

# Univar Solutions Reports Record 2022 First Quarter Financial Results and Raises Full Year 2022 Guidance

DOWNERS GROVE, Ill., May 9, 2022 [PRNewswire/](#) -- Univar Solutions Inc. (NYSE: UNVR) ("Univar Solutions" or "the Company"), a leading global commodity and specialty chemical and ingredient distributor, today announced its financial results for the first quarter ended March 31, 2022.

## First Quarter 2022 Highlights

- Record net income of \$180.8 million was 173.1 percent higher than the \$66.2 million reported in the prior-year first quarter. Adjusted net income<sup>(1)</sup> of \$183.4 million compared to \$73.6 million in the prior-year first quarter.
- Earnings per diluted share improved to \$1.06 compared to \$0.39 per diluted share in the prior-year first quarter. Adjusted earnings per diluted share<sup>(1)</sup> increased to \$1.07 from \$0.43 in the prior-year first quarter.
- Record Adjusted EBITDA<sup>(1)</sup> was \$319.3 million compared to \$182.2 million in the prior-year first quarter. Adjusted EBITDA margin<sup>(1)</sup> of 11.1 percent improved from 8.5 percent in the prior-year first quarter.
- Net cash used in operating activities increased to \$134.4 million from \$92.3 million in the prior year first quarter.
- Leverage ratio<sup>(1)</sup> was 2.4x at March 31, 2022, compared to 2.5x at December 31, 2021.
- Share repurchases returned \$24 million of capital to shareholders during the first quarter.

Univar Solutions Reports Record 2022 First Quarter Financial Results and Raises Full Year 2022 Guidance

Full-year Adjusted EBITDA<sup>(1)</sup> guidance increased to the range of \$1,000 million to \$1,050 million.

"Coming off a tremendous 2021, I am truly delighted with our record financial performance in the first quarter, despite the ongoing challenges of constrained supply, transport and the pandemic," said David Jukes, president and chief executive officer.

"This is a testament to our agile, resilient business model and dedicated team of professionals who put the customer at the centre of all we do, everyday. Despite an uncertain world, we believe investments in our installed asset base, owned trucking fleet and digital backbone, along with our robust supplier relationships and strong commercial execution will continue to deliver profitable share growth and shareholder value. In 2022, we remain focused on factors we can control and expect an outstanding full-year Adjusted EBITDA in the range of \$1,000 million to \$1,050 million. Looking further ahead to 2023, whilst not giving firm guidance at this point, we expect to accelerate the targets laid out at last November's Analyst Day, and deliver a full-year ahead of schedule."

- (1) Non-GAAP financial measure. See "Use of Non-GAAP Financial Measures" for further discussion and related schedules attached hereto for reconciliations to the most directly comparable GAAP financial measures and related explanations of ratios or percentages, as applicable.

## Company Performance

Univar Solutions operating performance results are described below and, unless otherwise indicated, are a comparison of first quarter 2022 results with first quarter 2021 results.

(in millions)	(Unaudited)			
	Three months ended March 31,		\$ change	% change
	2022	2021		
<b>Segment External Sales<sup>(2)</sup></b>				
USA	\$ 1,843.2	\$ 1,293.0	\$ 550.2	42.6 %
EMEA	562.2	505.9	56.3	11.1 %
Canada	293.4	222.7	70.7	31.7 %
LATAM	183.8	133.8	50.0	37.4 %
<b>Total Consolidated Net Sales</b>	<b>\$ 2,882.6</b>	<b>\$ 2,155.4</b>	<b>\$ 727.2</b>	<b>33.7 %</b>
<b>Gross Profit (exclusive of depreciation)<sup>(3)(4)</sup></b>				
USA	\$ 472.9	\$ 325.7	\$ 147.2	45.2 %
EMEA	141.6	128.2	13.4	10.5 %
Canada	74.5	56.3	18.2	32.3 %

LATAM	40.5	32.2	8.3	25.8 %
<b>Total Consolidated Gross Profit (exclusive of depreciation)<sup>(3)</sup></b>	<b>\$ 729.5</b>	<b>\$ 542.4</b>	<b>\$ 187.1</b>	<b>34.5 %</b>
<b>Total Consolidated Net Income</b>	<b>\$ 180.8</b>	<b>\$ 66.2</b>	<b>\$ 114.6</b>	<b>173.1 %</b>
<b>Adjusted EBITDA<sup>(3)</sup></b>				
USA	\$ 209.2	\$ 101.8	\$ 107.4	105.5 %
EMEA	63.8	50.6	13.2	26.1 %
Canada	36.7	26.3	10.4	39.5 %
LATAM	16.2	15.6	0.6	3.8 %
Other <sup>(5)</sup>	(6.6)	(12.1)	5.5	45.5 %
<b>Total Consolidated Adjusted EBITDA<sup>(3)</sup></b>	<b>\$ 319.3</b>	<b>\$ 182.2</b>	<b>\$ 137.1</b>	<b>75.2 %</b>

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- (1) Represents percentage change for the comparative periods using a constant currency. See "Use of Non-GAAP Financial Measures" for further discussion.
- (2) Segment external sales represent sales to third party customers. Inter-segment sales are excluded from segment external sales.
- (3) Non-GAAP financial measures. See "Use of Non-GAAP Financial Measures" for further discussion and related schedules attached hereto for reconciliations to the most directly comparable GAAP financial measures.
- (4) Gross profit (exclusive of depreciation) is defined as segment net sales inclusive of inter-segment sales less cost of goods sold (exclusive of depreciation).
- (5) Other represents unallocated corporate costs that do not directly benefit segments.

