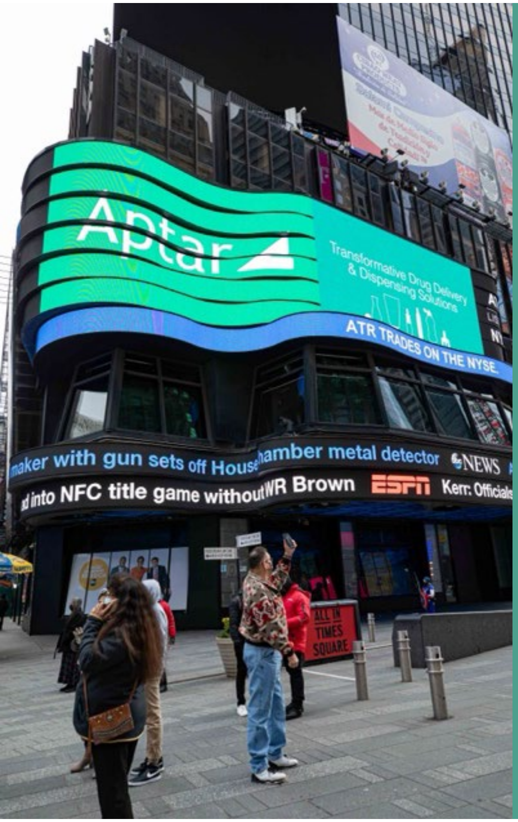
Q4 2022 Review

February 17, 2023
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. Adjusted EPS also neutralize the impact of foreign currency translation effects when comparing current results to the prior year, and further adjusts for the net effect of a tax payment related to a legal entity reorganization. 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.

FY / Q4 2022 Financial Highlights

+9%
FY Core Sales Growth*

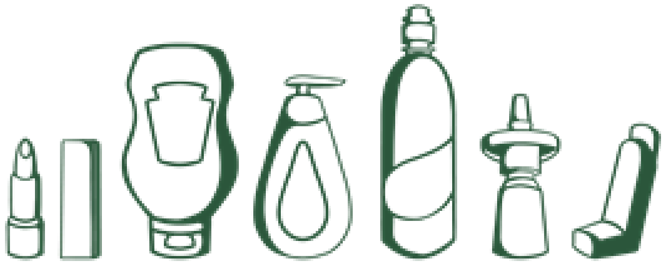
+5%
FY Adjusted Earnings Per Share Growth*

