AVTR
LISTED
NYSE

Third Quarter 2022 Earnings

EARNINGS PRESENTATION

October 28, 2022

Setting science in motion
to create a better world

avantor™

Disclaimer

FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements. All statements other than statements of historical fact included in this presentation are forward-looking statements. Forward-looking statements discuss our current expectations and projections relating to our financial condition, results of operations, plans, objectives, future performance and business. These statements may be preceded by, followed by or include the words “aim,” “anticipate,” “believe,” “estimate,” “expect,” “forecast,” “intend,” “likely,” “outlook,” “plan,” “potential,” “projection,” “continue,” “goal,” “objective,” “opportunity,” “near-term,” “long-term,” “assumption,” “project,” “guidance,” “target,” “trend,” “seek,” “can,” “could,” “may,” “should,” “would,” “will,” the negatives thereof and other words and terms of similar meaning.

Forward-looking statements are inherently subject to risks, uncertainties and assumptions; they are not guarantees of performance. You should not place undue reliance on these statements. We have based these forward-looking statements on our current expectations and projections about future events. Although we believe that our assumptions made in connection with the forward-looking statements are reasonable, we cannot assure you that the assumptions and expectations will prove to be correct. Factors that could contribute to these risks, uncertainties and assumptions include, but are not limited to, the factors described in “Risk Factors” in our most recent annual report on Form 10-K and subsequent quarterly reports on Form 10-Q. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the foregoing cautionary statements. In addition, all forward-looking statements speak only as of the date of this presentation. We undertake no obligations to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise other than as required under the federal securities laws.

NON-GAAP FINANCIAL MEASURES

To evaluate our performance, we monitor a number of key indicators at the consolidated level and, in certain cases, at the segment level. As appropriate, we supplement our results of operations determined in accordance with U.S. generally accepted accounting principles (“GAAP”) with certain non-GAAP financial measurements that are used by management, and which we believe are useful to investors, as supplemental operational measurements to evaluate our financial performance. These measurements should not be considered in isolation or as a substitute for reported GAAP results because they may include or exclude certain items as compared to similar GAAP-based measurements, and such measurements may not be comparable to similarly-titled measurements reported by other companies. Rather, these measurements should be considered as an additional way of viewing aspects of our operations that provide a more complete understanding of our business. We do not provide GAAP financial measures on a forward-looking basis because we are unable to predict with reasonable certainty and without unreasonable effort items such as acquisition-related charges, the costs associated with integrating acquired businesses, the timing and amount of future restructuring actions, and the early retirement of debt.

We strongly encourage investors to review our consolidated financial statements in their entirety and not rely solely on any one, single financial measurement. See “Use of Non-GAAP Financial Measures” in our press release issued on October 28, 2022. A reconciliation of non-GAAP measures is included in the supplemental disclosures package at the embedded hyperlink and on our investor relations website at ir.avantorsciences.com.

Q3 highlights

Ongoing business momentum

- Overall 3Q results modestly ahead of outlook provided in early September
- Ongoing bioproduction and advanced technologies & applied materials growth
- Core organic growth and margin expansion continue above long-term targets

Executing on our growth strategy

- Multiple new product launches to support emerging bioproduction workflows
- Hydration expansions to provide buffer solutions for bioproduction customers
- Ongoing investments in manufacturing capacity and distribution infrastructure

Looking ahead

- Updated full year guidance
- Focused on improving performance of 2021 acquisitions & deleveraging
- Long-term financial algorithm intact

