



Q2 2024 Earnings

**SUPPLEMENTAL DISCLOSURES &
NON-GAAP RECONCILIATIONS**

July 26, 2024



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Use of Non-GAAP Financial Measures

To evaluate our performance, we monitor a number of key indicators. 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 we believe are useful to investors, creditors and others in assessing our 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 strongly encourage investors to review our consolidated financial statements included in reports filed with the SEC in their entirety and not rely solely on any one single financial measure or communication.

The non-GAAP financial measures used in our earning presentation and in this supplemental disclosure package are sales growth (decline) on an organic basis, sales growth (decline) on a core organic basis, Adjusted Operating Income, Adjusted Operating Income margin, Adjusted EBITDA, Adjusted EBITDA margin, adjusted net income, adjusted EPS, adjusted net leverage and free cash flow.

- **Sales growth (decline) on an organic basis** eliminates from our reported net sales growth (decline) the impacts of revenues from any acquired businesses that have been owned for less than one year and changes in foreign currency exchange rates. Sales growth (decline) on a core organic basis eliminates from our organic growth (decline) the impacts of any COVID-19 related net sales. We believe that this measure is useful to investors as a way to measure and evaluate our underlying commercial operating performance consistently across our segments and the periods presented. This measure is used by our management for the same reason.
- **Adjusted Operating Income** is our net income or loss adjusted for the following items: (i) interest expense, (ii) income tax expense, (iii) amortization of acquired intangible assets, (iv) losses on extinguishment of debt, (v) charges associated with the impairment of certain assets, (vi) and certain other adjustments. **Adjusted Operating Income margin** is Adjusted Operating Income divided by net sales as determined under GAAP. We believe that these measures are useful to investors as ways to analyze the underlying trends in our business consistently across the periods presented. These measures are used by our management for the same reason. Additionally, Adjusted Operating Income is our segment reporting profitability measure under GAAP.
- **Adjusted net income** is our net income or loss first adjusted for the following items: (i) amortization of acquired intangible assets, (ii) losses on extinguishment of debt, (iii) charges associated with the impairment of certain assets, (iv) and certain other adjustments. From this amount, we then add or subtract an assumed incremental income tax impact on the above noted pre-tax adjustments, using estimated tax rates, to arrive at Adjusted Net Income. We believe that this measure is useful to investors as a way to analyze the business consistently across the periods presented. This measure is used by our management for the same reason.
- **Adjusted EPS** is our adjusted net income divided by our diluted GAAP weighted average share count adjusted for anti-dilutive instruments. We believe that this measure is useful to investors as an additional way to analyze the underlying trends in our business consistently across the periods presented. This measure is used by our management for the same reason.
- **Adjusted EBITDA** is our net income or loss adjusted for the following items: (i) interest expense, (ii) income tax expense, (iii) amortization of acquired intangible assets, (iv) depreciation expense, (v) losses on extinguishment of debt, (vi) charges associated with the impairment of certain assets, (vii) and certain other adjustments. **Adjusted EBITDA margin** is Adjusted EBITDA divided by net sales as determined under GAAP. We believe that these measures are useful to investors as ways to analyze the underlying trends in our business consistently across the periods presented. These measures are used by our management for the same reason.
- **Adjusted net leverage** is equal to our gross debt, reduced by our cash and cash equivalents, divided by our trailing 12-month Adjusted EBITDA (excluding stock-based compensation expense and including the expected run-rate effect of cost synergies and the incremental results of completed acquisitions as if those acquisitions had occurred on the first day of the trailing 12-month period). We believe that this measure is useful to investors as a way to evaluate and measure the Company's capital allocation strategies and the underlying trends in the business. This measure is used by our management for the same reason.
- **Free cash flow** is equal to our cash flow from operating activities, plus acquisition-related costs paid in the period, less capital expenditures. We believe that this measure is useful to investors as it provides a view on the Company's ability to generate cash for use in financing or investment activities. This measure is used by our management for the same reason.

Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures are included in this supplemental disclosures package.

Supplemental disclosures & Non-GAAP reconciliations

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1a Consolidated Growth & Profitability Measures (Annual)

