



# Advanced Materials Acquisition of Gabriel Performance Products

December 7, 2020

# General Disclosure

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The forward-looking statements in this release are subject to uncertainty and changes in circumstances and involve risks and uncertainties that may affect the company's operations, markets, products, services, prices and other factors as discussed in the Huntsman companies' filings with the U.S. Securities and Exchange Commission. Significant risks and uncertainties may relate to, but are not limited to, ongoing impact of COVID-19 on our operations and financial results, volatile global economic conditions, cyclical and volatile product markets, disruptions in production at manufacturing facilities, timing of proposed transactions, ability to achieve projected synergies, reorganization or restructuring of Huntsman’s operations, including any delay of, or other negative developments affecting the ability to implement cost reductions and manufacturing optimization improvements in Huntsman businesses and realize anticipated cost savings, ability to achieve projected synergies, and other financial, 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, 2019, which may be supplemented by other risks and uncertainties disclosed in any subsequent reports filed or furnished by us from time to time.

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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 and net debt. Reconciliations of non-GAAP measures to GAAP are provided through the “Non-GAAP Reconciliation” link available in the “Financials” section on 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.

# Acquisition of Gabriel Performance Products

## Expanding Advanced Materials' Specialty Portfolio

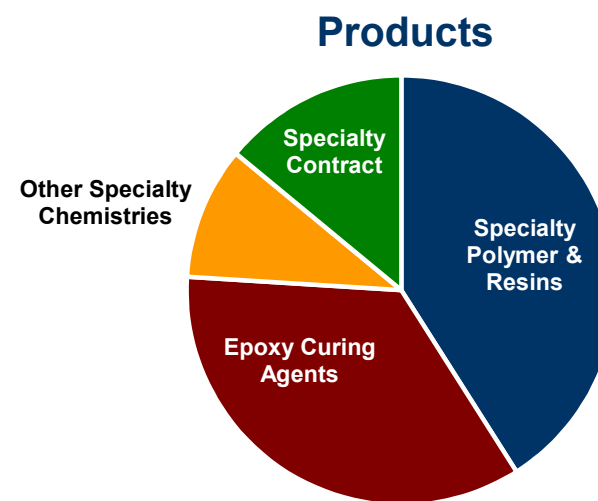
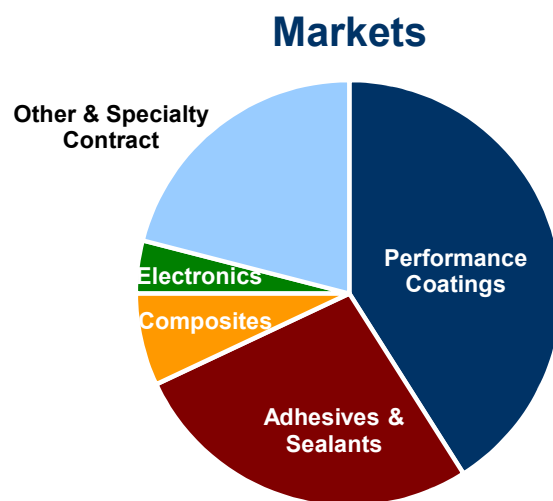
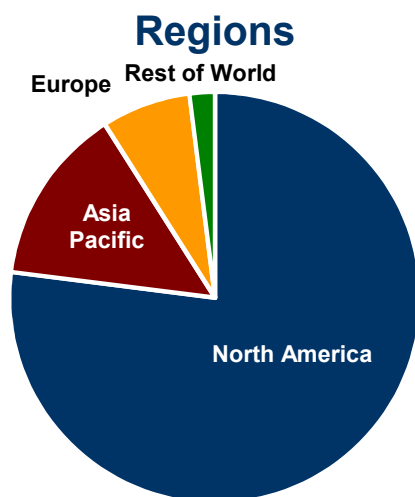
### Acquisition Overview

- **Description:** North American specialty additives and curing agents manufacturer serving the coatings, adhesives, and composites markets
- **Manufacturing Locations:** Ashtabula, Ohio, Harrison City, Pennsylvania, and Rock Hill, South Carolina
- **2019 Sales Revenue:** ~\$106 million
- **Purchase Price:** ~\$250 million, subject to customary closing adjustments; ~11x 2019 adjusted EBITDA, or ~8x pro forma for synergies
- **Announced:** December 7, 2020 and expected to close in the first quarter of 2021