+4%
Q4 Core Sales Growth*

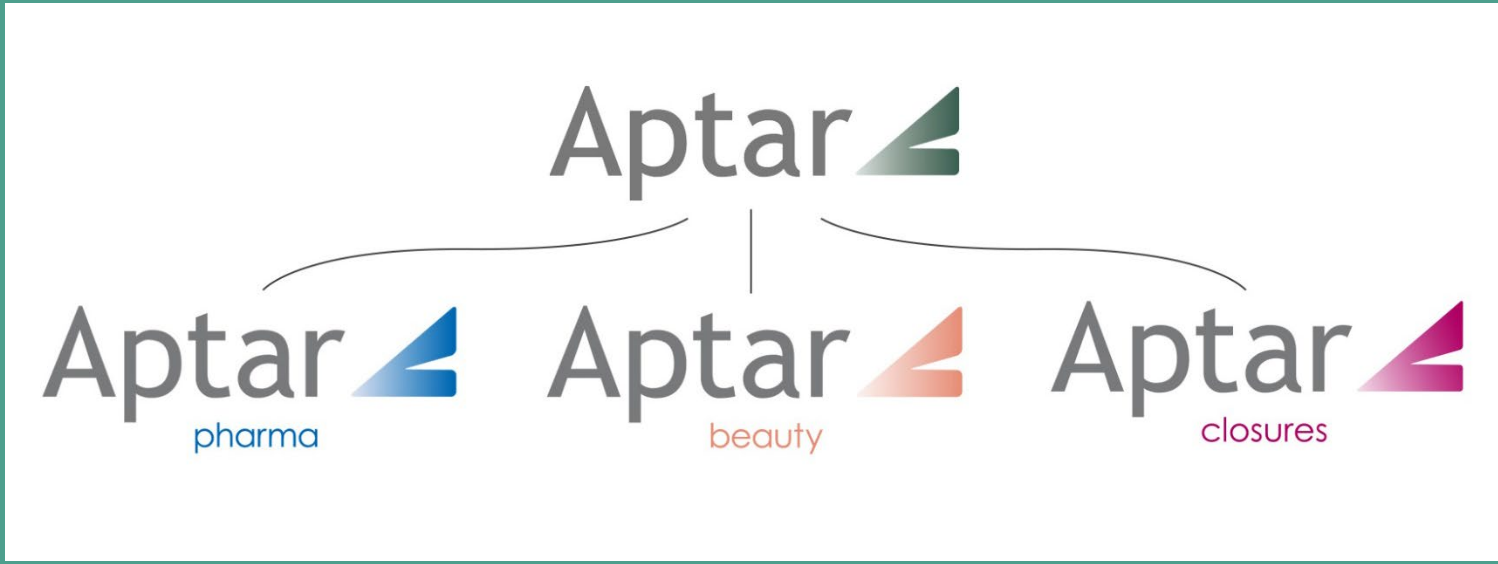
+5%
Q4 Adjusted Earnings Per Share Growth*

Highlights:

- Q4 results driven by strong volume growth in our Pharma segment, which continued to benefit from demand for nasal decongestants and saline rinses as well as allergic rhinitis and emergency medications
- Solid volume growth from beauty dispensing solutions especially in prestige fragrance and skincare also drove positive results in the quarter
- Ended the quarter with a more favorable exchange rate and a lower tax rate than we previously anticipated
- Ended the year achieving the highest sales and adjusted EBITDA



Strategic Realignment



Highlights

- Realignment of two of our three segments to Aptar Beauty and Aptar Closures, Aptar Pharma remains unchanged

- <u>Benefits of the strategic realignment:</u>
  - Better positions us to enter new end-use markets for our closure technologies
  - Strengthens our market position by aligning us more closely to the way our customers are structured and purchase our products
  - Enables bottom line improvement -- capturing efficiencies and streamlining operations
  - Increases capital efficiencies by leveraging common assets

Aptar Beauty and Aptar Closures product technology portfolios highlighted on slides 5 and 6.

