

The Chemours Company

Second Quarter 2020 Earnings Presentation

July 31, 2020



Safe Harbor Statement and Other Matters

This presentation contains forward-looking statements, within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995, which involve risks and uncertainties. Forward-looking statements provide current expectations of future events based on certain assumptions and include any statement that does not directly relate to a historical or current fact. The words "believe," "expect," "will," "anticipate," "plan," "estimate," "target," "project" and similar expressions, among others, generally identify "forward-looking statements," which speak only as of the date such statements were made. These forward-looking statements may address, among other things, the outcome or resolution of any pending or future environmental liabilities, the commencement, outcome or resolution of any regulatory inquiry, investigation or proceeding, the initiation, outcome or settlement of any litigation, changes in environmental regulations in the U.S. or other jurisdictions that affect demand for or adoption of our products, anticipated future operating and financial performance, business plans, prospects, targets, goals and commitments, capital investments and projects, plans for dividends or share repurchases, sufficiency or longevity of intellectual property protection, cost reductions or savings targets, plans to increase profitability and growth, our ability to make acquisitions, integrate acquired businesses or assets into our operations, and achieve anticipated synergies or cost savings, all of which are subject to substantial risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. Forward-looking statements are based on certain assumptions and expectations of future events that may not be accurate or realized. These statements are not guarantees of future performance. Forward-looking statements also involve risks and uncertainties that are beyond Chemours' control. In addition, the current COVID-19 pandemic has significantly impacted the national and global economy and commodity and financial markets. The full extent and impact of the pandemic is unknown and to date has included extreme volatility in financial and commodity markets, a significant slowdown in economic activity, and increased predictions of a global recession. The public and private sector response has led to significant restrictions on travel, temporary business closures, quarantines, stock market volatility, and a general reduction in consumer and commercial activity globally. Matters outside our control have affected our business and operations and may or may continue to limit travel of employees to our business units domestically and internationally, adversely affect the health and welfare of our personnel, significantly reduce the demand for our products, hinder our ability to provide goods and services to customers, cause disruptions in our supply chains, adversely affect our business partners or cause other unpredictable events. Additionally, there may be other risks and uncertainties that Chemours is unable to identify at this time or that Chemours does not currently expect to have a material impact on its business. Factors that could cause or contribute to these differences include the risks, uncertainties and other factors discussed in our filings with the U.S. Securities and Exchange Commission, including in our Quarterly Report on Form 10-Q for the quarter ended June 30, 2020 and in our Annual Report on Form 10-K for the year ended December 31, 2019. Chemours assumes no obligation to revise or update any forward-looking statement for any reason, except as required by law.

We prepare our financial statements in accordance with Generally Accepted Accounting Principles ("GAAP"). Within this presentation we may make reference to Adjusted Net Income, Adjusted EPS, Adjusted EBITDA, Adjusted EBITDA Margin, Free Cash Flow, Adjusted Effective Tax Rate, Return on Invested Capital (ROIC) and Net Leverage Ratio which are non-GAAP financial measures. The company includes these non-GAAP financial measures because management believes they are useful to investors in that they provide for greater transparency with respect to supplemental information used by management in its financial and operational decision making. Further information with respect to and reconciliations of such measures to the nearest GAAP measure can be found in the appendix hereto.

Management uses Adjusted Net Income, Adjusted EPS, Adjusted EBITDA, Adjusted EBITDA Margin, Free Cash Flow, Adjusted Effective Tax Rate, ROIC and Net Leverage Ratio to evaluate the company's performance excluding the impact of certain noncash charges and other special items which we expect to be infrequent in occurrence in order to have comparable financial results to analyze changes in our underlying business from quarter to quarter.

Additional information for investors is available on the company's website at investors.chemours.com.

Second Quarter 2020 Highlights

Executed effectively on all elements of Chemours COVID-19 response plan

Experienced a challenging Q2, as expected, with sequential demand improvements in June

Delivered solid cash flow in spite of the weak demand environment

Continued to maintain financial flexibility with a strong balance sheet and ample liquidity



Update on Chemours response plan to COVID-19



Putting Employees and Customers First – On Track

- Strong, proactive health and safety measures across our sites
- Limited number of COVID-19 cases worldwide
- As of today, all sites operational, Chemours open for business



Maintaining a Strong Balance Sheet and Liquidity Position – On Track

- \$1.4 billion of total liquidity
- \$1.0 billion of cash (including \$300M revolving credit facility draw)
- No near term senior debt maturities, with well spaced and balanced maturity profile