### Strategic Rationale

- ✓ **Broadens the offering** in our specialty portfolio and is **complementary to our recent acquisition** of CVC Thermoset Specialties
- ✓ Improved **efficiencies** post integration
- ✓ **Strengthens our North American footprint** and provides significant synergies; **attractive post synergy multiple** of approximately 8 times
- ✓ **Opportunity to globalize** newly acquired specialty products across our global footprint and customer base
- ✓ Enhances our competitiveness and our world class formulations business by **improving our ability to create differentiation** in our customer's applications

### Product Globalization Opportunities for Highly Complementary Specialty Portfolio



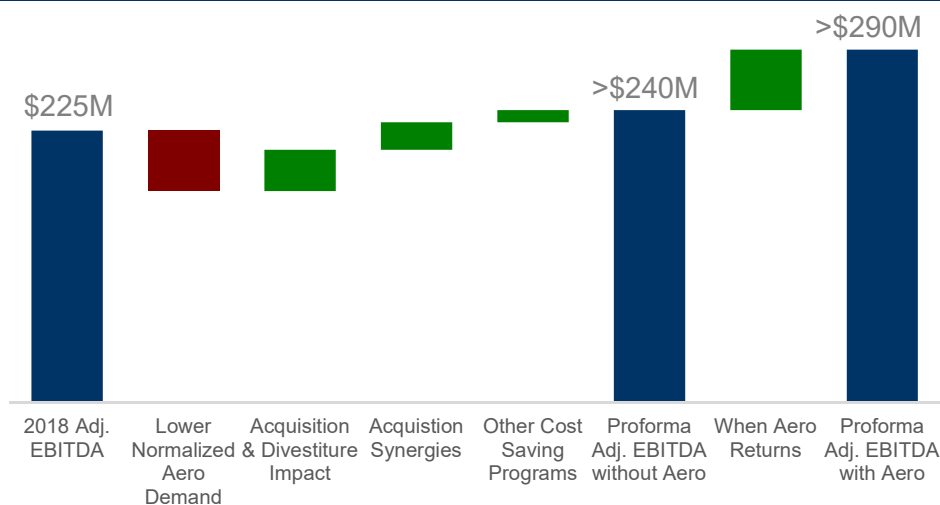
# Strategically Repositioning Advanced Materials

Through Three Strategic Actions in 2020 the Long-term Earnings Potential of Advanced Materials has been Significantly Improved at an Attractive Net Investment

## Potential Net Impact of Recent Transactions

	Cost (Proceeds)	2019 EBITDA	Synergies <sup>(1)</sup>	Total EBITDA
+ CVC Multiple	\$300	\$30 10x	\$15	\$45 7x
+ Gabriel <sup>(2)</sup> Multiple	\$250	\$23 11x	\$8	\$31 8x
- India DIY <sup>(3)</sup> Multiple	(\$285)	(\$19) 15x		(\$19)
<b>Net Impact</b>	<b>\$265</b>	<b>\$34</b>	<b>\$23</b>	<b>\$57</b>
<b>Multiple</b>		<b>8x</b>		<b>&lt;5x</b>

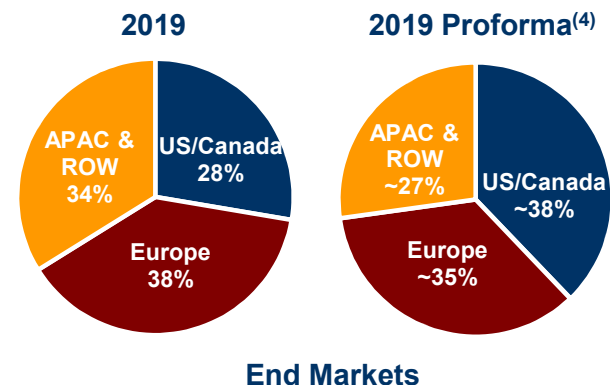
## Improved Earnings Power Despite Weak Aerospace



## Strengthening Advanced Materials Specialty Portfolio with an Improved Regional Balance

### Advanced Materials Core Specialty Business

Core Specialty Components	CVC & Gabriel Acq.	Core Formulations
High Performance Resins	Expanded Resin Portfolio	Structural Adhesives
Curing Agents	Expanded Curing Portfolio	Light Weighting/Composites
Modifiers and Additives	Added Tougheners	Electrical & Electronic Insulation
	Added Specialty Alkyds	



### End Markets

- Transportation
- Power Generation & Transmission
- Electronics
- Industrial / O&G
- Coatings & Construction

Note (1): Annualized synergies expected to be realized in around 2 years after close.  
 (2): The transaction is expected to close in the first quarter of 2021 after regulatory approvals.  
 (3): Includes the potential earnout of approximately \$28 million.  
 (4): Proforma sales includes the completed CVC and pending Gabriel acquisitions and excludes the India based DIY consumer adhesives divestiture.