Aptar Closures Technology Portfolio

Aptar

Aptar Beauty Technology Portfolio

Fragrance Pumps

Spray Pumps

Dispensing Pumps

Cosmetic Pumps

Airless Systems

Precision Dispensing

Aerosol Valves, BoV & Accessories

Custom

Lipsticks

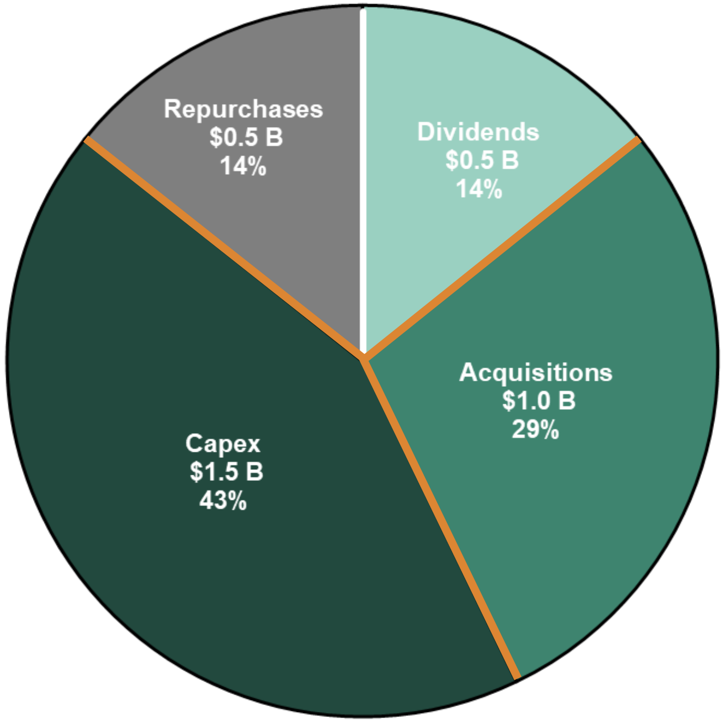
Refill Devices

Sampling & Trial Sizes

Turnkey Solutions

Capital Allocation

(2017 - 2022 YTD)



Highlights

- Focusing the majority of capital allocation toward our higher margin, faster-growing Pharma segment.
- Two of our three large capital allocation projects come online in 2023, as well as the first phase of our injectable capacity expansion projects. All of these initiatives offer exciting growth opportunities for Aptar.
  - First phase of the premium product capacity expansion in Granville, France is complete. A new, additional, large, state of the art factory, also in Granville, France as well as the expansion of our U.S.-based manufacturing facility in Congers, NY will be operational in 2024.
  - The new plant in Suzhou, China that will serve all three segments is scheduled to progressively come online, starting in the first half of 2023.
  - State-of-the-art site for prestige, custom Beauty in Oyonnax, France, scheduled to open in the second quarter of 2023. The new LEED certified site brings together operations from five older, inefficient manufacturing plants into one modern site.
- Dividends and share repurchases are also part of our balanced capital allocation strategy.
  - In 2022, we returned over **$190 million** to shareholders through share repurchases and dividends -- we repurchased over 860,000 shares for $92 million.
  - Completed our 29th year of paying an increasing dividend.

Aptar has historically maintained a strong and relatively conservative balance sheet. This approach has served our customers and shareholders well during challenging economic times.

Recent Innovations and Solutions on the Market

Aptar Pharma

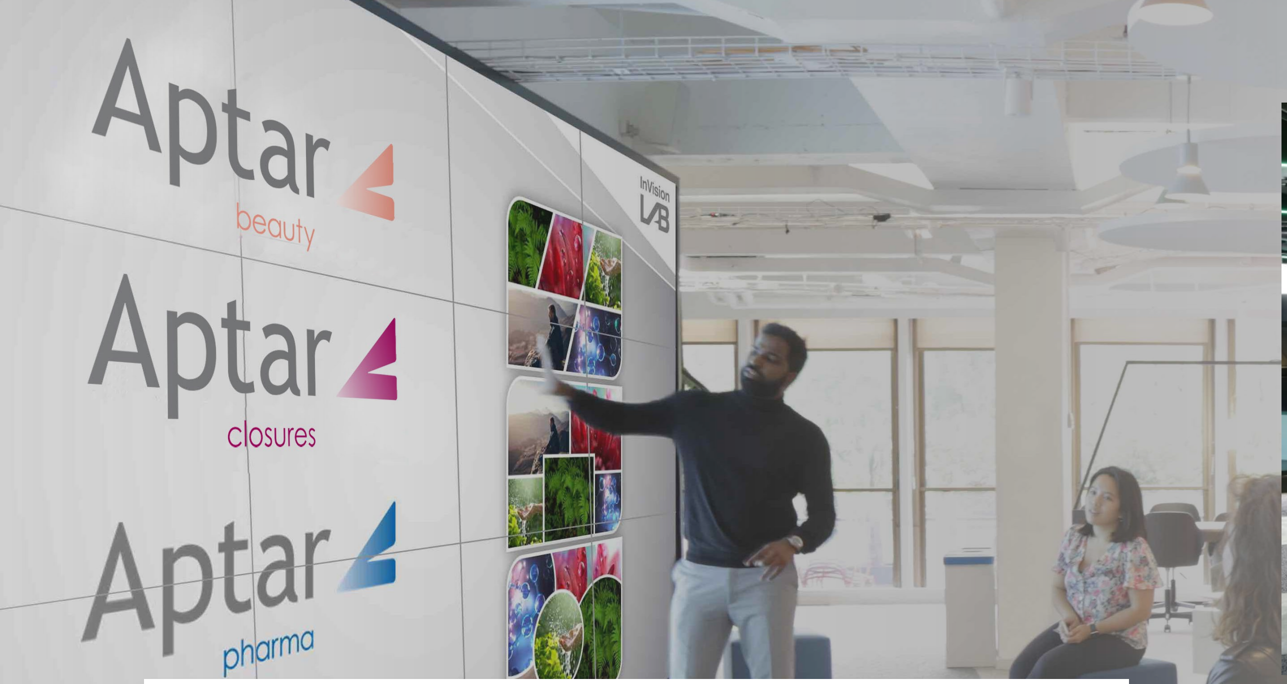
- APF Futurity, Aptar's first nasal spray packaging solution rated “highly recyclable” because of the elimination of metal parts and use of only plastic materials
- Our first-ever Activ-Bottle™ solution with post-consumer recycled content
- Bag-on-valve and actuator technology for nasal saline in China
- Stoppers for small molecule injectable solutions in the US and animal health solutions in Mexico