USD in millions

Total Avantor	(unaudited) FY2022		(unaudited) FY2023		(unaudited) FY2024 YTD	
	\$	%	\$	%	\$	%
Consolidated net sales (GAAP)	\$7,512		\$6,967		\$3,383	
Core organic growth (decline)	\$441	6.0%	-\$392	-5.2%	-	-
COVID impact	-266	-3.6%	-194	-2.6%	-	-
Organic growth (decline)	\$175	2.4%	-\$586	-7.8%	-\$147	-4.2%
M&A impact	268	3.6%	0	0.0%	0	0.0%
FX impact	-317	-4.3%	41	0.5%	5	0.2%
Reported net sales growth (decline)	\$126	1.7%	-\$545	-7.3%	-\$142	-4.0%
Net income (loss) (GAAP)	\$687	9.1%	\$321	4.6%	\$153	4.5%
Interest expense, net	266	3.5%	285	4.1%	125	3.7%
Income tax expense	165	2.2%	89	1.3%	42	1.2%
Loss on extinguishment of debt	13	0.2%	7	0.1%	4	0.1%
Other income, net	1	0.0%	-6	-0.1%	-3	-0.1%
Operating income (GAAP)	\$1,130	15.0%	\$696	10.0%	\$322	9.5%
Amortization	318	4.2%	308	4.4%	150	4.4%
Integration related expenses ¹	19	0.3%	8	0.1%	0	0.0%
Purchase accounting adjustments ²	9	0.1%	0	0.0%	0	0.0%
Restructuring & severance charges ³	4	0.0%	27	0.4%	33	1.0%
Transformation expenses ⁴	0	0.0%	5	0.1%	30	0.9%
Other ⁵	-3	0.0%	7	0.1%	1	0.0%
Impairment charges ⁶	0	0.0%	161	2.3%	0	0.0%
Adjusted Operating Income (non-GAAP)	\$1,477	19.7%	\$1,212	17.4%	\$536	15.8%

1b Consolidated Growth & Profitability Measures (Annual)

USD in millions

	(unaudited)		(unaudited)		(unaudited)	
	FY2022		FY2023		FY2024 YTD	
	\$	%	\$	%	\$	%
Net income (loss) (GAAP)	\$687	9.1%	\$321	4.6%	\$153	4.5%
Amortization	318	4.2%	308	4.4%	150	4.4%
Loss on extinguishment of debt	13	0.2%	7	0.1%	4	0.1%
Integration related expenses ¹	19	0.3%	8	0.1%	0	0.0%
Purchase accounting adjustments ²	9	0.1%	0	0.0%	0	0.0%
Restructuring & severance charges ³	4	0.0%	27	0.4%	33	1.0%
Transformation expenses ⁴	0	0.0%	5	0.1%	30	0.9%
Other ⁷	4	0.0%	4	0.1%	-1	0.0%
Impairment charges ⁶	0	0.0%	161	2.3%	0	0.0%
Income tax benefit applicable to pretax adjustments	-98	-1.3%	-120	-1.7%	-51	-1.5%
Adjusted net income (non-GAAP)	\$956	12.7%	\$720	10.3%	\$319	9.4%
Interest expense, net	266	3.5%	285	4.1%	125	3.7%
Depreciation	87	1.2%	95	1.4%	52	1.5%
Income tax provision applicable to Adj. Net Income	262	3.5%	210	3.0%	93	2.7%
Adjusted EBITDA (non-GAAP)	\$1,571	20.9%	\$1,309	18.8%	\$589	17.4%
<i>Adjusted EBITDA margin growth (-bps)</i>		<i>110 bps</i>		<i>-210 bps</i>		<i>-220 bps</i>
Adjusted Operating Income (non-GAAP)	\$1,477	19.7%	\$1,212	17.4%	\$536	15.8%
Depreciation	87	1.2%	95	1.4%	52	1.5%
Other adjustments	6	0.1%	3	0.0%	1	0.0%
Adjusted EBITDA (non-GAAP)	\$1,571	20.9%	\$1,309	18.8%	\$589	17.4%

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Adjusted EPS (Annual)

(Dollars and shares in millions except EPS)

	(unaudited) FY2022	(unaudited) FY2023	(unaudited) FY2024 YTD
Diluted share count (GAAP)	679 shares	678 shares	682 shares
Incremental shares excluded for GAAP	0 shares	0 shares	0 shares
Diluted share count (non-GAAP)	679 shares	678 shares	682 shares
	\$	\$	\$
Diluted earnings (loss) per share (GAAP)	\$ 1.01	\$ 0.47	\$ 0.22
Dilutive impact of convertible instruments	-	-	-
Diluted earnings (loss) per share (non-GAAP)	\$ 1.01	\$ 0.47	\$ 0.22
Amortization	0.47	0.45	0.22
Loss on extinguishment of debt	0.01	0.01	0.01
Integration related expenses ¹	0.03	0.01	-
Purchase accounting adjustments ²	0.01	-	-
Restructuring & severance charges ³	0.01	0.04	0.05
Transformation expenses ⁴	-	0.01	0.04
Other ⁷	0.01	0.01	-
Impairment charges ⁶	-	0.24	-
Income tax benefit applicable to pretax adjustments	-0.14	-0.18	-0.07
Adjusted earnings per share (non-GAAP)	\$ 1.41	\$ 1.06	\$ 0.47

3 Adjusted Net Leverage & Free Cash Flow (Annual)

(Dollars and shares in millions except EPS)

