

Q2 2022 Review

July 29, 2022
8:00 AM CT



Speakers: Stephan Tanda, President and CEO; Bob Kuhn, Executive Vice President and CFO

Forward Looking Statements & Non-GAAP Financial Measures



This presentation includes forward-looking statements. Forward-looking statements are made pursuant to the safe harbor provisions of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 and are based on management's beliefs and assumptions in light of information currently available to management. Accordingly, the Company's actual results may differ materially from those expressed or implied in such forward-looking statements due to known or unknown risks and uncertainties that exist in the Company's operations and business environment, including, among other factors, those described in documents filed by the Company with the Securities and Exchange Commission, specifically its Form 10-Ks and 10-Qs. The Company does not assume any obligation to update, amend or clarify such statements to reflect new events, information or circumstances after the date of this presentation.

During the course of this presentation, certain non-GAAP financial information will be presented. Additional information is available on the Company's website at www.aptar.com on the Investor's page (click on Events & Presentations for a Reconciliation of non-GAAP Financial Measures).

Adjusted EBITDA and EPS exclude the impact of restructuring initiatives, acquisition related costs, and net unrealized investment gains and losses related to observable market price changes on equity securities. Prior year Adjusted EPS includes foreign currency effects that are approximations of the adjustment necessary to state the prior year earnings per share using current period foreign currency exchange rates.

Q2 2022 Financial Highlights

+4%

Reported Sales Growth

+10%

Core Sales Growth*

+15%

Net Income Growth

+8%

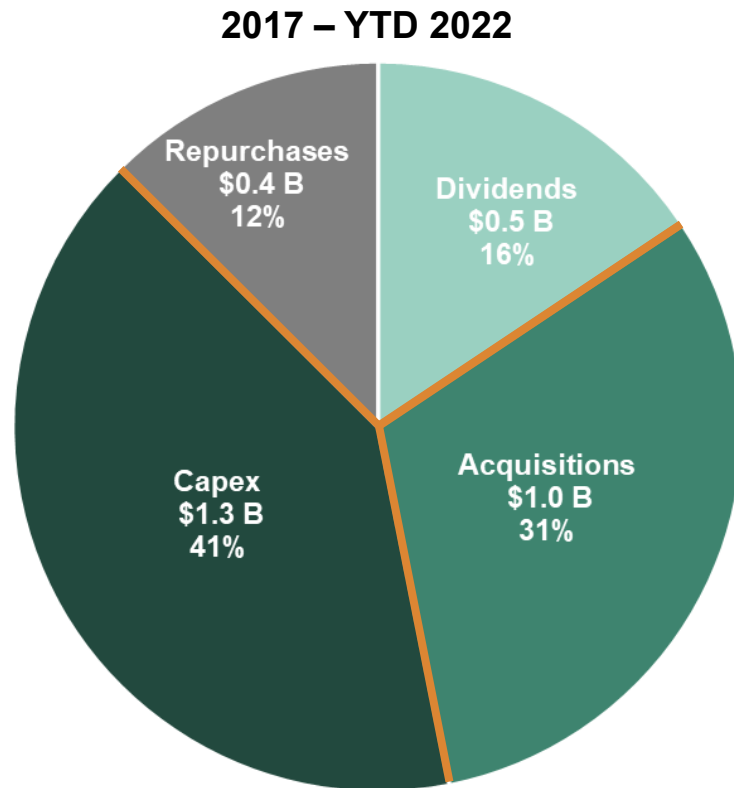
Adjusted EBITDA Growth

Highlights:

- Increased volumes and price initiatives drove strong second quarter top line growth across each reporting segment
- Areas of our business that were negatively impacted by the pandemic, such as our prescription drug, beauty and beverage solutions, are recovering



Capital Allocation



Highlights

- Deployed over **\$3 billion** since 2017, balanced across
 - investing in our business,
 - making acquisitions and
 - dividends and share repurchases
- 1H2022:
 - Capital expenditures of approximately **\$150 million**, the majority of which were in our Pharma segment, including plant capacity expansions in the US, France and China
 - Returned over **\$100 million** to shareholders through dividends and share repurchases