Aptar Beauty

- Refillable packaging using recycled plastic for Clarins’ Joli Rouge lipstick
- Several fragrance launches in Europe featuring prestige fragrance spray pumps for perfume brands by Dior, L'Oreal and Coty
- Award-winning fully recyclable, mono-material pump featured on Renpure hair care and The Body Shop’s shower wash in Europe
- Dispensing pump and overcap for Coty’s Bourjois brand foundation in Europe
- Airless packaging for Dermalogica's skin retinol serum
- Euromist spray pump for Avon Naturals skincare product in Colombia

Aptar Closures

- Several custom closures for various Kraft Heinz ketchup product formats in the US; Ecolite pour spout closures for Kraft Heinz Wild Style condiments in the US
- Standcap closure for Hyvee squeezable cream cheese spread in the US
- Closure and valve technology for Prima brand condiments in Spain
- Sport closure is the dispensing solution for the Bespower brand drink in South America



Aptar InVision Lab

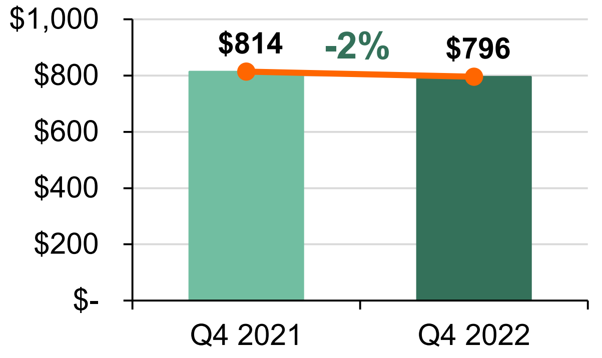
- Located outside of Paris
- Showcases the latest in design, engineering and material science that Aptar has to offer
- Fosters engagement and collaboration with customers at a higher level




Fourth Quarter 2022 Reported Results

Reported Q4 Sales

(in millions $)

