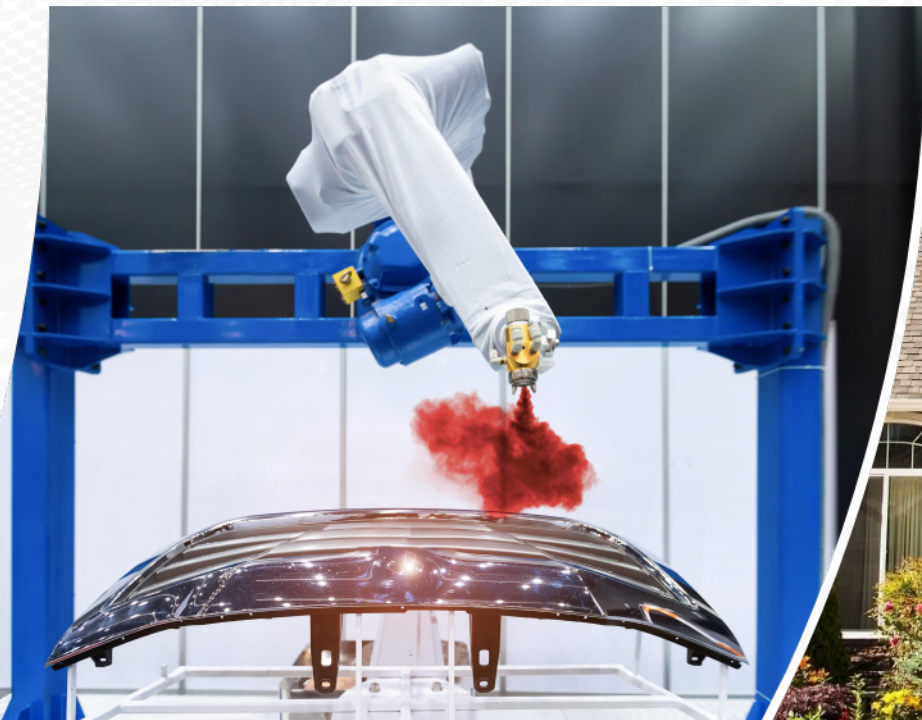


Axalta Coating Systems

Q1 2024 Financial Results
May 1, 2024



Legal Notices

Forward-Looking Statements

This presentation and the oral remarks made in connection herewith may contain certain forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 regarding Axalta and its subsidiaries including, but not limited to, statements regarding the 2024 Transformation Initiative and our outlook and or guidance, which includes net sales expectations, Adjusted EBITDA, Adjusted Diluted EPS, Free Cash Flow, depreciation and amortization ("D&A"), step up D&A, tax rate, as adjusted, diluted shares outstanding, interest expense, capital expenditures, and Class 8 production, and the timing or amount of any future share repurchases. Axalta has identified some of these forward looking statements with words such as "outlook," "trajectory," "target," "expect," "estimates," "believe," "potential," "will," "look," "ahead," "can," "view," "project," "strategy," "opportunity," "should," "see," "plan," "assumptions," and "guidance," and the negative of these words or other comparable or similar terminology. All of these statements are based on management's expectations as well as estimates and assumptions prepared by management that, although they believe to be reasonable, are inherently uncertain. These statements involve risks and uncertainties, including, but not limited to, economic, competitive, governmental and technological factors outside of Axalta's control, as well as risks related to the execution of the 2024 Transformation Initiative, that may cause its business, industry, strategy, financing activities or actual results to differ materially. More information on potential factors that could affect Axalta's financial results is available in "Forward-Looking Statements," "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" within Axalta's most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q, and in other documents that we have filed with, or furnished to, the SEC. Axalta undertakes no obligation to update or revise any of the forward-looking statements contained herein, whether as a result of new information, future events or otherwise.