On track for our 29th consecutive year of increased annual dividend payments and have repurchased shares every year since 1999, except for 2020

Global Sustainability Reporting

Aptar's 2021 Corporate Sustainability Report was released on June 22nd



Aptar Better Takes Shape 2021 Corporate Sustainability Report



BARRON'S
Most Sustainable Companies 2022



Recent Technologies and Solutions on the Market

Aptar Pharma

- Unidose devices for generic versions of nasally-administered naloxone (to counter effects of opioid overdose)
- Several new allergic rhinitis products in Europe and the Middle East launched with our nasal devices
- Topical treatment for acne featuring our airless pump for the U.S. market
- New soft spray saline product in China using our PureHale® technology, a portable, ready-to-use system targeting upper airways
- Our component solutions for injectable medications have been chosen for use with kidney disease and oncology drugs in the US



Recent Technologies and Solutions on the Market

Aptar 



Aptar Beauty + Home

- Several new fragrances including from Puig in Europe and O’Boticario in Latin America launched with our spray systems
- P&G is featuring our spray pump on a facial skin care product for the Olay brand in Asia
- New hair oil product for Love, Beauty and Planet by Unilever in Asia features our lotion pump
- FusionPKG beauty business is providing a customized packaging solution for a new line of hair and body products by Drunk Elephant in the US

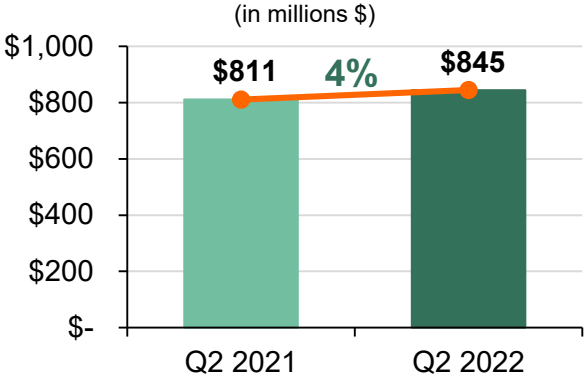
Aptar Food + Beverage

- Flip-lid technology with SimpliSqueeze® flow control valve for inverted pouches is the dispensing solution for the Good & Gather brand squeezable guacamole
- Custom closure with tamper-evident sealing system for infant nutrition is featured on Feihe’s Zhuorui brand milk powder in China
- Aptar’s food protection absorbent trays, which can enhance freshness and extend shelf life, have been adopted by major fast food chains in the US
- Sport closure technology was selected for Powerade beverages in Paraguay

Second Quarter 2022 Reported Results

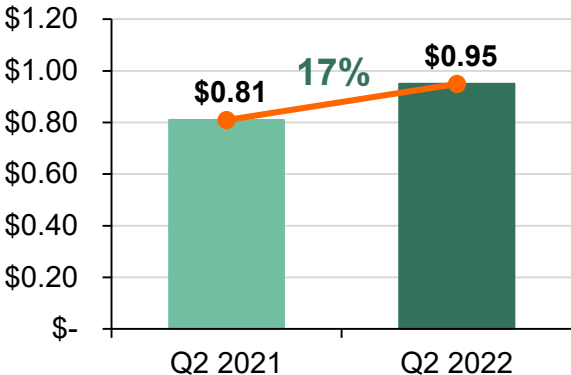


Reported Q2 Sales



- +10%** Core Sales Growth*
- 6%** Currency Effects
- 0%** Acquisitions

Reported Q2 EPS



- 26%** Q2 2021 Reported Effective Tax Rate
- 29%** Q2 2022 Reported Effective Tax Rate

