of \$0.14
- Effective tax rate at 30% and adjusted tax rate at 23%

## 3Q24 Outlook Summary

### 3Q24 Adjusted EBITDA

Polyurethanes	<i>\$75M – \$90M</i>
Performance Products	<i>\$35M – \$45M</i>
Advanced Materials	<i>\$48M – \$53M</i>
Corporate	<i>~(\$43M)</i>
<b>Total</b>	<b><i>~\$115M – \$145M</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	~\$15M <i>Headwind YoY</i>
Depreciation & Amortization	~\$295M*
2024 Adj. Effective Tax Rate %	30% - 34%
Long-Term Adj. Effective Tax Rate %	22% - 24%

\* Includes SLIC China JV Acquisition

## Cash Flow

Dividends from Equity Affiliates	~\$15M <i>Tailwind YoY</i>
Pension Contributions	~\$15M <i>Tailwind YoY</i>
Cash Interest	~\$15M <i>Headwind YoY</i>
Cash Tax Rate %	<i>Similar to 2023</i>
Restructuring Cash	~\$30M <i>Tailwind YoY</i>
Capital Expenditures	~\$180M - \$200M
Turnaround Spend	~\$15M <i>Headwind YoY</i>
Net Working Capital	<i>Driven by economic activity and raw material costs 2024 v 2023</i>

# Financials and Reconciliation

USD In millions	1Q22	2Q22	3Q22	4Q22	FY22	1Q23	2Q23	3Q23	4Q23	FY23	1Q24	2Q24	2Q24 LTM
<b>Segment Revenues:</b>													
Polyurethanes	\$ 1,386	\$ 1,353	\$ 1,257	\$ 1,071	\$ 5,067	\$ 991	\$ 1,012	\$ 967	\$ 895	\$ 3,865	\$ 926	\$ 1,001	\$ 3,789
Performance Products	480	492	434	307	1,713	334	307	277	260	1,178	291	299	1,127
Advanced Materials	335	336	328	278	1,277	289	284	268	251	1,092	261	279	1,059
<b>Total Reportable Segments' Revenues</b>	2,201	2,181	2,019	1,656	8,057	1,614	1,603	1,512	1,406	6,135	1,478	1,579	5,975
Intersegment Eliminations	(9)	(11)	(8)	(6)	(34)	(8)	(7)	(6)	(3)	(24)	(8)	(5)	(22)
<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>\$ 1,574</u>	<u>\$ 5,953</u>
<b>Segment Adjusted EBITDA:</b>													
Polyurethanes	\$ 224	\$ 229	\$ 138	\$ 37	\$ 628	\$ 66	\$ 88	\$ 81	\$ 13	\$ 248	\$ 39	\$ 80	\$ 213
Performance Products	146	152	110	61	469	71	55	47	28	201	42	46	163
Advanced Materials	67	67	58	41	233	48	51	49	38	186	43	52	182
<b>Total Reportable Segments' Adjusted EBITDA</b>	437	448	306	139	1,330	185	194	177	79	635	124	178	558
Corporate and Other	(50)	(38)	(35)	(52)	(175)	(49)	(38)	(41)	(35)	(163)	(43)	(47)	(166)
<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>\$ 131</u>	<u>\$ 392</u>

# Financials and Reconciliation

USD In millions	1Q22	2Q22	3Q22	4Q22	FY22	1Q23	2Q23	3Q23	4Q23	FY23	1Q24	2Q24	2Q24 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>\$ 38</b>	<b>\$ (29)</b>
Net income attributable to noncontrolling interests	(17)	(14)	(15)	(17)	(63)	(13)	(12)	(15)	(12)	(52)	(14)	(16)	(57)
<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>22</b>	<b>(86)</b>
Interest expense from continuing operations	14	16	16	16	62	18	15	15	17	65	19	20	71
Income tax expense (benefit) from continuing operations	60	65	30	31	186	11	28	27	(2)	64	(20)	13	18
Income tax expense (benefit) from discontinued operations	5	2	7	5	19	15	1	(2)	3	17	(1)	(7)	(7)
Depreciation and amortization from continuing operations	67	68	72	74	281	69	70	69	70	278	69	75	283
Depreciation and amortization from discontinued operations	4	4	3	1	12	-	-	-	-	-	-	-	-
Business acquisition and integration expenses and purchase accounting inventory adjustments, net	6	4	1	1	12	1	2	-	1	4	20	1	22
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	-	9
Loss (gain) on sale of businesses/assets	4	7	16	(27)	-	-	(1)	-	1	-	-	-	1
Income from transition services arrangements	(1)	(1)	-	-	(2)	-	-	-	-	-	-	-	-
Fair value adjustments to Venator investment, net and other tax matter adjustments	2	-	7	3	12	1	4	-	-	5	-	(7)	(7)
Certain legal and other settlements and related expenses (income)	12	2	1	(8)	7	1	1	2	2	6	1	1	6
Certain nonrecurring information technology implementation costs	2	1	1	1	5	2	1	2	-	5	-	-	2
Amortization of pension and postretirement actuarial losses	12	10	10	17	49	8	7	10	12	37	8	8	38
Restructuring, impairment and plant closing and transition costs (credits)	3	27	14	52	96	(6)	8	11	12	25	14	5	42
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>\$ 131</b>	<b>\$ 392</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	\$ 1,574	\$ 5,953
Adjusted EBITDA	387	410	271	87	1,155	136	156	136	44	472	81	131	392
<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>8%</b>	<b>7%</b>
<b>GAAP Net Income (Loss) 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>2%</b>	<b>0%</b>