Acting to Create Additional Financial Flexibility in 2020 – On Track

- \$125 million CAPEX reduction
- \$160 million FY2020 cost reduction program



Second Quarter 2020 Financial Summary

(\$ in millions unless otherwise noted)

	2Q20	2Q19	Δ Yr/Yr
Net Sales	\$1,093	\$1,408	\$(315)
Net Income ¹	\$24	\$96	\$(72)
Adj. Net Income	\$30	\$120	\$(90)
EPS ²	\$0.15	\$0.57	\$(0.42)
Adj. EPS ²	\$0.18	\$0.72	\$(0.54)
Adj. EBITDA	\$166	\$283	\$(117)
Adj. EBITDA Margin (%) ³	15	20	(5)
Free Cash Flow ⁴	\$50	\$(117)	\$167
Pre-Tax ROIC (%) ⁵	14	26	(12)

Year-Over-Year

- Sales down 22 percent from 2Q19; driven by lower demand from COVID-19 pandemic
- Adjusted EBITDA decline primarily driven by lower volumes and higher production costs in Fluoroproducts and Titanium Technologies, partially offset by Chemical Solutions margin improvements
- GAAP EPS of \$0.15 and Adjusted EPS of \$0.18 per share, inclusive of \$13 million Fayetteville charge
- Free Cash Flow \$50 million, up \$167 million from 2019; \$61 million of capital expenditures in the quarter
- On July 29th, the company's board of directors approved a Q3 dividend of \$0.25 per share, consistent with the prior quarter

¹ Net Income attributable to The Chemours Company

² Calculation based on diluted share count

³ Defined as Adjusted EBITDA divided by Net Sales

⁴ Defined as cash from operations minus cash used for PP&E purchases

⁵ Defined as Adjusted EBITDA less depreciation & amortization on a trailing twelve-month basis divided by average invested capital over the last five quarters



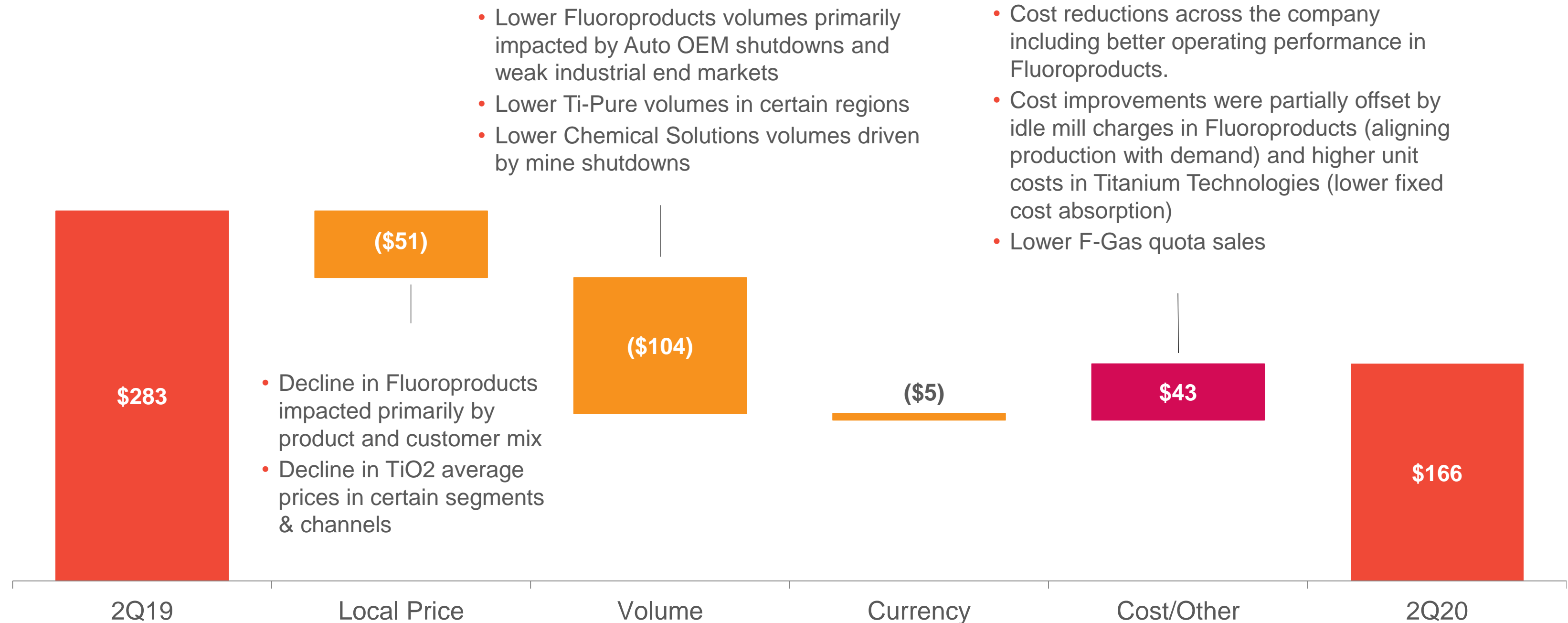
See reconciliation of Non-GAAP measures in the Appendix

