

# Q1 2025 Earnings

May 2025



# Forward Looking Statements

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This presentation contains certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical facts included or incorporated herein may constitute forward-looking statements. Such forward-looking statements include statements (covered by words like "expects," "estimates," "anticipates," "may," "could," "believes," "feels," "plans," "intends," "outlook" or similar words or expressions, for example) which relate to earnings, growth potential, operating performance, events or developments that we expect or anticipate will or may occur in the future. Although forward-looking statements are believed by management to be reasonable when made, they are subject to certain risks, uncertainties and assumptions, and our actual performance or results may differ materially from these forward-looking statements. Additional information regarding risks, uncertainties and assumptions relating to Innospec and affecting our business operations and prospects are described in Innospec's Annual Report on Form 10-K for the year ended December 31, 2024 and other reports filed with the U.S. Securities and Exchange Commission. You are urged to review our discussion of risks and uncertainties that could cause actual results to differ from forward-looking statements under the heading "Risk Factors" in such reports. Innospec undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

# Use of Non-GAAP Financial Measures



The information presented in this presentation includes financial measures that are not calculated or presented in accordance with Generally Accepted Accounting Principles in the United States (GAAP). These non-GAAP financial measures comprise adjusted EBITDA, income before income taxes excluding special items, net income excluding special items and related per share amounts together with net cash. Adjusted EBITDA is net income per our consolidated financial statements adjusted for the exclusion of interest income, net, income taxes, depreciation and amortization, foreign currency exchange gains, legacy costs of closed operations and adjustment to fair value of contingent consideration. Income before income taxes, net income and diluted EPS, excluding special items, per our consolidated financial statements are adjusted for the exclusion of amortization of acquired intangible assets, adjustment to fair value of contingent consideration, legacy costs of closed operations, foreign currency exchange gains and adjustment of income tax provisions. Net cash is cash and cash equivalents less total debt. The Company believes that such non-GAAP financial measures provide useful information to investors and may assist them in evaluating the Company's underlying performance and identifying operating trends. In addition, these non-GAAP measures address questions the Company routinely receives from analysts and investors and the Company has determined that it is appropriate to make this data available to all investors. While the Company believes that such measures are useful in evaluating the Company's performance, investors should not consider them to be a substitute for financial measures prepared in accordance with GAAP. In addition, these non-GAAP financial measures may differ from similarly-titled non-GAAP financial measures used by other companies and do not provide a comparable view of the Company's performance relative to other companies in similar industries. Management uses adjusted EPS (the most directly comparable GAAP financial measure for which is GAAP EPS) and net income excluding special items and adjusted EBITDA (the most directly comparable GAAP financial measure for which is GAAP net income) to allocate resources and evaluate the performance of the Company's operations and has provided a reconciliation of adjusted EBITDA and net income excluding special items, and related per share amounts, to GAAP net income in our earnings release.

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David Jones - VP, General Counsel
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Patrick S. Williams - President & CEO
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Ian Cleminson - Executive Vice President & CFO
- 4** | Questions & Answers  
Patrick S. Williams and Ian Cleminson

# Summary of 1<sup>st</sup> Quarter Performance



# Q1

GAAP EPS of \$1.31

Adjusted non-GAAP  
EPS of \$1.42

Overall good results

Excellent growth in  
Fuels Specialties  
offsetting lower results in  
Performance Chemicals  
and Oilfield Services

Balance sheet has \$299.8  
million in net cash

10 percent semi-annual  
dividend increase;  
\$3.3 million in share  
repurchases

Performance Chemicals  
moderating activity in  
run-up to April 2nd

Near-term headwind on  
sequential growth; no  
change in long-term  
direction

Fuel Specialties double-  
digit operating income  
growth with continued  
progress on margin  
improvement