Q3 adjusted P&L

USD in millions	Q3 2022	Q3 2021	COMMENTS
Reported Revenue	**$1,856.5**	**$1,834.3**	– FX impact: (5.8%), COVID impact: (3.3%) – Double digit core organic growth in bioproduction and AT/AM
Core organic growth	*7.8%*	*8.5%*	
Adj. Gross Profit	**$650.7**	**$622.2**	– Expansion of 110 bps, driven by proprietary growth
Adj. Gross Profit %	*35.0%*	*33.9%*	
Adj. EBITDA	**$384.0**	**$359.2**	– Growth of 12.8%, excluding FX headwinds[1]
Adj. EBITDA %	*20.7%*	*19.6%*	
Adj. Earnings Per Share	**$0.34**	**$0.35**	– Adj. Net Income growth of 8.8%, excluding FX headwinds[1]
Free Cash Flow	**$219.3**	**$229.3**	– Conversion of ~95%[2] – Working capital investments to mitigate global supply chain risks
Adj. Net Leverage	**3.6X**	**3.5X**	– Current bias to continued deleveraging

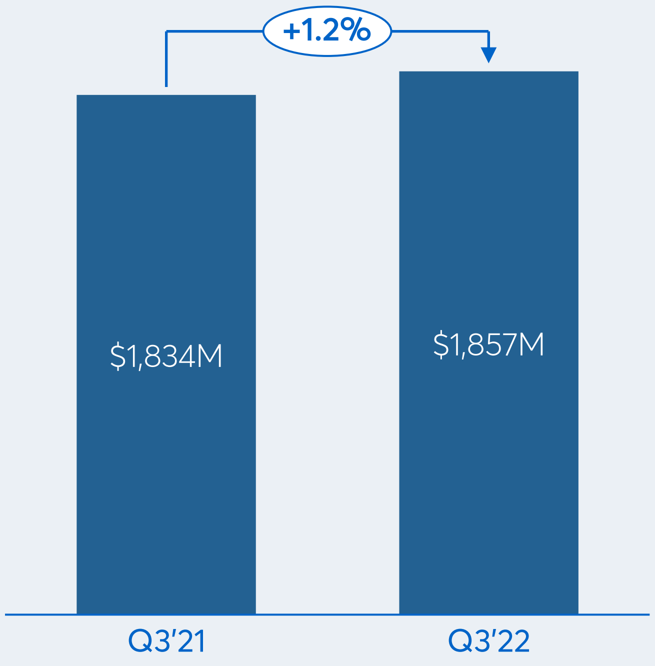
Note: Core organic growth is organic growth net of COVID impact.
1. FX headwinds calculated based on Adj. EBITDA, net of tax impact for Adj. NI.
2. Conversion: Free cash flow / Adj. Net Income.