Adjusted EBITDA Bridge: 2Q20 versus 2Q19

(\$ in millions unless otherwise noted)

■ Positive Impact

■ Negative Impact



- Lower Fluoroproducts volumes primarily impacted by Auto OEM shutdowns and weak industrial end markets
- Lower Ti-Pure volumes in certain regions
- Lower Chemical Solutions volumes driven by mine shutdowns

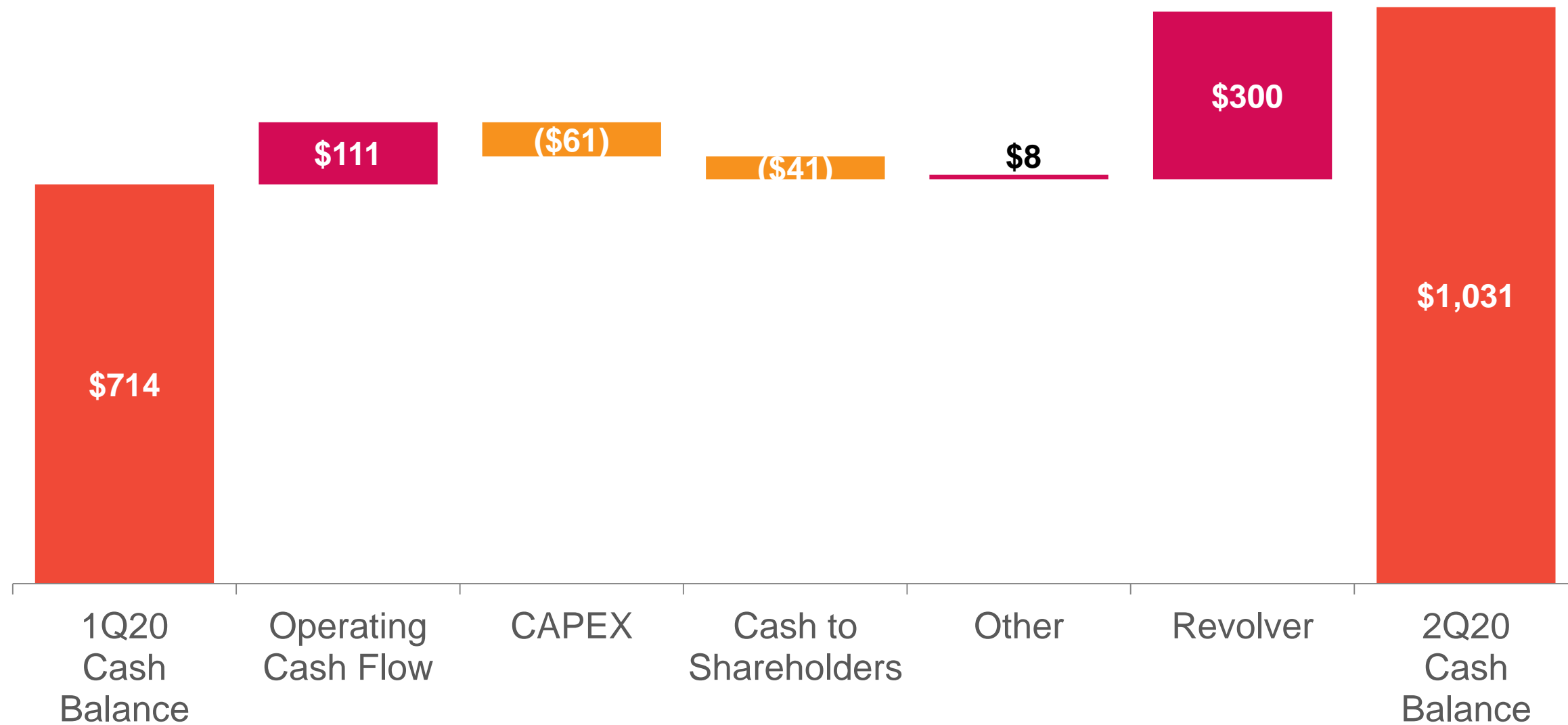
- Decline in Fluoroproducts impacted primarily by product and customer mix
- Decline in TiO2 average prices in certain segments & channels