Q2 Highlights

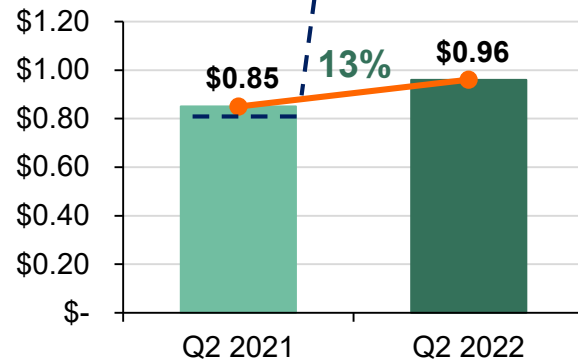
- Aptar delivered a strong quarter, remaining resilient while navigating a very dynamic and uncertain environment
- Aptar Pharma achieved double-digit core sales growth due to increased volumes across each end market
 - Demand for nasal devices for allergic rhinitis treatments, emergency medicines and decongestants principally drove the growth
 - Sales of elastomer components for injected medicines remained strong across multiple uses, including biologics
- Aptar Beauty + Home grew through pricing initiatives as well as increased volume in the beauty and personal care markets
 - Categories previously under pressure due to the pandemic are rebounding, including fragrance, facial skincare, haircare and sunscreens
- Growth in Aptar Food + Beverage was driven primarily by pricing, with volumes in the food market softening, especially in North America, after a period of strong growth
 - Volumes in the beverage market increased as demand recovered in the quarter

* See accompanying slide titled: *Forward Looking Statements & Non-GAAP Financial Measures.*

Second Quarter 2022 Adj. EPS and Adj. EBITDA

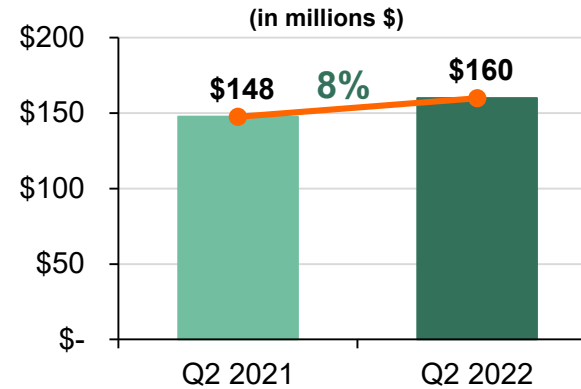
The prior year's adjusted earnings included an effective tax rate of 25% (approximately \$0.04 cents per share impact compared to current period effective tax rate of 29%).

Adjusted Q2 EPS*



25% Q2 2021 Effective Tax Rate Adjusted Earnings*	29% Q2 2022 Effective Tax Rate Adjusted Earnings*
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Adjusted Q2 EBITDA



Adjustments:

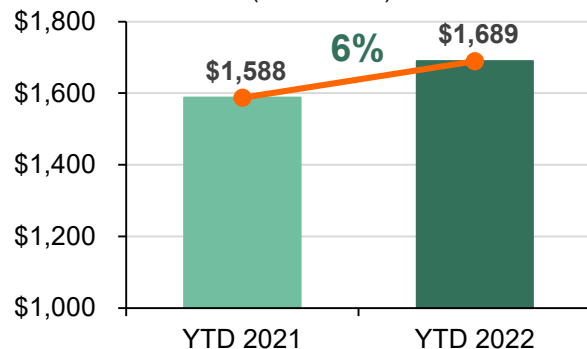
- 2021: Restructuring initiatives of \$4.9 mil; Net unrealized investment loss of \$1.6 mil; Transaction costs related to acquisitions of \$2.4 mil
- 2022: Restructuring initiatives of \$0.4 mil; Net unrealized investment loss of \$0.5 mil

* See accompanying slide titled: *Forward Looking Statements & Non-GAAP Financial Measures.*

Year-to-Date 2022 Reported Results

Reported YTD Sales

(in millions \$)



