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Setting science in motion to create a better world

Avantor to Acquire Masterflex®

September 7, 2021

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 announced transaction to acquire Masterflex® and the related financing transactions, as well as 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, our ability to successfully integrate Masterflex® into our operations and achieve anticipated synergies, our ability to execute related financings on favorable terms, as well as the factors described in "Risk Factors" in our 2020 Annual Report on Form 10-K, and our quarterly reports on Form 10-Q for the first and second quarters of 2021. 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 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 today. A reconciliation of Avantor non-GAAP measures can be found at the back of the deck.

A quantitative reconciliation of forward-looking non-GAAP information to the corresponding GAAP information is not provided because the GAAP measures that are excluded are difficult to predict and are primarily dependent on future uncertainties. Items with future uncertainties include the timing and cost of future restructuring activities, charges related to the early retirement of debt, changes in tax rates and other non-recurring items.

Masterflex®

Attractive addition to Avantor's single-use platform

OVERVIEW

- Bioproduction business of Antylia Scientific, a privately-held Life Science Tools company
- Global leader in peristaltic instruments and aseptic single-use fluid transfer technologies for bioproduction
- Complete end-to-end workflow solution, delivering precise performance outcomes (flow rate, sterility)
- Large installed base in both research & production
- High growth fueled by mAbs, C&GT, and mRNA

ATTRACTIVE END MARKET

>80%	HDD	>$5B
MASTERFLEX® REVENUE IN BIOPHARMA[1]	LONG-TERM MARKET GROWTH[2]	PROJECTED 2025 TAM[3]

INTEGRATED SYSTEM SOLUTIONS

MASTERFLEX®

1. PERISTALTIC PUMPS



High-precision instruments for aseptic fluid transfer

2. SINGLE-USE ENGINEERED TUBING



Single-use tubing optimized for Masterflex® pumps; spec'd into customers' processes

3. SINGLE-USE COMPONENTS



Single-Use components for fluid transfer assemblies

1. Management estimate
2. High Double Digit = >15%
3. Management estimate. TAM = Total Addressable Market

Fully integrated solution for aseptic fluid transfer throughout Bioproduction workflow

MASTERFLEX® STRATEGIC POSITIONING:

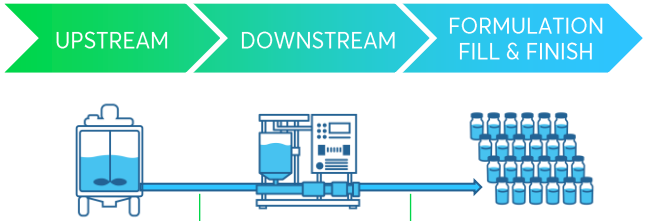
1 Specified early in workflow design

2 Critical throughout Bioproduction workflow

3 Drives recurring sales of related products



Industry leading pumps serve as anchor technology for bioproduction workflow



Masterflex® pumps and tubing move critical materials & media throughout the manufacturing process



Installed base drives ~70% recurring revenue from proprietary tubing & single-use consumables

AVANTOR ADVANTAGE:

Early insight into customer's production needs

Reinforces Avantor's access at every step of the workflow

Leverages Avantor's single-use platform to provide comprehensive fluid transfer solutions

Strategic alignment with avantor™



- **Exhibits same core business attributes** including premium brand, stringent quality standards, specification-driven products, and historically highly recurring revenue profile
- **Enables significant cross-selling opportunities** of Masterflex® end-to-end fluid management solution and Avantor's comprehensive portfolio of process ingredients, chromatography resins, and excipients
- **Strengthens Avantor offering across all Bioproduction platforms** including mAbs, Cell & Gene therapy, and mRNA
- **Drives high margin, highly recurring consumables and single-use pull through** from significant installed base
- **Leverages Avantor's channel and deep Biopharma customer access** to enhance growth opportunities in research and production

Transaction highlights[1]

Purchase price	– $2.9B all-cash payable at closing[2] – $2.7B net purchase price, reflecting anticipated tax benefits – ~21X 2022 Adjusted EBITDA Multiple
EPS	– Expected to be accretive to adjusted EPS in year 1
ROIC	– HSD[3] by year 5
Financing	– Fully committed debt financing – Flexibility to consider equity and/or equity-linked financing elements – Rapid deleveraging yields <4X leverage by YE2022
Expected Close	– Q4 2021