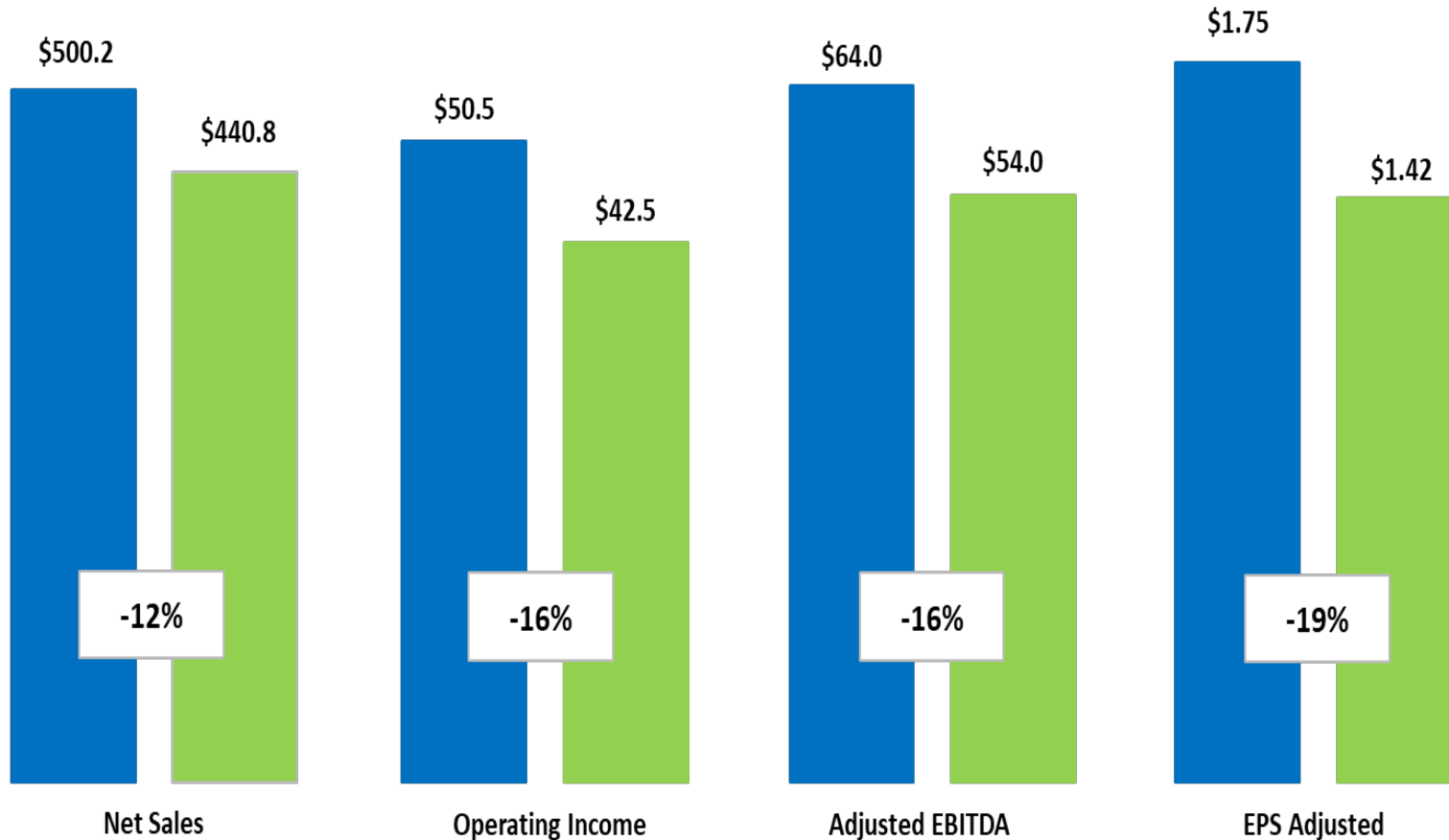
Oilfield Services  
continued strength in Middle  
East and DRA; lower results  
in US completions and  
production

