First Quarter 2020

Earnings Presentation

April
2020

Legal Notices

SAFE HARBOR

Please note that in this presentation, we may discuss events or results that have not yet occurred or been realized, commonly referred to as forward-looking statements. The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements made by or on behalf of the Company. Such discussion and statements will often contain words such as “expect,” “anticipate,” “project,” “will,” “should,” “believe,” “intend,” “plan,” “assume,” “estimate,” “predict,” “seek,” “continue,” “outlook,” “may,” “might,” “aim,” “can have,” “likely,” “potential,” “target,” “hope,” “goal,” “priority” or “guidance” and variations of such words and similar expressions, and relate in this presentation, without limitation, to the COVID-19 impact to date on the Company as a whole, as well as on each of its segments; the Company’s recent actions in response to COVID-19; operating expenses savings activities; cost containment; impact of the loss of certain business in Q1 2019; market and business considerations for its segments, end-markets and net sales; working capital; FY 2020 cash flow outlook, including cash interest, cash taxes and net capex; liquidity; debt covenant compliance; near term financial outlook, including market conditions, energy performance in Q2 2020, April 2020 net sales outlook, reopening of OEMs in May 2020, Q2 2020 adjusted EBITDA guidance, full year 2020 considerations, $50 million annualized cost opportunity for FY 2020 and Q2 2020 run-rate adjusted EBITDA.

These projections and statements reflect management's estimates, assumptions and expectations with respect to future events and financial performance and are believed to be reasonable, though are inherently uncertain and difficult to predict. Such projections and statements are based on the assessment of information available to management as of the current date, and management does not undertake any obligations to provide any further updates. Actual results could differ materially from those expressed or implied in the forward-looking statements if one or more of the underlying estimates, assumptions or expectations prove to be inaccurate or are unrealized. Important factors that could cause actual results to differ materially from those suggested by these forward-looking statements include, but are not limited to, the duration and spread of the coronavirus (COVID-19) pandemic; new information concerning its transmission and severity; actions taken or that might be taken by governments, businesses or individuals to contain or reduce its repercussions and mitigate its economic implications; the Company's ability to realize the expected benefits its cost containment and cost savings measures; business and management strategies; debt and debt leverage ratio; shares repurchases; expected returns to stockholders; and the impact of acquisitions, divestitures, restructurings, refinancings, impairments and other unusual items, including the Company's ability to raise and/or retire new debt and/or equity and to integrate and obtain the anticipated benefits, results and synergies from these items or other related strategic initiatives. Additional information concerning these and other factors that could cause actual results to vary is, or will be, included in the Company’s periodic and other reports filed with the Securities and Exchange Commission. The Company undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

NON-GAAP FINANCIAL MEASURES

To supplement the financial measures prepared in accordance with generally accepted accounting principles in the United States (“GAAP”), the Company uses the following non-GAAP financial measures: EBITDA, adjusted EBITDA, adjusted EBITDA margin, adjusted EPS, adjusted common shares outstanding, Q2 2020 adjusted EBITDA guidance, free cash flow, net debt to adjusted EBITDA ratio and organic net sales growth. The Company also evaluates and presents its results of operations on a constant currency basis. The definitions and reconciliations of these non-GAAP measures to the most directly comparable financial measures calculated and presented in accordance with GAAP can be found in the footnotes and appendix of this presentation and in the Company’s earnings release dated April 30, 2020 (the “Release”), a copy of which can be found on the Company’s website at www.elementsolutionsinc.com. This presentation should be read in conjunction with the Release.

Management internally reviews each of these non-GAAP measures to evaluate performance on a comparative period-to-period basis in terms of absolute performance, trends and expected future performance with respect to the Company’s businesses and believes that these non-GAAP measures provide investors with an additional perspective on trends and underlying operating results on a period-to-period comparable basis. The Company also believes that investors find this information helpful in understanding the ongoing performance of its operations separate from items that may have a disproportionate positive or negative impact on its financial results in any particular period. These non-GAAP financial measures, however, have limitations as analytical tools, and should not be considered in isolation from, a substitute for, or superior to, the related financial information that the Company reports in accordance with GAAP. Investors are encouraged to review the reconciliations of these non-GAAP financial measures to their most comparable GAAP financial measures included herein and in the Release, and not to rely on any single financial measure to evaluate the Company’s businesses.