Non-GAAP Financial Measures

The historical financial information included in this presentation includes financial information that is not presented in accordance with generally accepted accounting principles in the United States ("GAAP"), including Adjusted EBIT, Adjusted EBITDA, Adjusted EBITDA margin, Free Cash Flow, total net leverage ratio, adjusted net income and Adjusted Diluted EPS. Management uses these non-GAAP financial measures in the analysis of our financial and operating performance because they assist in the evaluation of underlying trends in our business. Adjusted EBITDA, Adjusted EBIT and Adjusted Diluted EPS consist of EBITDA, EBIT and Diluted EPS, respectively, adjusted for (i) certain non-cash items included within net income, (ii) certain items Axalta does not believe are indicative of ongoing operating performance or (iii) certain nonrecurring, unusual or infrequent items that have not otherwise occurred within the last two years or we believe are not reasonably likely to recur within the next two years. We believe that making such adjustments provides investors meaningful information to understand our operating results and ability to analyze financial and business trends on a period-to-period basis. Adjusted net income shows the adjusted value of net income (loss) attributable to common shareholders after removing the items that are determined by management to be items that we do not consider indicative of our ongoing operating performance or unusual or nonrecurring in nature. Our use of the terms Adjusted EBIT, Adjusted EBITDA, Adjusted EBITDA margin, Free Cash Flow, total net leverage ratio, adjusted net income and Adjusted Diluted EPS may differ from that of others in our industry. Adjusted EBIT, Adjusted EBITDA, Adjusted EBITDA margin, Free Cash Flow, total net leverage ratio, adjusted net income and Adjusted Diluted EPS should not be considered as alternatives to net sales, net income (loss), income (loss) from operations or any other performance measures derived in accordance with GAAP as measures of operating performance or operating cash flows or as measures of liquidity. Adjusted EBIT, Adjusted EBITDA, Adjusted EBITDA margin, Free Cash Flow, total net leverage ratio, adjusted net income and Adjusted Diluted EPS have important limitations as analytical tools and should be considered in conjunction with, and not as substitutes for, our results as reported under GAAP. This release includes a reconciliation of certain non-GAAP financial measures with the most directly comparable financial measures calculated in accordance with GAAP. Axalta does not provide a reconciliation for non-GAAP estimates for Adjusted EBITDA, Adjusted Diluted EPS, tax rate, as adjusted, or Free Cash Flow on a forward-looking basis because the information necessary to calculate a meaningful or accurate estimation of reconciling items is not available without unreasonable effort. For example, such reconciling items include the impact of foreign currency exchange gains or losses, gains or losses that are unusual or nonrecurring in nature, as well as discrete taxable events. We cannot estimate or project these items and they may have a substantial and unpredictable impact on our GAAP results.

Organic Sales

Organic net sales are calculated by excluding the impact of the change in average exchange rates between the current and comparable period by currency denomination exposure of the comparable period amount.

Segment Financial Measures

The primary measure of segment operating performance is Adjusted EBITDA, which is a key metric that is used by management to evaluate business performance in comparison to budgets, forecasts and prior year financial results, providing a measure that management believes reflects Axalta's core operating performance. As we do not measure segment operating performance based on net income, a reconciliation of this non-GAAP financial measure with the most directly comparable financial measure calculated in accordance with GAAP is not available. Beginning with the fourth quarter of 2023, we replaced Adjusted EBIT with Adjusted EBITDA as the primary measure of segment operating performance. As previously disclosed, we will continue publishing segment Adjusted EBIT through 2024 to allow for historical trend analyses.

Defined Terms

All capitalized terms contained within this presentation have been previously defined in our filings with the SEC.

Rounding

Due to rounding the tables presented may not foot.

First Quarter 2024 Key Highlights

- 4% net sales growth YoY in Refinish and Light Vehicle
- 20% Adjusted EBITDA margin
- Expanded Adjusted EBITDA and diluted EPS by 22% and 37% respectively YoY
- Further strengthened balance sheet - paid down \$75 million of debt and repriced term loan

\$1.3B

Net Sales

+1% YoY

\$259M

Adjusted EBITDA

+22% YoY

20.0%

Adjusted EBITDA Margin

+340 bps YoY



*Record
First
Quarter*

\$0.48

Adjusted Diluted EPS

+37% YoY

\$75M

Debt Prepayment

2.8x

Total Net Leverage Ratio⁽¹⁾

Raising 2024 Earnings Outlook Following Strong Q1 Performance

(1) Total Net Leverage Ratio = Total Net Debt / LTM Adjusted EBITDA ; Total Net Debt = Total Debt minus Cash and Cash Equivalents

First Quarter Business Review

Q1 End Market Environment

	Net Sales YoY
 Refinish Positive price-mix and André Koch acquisition	4%
 Light Vehicle Driving margin improvement	4%
 Commercial Vehicle North America Class 8 production 12% lower YoY in Q1	(4%)
 Industrial Focusing on margin	(6%)