#### Consolidated Results

Univar Solutions reported net sales of \$2.9 billion, an increase of 33.7 percent on a reported basis and 36.6 percent on a constant currency basis<sup>(1)</sup> compared to the prior-year first quarter. Higher sales were attributable to chemical price inflation, higher industrial demand, and market share gains.

Gross profit (exclusive of depreciation) of \$729.5 million increased 34.5 percent on a reported basis and 37.2 percent on a constant currency basis<sup>(1)</sup>. Higher gross profit was driven primarily by chemical price inflation, higher industrial demand, operational execution, and market share gains, and partially offset by higher input cost inflation. Gross margin increased 10 basis points to 25.3 percent compared to the prior-year first quarter, primarily due to chemical price inflation, partially offset by higher input cost inflation.

Univar Solutions reported net income of \$180.8 million, or \$1.06 per diluted share, compared to net income of \$66.2 million, or \$0.39 per diluted share, in the prior year first quarter. The increase was primarily due to higher gross profit (exclusive of depreciation), partially offset by higher Warehousing, Selling and Administrative (WS&A) costs as well as higher taxes.

Adjusted earnings per diluted share<sup>(1)</sup> of \$1.07 in the quarter increased from \$0.43 in the prior-year first quarter primarily due to higher net income.

Adjusted EBITDA<sup>(1)</sup> of \$319.3 million increased \$137.1 million, or 75.2 percent, compared to the prior-year first quarter, or an increase of 79.6 percent on a constant currency basis<sup>(1)</sup>. The increase was primarily driven by higher gross profit, partially offset by higher WS&A.

Net cash used in operating activities increased to \$134.4 million from \$92.3 million in the first quarter last year, primarily driven by higher net working capital use due to chemical price inflation and timing of the 2021 variable compensation payments. The increase in net cash used in operating activities was partially offset by higher net income.

Liquidity was \$1,098.6 million as of March 31, 2022, inclusive of \$245.4 million of cash on hand and availability under committed, asset-based credit facilities.

- (1) Non-GAAP financial measure. See "Use of Non-GAAP Financial Measures" for further discussion and related schedules attached hereto for reconciliations to the most directly comparable GAAP financial measures and related explanations of ratios or percentages, as applicable.

## Segment Results

### USA:

- USA external sales increased 42.6 percent during the quarter, primarily due to chemical price inflation, higher industrial demand, and market share gains.
- Gross profit (exclusive of depreciation) increased by 45.2 percent, primarily driven by chemical price inflation, higher industrial demand, operational execution, and market share gains, partially offset by input cost inflation. Gross margin increased 50 basis points to 25.7 percent, primarily driven by chemical price inflation, partially offset by input cost inflation.
- Adjusted EBITDA<sup>(1)</sup> increased 105.5 percent to \$209.2 million, primarily driven by higher gross profit, partially offset by higher WS&A. The increase in WS&A was primarily due to higher operating costs and variable compensation, partially offset by an environmental recovery and net synergies. Adjusted EBITDA margin<sup>(1)</sup> increased by 340 basis points to 11.3 percent, primarily due to operating leverage and higher gross margins.

### EMEA:

- EMEA external sales increased 11.1 percent, or 23.8 percent on a constant currency basis<sup>(1)</sup>. The increase was primarily due to chemical price inflation and market share gains, partially offset by the effects of the Distrupol divestiture.
- Gross profit (exclusive of depreciation) increased 10.5 percent, or 22.6 percent on a constant currency basis<sup>(1)</sup>, primarily driven by chemical price inflation, operational execution, and market share gains. Gross margin decreased 10 basis points to 25.2 percent, driven by input cost inflation, partially offset by chemical price inflation.
- Adjusted EBITDA<sup>(1)</sup> increased 26.1 percent to \$63.8 million on a reported basis, or 42.5 percent on a constant currency basis<sup>(1)</sup>, compared to the prior-year first quarter. This increase was primarily driven by higher gross profit, partially offset by the effects of the Distrupol divestiture. Adjusted EBITDA margin<sup>(1)</sup> increased 130 basis points to 11.3 percent, primarily due to operating leverage.

(1) Non-GAAP financial measure. See "Use of Non-GAAP Financial Measures" for further discussion and related schedules attached hereto for reconciliations to the most directly comparable GAAP financial measures and related explanations of ratios or percentages, as applicable.

### CANADA:

- Canada external sales increased by 31.7 percent, or 31.8 percent on a constant currency basis<sup>(1)</sup>, primarily due to chemical price inflation and market share gains.
- Gross profit (exclusive of depreciation) increased by 32.3 percent on a reported and constant currency basis<sup>(1)</sup>. The increase was primarily driven by chemical price inflation, operational execution, and market share gains, partially offset by input cost inflation. Gross margin increased 10 basis points to 25.4 percent, primarily driven by chemical price inflation, partially offset by input cost inflation.
- Adjusted EBITDA<sup>(1)</sup> increased 39.5 percent to \$36.7 million on a reported and constant currency basis<sup>(1)</sup> compared to the prior year. The increase in Adjusted EBITDA<sup>(1)</sup> was primarily due to higher gross profit, partially offset by higher WS&A, which was impacted by higher operating costs and variable compensation. Adjusted EBITDA margin<sup>(1)</sup> increased by 70 basis points to 12.5 percent, primarily due to operating leverage.