Cost management actions in  
process

# Financial Performance



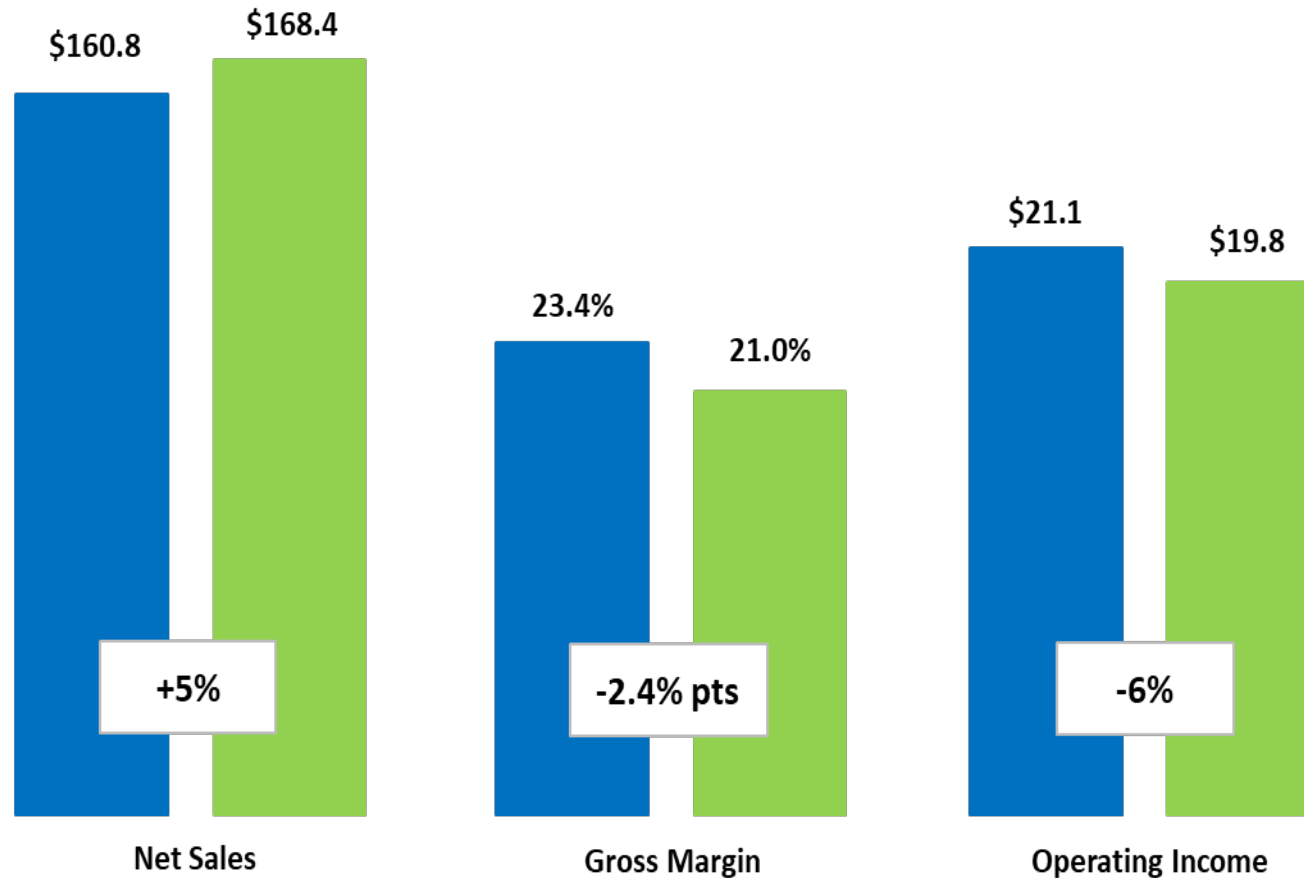
# Q1 2025 Consolidated Results (\$ MM)



- Revenue down 12 percent
- Gross margin down 2.7 percentage points
- Operating income down 16 percent
- Adjusted EBITDA down 16 percent
- Adjusted EPS of \$1.42