Recent Highlights

Recognized With Multiple Prestigious R&D Awards

Received awards for innovative and sustainable solutions associated with the launch of Iru Mix, Raptor™ Flameproof, and Voltatex™



Named General Motors Supplier of the Year

Named Supplier of the Year highlighting Axalta's innovative products and services in the automotive OEM space



Announced Transformation Initiative

Estimated \$75M annual run rate savings expected in 2026

First Quarter 2024 Consolidated Results

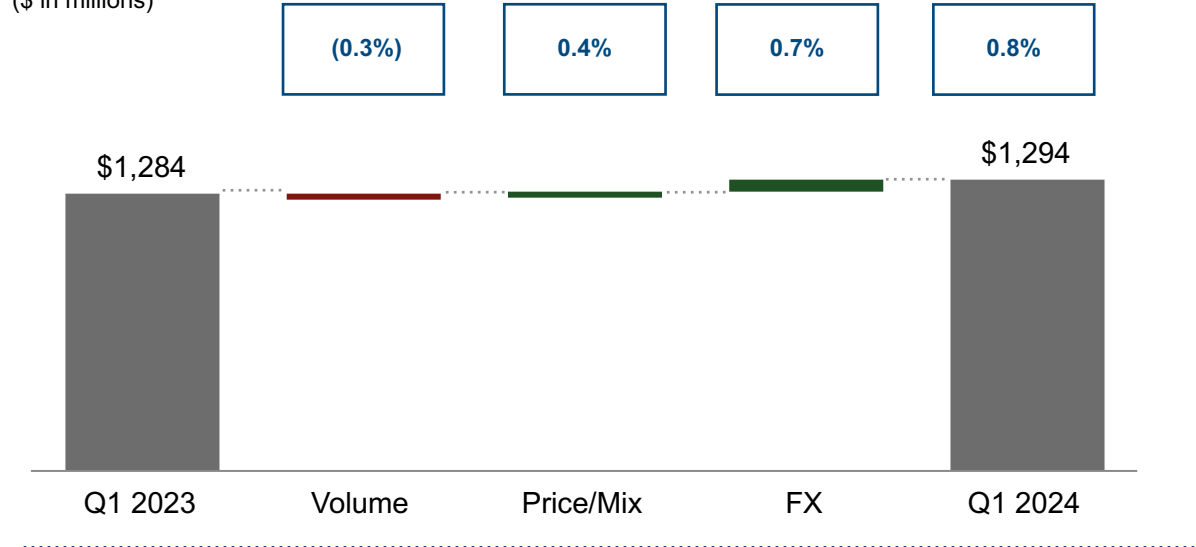
Financial Results

(\$ in millions, except per share data)	Q1 2024	Q1 2023	% Change
Net Sales	1,294	1,284	1%
Income From Ops ⁽¹⁾	121	125	(3%)
Adjusted EBITDA	259	213	22%
% margin	20.0%	16.6%	340 bps
Diluted EPS	0.18	0.27	(33%)
Adjusted Diluted EPS	0.48	0.35	37%
Free Cash Flow	15	(88)	117%

(1) Includes \$55 million of termination benefits and other employee-related costs relating to the 2024 Transformation Initiative announced in February 2024

Net Sales Variance

(\$ in millions)



- Net sales growth driven by Refinish and Light Vehicle, partially offset by lower volumes in Industrial and Commercial Vehicle
- Adjusted EBITDA and margin expansion driven by growth and variable cost deflation which more than offset higher labor expenses
- Expanded adjusted diluted EPS by 37%

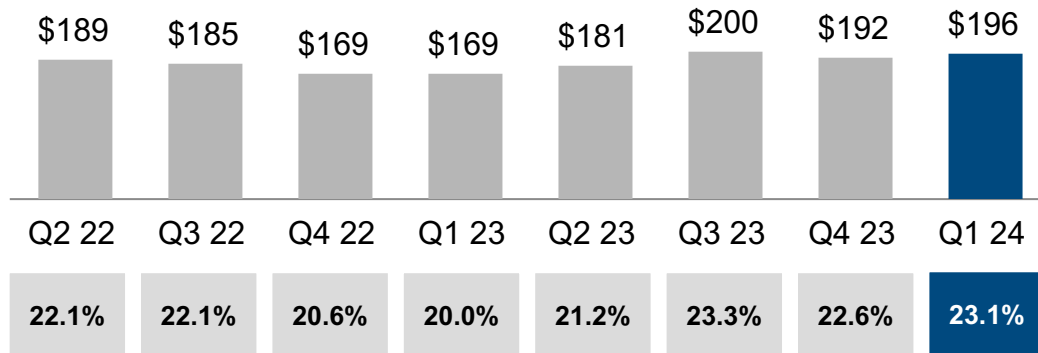
First Quarter 2024 Performance Coatings Results