### LATAM:

- LATAM external sales increased by 37.4 percent, or 35.4 percent on a constant currency basis<sup>(1)</sup>, largely due to chemical price inflation and the Sweetmix acquisition.
- Gross profit (exclusive of depreciation) increased by 25.8 percent, or 23.3 percent on a constant currency basis<sup>(1)</sup>, primarily due to chemical price inflation and the Sweetmix acquisition, partially offset by input cost inflation. Gross margin decreased 210 basis points to 22.0 percent, primarily driven by product mix.
- Adjusted EBITDA<sup>(1)</sup> increased 3.8 percent to \$16.2 million on a reported basis, or 1.9 percent on a constant currency basis<sup>(1)</sup>. Adjusted EBITDA<sup>(1)</sup> increased primarily due to higher gross profit, partially offset by higher WS&A. Adjusted EBITDA margin<sup>(1)</sup> decreased 290 basis points to 8.8 percent, primarily due to lower gross

2021. Adjusted EBITDA margin<sup>(1)</sup> decreased 200 basis points to 6.6 percent, primarily due to lower gross margin and higher WS&A given increased corporate cost allocation as a result of the SAP implementation and higher operating costs.

- (1) Non-GAAP financial measure. See "Use of Non-GAAP Financial Measures" for further discussion and related schedules attached hereto for reconciliations to the most directly comparable GAAP financial measures and related explanations of ratios or percentages, as applicable.

## Outlook

The Company expects Adjusted EBITDA<sup>(1)</sup> to be between \$270 million and \$290 million for the second quarter of 2022 as compared to \$197.5 million for the second quarter of 2021. For full-year 2022, Adjusted EBITDA<sup>(1)</sup> is expected to increase to a range of \$1,000 million to \$1,050 million, as compared to \$797.7 million for full year 2021. Our forecast versus the prior-year reflects anticipated continued strong business conditions, market share growth and benefits from Nexeo net synergies. Net Free Cash Flow<sup>(1)</sup> in 2022 is expected to be in a range of \$400 million to \$450 million.

The Company reaffirms its commitment to its objectives and expects:

- Ingredients & Specialties (I&S) organic growth of greater than 200 basis points above economic consensus
- Chemicals & Services (C&S) organic growth above economic consensus
- Adjusted EBITDA<sup>(1)</sup> margins to greater than 9 percent
- 50 percent Net Free Cash Flow<sup>(1)</sup> conversion
- Maintain leverage between 2.0x and 2.5x
- Average annual capital return to shareholders of 20 percent to 30 percent of Adjusted Net Income<sup>(1)</sup>

The majority of the Company's debt obligations mature in 2026 and beyond and the Company is in full compliance with the covenants under its credit agreements as of March 31, 2022.

## Conference Call and Webcast Details

The Company will host a webcast with investors to discuss first quarter 2022 results at 9:00 a.m. ET on May 10, 2022, which can be accessed on the Investor Relations section of its website at <http://investors.univarsolutions.com>. After the live webcast, a replay of the webcast will be available on the same website until May 10, 2024.

- (1) Non-GAAP financial measure. See "Use of Non-GAAP Financial Measures" for further discussion and related schedules attached hereto for reconciliations to the most directly comparable GAAP financial measures and related explanations of ratios or percentages, as applicable.

## Use of Non-GAAP Measures

In this press release, the Company's financial results are provided both in accordance with accounting principles generally accepted in the United States of America (GAAP) and using certain non-GAAP financial measures. In particular, the Company presents the non-GAAP financial measures of gross profit (exclusive of depreciation), gross margin (defined as gross profit (exclusive of depreciation) divided by net sales on a consolidated basis and by external sales on a segment level, as applicable), Adjusted EBITDA, Adjusted EBITDA margin (defined as Adjusted EBITDA divided by net sales on a consolidated basis and by external sales on a segment level, as applicable), Adjusted net income, Adjusted earnings per diluted share, leverage ratio, net free cash flow and results on a constant currency basis. The non-GAAP financial measures are included as a complement to results provided in accordance with GAAP because management believes these non-GAAP financial measures help investors' ability to analyze underlying trends in the Company's business, evaluate its performance relative to other companies in its industry and provide useful information to both management and investors by excluding certain items that may not be indicative of the Company's core operating results. Additionally, the Company has used, and may continue to use, Adjusted EBITDA and Adjusted earnings per diluted share in setting performance incentive targets to more closely align management compensation with operational performance.

The Company evaluates its results of operations on both an as reported and a constant currency basis. The constant currency presentation is a non-GAAP financial measure, which excludes the impact of fluctuations in foreign currency exchange rates. The Company believes providing information on a constant currency basis provides valuable

exchange rates. The Company believes providing information on a constant currency basis provides valuable supplemental information regarding its results of operations, consistent with how it evaluates its performance. The Company calculates constant currency percentages and other information by converting its financial results in local currency for a period using the average exchange rate for the prior period to which it is comparing.

The non-GAAP financial measures noted above are not calculated in accordance with GAAP and should not be considered a substitute for any other measure of financial performance presented in accordance with GAAP. Additionally, other companies may calculate Adjusted EBITDA and other such metrics differently than the Company does, limiting their usefulness as comparative measures. For further information related to the Company's use of non-GAAP financial measures, and reconciliations to the most directly comparable GAAP measures, see the schedules attached hereto.