+11%

Core Sales Growth*

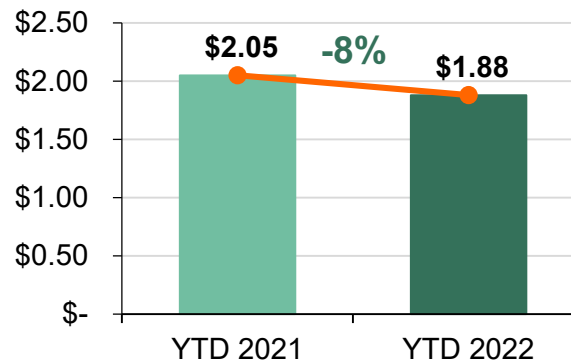
-5%

Currency Effects

0%

Acquisitions

Reported YTD EPS



21%

YTD 2021

Reported Effective Tax Rate

29%

YTD 2022

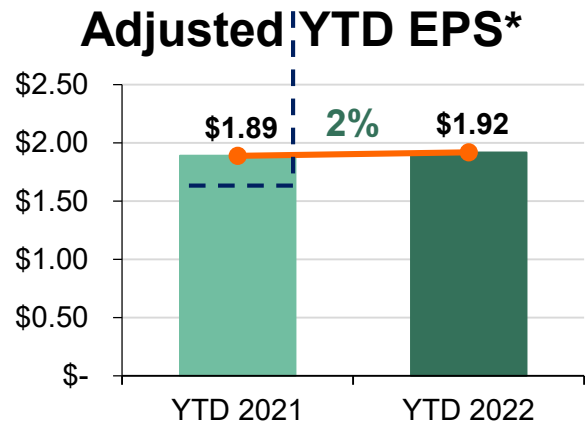
Reported Effective Tax Rate

YTD Highlights

- Broad-based demand for Aptar's solutions and price adjustments to offset rising input costs drove reported sales growth of 6% and core sales growth of 11%

Year-to-Date 2022 Adj. EPS, Adj. EBITDA, Free Cash Flow

The prior year's adjusted earnings included an effective tax rate of 20% (approximately \$0.19 cents per share impact compared to current period effective tax rate of 28%).



20%

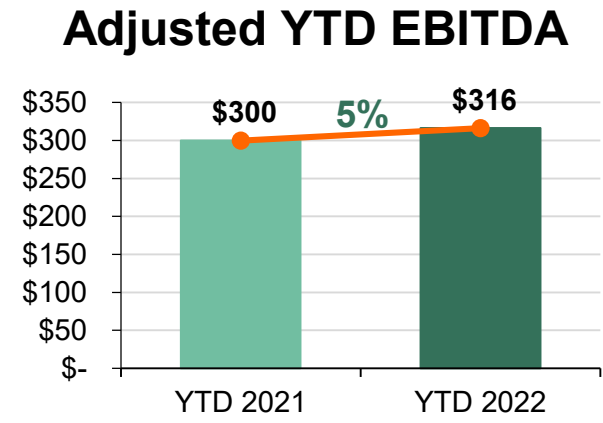
YTD 2021

Effective Tax Rate Adjusted Earnings*

28%

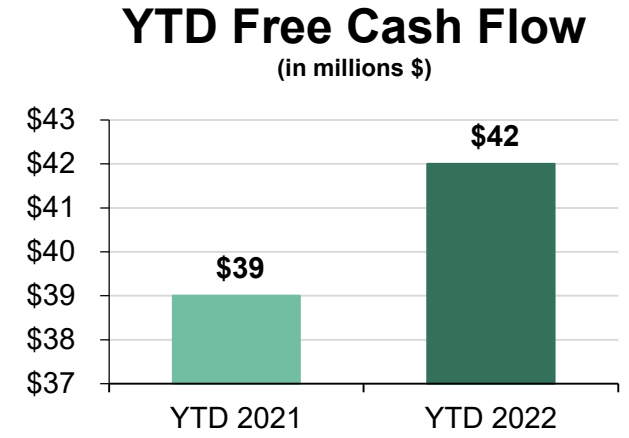
YTD 2022

Effective Tax Rate Adjusted Earnings*



Adjustments:

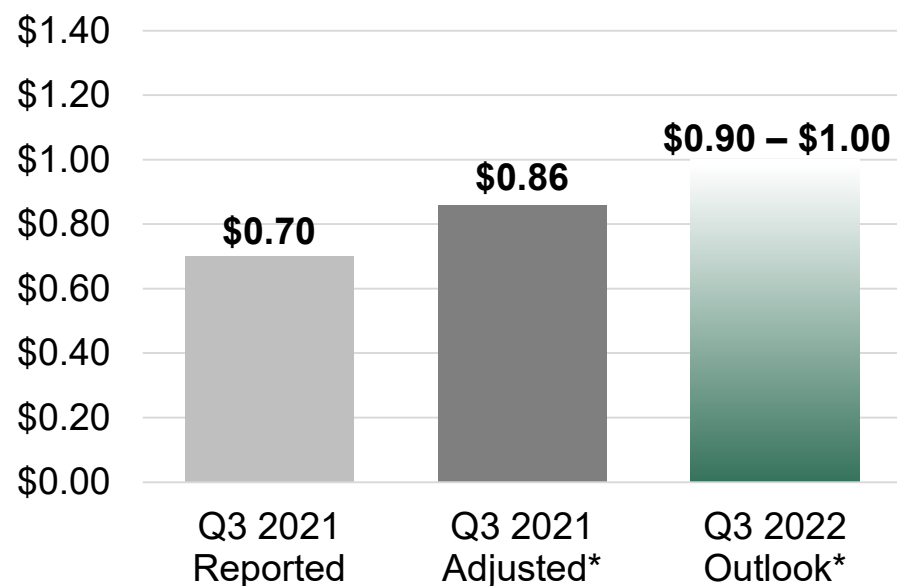
- 2021: Restructuring initiatives of \$8.5 mil; Net unrealized investment gain of (\$15.2) mil; Transaction costs related to acquisitions of \$2.4 mil
- 2022: Restructuring initiatives of \$0.7 mil; net unrealized investment loss of \$2.6 mil



- Free cash flow was higher primarily due to higher earnings (net of changes in the fair value of equity security investments) and improved working capital management
- 2022 includes a \$15 million contribution to our domestic pension plan

* See accompanying slide titled: *Forward Looking Statements & Non-GAAP Financial Measures.*

Earnings Per Share



28-30%
 Q3 expected tax rate range (prior year Q3 Adj. EPS effective tax rate = 28%)

Guidance Fx Euro Rate = 1.02

Outlook Highlights

- Recovering in the critical markets that had previously been impacted by the pandemic, including our Pharma segment’s prescription drug and consumer health care markets which are expected to continue strong momentum
- Currency exchange rates reflect the continued strengthening of the US dollar. As the majority of our sales are outside of the US, this impacts us significantly.
- Additionally, supply chain issues and the very tight labor market, primarily in the US, puts additional pressure on our Beauty + Home and Food + Beverage businesses
- Well positioned to navigate a potential economic downturn due to the strength of our balance sheet, our disciplined approach to capital management and our and our broad portfolio of innovative solutions that serve multiple essential markets
- Depreciation & amortization estimate range for 2022 is \$230 - \$240 million
- Capital expenditures estimated range for 2022 is \$290 - \$320 million

* See accompanying slide titled: *Forward Looking Statements & Non-GAAP Financial Measures.*

Key Takeaways

- Strong balance sheet allows us to help mitigate the effects of a potential downturn in the global economy
- Encouraged by current recovery of our prescription drug and consumer health care markets
- Pharma project pipeline continues to strengthen in both number of opportunities and in value
 - Investment in R&D, as well as laboratory and analytical services have positioned us at the forefront of drug delivery innovation
 - Broad portfolio of innovative devices, components and active material solutions will enable us to grow consistently in the healthcare sector for many years to come
- Beauty business is expected to continue to recover, well positioned to take advantage of the evolving and growing facial skin care markets in both Western markets and in Asia
- Continue to focus on pricing initiatives to help offset rising input costs
- Confident that we can achieve our long-term profit margins across each of our businesses



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