Financial Results

(\$ in millions)	Q1 2024	Q1 2023	% Change
Refinish ⁽¹⁾	519	498	4%
Industrial	329	349	(6%)
Net Sales	848	847	0%
Adjusted EBITDA	196	169	16%
% margin	23.1%	20.0%	310 bps

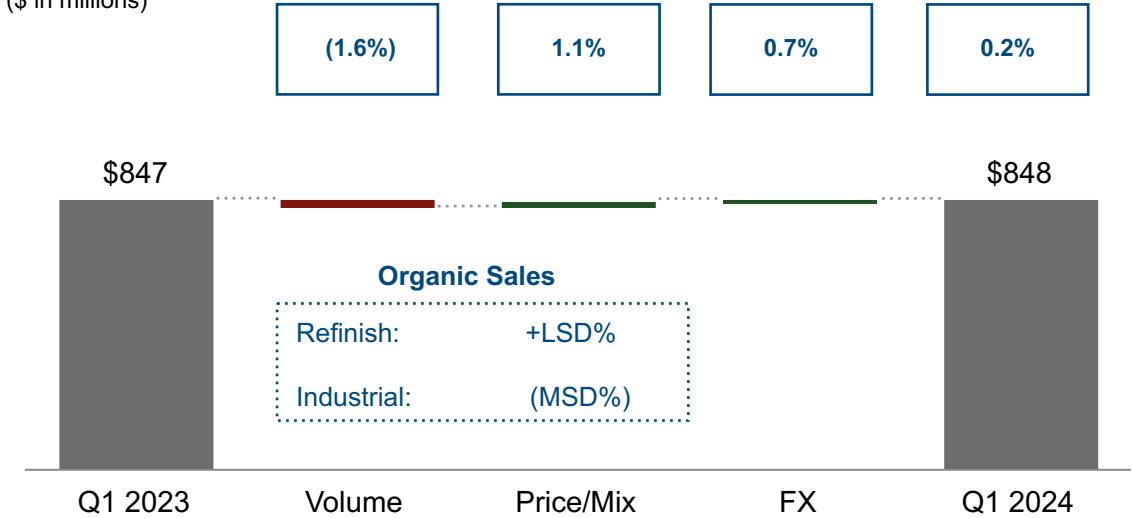
Adjusted EBITDA and Margin Trend

(\$ in millions)



Net Sales Variance

(\$ in millions)



- **Refinish** net sales growth driven by positive price-mix and strong contribution from André Koch acquisition
- **Industrial** net sales decreased primarily due to continued softness in construction markets and deselection of low margin business
- **Performance Coatings:** Adjusted EBITDA and margin expansion driven primarily by variable cost deflation and Refinish growth

LSD/ MSD = low/ mid single digit

(1) Earnings call update: Axalta accessory net sales are less than 10% of our total Refinish sales

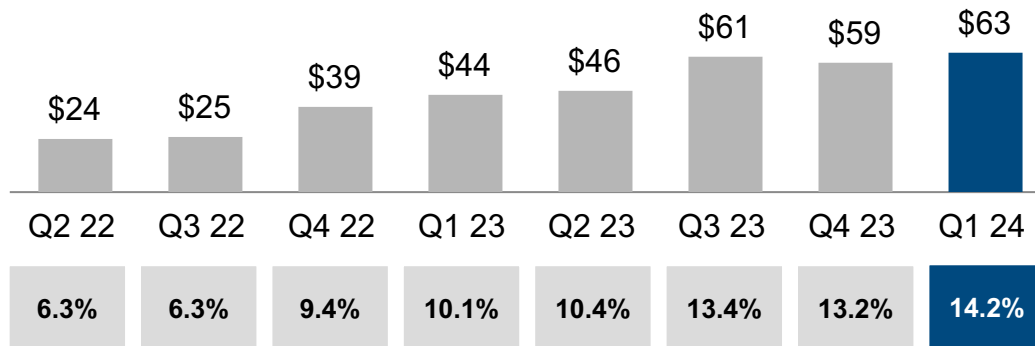
First Quarter 2024 Mobility Coatings Results