	(unaudited) FY2022	(unaudited) FY2023	(unaudited) FY2024 YTD
Total Debt, Gross	\$6,349.1	\$5,580.0	\$5,148.3
Less: cash and cash equivalents	-372.9	-262.9	-272.6
Total	\$5,976.2	\$5,317.1	\$4,875.7
TTM Adjusted EBITDA	\$1,570.7	\$1,309.1	\$1,208.5
TTM Stock Based Compensation	49.1	40.2	42.3
TTM Adjusted EBITDA with RR Synergies & Excl. SBC	\$1,619.8	\$1,349.3	\$1,250.8
Adjusted net leverage (non-GAAP)	3.7x	3.9x	3.9x
Net cash provided by operating activities (GAAP)	\$843.6	\$870.0	\$422.7
Capital expenditures	-133.4	-146.4	-80.5
Free Cash Flow (non-GAAP)	\$710.2	\$723.6	\$342.2
FCF Conversion (FCF/Adjusted Net Income)	75%	100%	107%

Consolidated Growth & Profitability Measures (Quarterly)

USD in millions

	(unaudited)		(unaudited)		(unaudited)		(unaudited)		(unaudited)		(unaudited)	
	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	1Q24	2Q24	1Q24	2Q24	1Q24	2Q24
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
Total Avantor												
Consolidated net sales (GAAP)	\$1,780		\$1,744		\$1,720		\$1,723		\$1,680		\$1,703	
Core organic growth (decline)	-\$35	-1.8%	-\$124	-6.5%	-\$147	-7.9%	-\$87	-4.8%	-	-	-	-
COVID impact	-93	-4.8%	-50	-2.6%	-32	-1.7%	-19	-1.1%	-	-	-	-
Organic growth (decline)	-\$128	-6.6%	-\$174	-9.1%	-\$178	-9.6%	-\$106	-5.9%	-\$113	-6.3%	-\$34	-2.0%
FX impact	-42	-2.1%	8	0.4%	42	2.3%	34	1.9%	12	0.7%	-7	-0.4%
Reported net sales growth (decline)	-\$170	-8.7%	-\$167	-8.7%	-\$136	-7.3%	-\$72	-4.0%	-\$101	-5.6%	-\$41	-2.4%
Net income (loss) (GAAP)	\$122	6.8%	-\$7	-0.4%	\$108	6.3%	\$99	5.7%	\$60	3.6%	\$93	5.5%
Interest expense, net	74	4.1%	73	4.2%	72	4.2%	65	3.8%	64	3.8%	61	3.6%
Income tax expense	34	1.9%	6	0.3%	28	1.6%	21	1.2%	20	1.2%	22	1.3%
Loss on extinguishment of debt	2	0.1%	2	0.1%	2	0.1%	1	0.1%	3	0.1%	2	0.1%
Other income, net	-1	0.0%	-2	-0.1%	-1	0.0%	-3	-0.1%	-1	-0.1%	-2	-0.1%
Operating income (GAAP)	\$231	13.0%	\$72	4.1%	\$210	12.2%	\$183	10.6%	\$146	8.7%	\$176	10.3%
Amortization	78	4.4%	79	4.5%	75	4.4%	75	4.4%	75	4.5%	75	4.4%
Integration related expenses ¹	9	0.5%	-1	0.0%	0	0.0%	-1	0.0%	0	0.0%	0	0.0%
Restructuring & severance charges ³	5	0.3%	7	0.4%	6	0.4%	9	0.5%	23	1.4%	10	0.6%
Transformation expenses ⁴	0	0.0%	0	0.0%	0	0.0%	5	0.3%	13	0.8%	16	1.0%
Other ⁵	0	0.0%	1	0.1%	3	0.2%	3	0.2%	0	0.0%	1	0.0%
Impairment charges ⁶	0	0.0%	161	9.2%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Adjusted Operating Income (non-GAAP)	\$323	18.1%	\$319	18.3%	\$295	17.1%	\$275	16.0%	\$258	15.4%	\$277	16.3%
Net income (loss) (GAAP)	\$122	6.8%	-\$7	-0.4%	\$108	6.3%	\$99	5.7%	\$60	3.6%	\$93	5.5%
Amortization	78	4.4%	79	4.5%	75	4.4%	75	4.4%	75	4.5%	75	4.4%
Loss on extinguishment of debt	2	0.1%	2	0.1%	2	0.1%	1	0.1%	3	0.1%	2	0.1%
Integration related expenses ¹	9	0.5%	-1	0.0%	0	0.0%	-1	0.0%	0	0.0%	0	0.0%
Restructuring & severance charges ³	5	0.3%	7	0.4%	6	0.4%	9	0.5%	23	1.4%	10	0.6%
Transformation expenses ⁴	0	0.0%	0	0.0%	0	0.0%	5	0.3%	13	0.8%	16	1.0%
Other ⁷	0	0.0%	-1	0.0%	3	0.2%	3	0.1%	-1	0.0%	0	0.0%
Impairment charges ⁶	0	0.0%	161	9.2%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Income tax benefit applicable to pretax adjustments	-20	-1.1%	-54	-3.1%	-23	-1.3%	-24	-1.4%	-24	-1.4%	-27	-1.6%
Adjusted net income (non-GAAP)	\$195	11.0%	\$186	10.7%	\$172	10.0%	\$167	9.7%	\$151	9.0%	\$168	9.9%
Interest expense, net	74	4.1%	73	4.2%	72	4.2%	65	3.8%	64	3.8%	61	3.6%
Depreciation	23	1.3%	24	1.4%	23	1.3%	26	1.5%	24	1.4%	28	1.6%
Income tax provision applicable to Adj. Net Income	54	3.1%	60	3.4%	51	3.0%	45	2.6%	44	2.6%	49	2.9%
Adjusted EBITDA (non-GAAP)	\$346	19.4%	\$343	19.7%	\$318	18.5%	\$302	17.5%	\$283	16.8%	\$306	17.9%
Adjusted EBITDA margin growth (-bps)		-230 bps		-150 bps		-220 bps		-250 bps		-260 bps		-180 bps
Adjusted Operating Income (non-GAAP)	\$323	18.1%	\$319	18.3%	\$295	17.1%	\$275	16.0%	\$258	15.4%	\$277	16.3%
Depreciation	23	1.3%	24	1.4%	23	1.3%	26	1.5%	24	1.4%	28	1.6%
Other adjustments	0	0.0%	0	0.0%	0	0.0%	2	0.1%	0	0.0%	1	0.0%
Adjusted EBITDA (non-GAAP)	\$346	19.4%	\$343	19.7%	\$318	18.5%	\$302	17.5%	\$283	16.8%	\$306	17.9%