avantor™

Q3 revenue

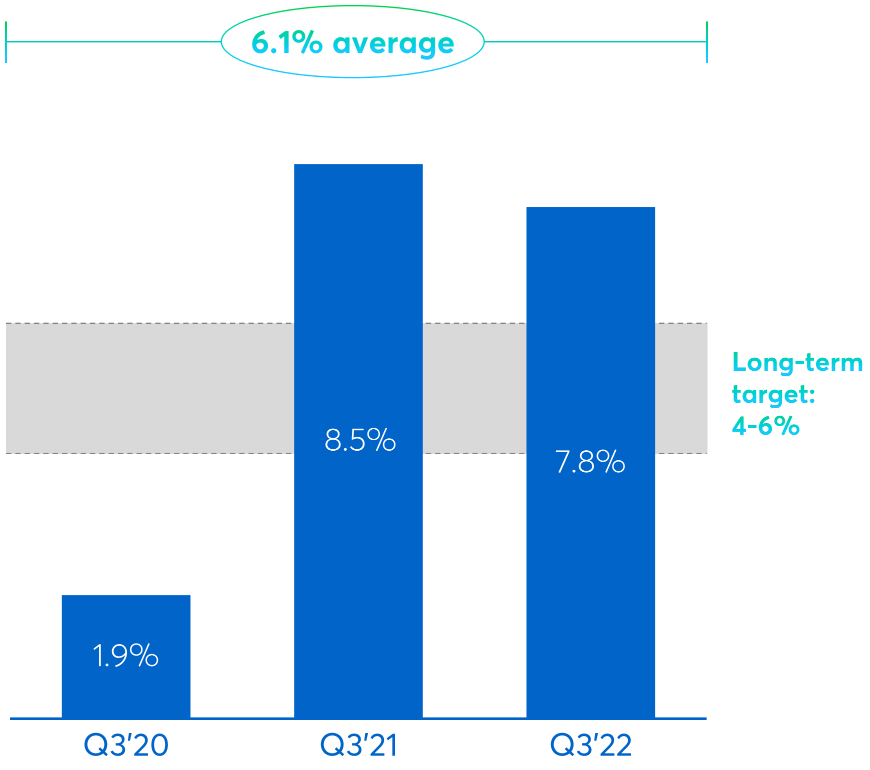
Revenue growth

Reported revenue in $M



Core organic growth	7.8%
COVID impact	(3.3%)
Organic growth	4.5%
M&A impact	2.5%
FX impact	(5.8%)
Reported revenue growth	1.2%

Core organic growth



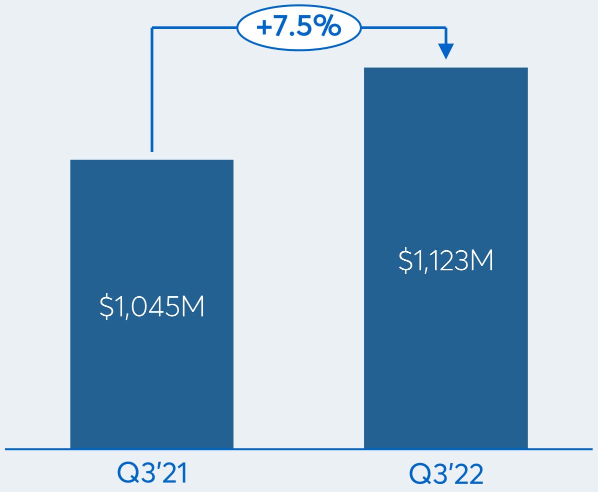
Note: **Organic growth** is reported growth excluding the impacts from any acquired or disposed businesses and changes in foreign currency exchange rates.
Core organic growth is organic growth net of COVID impact.

Q3 revenue by region

Reported revenue in $M

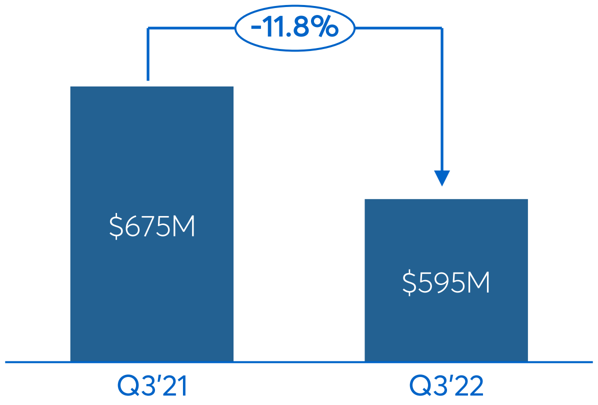
Americas

~60% of sales



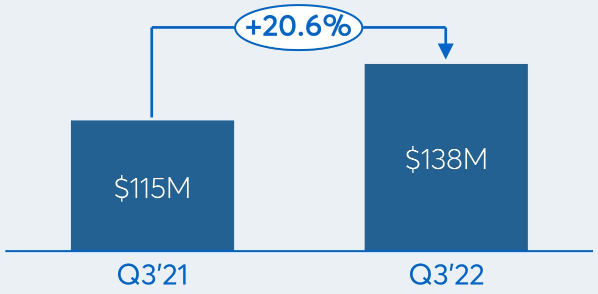
Europe

~35% of sales



AMEA

~5% of sales



Core organic growth:	Americas	Europe	AMEA
	+8.8%	+4.8%	+15.1%

avantor™

Note: **Organic growth** is reported growth excluding the impacts from any acquired or disposed businesses and changes in foreign currency exchange rates.
Core organic growth is organic growth net of COVID impact.