Financial Results

(\$ in millions)	Q1 2024	Q1 2023	% Change
Light Vehicle ⁽¹⁾	342	329	4%
Commercial Vehicle	104	108	(4%)
Net Sales	446	437	2%
Adjusted EBITDA	63	44	44%
% margin	14.2%	10.1%	410 bps

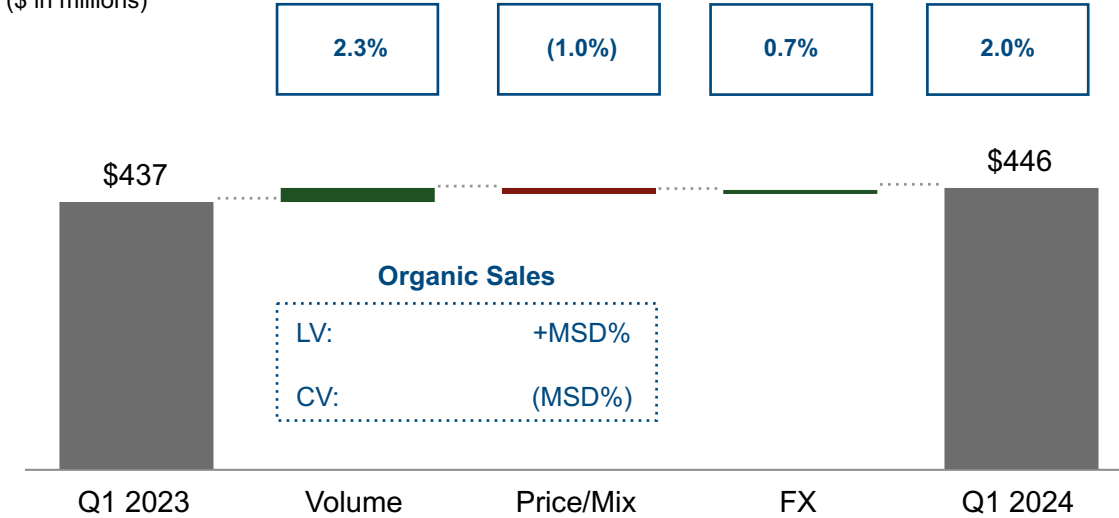
Adjusted EBITDA and Margin Trend

(\$ in millions)



Net Sales Variance

(\$ in millions)



- **Light Vehicle** net sales growth led by above market volumes in China. Price-mix was approximately flat despite modest impact from RMI's
- **Commercial Vehicle** net sales decreased primarily due to softer demand trends in North America and Latin America
- **Mobility Coatings:** Substantial adjusted EBITDA improvement and margin expansion driven primarily by lower variable costs and Light Vehicle net sales growth

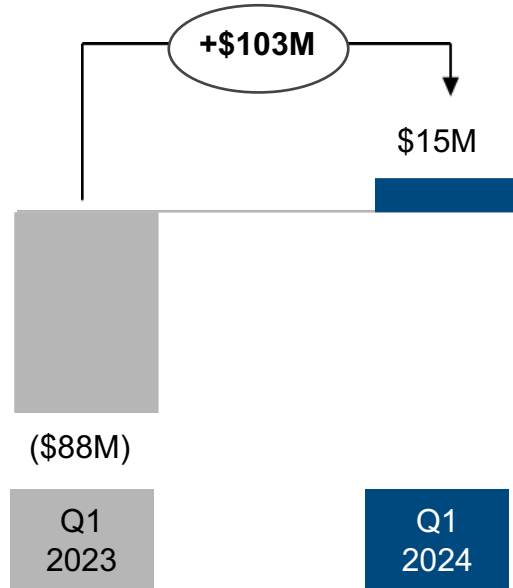
MSD = mid single digit

(1) Earnings call update: Light Vehicle regional net sales are approximately 35% North America; 27% EMEA; 22% China and 16% Latin America