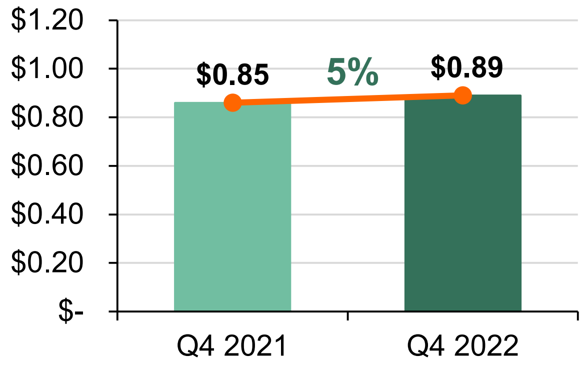


+4% Core Sales Growth*

-6% Currency Effects

0% Acquisitions

Reported Q4 EPS



28% **Q4 2021** Reported Effective Tax Rate

19% **Q4 2022** Reported Effective Tax Rate

Q4 Highlights

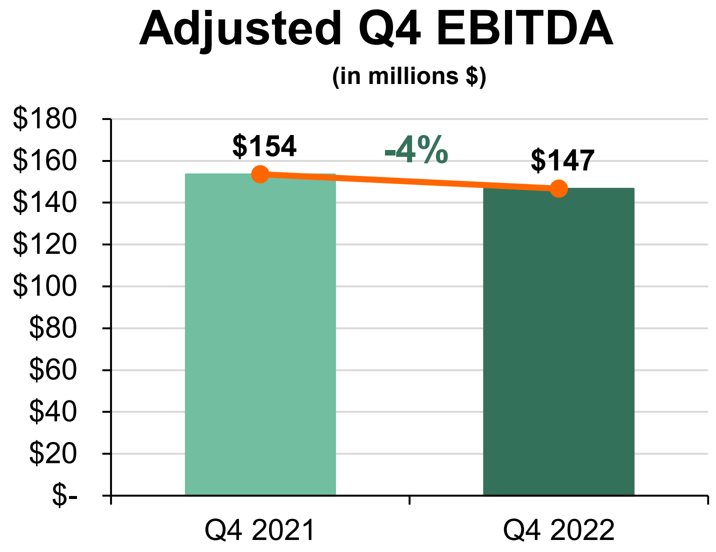
- Aptar's Pharma achieved strong growth due primarily to increased volumes, especially in the prescription and consumer healthcare divisions. Core sales in injectables also increased due to growth in our products used in biologic and antithrombotic applications. Active materials faced a difficult comparison to the prior year quarter due to higher sales of Activ-Film™ used for at home COVID-19 test kits, which slowed in the fourth quarter of 2022.
- Aptar Beauty + Home benefited from volume growth in prestige fragrance and skincare solutions, along with continued inflationary price pass throughs. Europe again achieved strong double-digit growth for the quarter, followed by Latin America; this was offset by the continued challenges in North America, and, to a lesser extent, Asia. Personal care and home care dispensing products that benefited from increased demand in prior years due to COVID-19 declined in sales as customers worked off their current inventory.
- Aptar Food + Beverage's core sales declined compared with the prior year's quarter due primarily to raw material pass-through cost with lower resin market pricing. Volumes were also lower as customers continued to work through their inventory levels, primarily in North America and Latin America.

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

Fourth Quarter 2022 Adj. EPS and Adj. EBITDA

28%
Q4 2021
Effective Tax Rate Adjusted Earnings*

22%
Q4 2022
Effective Tax Rate Adjusted Earnings*

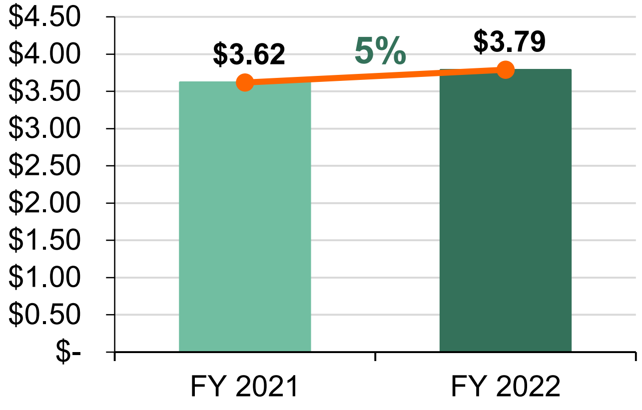


Adjustments:

- 2021: Restructuring initiatives of $4.5 mil; Net unrealized investment loss of $3.5 mil; Transaction costs related to acquisitions of ($0.4) mil
- 2022: Restructuring initiatives of $3.6 mil; Net unrealized investment loss of $1 mil