■ Q1 2024 ■ Q1 2025

# Q1 2025 Performance Chemicals (\$ MM)

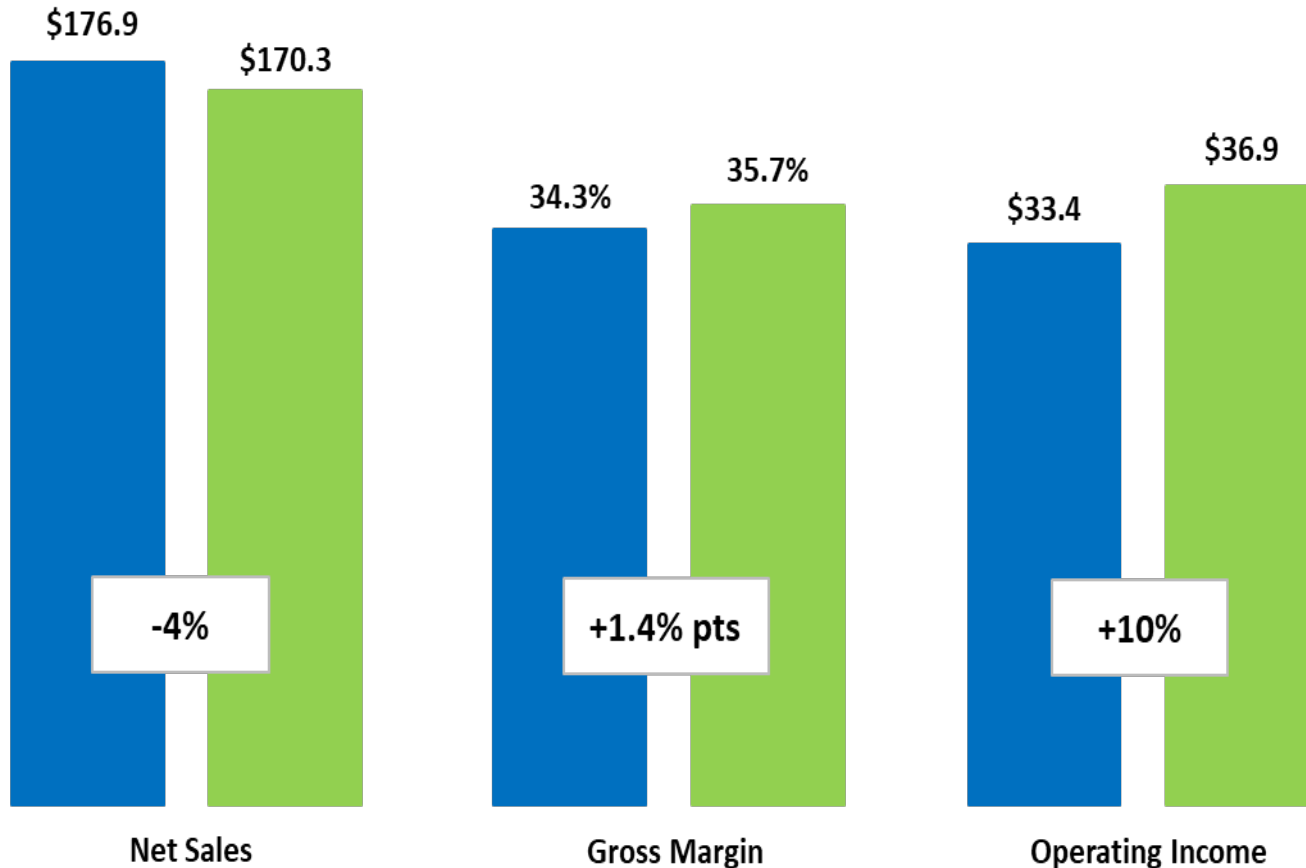


- Revenue up 5 percent
- Volumes up 5 percent
- Price/mix up 3 percent
- Gross margin down 2.4 percentage points
- Operating income down 6 percent