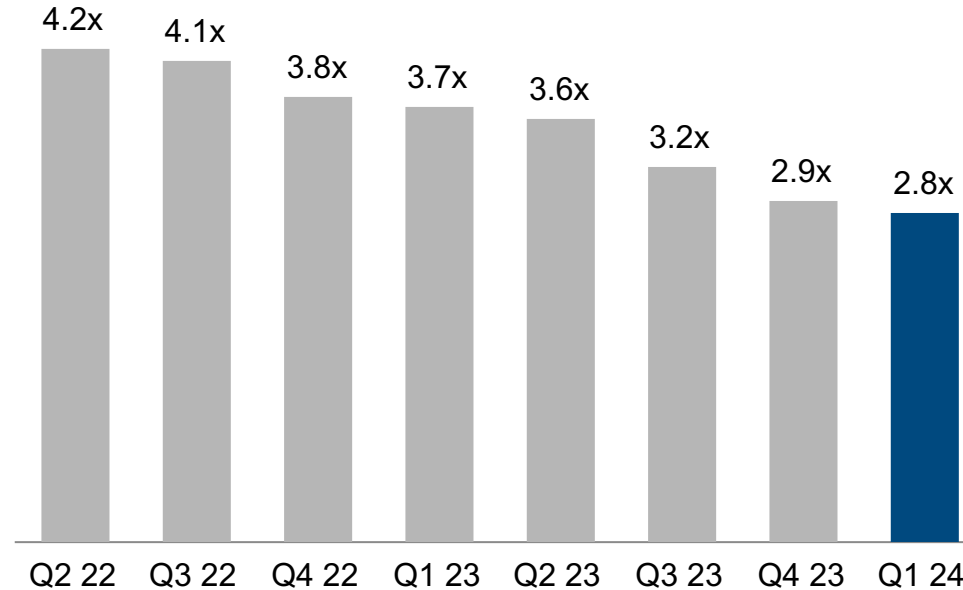
Focused Capital Allocation Drives Shareholder Value

Seasonally Strong Q1 Free Cash Flow

(\$ in millions)



Total Net Leverage Ratio⁽¹⁾ Progression



Board Authorized \$700M Share Repurchase Program



Replaces current remaining authorization

Leverage Target On Track Providing Opportunity to Allocate Capital to Shareholders

(1) Total Net Leverage Ratio = Total Net Debt / LTM Adjusted EBITDA

Raising Full Year 2024 Earnings Guidance

Net Sales

(% Change YoY)

Q2 2024

3% - 5%

FY 2024

+LSD%

Adjusted EBITDA

(\$ in millions)

Q2 2024

~\$275

FY 2024

\$1,050 - \$1,080

Prior Guidance:
\$1,010 - \$1,050



Adjusted Diluted EPS

(\$ Per Share)

Q2 2024

~\$0.50

FY 2024

\$1.90 - \$2.00

Prior Guidance:
\$1.80 - \$1.95



Free Cash Flow

(\$ in millions)

FY 2024

\$425 - \$475

Prior Guidance:
\$400 - \$450



Axalta does not provide a reconciliation for non-GAAP estimates for Adjusted Diluted EPS, Adjusted EBITDA or Free Cash Flow on a forward-looking basis because the information necessary to calculate a meaningful or accurate estimation of reconciling items is not available without unreasonable effort. See "Non-GAAP Financial Measures" for more information.

LSD = Low single digit

Save The Date

Axalta Strategy Day 2024



May 15th 2024 | 9:30AM - 11:30AM

Axalta's management team will present three-year financial targets and a refreshed strategic plan to achieve attractive growth

Speakers:

- Chris Villavarayan, CEO & President
- Carl Anderson, CFO & Senior Vice President
- Dr. Robert Roop, CTO & Senior Vice President

Details:

- Event will be webcast live
- Registration and replay information can be found at ir.axalta.com





Appendix



Full Year 2024 Modeling Assumptions

Axalta does not provide a reconciliation for non-GAAP estimates for tax rate, as adjusted, on a forward-looking basis because the information necessary to calculate a meaningful or accurate estimation of reconciling items is not available without unreasonable effort. See “Non-GAAP Financial Measures” for more information.

(in millions, except %'s and per share data)	Projection
D&A (step-up D&A)	~\$280 (\$50)
Tax Rate, As Adjusted	~25%
Diluted Shares Outstanding	~222
Interest Expense	~\$210
Capex	~\$165

