Advanced Materials Acquisition of Gabriel Performance Products
December 7, 2020
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, business trends and other information that is not historical information. When used in this presentation, the words “estimates,” “expects,” “anticipates,” “projects,” “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. All forward-looking statements, including, without limitation, management’s examination of historical operating trends and data, are based upon our current expectations and various assumptions. Our expectations, beliefs and projections are expressed in good faith, and we believe there is a reasonable basis for them. However, there can be no assurance that management’s expectations, beliefs and projections will be achieved.

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.

All forward-looking statements attributable to us or persons acting on our behalf apply only as of the date made. We undertake no obligation to update or revise forward-looking statements which may be made to reflect events or circumstances that arise after the date made or to reflect the occurrence of unanticipated events.

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.

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

<table>
<thead>
<tr>
<th>Cost (Proceeds)</th>
<th>2019 EBITDA</th>
<th>Synergies(^{(1)})</th>
<th>Total EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>+ CVC Multiple</td>
<td>$300</td>
<td>$30</td>
<td>$15</td>
</tr>
<tr>
<td>+ Gabriel (^{(2)}) Multiple</td>
<td>$250</td>
<td>$23</td>
<td>$8</td>
</tr>
<tr>
<td>- India DIY (^{(3)}) Multiple</td>
<td>($285)</td>
<td>($19)</td>
<td>($19)</td>
</tr>
</tbody>
</table>

**Net Impact**

- **Multiple**
  - $265
  - EBITDA: $34
  - Synergies: $23
  - Total: $57

**Improved Earnings Power Despite Weak Aerospace**

<table>
<thead>
<tr>
<th>2019 Adj. EBITDA</th>
<th>Lower Normalized &amp; Aero Demand</th>
<th>Acquisition Divestiture Impact</th>
<th>Acquisition Synergies</th>
<th>Other Cost Saving Programs</th>
<th>Proforma Adj. EBITDA without Aero</th>
<th>When Aero Returns</th>
<th>Proforma Adj. EBITDA with Aero</th>
</tr>
</thead>
<tbody>
<tr>
<td>$225M</td>
<td>&gt;$240M</td>
<td></td>
<td></td>
<td></td>
<td>&gt;$290M</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**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.

---

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

**Advanced Materials Core Specialty Business**

<table>
<thead>
<tr>
<th>Core Specialty Components</th>
<th>CVC &amp; Gabriel Acq.</th>
<th>Core Formulations</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Performance Resins</td>
<td>Expanded Resin Portfolio</td>
<td>Structural Adhesives</td>
</tr>
<tr>
<td>Curing Agents</td>
<td>Expanded Curing Portfolio</td>
<td>Light Weighting/ Composites</td>
</tr>
<tr>
<td>Modifiers and Additives</td>
<td>Added Tougheners</td>
<td>Electrical &amp; Electronic Insulation</td>
</tr>
<tr>
<td></td>
<td>Added Specialty Alkyds</td>
<td></td>
</tr>
</tbody>
</table>

**End Markets**

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

**2019**

- APAC & ROW 34%
- US/Canada 28%
- Europe 38%

**2019 Proforma\(^{(4)}\)**

- APAC & ROW ~27%
- US/Canada ~38%
- Europe ~35%