## About Univar Solutions

Univar Solutions (NYSE: UNVR) is a leading global specialty chemical and ingredient distributor representing a premier portfolio from the world's leading producers. With the industry's largest private transportation fleet and technical sales force, unparalleled logistics know-how, deep market and regulatory knowledge, formulation and recipe development, and leading digital tools, the Company is well-positioned to offer tailored solutions and value-added services to a wide range of markets, industries, and applications. While fulfilling its purpose to help keep communities healthy, fed, clean and safe, Univar Solutions is committed to helping customers and suppliers innovate and focus on Growing Together. Learn more at [www.univarsolutions.com](http://www.univarsolutions.com).

## Forward-Looking Statements

This press release includes certain statements relating to future events and our intentions, beliefs, expectations, and outlook for the future, which are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as amended, including, without limitation, statements regarding the impacts of the effects of COVID-19 on the Company, the Company's anticipated future results and financial performance, liquidity position and cash flows, actions regarding expense control and cost reductions, expected net synergies from the Nexeo acquisition, capital expenditures and other statements regarding the Company's Streamline 2022 Program and other initiatives. Forward-looking statements are subject to known and unknown risks and uncertainties, many of which may be beyond the Company's control. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from the expectations and assumptions. A detailed discussion of these factors and uncertainties is contained in the Company's filings with the Securities and Exchange Commission. Potential factors that could affect such forward-looking statements include, among others: general economic conditions, particularly fluctuations in industrial production and consumption and the timing and extent of economic downturns and potential recoveries the sustained geographic spread of the COVID-19 pandemic; the duration and severity of the COVID-19 pandemic; current and new actions that may be taken by governmental authorities to address or otherwise mitigate the impact of the COVID-19 pandemic; the potential negative impacts of COVID-19 on the global economy and our employees, customers, vendors and suppliers; and the overall impact of the COVID-19 pandemic on our business, results of operations and financial condition; significant changes in the business strategies of producers or in the operations of our customers; increased competitive pressures, including as a result of competitor consolidation; significant changes in the pricing, demand and availability of chemicals; our indebtedness, the restrictions imposed by and costs associated with our debt instruments, and our ability to obtain additional financing; the broad spectrum of laws and regulations that we are subject to, including extensive environmental, health and safety laws and regulations; potential business disruptions and security breaches, including cybersecurity incidents; an inability to generate sufficient working capital; increases in transportation and fuel costs and changes in our relationship with third party providers; accidents, safety failures, environmental damage, product quality issues; delivery failures or potential hazards and risks related to our operations and the hazardous materials we handle, potential inability to obtain adequate insurance coverage; ongoing litigation; potential product liability claims and recalls and other environmental, legal and regulatory risks; challenges associated with international operations; exposure to interest rate and currency fluctuations; risks associated with integration of legacy business systems; possible impairment of goodwill and intangible assets; an inability to integrate the business and systems of the companies we acquire, including failure to realize the anticipated benefits of such acquisitions; negative developments affecting our pension plans and multi-employer pensions; labor disruptions associated with the unionized portion of our workforce; and the other factors described in the Company's Annual Report on Form 10-K for the year ended December 31, 2021, as well as other filings with the Securities and Exchange Commission. We caution you that the forward-looking information presented in this press release is not a guarantee of future events or results.

you that the forward-looking information presented in this press release is not a guarantee of future events or results, and that actual events or results may differ materially from those made in or suggested by the forward-looking information contained in this press release. In addition, forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "plan," "seek," "will," "expect," "intend," "estimate," "anticipate," "believe" or "continue" or the negative thereof or variations thereon or similar terminology. Any forward-looking information presented herein is made only as of the date of this press release, and the Company does not undertake any obligation to update or revise any forward-looking information to reflect changes in assumptions, the occurrence of unanticipated events, or otherwise, except as required by law.

**Univar Solutions Inc.**  
**Condensed Consolidated Statements of Operations**  
**(Unaudited)**

<b>(in millions, except per share data)</b>	<b>Three months ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
Net sales	\$ 2,882.6	\$ 2,155.4
Cost of goods sold (exclusive of depreciation)	2,153.1	1,613.0
Operating expenses:		
Outbound freight and handling	\$ 115.9	\$ 91.4
Warehousing, selling and administrative	294.3	268.8
Other operating expenses, net	15.7	44.2
Depreciation	32.9	43.8
Amortization	11.8	13.1
Total operating expenses	<u>\$ 470.6</u>	<u>\$ 461.3</u>
Operating income	<u>\$ 258.9</u>	<u>\$ 81.1</u>
Other (expense) income:		
Interest income	\$ 1.1	\$ 0.4
Interest expense	(22.2)	(27.0)
Gain on sale of business	—	0.6
Other income, net	7.7	28.7
Total other (expense) income	<u>\$ (13.4)</u>	<u>\$ 2.7</u>
Income before income taxes	<u>\$ 245.5</u>	<u>\$ 83.8</u>
Income tax expense	64.7	17.6
Net income	<u>\$ 180.8</u>	<u>\$ 66.2</u>
Income per common share:		
Basic income per common share	\$ 1.07	\$ 0.39
Diluted income per common share	\$ 1.06	\$ 0.39
Weighted average common shares outstanding:		
Basic	169.6	169.3
Diluted	171.3	170.1

**Univar Solutions Inc.**  
**Condensed Consolidated Balance Sheets**  
**(Unaudited)**

<b>(in millions, except per share data)</b>	<b>March 31, 2022</b>	<b>December 31, 2021</b>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 245.4	\$ 251.5
Trade accounts receivable, net of allowance for doubtful accounts of \$15.0 and \$15.8 at March 31, 2022 and December 31, 2021, respectively	1,806.0	1,539.5
Inventories	1,105.5	932.2
Prepaid expenses and other current assets	198.2	169.1
Total current assets	<u>\$ 3,355.1</u>	<u>\$ 2,892.3</u>
Property, plant and equipment, net	<u>\$ 1,028.1</u>	<u>\$ 1,031.0</u>
Goodwill	2,221.8	2,210.4