Adjusted EPS (Quarterly)

(Dollars and shares in millions except EPS)

	(unaudited) 1Q23	(unaudited) 2Q23	(unaudited) 3Q23	(unaudited) 4Q23	(unaudited) 1Q24	(unaudited) 2Q24
Diluted share count (GAAP)	678 shares	675 shares	679 shares	679 shares	681 shares	683 shares
Incremental shares excluded for GAAP	0 shares	2 shares	0 shares	0 shares	0 shares	0 shares
Diluted share count (non-GAAP)	678 shares	678 shares	679 shares	679 shares	681 shares	683 shares
	\$	\$	\$	\$	\$	\$
Diluted earnings (loss) per share (GAAP)	0.18	(0.01)	0.16	0.15	0.09	0.14
Amortization	0.12	0.12	0.11	0.11	0.11	0.11
Loss on extinguishment of debt	-	-	-	-	-	-
Integration related expenses ¹	0.01	-	-	-	-	-
Restructuring & severance charges ³	0.01	0.01	0.01	0.01	0.03	0.02
Transformation expenses ⁴	-	-	-	0.01	0.02	0.02
Other ⁷	-	-	-	-	-	-
Impairment charges ⁶	-	0.24	-	-	-	-
Income tax benefit applicable to pretax adjustments	-0.03	-0.08	-0.03	-0.03	-0.03	-0.04
Adjusted earnings per share (non-GAAP)	0.29	0.28	0.25	0.25	0.22	0.25

Adjusted Net Leverage & Free Cash Flow (Quarterly)

(Dollars and shares in millions except EPS)

	(unaudited) 1Q23	(unaudited) 2Q23	(unaudited) 3Q23	(unaudited) 4Q23	(unaudited) 1Q24	(unaudited) 2Q24
Total Debt, Gross	\$6,117.7	\$5,936.2	\$5,672.7	\$5,580.0	\$5,360.9	\$5,148.3
Less: cash and cash equivalents	-294.6	-236.4	-236.9	-262.9	-234.9	-272.6
Total	\$5,823.1	\$5,699.8	\$5,435.8	\$5,317.1	\$5,126.0	\$4,875.7
TTM Adjusted EBITDA	\$1,493.8	\$1,432.7	\$1,366.5	\$1,309.1	\$1,245.9	\$1,208.5
TTM Stock Based Compensation	49.7	45.6	41.6	40.2	40.0	42.3
TTM Adjusted EBITDA with RR Synergies & Excl. SBC	\$1,543.5	\$1,478.3	\$1,408.1	\$1,349.3	\$1,285.9	\$1,250.8
Adjusted net leverage (non-GAAP)	3.8x	3.9x	3.9x	3.9x	4.0x	3.9x
Net cash provided by operating activities (GAAP)	\$219.5	\$168.2	\$230.7	\$251.6	\$141.6	\$281.1
Capital expenditures	-28.0	-30.1	-37.7	-50.6	-34.7	-45.8
Free Cash Flow (non-GAAP)	\$191.5	\$138.1	\$193.0	\$201.0	\$106.9	\$235.3
FCF Conversion (FCF/Adjusted Net Income)	98%	74%	112%	121%	71%	140%

