



Q4 & FY 2024 Earnings

Earnings Presentation

February 7, 2025



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Forward-looking statements

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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 measures that are used by management, and which we believe are useful to investors, as supplemental operational measures to evaluate our financial performance. These measures 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 measures, and such measures may not be comparable to similarly-titled measures reported by other companies. Rather, these measures 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 measure. See “Use of Non-GAAP Financial Measures” in our accompanying press release. 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.

Q4 & FY highlights



CONTINUED MOMENTUM ACROSS THE BUSINESS

- Returned platform to organic growth in Q4
- Drove sequential and year-over-year growth in Adjusted EBITDA margin, adjusted EPS and free cash flow
- Bioprocessing delivered HSD organic revenue growth in Q4
- Continued stability in Laboratory Solutions



ACTIONS TO DRIVE GROWTH AND PERFORMANCE

- New operating model aligned with customer needs
- Cost transformation initiative is ahead of schedule
- Paid down over \$1B in debt in 2024 and reduced net leverage to 3.2x
- Record investments in supply chain and bioprocessing efficiency and capacity



COMMITTED TO STRONG FINANCIAL PERFORMANCE IN 2025

- Return to FY organic revenue growth
- Continued margin expansion and double-digit EPS growth
- Strong free cash flow and business performance drives adjusted net leverage below target 3.0x
- Guidance reflects impact of Clinical Services divestiture



Q4 and FY 2024 highlights

Reported Revenue¹

\$1.69B	\$6.78B
Q4	FY 2024

Adjusted EBITDA margin

18.2%	17.7%
Q4	FY 2024

Adjusted Earnings per share¹

\$0.27	\$0.99
Q4	FY 2024

Free cash flow²

\$222M	\$768M
Q4	FY 2024

Bioscience Production:

Bioprocessing outperformance and return to growth

Laboratory Solutions:

Stable end market conditions; continued commercial momentum

Cost transformation initiative delivered ahead of plan

Margin performance at high end of guidance

Best-in-class full year free cash flow conversion **>110%**³

1. The divestiture of the Clinical Services business was ~\$40M headwind to Revenue, ~\$15M headwind to Adj. EBITDA and \$0.01 headwind to Adj. EPS
2. Free Cash Flow **includes** cash costs related to cost transformation initiative and **excludes** direct transaction costs and income taxes paid related to the divestiture of the Clinical Services business.
3. Free cash flow conversion = free cash flow / Adjusted Net Income

Q4'24 financial results

	Q3'24	Q4'24	Q4'23
Reported revenue Organic growth	\$1,714M -1%	\$1,687M +1%	\$1,723M -6%
Adj. gross profit % of revenues	\$573M 33.4%	\$564M 33.4%	\$570M 33.1%
Adj. EBITDA % of revenues	\$303M 17.6%	\$308M 18.2%	\$302M 17.5%
Adj. operating income % of revenues	\$275M 16.0%	\$279M 16.6%	\$275M 16.0%
Adj. earnings per share	\$0.26	\$0.27	\$0.25
Free cash flow¹	\$204M	\$222M	\$201M
Adj. net leverage	3.8x	3.2x	3.9x



1. Q4 '24 Free Cash Flow **includes** cash costs related to cost transformation initiative and **excludes** direct transaction costs and income taxes paid related to the divestiture of the Clinical Services business.

FY 2024 financial results

	FY 2024	FY 2023
Reported revenue Organic growth	\$6,784M -2%	\$6,967M -8%
Adj. gross profit % of revenues	\$2,291M 33.8%	\$2,364M 33.9%
Adj. EBITDA % of revenues	\$1,199M 17.7%	\$1,309M 18.8%
Adj. operating income % of revenues	\$1,090M 16.1%	\$1,212M 17.4%
Adj. earnings per share	\$0.99	\$1.06
Free cash flow¹	\$768M	\$724M
Adj. net leverage	3.2x	3.9x



1. FY'24 Free Cash Flow **includes** cash costs related to cost transformation initiative and **excludes** direct transaction costs and income taxes paid related to the divestiture of the Clinical Services business.

Q4'24 and FY 2024 Laboratory Solutions performance



Q4 '24

FY '24

Reported revenue¹

\$1,126M

Organic growth

-1%

Adj. operating income¹

\$147M

Adj. operating margin

13.1%

Reported revenue¹

\$4,610M

Organic growth

-2%

Adj. operating income¹

\$598M

Adj. operating margin

13.0%

1. The divestiture of the Clinical Services business was ~\$40M headwind to Revenue and ~\$15M headwind to Adj. operating income.

Q4'24 and FY 2024 Bioscience Production performance



Q4 '24

Reported revenue

\$561M

Organic growth

+4%

Adj. operating income

\$149M

Adj. operating margin

26.6%

FY '24

Reported revenue

\$2,174M

Organic growth

-3%

Adj. operating income

\$558M

Adj. operating margin

25.7%

Full year 2025 guidance^{1,2}

Guidance Metrics

Organic Revenue Growth **+1% to +3%**

Adj. EBITDA Margin **18% to 19%**

Adj. EPS³ **\$1.02 to \$1.10**

Free Cash Flow⁴ **\$650M to \$700M**

1. For reconciliation from impact of Clinical Services divestiture, see Appendix
2. Reported revenue range is -3% to -1%, reflecting 2% Fx headwinds and a 2% headwind from our Clinical Services divestiture. (FY blended USD / EUR exchange rate of 1.03)
3. Adjusted tax rate 22.5%, interest expense \$180M-\$190M and average shares outstanding ~685M
4. Excludes cash costs related to cost transformation initiative.



Appendix

Clinical Services divestiture impact^{1,2,3}

~\$150M

Reported revenue headwind

Reported YoY Growth Headwind ~2%

~\$50M

Adjusted EBITDA headwind

Adj. EBITDA Margin Headwind ~40bps

\$0.03

Adjusted EPS dilution

Net Interest Expense Reduction \$20M


\$20M

Free cash flow headwind

¹Figures represent the Clinical Services business performance in FY24 up to the point of divestiture

²Divestiture does not impact organic growth

³EPS dilution net of impact of incremental debt paydown from proceeds



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