Intangible assets, net	203.9	211.7
Deferred tax assets	26.5	29.4
Other assets	337.3	303.0
Total assets	<u>\$ 7,272.7</u>	<u>\$ 6,777.8</u>
<b>Liabilities and stockholders' equity</b>		
Current liabilities:		
Short-term financing	\$ 10.0	\$ —
Trade accounts payable	1,149.0	1,009.3
Current portion of long-term debt	40.4	41.5
Accrued compensation	92.3	196.4
Other accrued expenses	430.6	420.4
Total current liabilities	<u>\$ 1,722.3</u>	<u>\$ 1,667.6</u>
Long-term debt	\$ 2,416.9	\$ 2,223.5
Pension and other postretirement benefit liabilities	207.2	211.7
Deferred tax liabilities	86.3	56.1
Other long-term liabilities	323.2	326.4
Total liabilities	<u>\$ 4,755.9</u>	<u>\$ 4,485.3</u>
Stockholders' equity:		
Preferred stock, \$0.01 par value, 200,000,000 shares authorized, no shares issued or outstanding at March 31, 2022 and December 31, 2021	\$ —	\$ —
Common stock, \$0.01 par value, 2,000,000,000 shares authorized, 172,037,131 and 171,199,938 shares issued at March 31, 2022 and December 31, 2021, respectively	1.7	1.7
Additional paid-in capital	3,062.5	3,048.5
Treasury stock at cost, 2,563,449 and 1,832,385 shares at March 31, 2022 and December 31, 2021, respectively	(74.0)	(50.0)
Accumulated deficit	(164.2)	(345.0)
Accumulated other comprehensive loss	(309.2)	(362.7)
Total stockholders' equity	<u>\$ 2,516.8</u>	<u>\$ 2,292.5</u>
Total liabilities and stockholders' equity	<u>\$ 7,272.7</u>	<u>\$ 6,777.8</u>

**Univar Solutions Inc.**  
**Condensed Consolidated Statements of Cash Flows**  
(Unaudited)

<b>(in millions)</b>	<b>Three months ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
<b>Operating activities:</b>		
Net income	\$ 180.8	\$ 66.2
Adjustments to reconcile net income to net cash used by operating activities:		
Depreciation and amortization	44.7	56.9
Amortization of deferred financing fees and debt discount	1.4	1.8
Gain on sale of business	—	(0.6)
Gain on sale of property, plant and equipment and other assets	(0.9)	(1.1)
Deferred income taxes	19.1	2.0
Stock-based compensation expense	13.9	5.9
Fair value adjustment for warrants	—	(25.6)
Other	2.6	(1.5)
Changes in operating assets and liabilities:		
Trade accounts receivable, net	(270.5)	(220.9)
Inventories	(168.9)	(70.8)
Prepaid expenses and other current assets	(15.9)	(34.3)
Trade accounts payable	140.3	138.1
Other, net	(81.0)	(8.4)
Net cash used by operating activities	<u>\$ (134.4)</u>	<u>\$ (92.3)</u>
<b>Investing activities:</b>		
Purchases of property, plant and equipment	\$ (32.5)	\$ (16.3)
Purchases of businesses, net of cash acquired	(3.8)	—
Proceeds from sale of property, plant, and equipment	1.8	5.3
Other	—	(1.2)
Net cash used by investing activities	<u>\$ (34.5)</u>	<u>\$ (12.2)</u>

**Financing activities:**

Payments on long-term debt and finance lease obligations	\$	(12.0)	\$	(56.2)
Proceeds under revolving credit facilities		491.4		603.0
Payments under revolving credit facilities		(294.3)		(684.0)
Taxes paid related to net share settlements of stock-based compensation awards		(7.2)		(2.1)
Purchases of treasury stock		(24.0)		—
Stock option exercises		8.4		1.5
Other		8.5		4.1
Net cash used by financing activities	\$	170.8	\$	(133.7)
Effect of exchange rate changes on cash and cash equivalents	\$	(8.0)	\$	(7.0)
Net decrease in cash and cash equivalents		(6.1)		(245.2)
Cash and cash equivalents at beginning of period		251.5		386.6
Cash and cash equivalents at end of period	\$	245.4	\$	141.4

**Univar Solutions Inc.**  
**Reconciliation of GAAP Net Income to Adjusted Net Income and**  
**Diluted Earnings per Share to Adjusted Diluted Earnings per Share**  
**(Unaudited)**