Segment Growth & Profitability Measures (Annual)

USD in millions

	(unaudited) FY2022		(unaudited) FY2023		(unaudited) FY2024 YTD	
Lab Solutions segment ("LSS")						
Consolidated net sales (GAAP)	\$5,002		\$4,738		\$2,313	
	\$	%	\$	%	\$	%
Core organic growth (decline)	\$56	1.1%	-\$169	-3.4%	-	-
COVID impact	-100	-1.9%	-126	-2.5%	-	-
Organic growth (decline)	-\$45	-0.9%	-\$295	-5.9%	-\$88	-3.7%
M&A impact	73	1.4%	0	0.0%	0	0.0%
FX impact	-238	-4.6%	31	0.6%	4	0.2%
Reported net sales growth (decline)	-\$210	-4.0%	-\$264	-5.3%	-\$84	-3.5%
Adjusted Operating Income (non-GAAP)¹	\$765		\$668		\$299	
Adjusted Operating Income margin	15.3%		14.1%		12.9%	
Adjusted Operating Income margin growth (-bps)	-20 bps		-120 bps		-185 bps	
Bioscience Production segment ("BPS")						
Consolidated net sales (GAAP)	\$2,510		\$2,229		\$1,070	
	\$	%	\$	%	\$	%
Core organic growth (decline)	\$386	17.8%	-\$223	-8.9%	-	-
COVID impact	-167	-7.7%	-68	-2.7%	-	-
Organic growth (decline)	\$220	10.1%	-\$291	-11.6%	-\$59	-5.3%
M&A impact	195	9.0%	0	0.0%	0	0.0%
FX impact	-79	-3.6%	10	0.4%	2	0.2%
Reported net sales growth (decline)	\$336	15.5%	-\$281	-11.2%	-\$58	-5.1%
Adjusted Operating Income (non-GAAP)¹	\$779		\$602		\$271	
Adjusted Operating Income margin	31.0%		27.0%		25.3%	
Adjusted Operating Income margin growth (-bps)	190 bps		-400 bps		-320 bps	
Corporate segment						
Adjusted Operating Income (non-GAAP)¹	-\$66		-\$58		-\$34	
Consolidated net sales (GAAP)						
Lab Solutions segment ("LSS")	5,002		4,738		2,313	
Bioscience Production segment ("BPS")	2,510		2,229		1,070	
Corporate segment	-		-		-	
Total Avantor	\$7,512		\$6,967		\$3,383	
Adjusted Operating Income (non-GAAP)¹						
Lab Solutions segment ("LSS")	765		668		299	
Bioscience Production segment ("BPS")	779		602		271	
Corporate segment	-66		-58		-34	
Total Avantor	\$1,477		\$1,212		\$536	
Adjusted Operating Income margin	19.7%		17.4%		15.8%	
Adjusted Operating Income margin growth (-bps)	110 bps		-230 bps		-240 bps	

Segment Growth & Profitability Measures (Quarterly)