Full Year 2022 Adj. EPS, Adj. EBITDA, Free Cash Flow

Adjusted FY EPS*

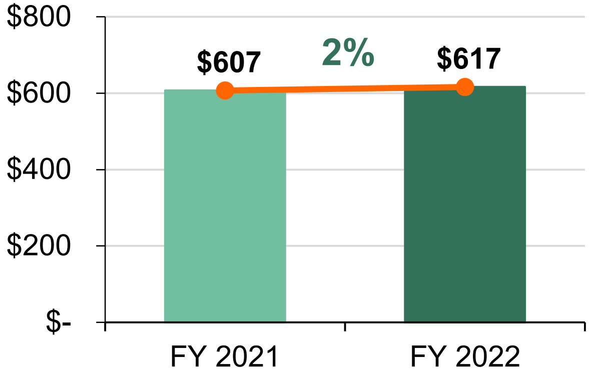


24%
FY 2021
Effective Tax Rate Adjusted Earnings*

27%
FY 2022
Effective Tax Rate Adjusted Earnings*

Adjusted FY EBITDA

(in millions $)

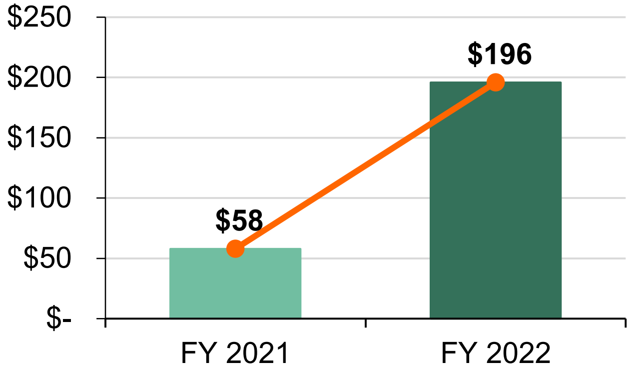


Adjustments:

- 2021: Restructuring initiatives of $23.2 mil; Net unrealized investment gain of ($2.7) mil; Transaction costs related to acquisitions of $3.8 mil
- 2022: Restructuring initiatives of $6.6 mil; net unrealized investment loss of $3.3 mil; Transaction costs related to acquisitions of $0.2 mil

FY Free Cash Flow

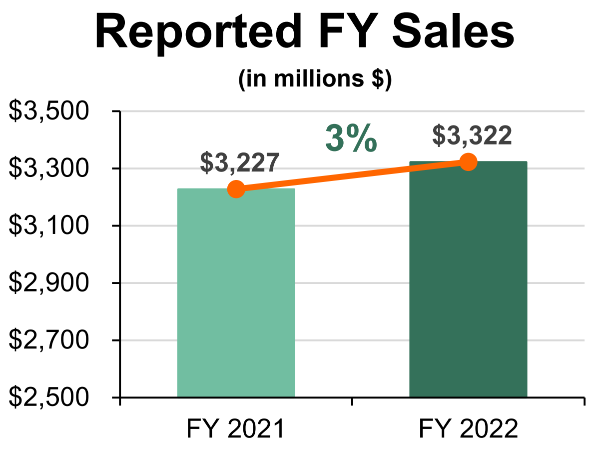
(in millions $)



- Free cash flow increased due to improvements in working capital management and lower restructuring costs.