Q3 core organic revenue growth

Core organic revenue growth **7.8%**

CORE ORGANIC REVENUE GROWTH BY END MARKET

	Biopharma	Healthcare	Education and government	Advanced technologies and applied materials
% of total sales:	*~55%*	*~10%*	*~10%*	*~25%*
	+HSD	**+MSD**	**-LSD**	**+DD**

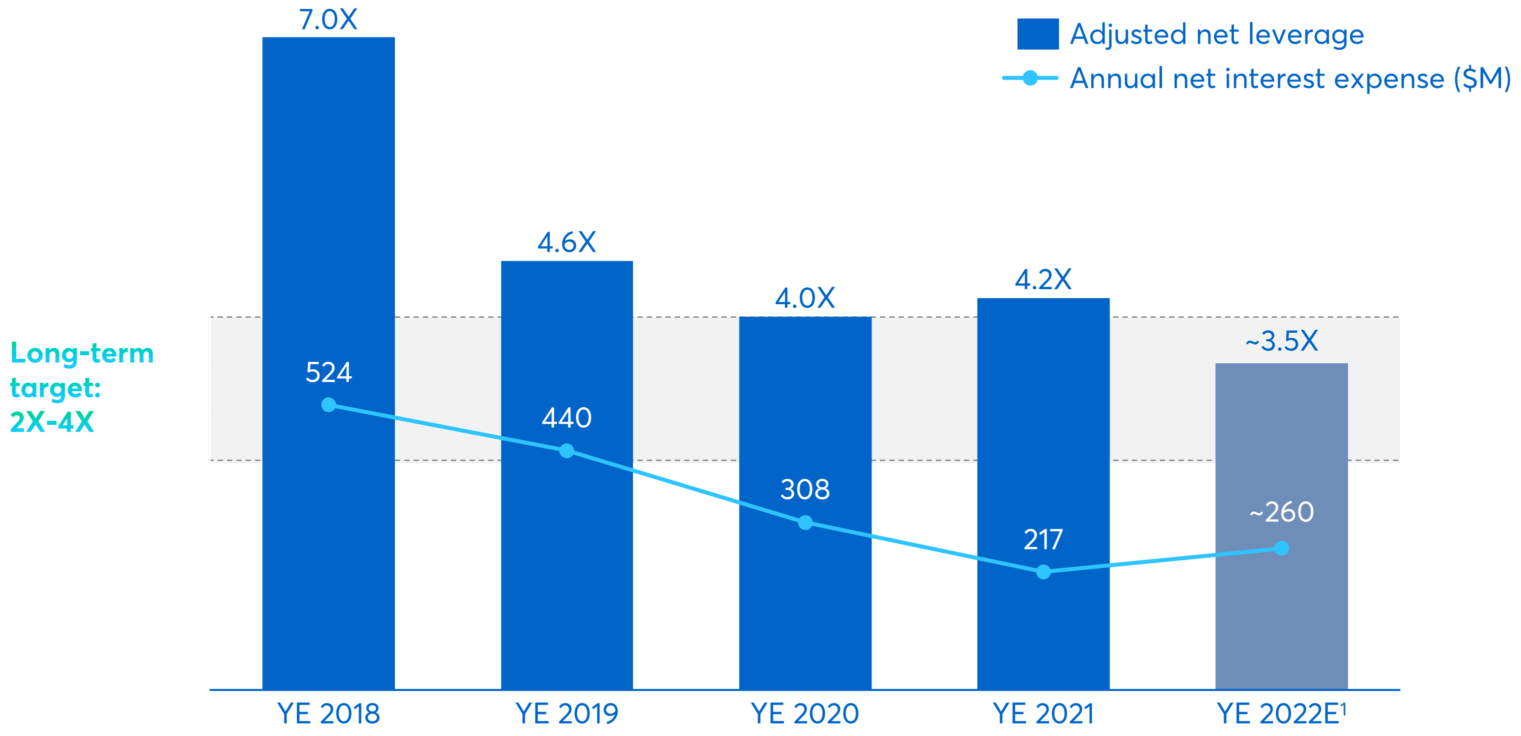
CORE ORGANIC REVENUE GROWTH BY PRODUCT

	Proprietary materials and consumables	Third-party materials and consumables	Services and specialty procurement	Equipment and instrumentation
% of total sales:	*~40%*	*~35%*	*~10%*	*~15%*
	+DD	**+LSD**	**+MSD**	**+LSD**

Note: LSD 1-3% / MSD 4-6% / HSD 7-9% / DD >10%. "% of total sales" based on YTD reported revenue.