Adjusted EBITDA Reconciliation

(\$ in millions)	LTM 3/31/2024	Q1 2024	Q1 2023	FY 2023
Net income	\$ 247	\$ 39	\$ 61	\$ 269
Interest expense, net	219	54	48	213
Provision for income taxes	91	20	15	86
Depreciation and amortization	274	68	70	276
EBITDA	\$ 831	\$ 181	\$ 194	\$ 844
A Debt extinguishment and refinancing-related costs	11	3	2	10
B Termination benefits and other employee-related costs	73	55	—	18
C Acquisition and divestiture-related costs	4	2	1	3
D Site closure costs	7	1	1	7
E Impairment charges	8	—	7	15
F Foreign exchange remeasurement losses	26	5	2	23
G Long-term employee benefit plan adjustments	10	3	2	9
H Stock-based compensation	26	6	6	26
I Environmental charge	4	4	—	—
J Other adjustments	(3)	(1)	(2)	(4)
Adjusted EBITDA	\$ 997	\$ 259	\$ 213	\$ 951
Segment Adjusted EBITDA:				
Performance Coatings	\$ 769	\$ 196	\$ 169	\$ 742
Mobility Coatings	228	63	44	209
Total	\$ 997	\$ 259	\$ 213	\$ 951

Adjusted EBITDA Reconciliation (cont'd)

- A** Represents expenses and associated changes to estimates related to the prepayment, restructuring, and refinancing of our indebtedness, which are not considered indicative of our ongoing operating performance.
- B** Represents expenses and associated changes to estimates related to employee termination benefits, consulting, legal and other employee-related costs associated with restructuring programs and other employee-related costs. These amounts are not considered indicative of our ongoing operating performance.
- C** Represents acquisition and divestiture-related expenses and integration activities associated with our business combinations, all of which are not considered indicative of our ongoing operating performance.
- D** Represents costs related to the closure of certain manufacturing sites, which we do not consider indicative of our ongoing operating performance.
- E** Represents impairment charges, which are not considered indicative of our ongoing operating performance. The losses recorded during the year ended December 31, 2023 were primarily due to the decision to demolish assets at a previously closed manufacturing site during the three months ended June 30, 2023 and the then anticipated exit of a non-core business category in the Mobility Coatings segment during the three months ended March 31, 2023.
- F** Represents foreign exchange losses resulting from the remeasurement of assets and liabilities denominated in foreign currencies, net of the impacts of our foreign currency instruments used to hedge our balance sheet exposures.
- G** Represents the non-cash, non-service cost components of long-term employee benefit costs.
- H** Represents non-cash impacts associated with stock-based compensation.
- I** Represents costs related to certain environmental remediation activities, which are not considered indicative of our ongoing operating performance.
- J** Represents certain non-operational or non-cash gains, unrelated to our core business and which we do not consider indicative of our ongoing operating performance.

Adjusted Net Income Reconciliation

(in millions, except per share data)		Q1 2024		Q1 2023	
	Net income	\$	39	\$	61
	Less: Net loss attributable to noncontrolling interests		(2)		—
	Net income attributable to common shareholders	\$	41	\$	61
A	Debt extinguishment and refinancing-related costs		3		2
B	Termination benefits and other employee-related costs		55		—
C	Acquisition and divestiture-related costs		2		1
D	Impairment charges		—		7
E	Environmental charge		4		—
F	Other adjustments		1		(1)
G	Step-up depreciation and amortization		12		16
	Total adjustments	\$	77	\$	25
H	Income tax provision impacts		12		7
	Adjusted net income	\$	106	\$	79
	Adjusted diluted net income per share	\$	0.48	\$	0.35
	Diluted weighted average shares outstanding		221.3		222.1

Adjusted Net Income Reconciliation (cont'd)

- A** Represents expenses and associated changes to estimates related to the prepayment, restructuring, and refinancing of our indebtedness, which are not considered indicative of our ongoing operating performance.
- B** Represents expenses and associated changes to estimates related to employee termination benefits, consulting, legal and other employee-related costs associated with restructuring programs and other employee-related costs. These amounts are not considered indicative of our ongoing operating performance.
- C** Represents acquisition and divestiture-related expenses and integration activities associated with our business combinations, all of which are not considered indicative of our ongoing operating performance.
- D** Represents impairment charges, which are not considered indicative of our ongoing operating performance. The amount recorded during the three months ended March 31, 2023 relates to a loss recorded due to the then anticipated exit of a non-core business category in the Mobility Coatings segment.
- E** Represents costs related to certain environmental remediation activities, which are not considered indicative of our ongoing operating performance.
- F** Represents certain non-operational or non-cash losses (gains), unrelated to our core business and which we do not consider indicative of our ongoing operating performance.
- G** Represents the incremental step-up depreciation and amortization expense associated with the acquisition of DuPont Performance Coatings by Axalta. We believe this will assist investors in performing meaningful comparisons of past, present and future operating results and better highlight the results of our ongoing operating performance.
- H** The income tax impacts are determined using the applicable rates in the taxing jurisdictions in which expense or income occurred and includes both current and deferred income tax expense (benefit) based on the nature of the non-GAAP performance measure. Additionally, the income tax impact includes the removal of discrete income tax impacts within our effective tax rate which were expenses of \$3 million and benefits of \$2 million for the three months ended March 31, 2024 and 2023, respectively. The tax adjustments for the three months ended March 31, 2024 and 2023 include the deferred tax benefit ratably amortized into our adjusted income tax rate as the tax attribute related to a January 1, 2020 intra-entity transfer of certain intellectual property rights is realized.