- Cost reductions across the company including better operating performance in Fluoroproducts.
- Cost improvements were partially offset by idle mill charges in Fluoroproducts (aligning production with demand) and higher unit costs in Titanium Technologies (lower fixed cost absorption)
- Lower F-Gas quota sales

Liquidity Position

(\$ in millions unless otherwise noted)

- Negative Impact
- Positive Impact



- June 30, 2020 ending cash balance of \$1,031M
- 2Q20 capital expenditures of \$61M
- 2Q20 dividends of \$41M
- Total Liquidity of ~\$1.4B including revolver availability of \$399M¹ as of June 30, 2020
 - *Drew \$300M from revolving credit facility on April 8, 2020 as a precautionary measure*
- Gross debt of \$4.4B, net debt of \$3.3B; net leverage ratio² of ~3.7x times on a trailing twelve-month Adjusted EBITDA basis

¹ Net of \$101M in letters of credit outstanding as of June 30, 2020.

² Senior Secured Net Debt/EBITDA is ~1.08x based on Credit Agreement definition as of June 30, 2020, excluding any proforma adjustment.

See reconciliation of Non-GAAP measures in the Appendix

Balance Sheet Strength and Flexibility

Significant Liquidity

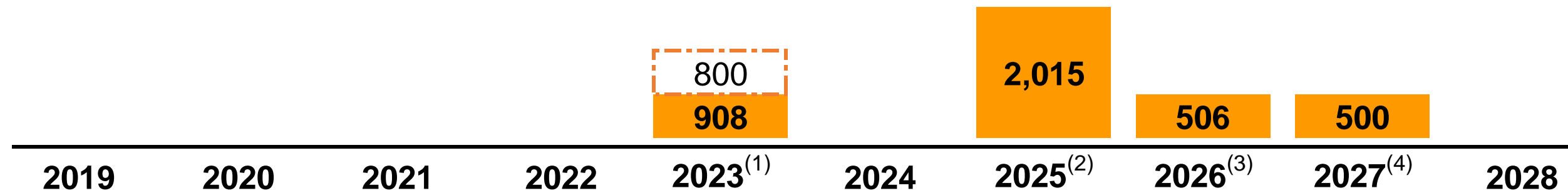
- Total Liquidity of \$1.4B as of June 30, 2020
 - Global cash \$1,031M
 - Revolver availability, net of letters of credit: \$399M
- Balanced global cash distribution with \$642M US cash position
- Drew \$300M from the revolving credit facility as a precautionary measure

Ample Covenant Headroom in Q2

- Maintenance Covenant: Senior Secured Net Leverage Ratio less than 2.0x
 - Current Ratio* = ~1.08x
 - Gross Senior Secured Debt: \$1.6B, including revolver borrowings
 - Less Cash: \$750M (\$750M maximum offset)

No Near Term Maturities

Current Maturity Profile



¹ USD Notes (NC3) & \$800M ABL Revolver.

² USD Notes (NC5), USD Term Loan B, Euro Term Loan B. In 2023, Revolver and Term Loans are subject to a springing maturity if 2023 notes are not redeemed or refinanced 91 days prior to maturity date

³ Euro Notes (NC3)

⁴ USD Notes (NCL)

* Based on Credit Agreement definition as of June 30, 2020, excluding any proforma adjustment.



Fluoroproducts Business Summary

Second Quarter

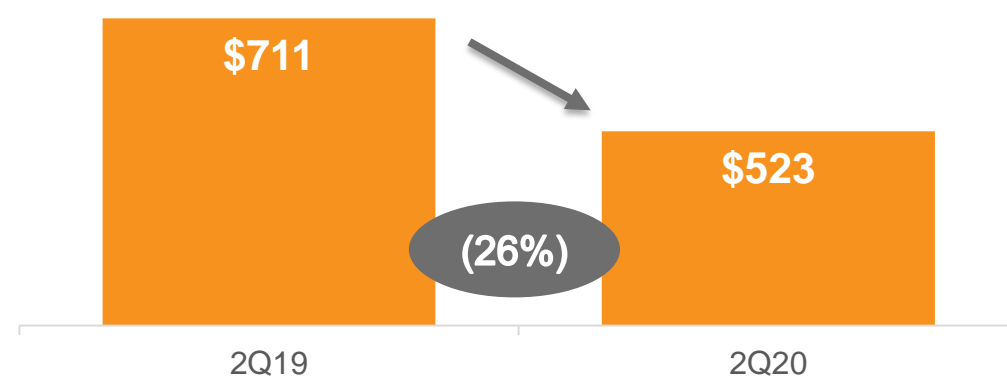
- Experienced lower demand primarily due to Auto OEM shutdowns and general industrial end-markets softness
- Experienced higher costs and lower margins in the quarter driven by idle mills due to low production volumes, partially offset by operational performance
- Continued impact of illegal imports of HFC refrigerants into the EU
- Experienced early benefits of our cost control initiatives; exited June with slightly better demand