In addition, this presentation includes Q1 2020 cash flow uses and FY 2020 outlook, Q1 2020 free cash flow and April 2020 net sales information. This data is provided for informational purposes only and is not necessarily, and should not be assumed to be, an indication of the results that may be achieved in the future.

COVID-19 Update and Recent Actions

As of April 2020

Prioritizing People & Business Continuity

- **Protecting the health and safety of our people and their families by promoting a healthy and safe working environment**
- All facilities increased health and safety protocols to meet or exceed new local and national regulatory requirements
- Nearly all “non-essential” personnel working from home or on staggered shifts; travel limited to customer requirements
- Ongoing dialogue with customers and suppliers to ensure supply chain continuity

Supply Chain Status

- ✓ All facilities open and producing
  - Received special approval in multiple regions to operate for critical material supply for medical products
- ✓ Built excess safety stock inventory
- ✓ Developed manufacturing redundancy across multiple sites

Financial Actions To Date

- ✓ Continued opex savings activities
- ✓ Salary reductions for all senior leadership and select commercial and functional organizations
- ✓ Increased focus on customer credit and collections
- ✓ Drew (and subsequently repaid) corporate revolver

First Quarter 2020 Financial Results

($ in millions)	Q1 2020	Q1 2019	YoY	Constant Currency* YoY	Organic* YoY
Net Sales	**$453**	**$460**	***(2%)***	***0%***	***(3%)***
Electronics	269	266	*1%*	*3%*	*(2%)*
Industrial & Specialty	184	194	*(5%)*	*(3%)*	*(3%)*
GAAP Diluted EPS	**$0.03**	**$(0.02)**			
Adj. EBITDA*	**$110**	**$99**	***12%***	***14%***	
% margin	*24.3%*	*21.4%*	*290 bps*	*310 bps*	
Electronics	67	56	*18%*	*21%*	
% margin	*24.8%*	*21.2%*	*360 bps*	*370 bps*	
Industrial & Specialty	44	42	*3%*	*6%*	
% margin	*23.7%*	*21.8%*	*190 bps*	*200 bps*	
Adj. EPS*	**$0.25**	**$0.20**	*25%*		

- Organic net sales* declined 3%, driven primarily by COVID-19 related slowdowns in Electronics in Asia, particularly in China, and global demand weakness in automotive and industrial markets
  - Declines in Electronics largely due to weakness in Assembly in Asia, partially offset by strength in Circuitry and significant growth in Semiconductor
  - Continued strength in products for 5G infrastructure and data center markets
  - Industrial & Specialty impacted by automotive and manufacturing softness in Asia, primarily in February and March; modest declines in Energy due to weakness in Latin America
  - Double-digit growth in Graphics due to strong demand for packaged goods in all regions
- Constant currency adj. EBITDA* growth of 14% and adj. EBITDA* margin expansion of 310 bps
  - Favorable product mix in Electronics and supply chain savings
  - Continued cost containment
- Adj. EPS* growth of 25% year-over-year reflects earnings growth and fewer shares outstanding

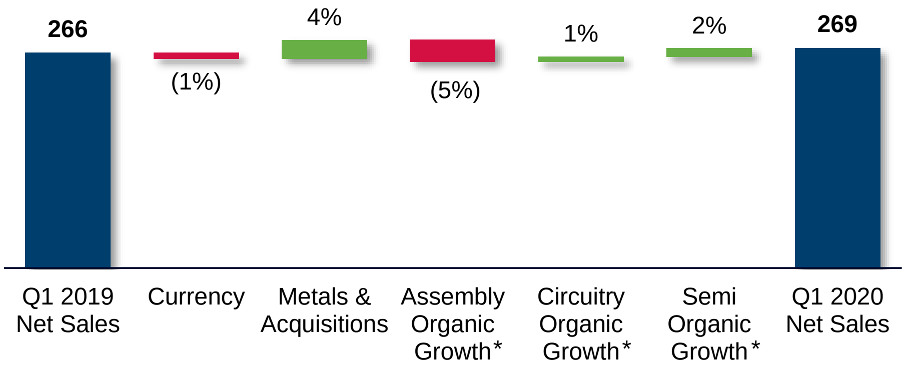
Note: Totals may not sum due to rounding or due to varying sizes of the two reportable segments