USD in millions

Lab Solutions segment ("LSS")	(unaudited)		(unaudited)		(unaudited)		(unaudited)		(unaudited)		(unaudited)	
	1Q23		2Q23		3Q23		4Q23		1Q24		2Q24	
Consolidated net sales (GAAP)	\$1,203		\$1,194		\$1,159		\$1,182		\$1,157		\$1,156	
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
Core organic growth (decline)	-\$46	-3.5%	-\$44	-3.5%	-\$60	-4.9%	-\$19	-1.6%	-	-	-	-
COVID impact	-43	-3.2%	-33	-2.6%	-33	-2.7%	-17	-1.4%	-	-	-	-
Organic growth (decline)	-\$89	-6.7%	-\$77	-6.1%	-\$94	-7.7%	-\$36	-3.0%	-\$55	-4.5%	-\$33	-2.7%
FX impact	-33	-2.5%	6	0.5%	33	2.7%	26	2.2%	9	0.7%	-5	-0.5%
Reported net sales growth (decline)	-\$122	-9.2%	-\$71	-5.6%	-\$61	-5.0%	-\$10	-0.9%	-\$46	-3.8%	-\$38	-3.2%
Adjusted Operating Income (non-GAAP)¹	\$172		\$180		\$159		\$157		\$148		\$151	
Adjusted Operating Income margin	14.3%		15.1%		13.7%		13.3%		12.8%		13.1%	
Adjusted Operating Income margin growth (-bps)	-290 bps		20 bps		-100 bps		-90 bps		-150 bps		-200 bps	
Bioscience Production segment ("BPS")	(unaudited)		(unaudited)		(unaudited)		(unaudited)		(unaudited)		(unaudited)	
	1Q23		2Q23		3Q23		4Q23		1Q24		2Q24	
Consolidated net sales (GAAP)	\$577		\$550		\$561		\$540		\$523		\$547	
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
Core organic growth (decline)	\$11	1.8%	-\$80	-12.4%	-\$86	-13.6%	-\$69	-11.4%	-	-	-	-
COVID impact	-51	-8.1%	-18	-2.7%	2	0.2%	-1	-0.2%	-	-	-	-
Organic growth (decline)	-\$39	-6.3%	-\$97	-15.1%	-\$85	-13.3%	-\$70	-11.6%	-\$58	-10.0%	-\$2	-0.3%
FX impact	-9	-1.4%	1	0.2%	10	1.5%	8	1.3%	3	0.5%	-1	-0.2%
Reported net sales growth (decline)	-\$48	-7.7%	-\$96	-14.9%	-\$75	-11.8%	-\$62	-10.3%	-\$55	-9.5%	-\$3	-0.5%
Adjusted Operating Income (non-GAAP)¹	\$168		\$154		\$148		\$132		\$127		\$144	
Adjusted Operating Income margin	29.0%		28.0%		26.4%		24.4%		24.3%		26.3%	
Adjusted Operating Income margin growth (-bps)	-80 bps		-470 bps		-510 bps		-560 bps		-470 bps		-170 bps	
Corporate segment	(unaudited)		(unaudited)		(unaudited)		(unaudited)		(unaudited)		(unaudited)	
	1Q23		2Q23		3Q23		4Q23		1Q24		2Q24	
Adjusted Operating Income (non-GAAP) ¹	-\$17		-\$15		-\$12		-\$14		-\$17		-\$18	
Consolidated net sales (GAAP)	(unaudited)		(unaudited)		(unaudited)		(unaudited)		(unaudited)		(unaudited)	
	1Q23		2Q23		3Q23		4Q23		1Q24		2Q24	
	\$		\$		\$		\$		\$		\$	
Lab Solutions segment ("LSS")	1,203		1,194		1,159		1,182		1,157		1,156	
Bioscience Production segment ("BPS")	577		550		561		540		523		547	
Corporate segment	-		-		-		-		-		-	
Total Avantor	\$1,780		\$1,744		\$1,720		\$1,723		\$1,680		\$1,703	
Adjusted Operating Income (non-GAAP)¹	172		180		159		157		148		151	
Lab Solutions segment ("LSS")	172		180		159		157		148		151	
Bioscience Production segment ("BPS")	168		154		148		132		127		144	
Corporate segment	-17		-15		-12		-14		-17		-18	
Total Avantor	\$323		\$319		\$295		\$275		\$258		\$277	
Adjusted Operating Income margin	18.1%		18.3%		17.1%		16.0%		15.4%		16.3%	
Adjusted Operating Income margin growth (-bps)	-230 bps		-160 bps		-230 bps		-270 bps		-270 bps		-200 bps	

Consolidated Adjusted P&L (Annual)

USD in millions

	FY2022			FY2023			FY2024 YTD		
	[A]		(unaudited)	[A]		(unaudited)	[A]		(unaudited)
	GAAP	ADJUSTMENTS	ADJUSTED NON-GAAP	GAAP	ADJUSTMENTS	ADJUSTED NON-GAAP	GAAP	ADJUSTMENTS	ADJUSTED NON-GAAP
Adjusted P&L view									
Avantor, consolidated net sales (GAAP)	\$7,512	\$0	\$7,512	\$6,967	\$0	\$6,967	\$3,383	\$0	\$3,383
Cost of sales	4,910	-14	4,895	4,603	0	4,603	2,231	-3	2,228
Gross profit	\$2,603	\$14	\$2,617	\$2,364	\$0	\$2,364	\$1,152	\$3	\$1,155
<i>Gross profit%</i>	34.8%		34.8%	33.9%		33.9%	34.1%		34.1%
SG&A expense	1,473	-333	1,140	1,507	-355	1,152	830	-211	619
Impairment charges	0	0	0	161	-161	0	0	0	0
Operating income	\$1,130	\$347	\$1,477	\$696	\$515	\$1,212	\$322	\$213	\$536
<i>Operating margin %</i>	15.0%		19.7%	10.0%		17.4%	9.5%		15.8%
Interest expense, net	-266	0	-266	-285	0	-285	-125	0	-125
Loss on extinguishment of debt	-13	13	0	-7	7	0	-4	4	0
Other income, net	-1	7	6	6	-3	3	3	-2	1
Income (loss) before income taxes	\$851	\$367	\$1,218	\$410	\$519	\$929	\$195	\$216	\$411
Income tax expense	-165	-98	-262	-89	-120	-210	-42	-51	-93
Net income (loss)	\$687	\$269	\$956	\$321	\$399	\$720	\$153	\$165	\$318
Interest expense, net	NP	NP	266	NP	NP	285	NP	NP	125
Depreciation	NP	NP	87	NP	NP	95	NP	NP	52
Income tax provision applicable to adj. net income	NP	NP	262	NP	NP	210	NP	NP	93
EBITDA	NP	NP	\$1,571	NP	NP	\$1,309	NP	NP	\$589
<i>EBITDA margin</i>			20.9%			18.8%			17.4%
<i>EBITDA margin growth (-bps)</i>			110 bps			-210 bps			-220 bps
Diluted shares outstanding	679 shares	0 shares	679 shares	678 shares	0 shares	678 shares	682 shares	0 shares	682 shares
Earnings (loss) per share	\$1.01	\$0.40	\$1.41	\$0.47	\$0.59	\$1.06	\$0.22	\$0.24	\$0.47