MASTERFLEX® FINANCIAL HIGHLIGHTS

~$300M
2022E Revenue

HDD
Long-Term growth rate[3]

~90%
Proprietary content

>70%
Recurring consumables revenue

1. Management estimates. Actual results may differ and those differences may be material
2. Enterprise value, subject to final adjustments at closing
3. High Single Digit = 7% to 9%; High Double Digit = >15%

Attractive transaction meeting all M&A criteria[1]

1. ACCRETIVE TO GROWTH RATE ✓
2. ACCRETIVE TO MARGIN RATE ✓
3. ACCRETIVE TO EPS ✓
4. HIGH SINGLE DIGIT ROIC ✓
5. STRONG FCF AND RAPID DELEVERAGING ✓



1. Based on management expectations. There can be no assurance we will achieve the expected benefits of the transaction in the timeline anticipated, if at all

Appendix

Reconciliations of GAAP to non-GAAP measures

(Shares in M)

	2020					2021	
	Q1	Q2	Q3	Q4	FY[1]	Q1	Q2
Diluted earnings (loss) per share (GAAP)	**$0.05**	**$0.08**	**$(0.10)**	**$0.06**	**$0.09**	**$0.25**	**$0.24**
Dilutive impact of convertible instruments	0.02	0.01	0.03	0.02	0.09	0.01	0.01
Fully diluted (loss) earnings (loss) per share (non-GAAP)	**0.07**	**0.09**	**(0.07)**	**0.08**	**0.18**	**0.26**	**0.25**
Amortization	0.12	0.12	0.12	0.12	0.48	0.11	0.10
Loss on extinguishment of debt	—	—	0.35	0.19	0.54	0.01	—
Net foreign currency loss (gain) from financing activities	—	—	(0.01)	—	—	—	—
Other stock-based compensation expense (benefit)	—	—	—	—	—	—	—
Acquisition-related expenses	—	—	—	—	—	—	0.03
Integration-related expenses and other	0.01	—	0.01	—	0.03	—	—
Restructuring and severance charges	—	0.01	0.01	0.01	0.01	—	0.01
Receipt of disgorgement penalty	—	—	—	—	—	—	(0.02)
Income tax benefit applicable to pretax adjustments	(0.03)	(0.03)	(0.17)	(0.11)	(0.35)	(0.03)	(0.02)
Adjusted EPS (non-GAAP)	**$0.17**	**$0.19**	**$0.24**	**$0.29**	**$0.89**	**$0.35**	**$0.35**
Diluted weighted average share count (GAAP)	581	582	577	587	583	589	591
Share count for Adjusted EPS (non-GAAP)	643	643	643	643	643	643	643

1. Full year earnings per share amounts are not intended to be the sum of quarterly amounts

Reconciliations of GAAP to non-GAAP measures (continued)

($M)

	2017	2018	2019	2020	2021	
					Q1	Q2
Debt, gross	7,396.1	7,162.9	5,249.4	4,972.2	4,702.0	5,733.3
Less: cash and cash equivalents	(185.4)	(184.7)	(186.7)	(286.6)	(172.5)	(223.0)
Numerator of adjusted net leverage	**7,210.7**	**6,978.2**	**5,062.7**	**4,685.6**	**4,529.5**	**5,510.3**
TTM adjusted EBITDA[1]	289.5	945.3	1,031.2	1,141.6	1,241.9	1,402.2
TTM ongoing share-based compensation expense	21.6	19.1	31.1	42.4	43.7	44.8
Pro forma adjustment for VWR	472.6	—	—	—	—	—
Pro forma adjustment for projected synergies	—	29.7	26.8	1.6	—	—
Denominator of adjusted net leverage	**783.7**	**994.1**	**1,089.1**	**1,185.6**	**1,285.6**	**1,447.1**
Adjusted net leverage (non-GAAP)	**9.2X**	**7.0X**	**4.6X**	**4.0x**	**3.5x**	**3.8x**

1. Represents the Adjusted EBITDA of Avantor for the trailing twelve-month period plus management's best estimates of the incremental results attributable to acquired companies as if such acquisitions had been completed on the first day of such trailing twelve-month period, as permitted by our debt covenants. Such estimates and financial information for acquired companies may or may not have been audited, and in certain instances may have been prepared on a basis other than U.S. GAAP though we believe these differences in the basis of accounting to be immaterial for the purpose of presenting net leverage.