<b>(in millions, except per share data)</b>	<b>Three months ended March 31,</b>			
	<b>2022</b>		<b>2021</b>	
	<b>Amount</b>	<b>per share <sup>(1)(2)</sup></b>	<b>Amount</b>	<b>per share</b>
Net income and diluted EPS	\$ 180.8	\$ 1.06	\$ 66.2	\$ 1.06
Amortization	11.8	0.07	13.1	0.07
Exchange loss <sup>(3)</sup>	(0.5)	—	1.9	—
Derivative loss (gain) <sup>(3)</sup>	(5.0)	(0.03)	0.4	(0.03)
(Gain) loss on sale of business	—	—	(0.6)	—
Nexeo employee severance and other facility closure costs <sup>(4)</sup>	—	—	0.9	—
Shared service employee severance and other facility closure costs <sup>(4)</sup>	—	—	0.1	—
Loss on extinguishment of debt and debt refinancing costs <sup>(3)</sup>	—	—	0.2	—
Nexeo acquisition and integration related expenses <sup>(4)</sup>	—	—	16.1	—
Fair value adjustment for warrants <sup>(3)</sup>	—	—	(25.6)	—
Non-operating retirement benefits <sup>(3)</sup>	(2.6)	(0.02)	(6.7)	(0.02)
Multi-employer pension plan exit liability <sup>(3)</sup>	—	—	18.4	—
Income tax benefit related to reconciling items <sup>(5)</sup>	(0.5)	—	(11.3)	—
Other discrete tax items <sup>(6)</sup>	(0.6)	(0.01)	0.5	(0.01)
Adjusted net income and diluted EPS	<u>\$ 183.4</u>	<u>\$ 1.07</u>	<u>\$ 73.6</u>	<u>\$ 1.07</u>
GAAP diluted common shares outstanding <sup>(2)</sup>	171.3		170.1	

(1) Immaterial differences may exist in the calculation of per share amounts due to rounding.

(2) Diluted and adjusted diluted earnings per share is calculated using net income or adjusted net income available to common shareholders divided by diluted weighted average shares outstanding during each period, respectively, which includes unvested restricted shares. Diluted earnings per share considers the impact of potentially dilutive securities except in periods in which there is a loss because the inclusion of the potential common shares would have an anti-dilutive effect. Adjusted earnings per diluted share is based on the GAAP dilutive share count, except where adjustments to GAAP net loss result in an adjusted net income position.

(3) Reconciling items represent certain items disclosed on Schedule D included in this document, excluding stock-based compensation, restructuring charges, gain on sale of property, plant and equipment, certain employee severance and facility closure costs and other.

(4) For 2021, Nexeo employee severance and other facility closure costs represent \$1.0 million of other employee severance costs and (\$0.1 million) of other facility closure costs related to the Company's 2019 Nexeo acquisition as disclosed on Schedule D included in this document. For 2021, shared service employee severance and other facility closure costs represent \$0.1 million of other employee severance costs related to the Company's shared service relocation as disclosed on Schedule D included in this document. In 2021, Nexeo acquisition and integration related expenses represent \$16.1 million of acquisition and integration related expenses as disclosed on Schedule D included in this document.

(5) Tax on reconciling items is calculated as the difference between the tax provisions on US GAAP pre-tax earnings and Adjusted pre-tax earnings utilizing the appropriate tax rates and laws of each jurisdiction.

earnings and Adjusted pre-tax earnings utilizing the appropriate tax rates and laws of each jurisdiction.

- (6) Discrete tax items primarily relate to stock compensation expense in the current year and the tax law changes in the prior year.

## Schedule B

### Univar Solutions Inc. Reconciliation of GAAP Net Income (Loss) to Adjusted EBITDA (Unaudited)

<b>(in millions)</b>	<b>Q2'20</b>	<b>Q3'20</b>	<b>Q4'20</b>	<b>Q1'21</b>	<b>Q2'21</b>	<b>Q3'21</b>	<b>Q4'21</b>	<b>Q1'22</b>
Net income (loss)	\$ 1.8	\$ 28.9	\$ (33.7)	\$ 66.2	\$ 153.2	\$ 84.4	\$ 156.8	\$ 180.8
Depreciation	40.4	41.6	39.2	43.8	37.3	36.7	33.1	32.9
Amortization	14.8	14.7	14.7	13.1	13.2	12.4	13.8	11.8
Interest expense, net	29.9	27.7	26.7	26.6	25.7	22.2	22.7	21.1
Income tax expense (benefit)	11.6	2.7	(7.9)	17.6	27.0	37.7	42.3	64.7
<b>EBITDA</b>	<b>\$ 98.5</b>	<b>\$ 115.6</b>	<b>\$ 39.0</b>	<b>\$ 167.3</b>	<b>\$ 256.4</b>	<b>\$ 193.4</b>	<b>\$ 268.7</b>	<b>\$ 311.3</b>
Other operating expenses, net <sup>(1)</sup>	24.8	20.3	13.9	44.2	29.9	17.7	15.7	15.7
Other expense (income), net <sup>(1)</sup>	22.7	(1.3)	58.2	(28.7)	(3.3)	(1.1)	(77.3)	(7.7)
Impairment charges	16.9	20.7	2.6	—	2.1	0.9	—	—
(Gain) loss on sale of business	—	9.3	32.7	(0.6)	(87.6)	—	—	—
Brazil VAT (recovery) charge	0.3	—	—	—	—	—	—	—
<b>Adjusted EBITDA</b>	<b>\$ 163.2</b>	<b>\$ 164.6</b>	<b>\$ 146.4</b>	<b>\$ 182.2</b>	<b>\$ 197.5</b>	<b>\$ 210.9</b>	<b>\$ 207.1</b>	<b>\$ 319.3</b>

(1) Refer to Schedule D for more information for the three months ended March 31, 2022 and 2021.

(2) Last Twelve Month (LTM) Adjusted EBITDA is a component used in the calculation of the Company's leverage ratio as of a particular period end.