* These financial measures, on this slide and on subsequent slides, are not prepared in accordance with GAAP. For definitions, discussions of adjustments and reconciliations, please refer to the appendix of this presentation

First Quarter 2020 Segment Details

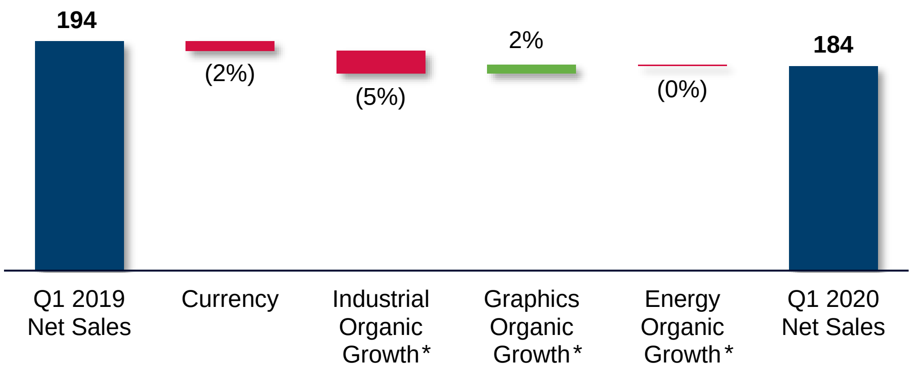
Market Commentary

Electronics Net Sales *($ in millions)*



- **Assembly**: weakness in Asia largely due to COVID-19 related production slowdowns; declines in the Americas and Europe driven by softness in March
- **Circuitry**: strong year-over-year demand from memory disk customers and for 5G-related products was partially offset by COVID-19 related declines in Asia
- **Semiconductor**: growth in advanced packaging, particularly in Asia and Europe, and advanced assembly products due to increased demand from 5G infrastructure and data center markets

Industrial & Specialty Net Sales *($ in millions)*



- **Industrial**: declines driven by weak demand from customers in construction and manufacturing markets, particularly in Europe, and automotive production declines in all regions
- **Graphics**: growth driven by higher volumes of consumer packaged goods in Europe and the Americas, primarily due to COVID-19 related demand
- **Energy**: growth in the U.S. was offset by declines in Latin America, which was impacted from the loss of certain business related to a specific customer in Q1 2019

Source: Management estimates

* See non-GAAP definitions and reconciliations in the appendix

Balance Sheet and Cash Flow Considerations

Key Cash Flow Items

- Q1 2020 free cash flow* of $51 million
- Cash interest paid of $4 million reflects undrawn corporate revolver for a majority of the quarter
- Q1 working capital growth associated with safety stock builds across all regions
  - Expect to release working capital in current demand environment

Q1 2020 Cash Flow Uses and FY 2020 Outlook

$ millions	Q1 2020	FY 2020
Cash Interest	$4	~$70
Cash Taxes	$13	~$75
Net Capex*	$10	~$30

Balance Sheet Management

- Net debt to adj. EBITDA ratio* of 3.2x on a LTM basis as of March 31, 2020
- In abundance of caution, drew $320 million of $330 million revolver in the last week of March; **paid down entire revolver on April 20th as capital markets stabilized**
- Approximately $500M of liquidity with no near term maturities or anticipated debt covenant compliance issues
- Repurchased ~ 3.7 million shares in Q1 2020 at average price of $8.82 per share (~$210 million of remaining authorization under share repurchase program)