Free Cash Flow Reconciliation

(\$ in millions)	Q1 2024		Q1 2023	
Cash provided by (used for) operating activities	\$	34	\$	(52)
Purchase of property, plant and equipment		(22)		(42)
Interest proceeds on swaps designated as net investment hedges		3		6
Free cash flow	\$	15	\$	(88)

Adjusted EBIT Reconciliation

(\$ in millions)		Q1 2024		Q1 2023	
	Income from operations	\$	121	\$	125
	Other expense, net		8		1
	Total	\$	113	\$	124
A	Debt extinguishment and refinancing-related costs		3		2
B	Termination benefits and other employee-related costs		55		—
C	Acquisition and divestiture-related costs		2		1
D	Impairment charges		—		7
E	Environmental charge		4		—
F	Other adjustments		1		(1)
G	Step-up depreciation and amortization		12		16
	Adjusted EBIT	\$	190	\$	149
Segment Adjusted EBIT:					
	Performance Coatings	\$	135	\$	109
	Mobility Coatings		43		24
	Total	\$	178	\$	133
G	Step-up depreciation and amortization		12		16
	Adjusted EBIT	\$	190	\$	149

Adjusted EBIT Reconciliation (cont'd)

- A** Represents expenses and associated changes to estimates related to the prepayment, restructuring, and refinancing of our indebtedness, which are not considered indicative of our ongoing operating performance.
- B** Represents expenses and associated changes to estimates related to employee termination benefits, consulting, legal and other employee-related costs associated with restructuring programs and other employee-related costs. These amounts are not considered indicative of our ongoing operating performance.
- C** Represents acquisition and divestiture-related expenses and integration activities associated with our business combinations, all of which are not considered indicative of our ongoing operating performance.
- D** Represents impairment charges, which are not considered indicative of our ongoing operating performance. The amount recorded during the three months ended March 31, 2023 relates to a loss recorded due to the then anticipated exit of a non-core business category in the Mobility Coatings segment.
- E** Represents costs related to certain environmental remediation activities, which are not considered indicative of our ongoing operating performance.
- F** Represents certain non-operational or non-cash losses (gains), unrelated to our core business and which we do not consider indicative of our ongoing operating performance.
- G** Represents the incremental step-up depreciation and amortization expense associated with the acquisition of DuPont Performance Coatings by Axalta. We believe this will assist investors in performing meaningful comparisons of past, present and future operating results and better highlight the results of our ongoing operating performance.

Capitalization Table

(\$ in millions)	Interest	@ 3/31/2024	Maturity
Cash and Cash Equivalents		\$ 624	
Debt:			
Revolver (\$550 million capacity)	Variable	—	2026
First Lien Term Loan (USD)	Variable	1,689	2029
Total Senior Secured Debt		\$ 1,689	
Senior Unsecured Notes (USD)	Fixed	496	2027
Senior Unsecured Notes (USD)	Fixed	693	2029
Senior Unsecured Notes (USD)	Fixed	493	2031
Finance Leases		56	
Other Borrowings		—	
Other Borrowings and Finance Leases		56	
Total Debt		\$ 3,427	
Total Net Debt ⁽¹⁾		\$ 2,803	
LTM Adjusted EBITDA		997	
Total Net Leverage Ratio ⁽²⁾		2.8x	
Total Gross Leverage Ratio ⁽³⁾		3.4x	

(1) Total Net Debt = Total Debt minus Cash and Cash Equivalents

(2) Total Net Leverage Ratio = Total Net Debt / LTM Adjusted EBITDA

(3) Total Gross Leverage Ratio = Total Debt / LTM Adjusted EBITDA



Thank You

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