## Schedule C

### Univar Solutions Inc. Segment Adjusted EBITDA and Gross Profit (exclusive of depreciation) (Unaudited)

<b>(in millions)</b>	<b>USA</b>	<b>EMEA</b>	<b>Canada</b>	<b>LATAM</b>	<b>Other/ Eliminations<sup>(1)</sup></b>	<b>Consolid</b>
	<b>Three months ended March 31, 2022</b>					
External customers	\$ 1,843.2	\$ 562.2	\$ 293.4	\$ 183.8	\$ —	\$ 2,8
Inter-segment	28.5	0.7	1.8	—	(31.0)	—
<b>Total net sales</b>	<b>\$ 1,871.7</b>	<b>\$ 562.9</b>	<b>\$ 295.2</b>	<b>\$ 183.8</b>	<b>\$ (31.0)</b>	<b>\$ 2,8</b>
Cost of goods sold (exclusive of depreciation)	\$ 1,398.8	\$ 421.3	\$ 220.7	\$ 143.3	\$ (31.0)	\$ 2,1
Outbound freight and handling	85.8	17.0	9.9	3.2	—	1
Warehousing, selling and administrative	177.9	60.8	27.9	21.1	6.6	2
<b>Adjusted EBITDA</b>	<b>\$ 209.2</b>	<b>\$ 63.8</b>	<b>\$ 36.7</b>	<b>\$ 16.2</b>	<b>\$ (6.6)</b>	<b>\$ 3</b>

<b>(in millions)</b>	<b>USA</b>	<b>EMEA</b>	<b>Canada</b>	<b>LATAM</b>	<b>Other/ Eliminations<sup>(1)</sup></b>	<b>Consolid</b>
	<b>Three months ended March 31, 2022</b>					
Net sales	\$ 1,871.7	\$ 562.9	\$ 295.2	\$ 183.8	\$ (31.0)	\$ 2,8
Cost of goods sold (exclusive of depreciation)	1,398.8	421.3	220.7	143.3	(31.0)	2,1
<b>Gross profit (exclusive of depreciation)</b>	<b>\$ 472.9</b>	<b>\$ 141.6</b>	<b>\$ 74.5</b>	<b>\$ 40.5</b>	<b>\$ (6.6)</b>	<b>\$ 7</b>

	\$ 72.3	\$ 141.0	\$ 74.3	\$ 70.3	\$ —	\$ 1
	<b>USA</b>	<b>EMEA</b>	<b>Canada</b>	<b>LATAM</b>	<b>Other/ Eliminations<sup>(1)</sup></b>	<b>Consolid</b>
<b>(in millions)</b>	<b>Three months ended March 31, 2021</b>					
External customers	\$ 1,293.0	\$ 505.9	\$ 222.7	\$ 133.8	\$ —	\$ 2,1
Inter-segment	17.4	0.8	0.7	—	(18.9)	—
Total net sales	<u>\$ 1,310.4</u>	<u>\$ 506.7</u>	<u>\$ 223.4</u>	<u>\$ 133.8</u>	<u>\$ (18.9)</u>	<u>\$ 2,1</u>
Cost of goods sold (exclusive of depreciation)	\$ 984.7	\$ 378.5	\$ 167.1	\$ 101.6	\$ (18.9)	\$ 1,6
Outbound freight and handling	63.3	15.9	9.2	3.0	—	—
Warehousing, selling and administrative	160.6	61.7	20.8	13.6	12.1	2
Adjusted EBITDA	<u>\$ 101.8</u>	<u>\$ 50.6</u>	<u>\$ 26.3</u>	<u>\$ 15.6</u>	<u>\$ (12.1)</u>	<u>\$ 1</u>
	<b>USA</b>	<b>EMEA</b>	<b>Canada</b>	<b>LATAM</b>	<b>Other/ Eliminations<sup>(1)</sup></b>	<b>Consolid</b>
<b>(in millions)</b>	<b>Three months ended March 31, 2021</b>					
Net sales	\$ 1,310.4	\$ 506.7	\$ 223.4	\$ 133.8	\$ (18.9)	\$ 2,1
Cost of goods sold (exclusive of depreciation)	984.7	378.5	167.1	101.6	(18.9)	1,6
Gross profit (exclusive of depreciation)	<u>\$ 325.7</u>	<u>\$ 128.2</u>	<u>\$ 56.3</u>	<u>\$ 32.2</u>	<u>\$ —</u>	<u>\$ 5</u>

(1) Other/Eliminations represents the elimination of intersegment transactions as well as unallocated corporate costs consisting of costs specifically related to parent company operations that do not directly benefit segments, either individually or collectively.

#### Schedule D

**Univar Solutions Inc.**  
**Detail of Other operating expenses, net and**  
**Other income, net**  
**(Unaudited)**

**Other operating expenses, net**

**Three months ended March  
31,**

<b>(in millions)</b>	<b>2022</b>	<b>2021</b>
Acquisition and integration related expenses	\$ —	\$ 16.4
Stock-based compensation expense	13.9	5.9
Other employee severance costs	—	2.9
Multi-employer pension plan exit liability	—	18.4
Gain on sale of property, plant and equipment	(0.9)	(1.1)
Other	2.7	1.7
Total other operating expenses, net	<u>\$ 15.7</u>	<u>\$ 44.2</u>

**Other income, net**

**Three months ended March  
31,**

<b>(in millions)</b>	<b>2022</b>	<b>2021</b>
Foreign currency transactions	\$ 4.3	\$ (1.8)
Foreign currency denominated loans revaluation	(3.8)	(0.1)
Undesignated foreign currency derivative instruments	0.9	(1.7)
Undesignated interest rate and cross currency swap contracts	4.1	1.3
Non-operating retirement benefits	2.6	6.7
Fair value adjustment for warrants	—	25.6