■ Q1 2024 ■ Q1 2025



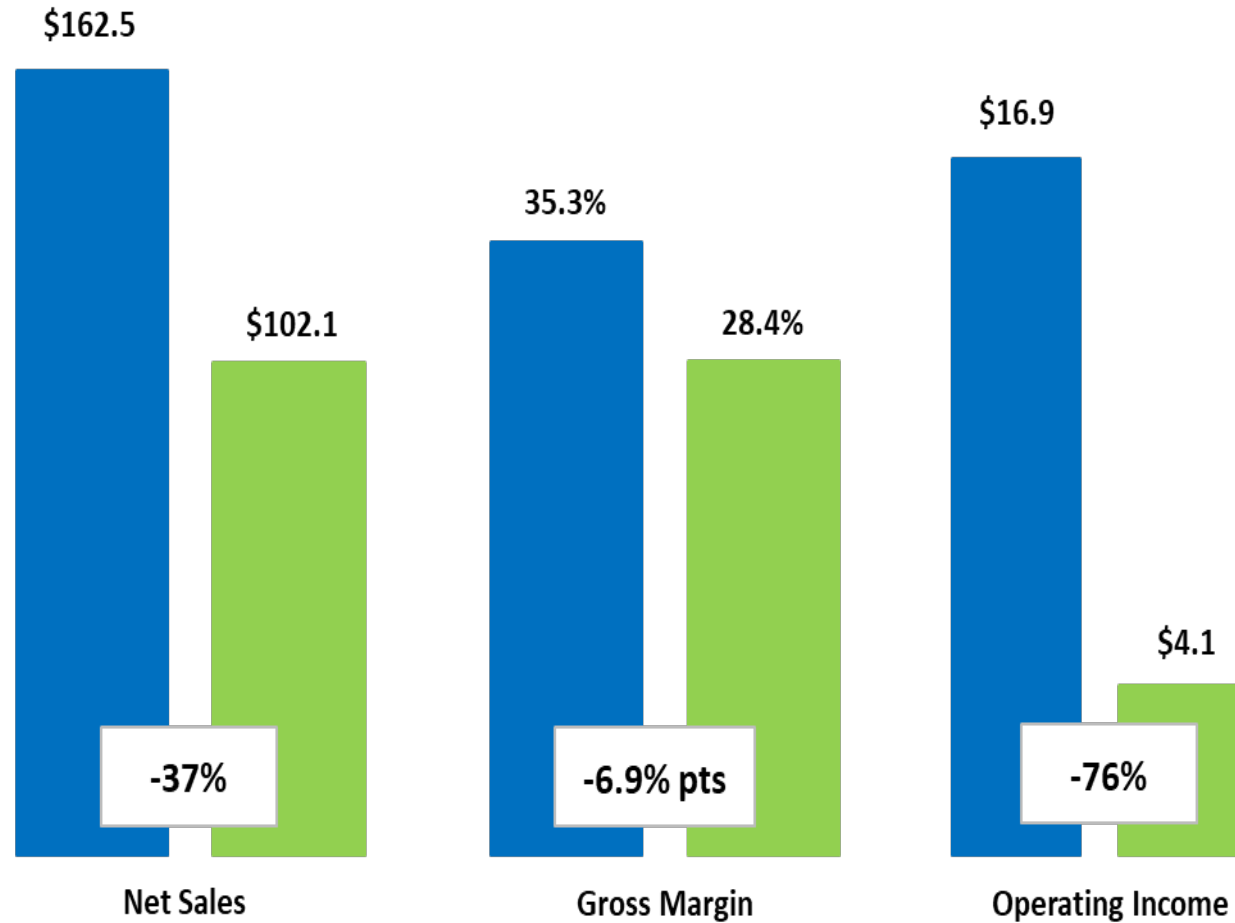
# Q1 2025 Fuel Specialties (\$ MM)