Capital allocation update

Adjusted net leverage



Outlook

- Primary near-term focus is deleveraging
- ~70% of current debt insulated from rate increases, including hedges[2]
- 2023 interest expense to reflect continued benefits of deleveraging, offset by rising variable rates
- M&A remains a key component of long-term playbook, but bar is high in current environment

avantor™

1. Assuming 100% of free cash flow used to pay down debt.
2. Swapped the floating rate portion, exclusive of the spread, of $750M USD LIBOR debt to a EUR fixed rate of 1.091% on EUR 732.1M notional.

M&A update

M&A contribution[1]

	Q3'22 Actual	YTD Actual	FY 2022 Estimate
Masterflex	$48M	$184M	~$240 - $260M
Ritter	$40M	$120M	~$130 - $150M
RIM Bio	$3M	$7M	~$10M
Total Revenue	$91M	$311M	~$400M
Adj. EBITDA	$35M	$112M	~$130M
Adj. EPS	$0.01	$0.04	~$0.05

Path forward

INNOVATION — *ENHANCE PROPRIETARY CONTENT*

- Launched MasterSense™ line of Masterflex peristaltic pumps in Q2; on track to launch 14 new products in 2023
- NPI roadmap in place to augment Ritter product line, including 4 new product launches in 2023
- Leveraging RIM technology to expand direct dispense portfolio

COMMERCIAL — *DRIVE GROWTH THROUGH CHANNEL*

- >75% of global commercial reps trained on Ritter & Masterflex product line, >80 trainings sessions for Masterflex
- Onboarded 35 global sales specialists in fluid handling
- Pipeline of >2,000 opportunities with existing accounts across Ritter & Masterflex

LEADERSHIP — *DELIVER FINANCIAL RESULTS*

- Enhancing operational oversight at Ritter
- Hired industry experts to lead sprint teams focused on accelerating revenue synergy capture

1. Financial contribution from 3 entities acquired in 2021 (Masterflex, Ritter, RIM Bio). Includes legacy sales through Avantor channel. Includes all contributions from these entities regardless of inorganic vs. organic split.

2022 full-year guidance

	FY GUIDANCE: AS OF Q2 2022	YTD RESULTS	FY GUIDANCE: CURRENT	COMMENTS RE. CURRENT FY GUIDANCE
Organic revenue growth	4-6%	3.9%	2.5 – 3%	• FY core organic: 6.0 – 6.5% • FY reported: 1.5 – 2.0%
Adj. EBITDA margin expansion	>125 bps	~130 bps	100 - 125 bps	• Updated to reflect flow through of growth assumptions
Adj. EPS[1]	$1.43 - $1.49	$1.09	$1.38 - $1.40	Change from Q2 guidance[2]: • M&A impact: -$0.03 • 2H organic impact: -$0.03 • FX impact: -$0.01[3]
Free cash flow	>$950M	~$538M	~$800M	• Flow through of operating results & FX impact • Investment in working capital to mitigate supply chain risks

avantor™

1. Adj. EPS estimate based on US GAAP diluted share count of ~680M.
2. Numbers cited represent changes from FY Adj. EPS guidance as of Q2 2022 to current FY Adj. EPS guidance.
3. Updated to reflect current estimate for FY blended USD/EUR exchange rate (FY blended estimate: 1.12 at Q4'21, 1.09 at Q1'22, 1.06 at Q2'22, 1.04 current).

Well-positioned to drive growth and empower scientific breakthroughs