Other	(0.4)	(1.3)
Total other income, net	<u>\$ 7.7</u>	<u>\$ 28.7</u>

## Schedule E

### Univar Solutions Inc. Reconciliation of GAAP Debt to Net Debt (Unaudited)

<b>(in millions)</b>	<b>March 31,</b>		<b>December</b>
	<b>2022</b>	<b>2021</b>	<b>2021</b>
Total short-term and long-term debt	\$ 2,457.3	\$ 2,510.7	\$ 2,265.0
Add: Short-term financing	10.0	4.5	—
Less: Cash and cash equivalents	(245.4)	(141.4)	(251.5)
Total net debt	<u>\$ 2,221.9</u>	<u>\$ 2,373.8</u>	<u>\$ 2,013.5</u>
LTM Adjusted EBITDA <sup>(1)(2)</sup>	\$ 939.8	\$ 656.4	\$ 799.7
Leverage ratio (Total net debt/LTM Adjusted EBITDA)	2.4 x	3.6 x	2.5 x

(1) LTM Adjusted EBITDA, as defined by the Company's credit agreements, includes adjustments for acquisitions and divestitures and excludes the impact of synergies not yet realized. For December 31, 2021, LTM Adjusted EBITDA excludes three months of Adjusted EBITDA of \$5 million, related to the Distrupol business divestiture on April 1, 2021. For March 31, 2022 and December 31, 2021, LTM Adjusted EBITDA includes eight and eleven months of Adjusted EBITDA of \$5 million and \$7 million, respectively, related to the Sweetmix acquisition on December 1, 2021.

(2) Refer to Schedule B for more information on LTM Adjusted EBITDA before the adjustments discussed in the note above.

## Schedule F

### Univar Solutions Inc. Reconciliation of GAAP Net Income to Adjusted EBITDA Guidance (Unaudited)

<b>(in millions)</b>	<b>Year ended</b>		<b>Guidance</b>		
	<b>Q1 2022</b>	<b>December 31, 2021</b>	<b>Q2 2022</b>		<b>Full ye</b>
			<b>Low</b>	<b>High</b>	<b>Low</b>
Net income <sup>(1)</sup>	\$ 180.8	\$ 460.6	\$ 140	\$ 167	\$ 510
Depreciation <sup>(1)</sup>	32.9	150.9	35	33	140
Amortization <sup>(1)</sup>	11.8	52.5	12	11	47
Interest expense, net <sup>(1)</sup>	21.1	97.2	25	23	100
Income tax expense <sup>(1)</sup>	64.7	124.6	51	59	183
Other operating expenses, net <sup>(1)</sup>	15.7	107.5	10	—	30
Other income, net <sup>(1)</sup>	(7.7)	(110.4)	(3)	(3)	(10)
Gain on sale of business <sup>(1)</sup>	—	(88.2)	—	—	—
Impairment charges <sup>(1)</sup>	—	3.0	—	—	—
Adjusted EBITDA	<u>\$ 319.3</u>	<u>\$ 797.7</u>	<u>\$ 270</u>	<u>\$ 290</u>	<u>\$ 1,000</u>

(1) Adjusted EBITDA excludes from forecasted net income the impact of gains and losses of foreign currency and on divestitures, refinancing costs, potential impairments, discrete tax items and other unusual or nonrecurring items that might materially impact GAAP net income. We have not provided a further reconciliation of Adjusted EBITDA to GAAP net income as such reconciliation is not available without unreasonable efforts because the additional components in deriving Adjusted EBITDA are evaluated on an ongoing basis, can be highly variable and cannot reasonably be predicted. In addition, forecasted net income presented within this reconciliation is provided for informational purposes only and should not be viewed as guidance, as reported GAAP net income may differ materially from forecasted net income due to the impact of the items of the type identified above.

Schedule G

**Univar Solutions Inc.**  
**Reconciliation of GAAP Cash Flow from Operations to Net Free Cash Flow**  
**(Unaudited)**

<b>(in millions)</b>	<b>Year ended</b>	<b>Guidance</b>	
	<b>December 31, 2021</b>	<b>Low</b>	<b>High</b>
Net cash provided by operating activities <sup>(1)</sup>	\$ 290.3	\$ 540	\$ 580
Capital expenditures <sup>(1)(2)</sup>	(110.9)	(140)	(130)
Net free cash flow	<u>\$ 179.4</u>	<u>\$ 400</u>	<u>\$ 450</u>
Net cash provided (used) by investing activities <sup>(1)</sup>	\$ 23.6	\$ (140)	\$ (130)
Net cash used by financing activities <sup>(1)(3)</sup>	\$ (424.6)	\$ (30)	\$ (30)

(1) The forecasted net cash provided by operating and investing activities and used by financing activities presented within this reconciliation excludes certain unusual or infrequent items, such as refinancing costs, potential impairments, discrete tax items and other unusual or nonrecurring items, impacting GAAP financial metrics. While the Company expects that these unusual or infrequent items may occur in future periods, it is not possible to estimate the amount or significance of these unusual or infrequent items without unreasonable efforts because these items are evaluated on an ongoing basis, can be highly variable and cannot reasonably be predicted. As such, we have included above the impact of only those items about which we are aware, can be reasonable predicted and are reasonably likely to occur during the guidance period covered. These financial measures are included within this reconciliation for informational purposes only and should not be viewed as guidance, as reported GAAP measures may differ materially from such forecasted amounts due to the impact of the items of the type identified above.

- (2) Excludes additions from finance leases.
- (3) Excludes potential share repurchases in FY2022.

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