Consolidated Adjusted P&L (Quarterly)

USD in millions

Adjusted P&L view	1Q23			2Q23			3Q23			4Q23		
	(unaudited)		(unaudited)	(unaudited)		(unaudited)	(unaudited)		(unaudited)	(unaudited)		(unaudited)
	GAAP	ADJUSTMENTS	ADJUSTED NON-GAAP	GAAP	ADJUSTMENTS	ADJUSTED NON-GAAP	GAAP	ADJUSTMENTS	ADJUSTED NON-GAAP	GAAP	ADJUSTMENTS	ADJUSTED NON-GAAP
Avantor, consolidated net sales (GAAP)	\$1,780	\$0	\$1,780	\$1,744	\$0	\$1,744	\$1,720	\$0	\$1,720	\$1,723	\$0	\$1,723
Cost of sales	1,156	0	1,156	1,154	0	1,154	1,142	0	1,142	1,152	0	1,152
Gross profit	\$625	\$0	\$625	\$590	\$0	\$590	\$579	\$0	\$579	\$570	\$0	\$570
Gross profit%	35.1%		35.1%	33.8%		33.8%	33.6%		33.6%	33.1%		33.1%
SG&A expense	394	-92	302	358	-86	271	368	-85	284	387	-92	296
Impairment charges	0	0	0	161	-161	0	0	0	0	0	0	0
Operating income	\$231	\$92	\$323	\$72	\$247	\$319	\$210	\$85	\$295	\$183	\$92	\$275
Operating margin %	13.0%		18.1%	4.1%		18.3%	12.2%		17.1%	10.6%		16.0%
Interest expense, net	-74	0	-74	-73	0	-73	-72	0	-72	-65	0	-65
Loss on extinguishment of debt	-2	2	0	-2	2	0	-2	2	0	-1	1	0
Other income, net	1	0	1	2	-2	0	1	0	0	3	-1	2
Income (loss) before income taxes	\$156	\$94	\$250	-\$1	\$247	\$246	\$137	\$86	\$223	\$120	\$92	\$211
Income tax expense	-34	-20	-54	-6	-54	-60	-28	-23	-51	-21	-24	-45
Net income (loss)	\$122	\$74	\$195	-\$7	\$194	\$186	\$108	\$63	\$172	\$99	\$68	\$167
Interest expense, net	NP	NP	74	NP	NP	73	NP	NP	72	NP	NP	65
Depreciation	NP	NP	23	NP	NP	24	NP	NP	23	NP	NP	26
Income tax provision applicable to adj. net income	NP	NP	54	NP	NP	60	NP	NP	51	NP	NP	45
EBITDA	NP	NP	\$346	NP	NP	\$343	NP	NP	\$318	NP	NP	\$302
EBITDA margin			19.4%			19.7%			18.5%			17.5%
EBITDA margin growth (-bps)			-230 bps			-150 bps			-220 bps			-250 bps
Diluted shares outstanding	678 shares	0 shares	678 shares	675 shares	2 shares	678 shares	679 shares	0 shares	679 shares	679 shares	0 shares	679 shares
Earnings (loss) per share	\$0.18	\$0.11	\$0.29	-\$0.01	\$0.29	\$0.28	\$0.16	\$0.09	\$0.25	\$0.15	\$0.10	\$0.25

Consolidated Adjusted P&L (Quarterly)