Q1 2020 Capital Structure

Instrument	*(in millions)*
Corporate Revolver	$320
Term Loans	741
Other	1
Total First Lien Debt	**$1,061**
Total Unsecured Debt	**$800**
Total Debt	**$1,861**
Cash Balance	497
Net Debt	**$1,364**
Adjusted Shares Outstanding[1]	252
Market Capitalization[2]	$2,103
Total Capitalization	**$3,467**

Note: Totals may not sum due to rounding
* See non-GAAP definitions and reconciliations in the appendix
1. See p.10 for reconciliation to Adjusted Share Counts
2. Based on Element Solutions' closing stock price of $8.36 at March 31, 2020

Near Term Financial Outlook

Current Market Conditions

- Major OEM shutdowns materially impacting demand in Industrial
- Electronics supply chain weaker but resilient (expected to decline by ~10% across the portfolio)
- Continued positive momentum in Graphics
- Energy performance should be stable in Q2 2020 given long-lead times for offshore activity
- April 2020 net sales of approximately $130 million
- May 2020 should be stronger as OEMs in Europe and the Americas are expected to reopen

Q2 2020 Adj. EBITDA* Guidance

$70 million to $75 million

Full Year 2020 Considerations

- Impact on net sales shifts from supply chain disruption to weakening demand in key end-markets
- Approximately $50 million of annualized cost opportunity available; have actioned less than half to-date
- Expected material upside to Q2 2020 run-rate adj. EBITDA* in second half should economic conditions improve from current levels

* See non-GAAP definitions and reconciliations in the appendix

Appendix

Capital Structure

($ millions)			
Instrument	**Maturity**	**Coupon**	**3/31/2020**
Corporate Revolver	1/31/2024	LIBOR plus 2.25%	$320
First Lien Credit Facility - USD Term Loans[1]	1/31/2026	LIBOR plus 2.00%	741
Other Secured Debt			1
Total First Lien Debt			**$1,061**
Senior Notes due 2025	12/1/2025	5.875%	800
Total Unsecured Debt			**$800**
Total Debt			**$1,861**
Cash Balance			$497
Net Debt			**$1,364**
Adjusted Shares Outstanding[2]			252
Market Capitalization[3]			**$2,103**
Total Capitalization			**$3,467**

Note: Totals may not sum due to rounding
1. Element Solutions swapped its floating term loan to fixed rate through January 2024, which could vary due to changes in the euro and the U.S. dollar exchange rate. At March 31, 2020, approximately 83% of its debt was fixed and 17% was floating
2. See p.10 for reconciliation to Adjusted Share Counts
3. Based on Element Solutions' closing stock price of $8.36 at March 31, 2020

Reconciliation to Adjusted Share Counts

(amounts in millions)	Q1 2020	Q1 2019
Common shares outstanding	**249**	**257**
Number of shares issuable upon conversion of Series A Preferred Stock	—	2
Number of shares issuable upon vesting of granted Equity Awards[1]	3	3
Adjusted common shares outstanding	**252**	**262**

Note: Totals may not sum due to rounding
1 Equity awards with targets that are considered probable of achievement vested at target level

Net Income Attributable to Common Stockholders Reconciliation to Adj. EBITDA

($ millions)	Q1 2020	Q1 2019
Net income attributable to common stockholders	**$9**	**$23**
Add (subtract):		
Net income attributable to the non-controlling interests	—	1
Income from discontinued operations, net of tax	(0)	(27)
Income tax expense (benefit)	4	(10)
Interest expense, net	17	38
Depreciation expense	11	10
Amortization expense	29	28
EBITDA	**69**	**63**
Adjustments to reconcile to Adjusted EBITDA:		
Amortization of inventory step-up	1	—
Restructuring expense	1	3
Acquisition and integration costs	7	1
Foreign exchange loss (gain) on foreign denominated external and internal long-term debt	29	(28)
Debt refinancing costs	—	61
Change in fair value of contingent consideration	—	2
Other, net	3	(3)
Adjusted EBITDA	**$110**	**$99**