- Revenue down 4 percent
- Price/mix down 2 percent
- Gross margin up 1.4 percentage points
- Operating income up 10 percent

■ Q1 2024 ■ Q1 2025

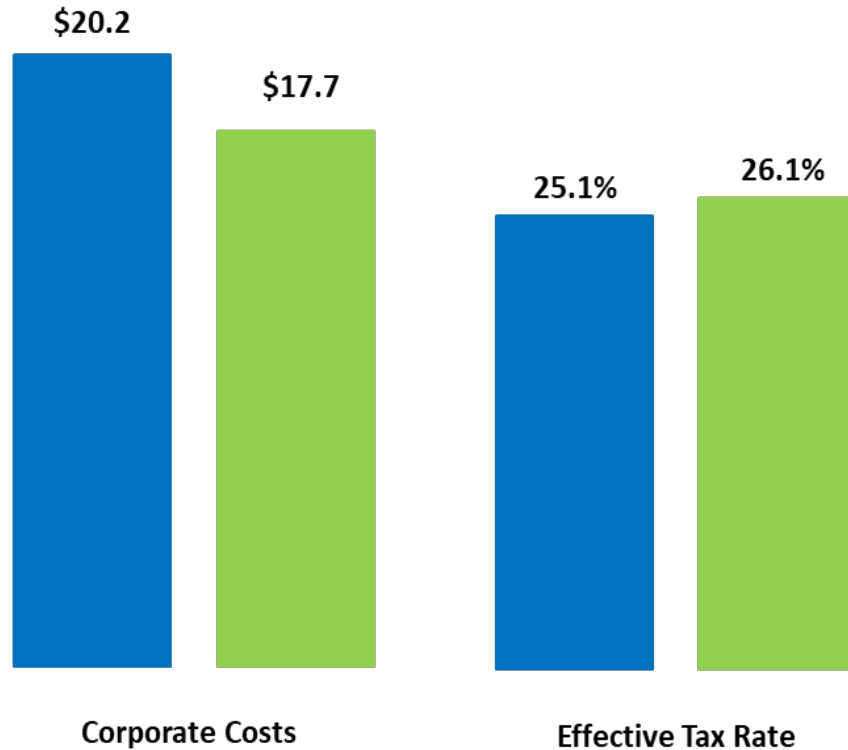
# Q1 2025 Oilfield Services (\$ MM)



■ Q1 2024 ■ Q1 2025

- Revenue down 37 percent
- No Latin America sales
- Gross margin down 6.9 percentage points on weaker sales mix
- Operating income down 76 percent
- Future quarters will not show the comparable sharp declines from Latin America
- Cost management actions in process