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

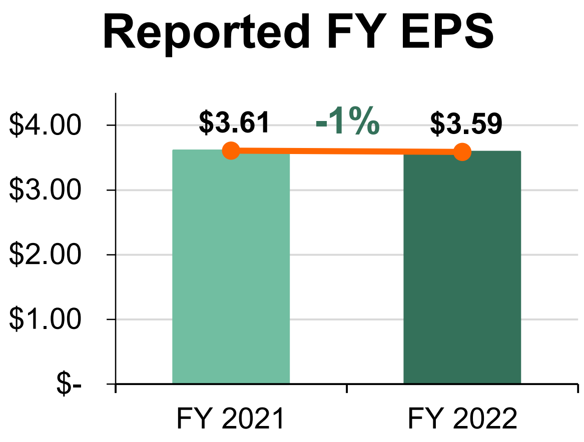
Full Year 2022 Reported Results



+9% Core Sales Growth*

-6% Currency Effects

0% Acquisitions



24% **FY 2021** Reported Effective Tax Rate

28% **FY 2022** Reported Effective Tax Rate

Full Year Highlights

- Demonstrated strong top line performance due to a mix of volume and pricing
- Solid core sales growth in Pharma and Beauty + Home
- Continue to work on leveraging our fixed cost base and reducing SG&A as a percentage of sales

Recognition

- In China, sHero recognized us as one of the Best Companies for Female Executives in 2022
- In France, *Le Point*, a leading weekly news magazine, named us as One of the Most Responsible Companies 2023
- In the U.S. *Forbes* ranked us #70 on the World's Top Female-Friendly Companies for 2022 and we were #15 on America's Most Responsible Companies 2023 by *Newsweek*

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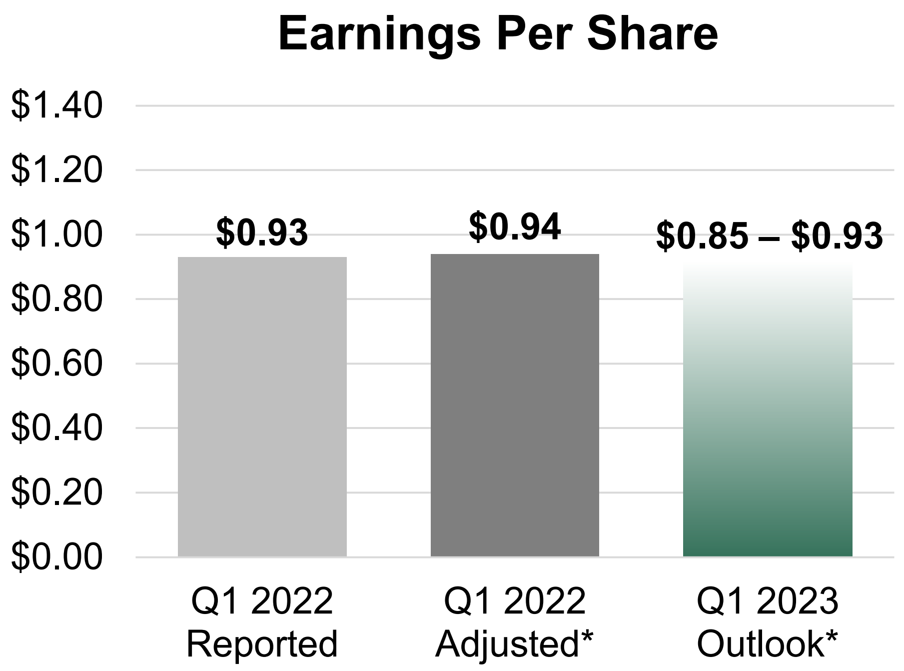
Outlook



25.5-27.5%

Q1 expected tax rate range (prior year Q1 Adj. EPS effective tax rate = 28%)

Guidance Fx Euro Rate = 1.08

Outlook Highlights

- Expect the momentum to continue in our Pharma segment, especially in prescription and consumer healthcare, and in our Beauty end-markets such as fragrance and skincare
- Anticipate that the food, personal and home care markets in North America to continue to be challenged due to destocking; anticipate the food market to recover first
- Segment realignment will strengthen the market position of our Beauty and Closures segments, allowing us to better serve customers and deliver long-term value for shareholders
- Year is off to a good start, and we are excited about the opportunities ahead of us
- Depreciation & amortization estimate range for 2023 is $240 - $250 million
- Capital expenditures estimated range for 2023 is $260 - $280 million

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

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