Note: Totals may not sum due to rounding

Net Debt to Adj. EBITDA Ratio Reconciliation on a Trailing Twelve Month Basis

($ millions)	**QTD 2020**	**Q2 2019**	**Q3 2019**	**Q4 2019**	**LTM Q1 2020**
Net income (loss) attributable to common stockholders	**$9**	**$2**	**$(7)**	**$74**	**$78**
Add (subtract):					
Net (loss) income attributable to the non-controlling interests	—	(0)	—	0	—
Loss from discontinued operations, net of tax	(0)	13	1	(0)	14
Income tax expense (benefit)	4	(7)	57	21	76
Interest expense, net	17	18	17	17	69
Depreciation expense	11	10	10	11	42
Amortization expense	29	28	28	28	114
EBITDA	**69**	**65**	**107**	**152**	**393**
Adjustments to reconcile to Adjusted EBITDA:					
Amortization of inventory-step-up	1	—	—	1	2
Restructuring expense	1	3	7	2	13
Acquisition and integration costs	7	0	1	(1)	7
Foreign exchange loss (gain) on foreign denominated external and internal long-term debt	29	29	1	(33)	26
Debt refinancing	—	0	—	1	1
Change in fair value of contingent consideration	—	1	1	(21)	(20)
Other, net	3	3	(1)	2	7
Adjusted EBITDA	**$110**	**$101**	**$115**	**$102**	**$428**
Net Debt					**$1,364**
Net Debt to Adjusted EBITDA Ratio					***3.2x***

Note: Totals may not sum due to rounding

GAAP Net Income Reconciliation to Adjusted Diluted EPS

($ millions, except per share amounts)	**Q1 2020**	**Q1 2019**
Net income attributable to common stockholders	**$9**	**$23**
Net income from discontinued operations attributable to common stockholders	0	27
Net income (loss) from continuing operations attributable to common stockholders	**8**	**(4)**
Reversal of amortization expense	29	28
Adjustment to reverse incremental depreciation expense from acquisitions	2	2
Amortization of inventory step-up	1	—
Adjustment to interest expense	—	20
Restructuring expense	1	3
Acquisition and integration costs	7	1
Foreign exchange loss (gain) on foreign denominated external and internal long-term debt	29	(28)
Debt refinancing costs	—	61
Change in fair value of contingent consideration	—	2
Other, net	3	(3)
Tax effect of pre-tax non-GAAP adjustments	(19)	(23)
Adjustment to estimated effective tax rate	1	(7)
Adjustment to reverse attributable to certain non-controlling interests	—	1
Adjusted net income from continuing operations attributable to common stockholders	**$63**	**$53**
Adjusted earnings per share from continuing operations	**$0.25**	**$0.20**
Adjusted common shares outstanding[1]	***252***	***262***

Note: Totals may not sum due to rounding
1. See p.10 for a reconciliation to Adjusted Share Counts

Organic Net Sales Growth Reconciliation

	Three Months Ended March 31, 2020					
	Reported Net Sales Growth	Impact of Currency	Constant Currency	Change in Pass-Through Metals Pricing	Acquisitions	Organic Net Sales Growth
Electronics	1%	1%	3%	1%	(5)%	(2)%
Industrial & Specialty	(5)%	2%	(3)%	—%	—%	(3)%
Total	**(2)%**	**2%**	**0%**	**0%**	**(3)%**	**(3)%**

Note: Totals may not sum due to rounding or due to varying sizes of the two reportable segments