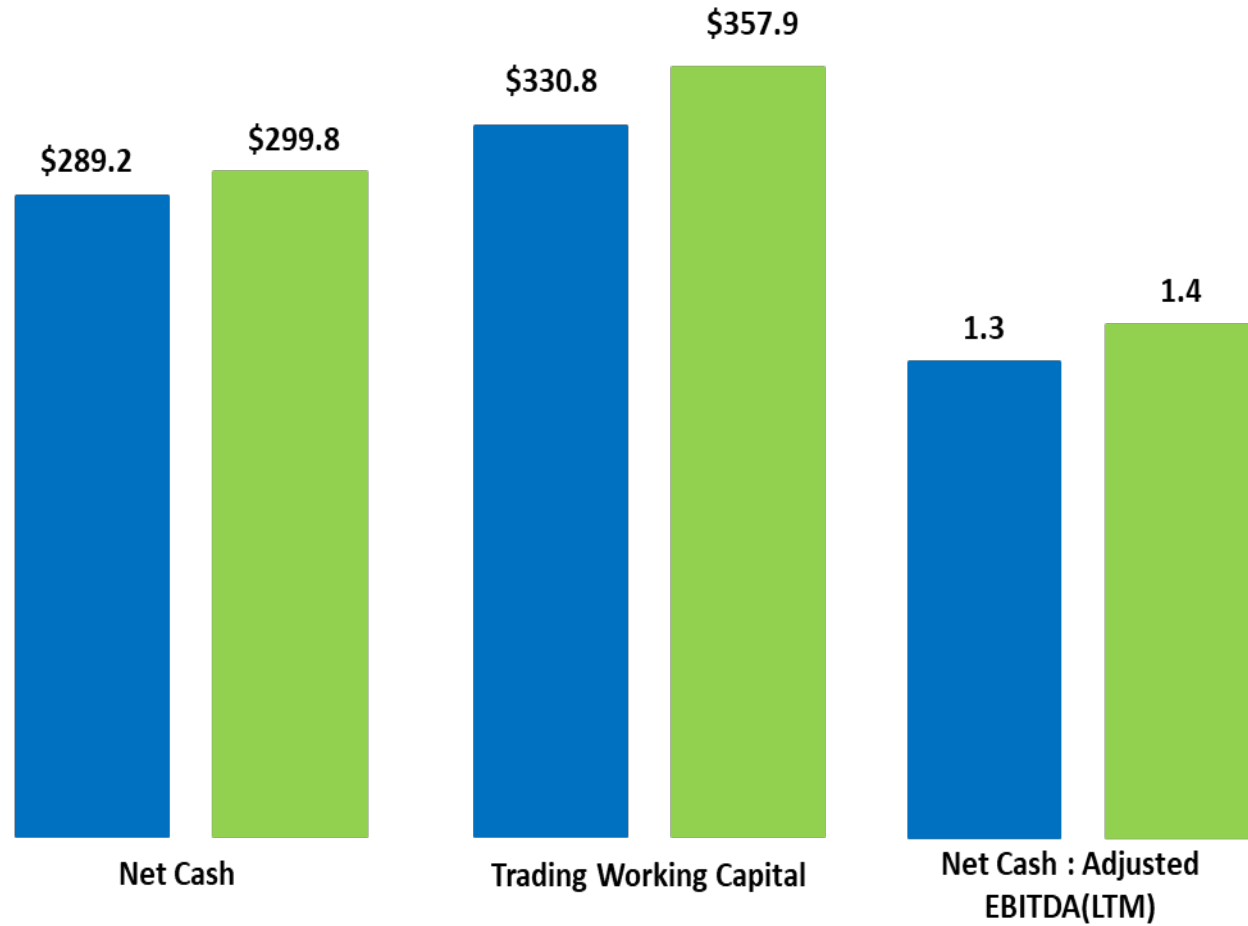
# Q1 2025 Corporate Items (\$ MM)



- Corporate costs down versus prior year on lower performance-related remuneration
- Effective tax rate of 26.1 percent

■ Q1 2024 ■ Q1 2025

# Q1 2025 Balance Sheet (\$ MM)



■ Q4 2024 ■ Q1 2025

- Operating cash inflow of \$28.3 million
- Capital expenditures of \$15.5 million
- Net cash balance \$299.8 million

# Concluding Comments



# Summary of 1<sup>st</sup> Quarter Performance

**Good overall results; Benefiting from balanced business portfolio**

**Excellent growth in Fuels Specialties offsetting lower results in Performance Chemicals and Oilfield Services**

**Diversified supply-chain and regional manufacturing locations positioned to manage the direct impacts of global tariffs**

**Expect tariff uncertainty to delay sequential recovery in Performance Chemicals & Oilfield Services; Relative stability in Fuel Specialties**

**10 percent semi-annual dividend increase; \$3.3 million in share repurchases**

**\$300 million net cash on balance sheet to pursue further M&A, organic investment, dividend growth and share repurchases**

# Q&A



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# Final Comments

Thank You for Your  
Continued Support

August 2025						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
31					1	2
3	4	<b>5</b>	<b>6</b>	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

#### Q2 2025 Results Schedule

- August 5<sup>th</sup> – Results Release After Close
- August 6<sup>th</sup> – Conference Call