USD in millions

	1Q24			2Q24		
	(unaudited)		(unaudited)	(unaudited)		(unaudited)
	GAAP	ADJUSTMENTS	ADJUSTED NON-GAAP	GAAP	ADJUSTMENTS	ADJUSTED NON-GAAP
Adjusted P&L view						
Avantor, consolidated net sales (GAAP)	\$1,680	\$0	\$1,680	\$1,703	\$0	\$1,703
Cost of sales	1,109	-1	1,108	1,121	-2	1,120
Gross profit	\$571	\$1	\$572	\$582	\$2	\$583
Gross profit%	34.0%		34.0%	34.1%		34.2%
SG&A expense	424	-111	313	406	-100	306
Impairment charges	0	0	0	0	0	0
Operating income	\$146	\$112	\$258	\$176	\$101	\$277
Operating margin %	8.7%		15.4%	10.3%		16.3%
Interest expense, net	-64	0	-64	-61	0	-61
Loss on extinguishment of debt	-3	3	0	-2	2	0
Other income, net	1	-1	0	2	-1	1
Income (loss) before income taxes	\$81	\$114	\$194	\$115	\$102	\$217
Income tax expense	-20	-24	-44	-22	-27	-49
Net income (loss)	\$60	\$90	\$151	\$93	\$75	\$168
Interest expense, net	NP	NP	64	NP	NP	61
Depreciation	NP	NP	24	NP	NP	28
Income tax provision applicable to adj. net income	NP	NP	44	NP	NP	49
EBITDA	NP	NP	\$283	NP	NP	\$306
EBITDA margin			16.8%			17.9%
EBITDA margin growth (~bps)			-260 bps			-180 bps
Diluted shares outstanding	681 shares	0 shares	681 shares	683 shares	0 shares	683 shares
Earnings (loss) per share	\$0.09	\$0.13	\$0.22	\$0.14	\$0.11	\$0.25

Core organic / organic growth trend (Quarterly)

USD in millions

	CORE ORGANIC					ORGANIC	
	(unaudited) 1Q23	(unaudited) 2Q23	(unaudited) 3Q23	(unaudited) 4Q23	(unaudited) FY2023	(unaudited) 1Q24	(unaudited) 2Q24
Total Avantor							
GAAP consolidated net sales	\$1,780	\$1,744	\$1,720	\$1,723	\$6,967	\$1,680	\$1,703
Core organic growth (decline)	(1.8%)	(6.5%)	(7.9%)	(4.8%)	(5.2%)	-	-
Organic growth (decline)	-	-	-	-	-	(6.3%)	(2.0%)
Segment							
Lab Solutions ("LSS")	-3.5%	-3.5%	-4.9%	-1.6%	-3.4%	-4.5%	-2.7%
Bioscience Production ("BPS")	1.8%	-12.4%	-13.6%	-11.4%	-8.9%	-10.0%	-0.3%
End market							
Biopharma & Healthcare	-LSD	-HSD	-HSD	-HSD	-HSD	-HSD	-LSD
Education & Government	+MSD	+MSD	+LSD	+MSD	+MSD	-LSD	-MSD
Advanced Technologies	-LSD	-HSD	-DD	-LSD	-MSD	-LSD	+LSD
Product							
Proprietary	+/- 0	-HSD	-HSD	-MSD	-MSD	-HSD	-LSD
Third-party	-MSD	-MSD	-HSD	-MSD	-MSD	-MSD	-LSD

Note: LSD 1-3% / MSD 4-6% / HSD 7-9% / DD >10%. All growth rates represent core organic growth.

Low Single Digit ("LSD"), Mid Single Digit ("MSD"), High Single Digit ("HSD"), Double Digit ("DD").

Organic growth (decline) is reported revenue growth (decline) excluding the impacts from changes in foreign currency exchange rates.

Core organic growth (decline) is organic growth (decline) net of COVID-19 impact.

Footnotes

Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures are included in this supplemental disclosures package.

Note the following footnotes are applicable on page 4 through page 16. Also note that subtotals throughout the package may not tie due to rounding.

1. Represents direct costs incurred with third parties and the accrual of a long-term retention incentive to integrate acquired companies. These expenses represent incremental costs and are unrelated to normal operations of our business. Integration expenses are incurred over a pre-defined integration period specific to each acquisition.
2. Represents purchase accounting adjustments related to the acquisition of acquired companies.
3. Reflects the incremental expenses incurred in the period related to restructuring initiatives to increase profitability and productivity. Costs included in this caption are specific to employee severance, site-related exit costs, and contract termination costs. The expenses recognized in 2024 represent costs incurred to achieve the Company's publicly-announced cost transformation initiative.
4. Represents incremental expenses directly associated with the Company's publicly-announced cost transformation initiative, primarily related to the cost of external advisors.
5. Represents other stock-based compensation expense (benefit) and charges and legal costs in connection with certain litigation and other contingencies that are unrelated to our core operations and not reflective of on-going business and operating results.
6. Related to impairment of the Ritter asset group.
7. Represents net foreign currency (gain) loss from financing activities, other stock-based compensation expense (benefit) and charges and legal costs in connection with certain litigation and other contingencies that are unrelated to our core operations and not reflective of on-going business and operating results.