Non-GAAP Definitions

Adjusted Earnings Per Share (EPS): Adjusted EPS is a key metric used by management to measure operating performance and trends. In particular, the exclusion of certain expenses in calculating adjusted EPS facilitates operating performance comparisons on a period-to-period basis. Adjusted EPS is defined as net income (loss) from continuing operations attributable to common stockholders adjusted to reflect adjustments consistent with the Company's definition of adjusted EBITDA. Additionally, the Company eliminates the amortization associated with intangible assets, incremental depreciation associated with the step-up of fixed assets and incremental cost of sales associated with the step-up of inventories recognized in purchase accounting for acquisitions. Further, the Company adjusts its effective tax rate to 26% and 27% for the three ended March 31, 2020 and 2019, respectively, as described in the Release. Lastly, the 2019 adjusted EPS total is based on the Company's new capital structure by assuming that the sale of Agricultural Solutions had closed and the new credit agreement had been in place on January 1, 2019. The resulting adjusted net income is then divided by the Company's adjusted common shares outstanding. Adjusted common shares outstanding represent the shares outstanding as of the balance sheet date for the quarter-to-date period and an average of each quarter for the year-to-date period. Adjusted common shares outstanding consists of common shares outstanding, plus the shares that would be issued if all convertible stock was converted to common stock, stock options were vested and exercised, and equity grants with targets that are considered probable of achievement were vested at target level and issued.

Constant Currency: Management discloses net sales and adjusted EBITDA on a constant currency basis by adjusting results to exclude the impact of changes due to the translation of foreign currencies of its international locations into U.S. dollar. Management believes this non-GAAP financial information facilitates period-to-period comparison in the analysis of trends in business performance, thereby providing valuable supplemental information regarding its results of operations, consistent with how the Company evaluates its financial results.

The impact of foreign currency is calculated by converting the Company's current-period local currency financial results into U.S. dollar using the prior period's exchange rates and comparing these adjusted amounts to its prior period reported results. The difference between actual growth rates and constant currency growth rates represents the impact of foreign currency translation.

EBITDA and Adjusted EBITDA: EBITDA represents earnings before interest, provision for income taxes, depreciation and amortization. Adjusted EBITDA is defined as EBITDA, excluding the impact of additional items included in GAAP earnings which the Company believes are not representative or indicative of its ongoing business or are considered to be associated with its capital structure, as described in the Release. Adjusted EBITDA for each segment also includes an allocation of corporate costs, such as compensation expense and professional fees. Management believes adjusted EBITDA and adjusted EBITDA margin provide investors with a more complete understanding of the long-term profitability trends of the Company's business and facilitate comparisons of its profitability to prior and future periods. However, these measures, which do not consider certain cash requirements, should not be construed as an alternative to net income or cash flow from operations as a measure of profitability or liquidity.

Net Debt to Adjusted EBITDA ratio: Net debt to adjusted EBITDA ratio is defined as total debt (current installments of long-term debt, revolving credit facilities and long-term debt), excluding unamortized discounts and debt issuance costs, which totaled $21.5 million at March 31, 2020, less cash divided by adjusted EBITDA.

Free Cash Flow: Free cash flow is defined as net cash flows from operating activities less net capital expenditures. Net capital expenditures include capital expenditures less proceeds from the disposal of property, plant and equipment. Management believes that free cash flow, which measures the Company's ability to generate cash from its business operations, is an important financial measure for use in evaluating the Company's financial performance. However, free cash flow should be considered in addition to, rather than as a substitute for net cash provided by operating activities as a measure of the Company's liquidity.

Organic Net Sales Growth: Organic net sales growth is defined as net sales excluding the impact of foreign currency translation, changes due to the pass-through pricing of certain metals and acquisitions and/ or divestitures, as applicable. Management believes this non-GAAP financial measure provides investors with a more complete understanding of the underlying net sales trends by providing comparable net sales over differing periods on a consistent basis.

For the three months ended March 31, 2020, Electronics' and the Company's consolidated results were positively impacted by $14.4 million of acquisitions and negatively impacted by $2.1 million of pass-through metals pricing.

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The Company only provides Q2 2020 adjusted EBITDA guidance on a non-GAAP basis and does not provide reconciliation of this forward-looking non-GAAP measure to GAAP due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliation, including adjustments that could be made for restructurings, refinancings, impairments, divestitures, integration-related expenses, share-based compensation amounts, non-recurring, unusual or unanticipated charges, expenses or gains, adjustments to inventory and other charges reflected in its reconciliation of historic numbers, the amount of which, based on historical experience, could be significant.