2020 Outlook

- Anticipate margin improvement driven by improved demand, enhanced operational utilization, and continued FY 2020 cost actions
- Improving collaboration with EU officials to combat illegal imports ahead of 2021 F-Gas quota step down
- Anticipate improved sequential demand driven by mobile refrigerants on Auto OEM restarts, partially offset by lagging negative impact in Fluoropolymers

Second Quarter 2020 Financial Summary (\$ in millions)

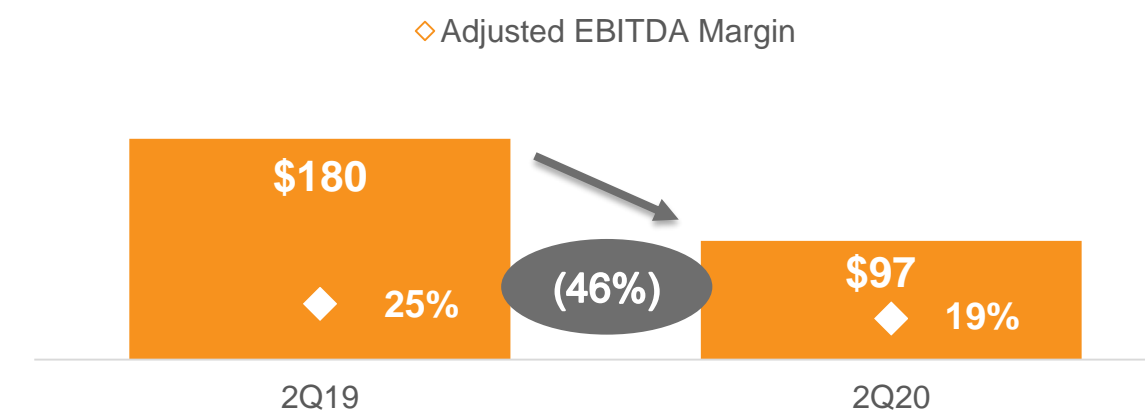
Quarterly Net Sales



Quarterly Sales Drivers

	Yr/Yr % Δ
Price	(3)
Volume	(22)
Currency	(1)

Quarterly Adjusted EBITDA



Chemical Solutions Business Summary

Second Quarter

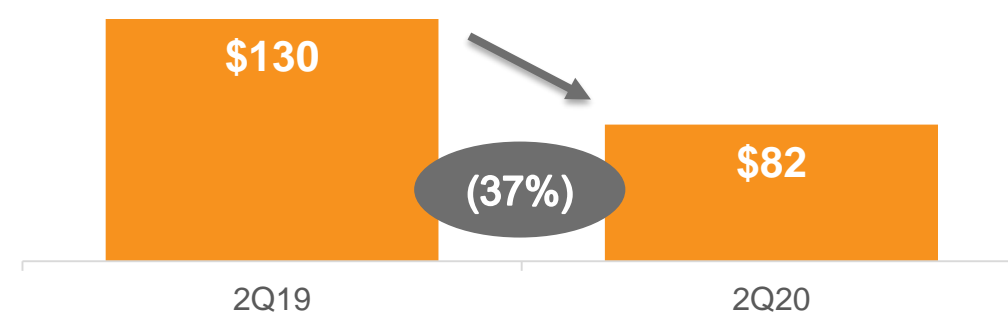
- Experienced lower demand in mining solutions driven by customer mine shutdowns
- Achieved 1100bps of margin improvement year-over-year due to portfolio management actions and cost productivity
- Achieved approval of Glyclean™ Hard Surface Cleaner for use against SARS COV-2 virus
- Announced exit from Aniline business and shutdown of Pascagoula facility by year end

2020 Outlook

- Expect demand to normalize once customer mines return to full operation
- Continue to focus on FY 2020 cost actions, inventory management and cash generation

Second Quarter 2020 Financial Summary (\$ in millions)

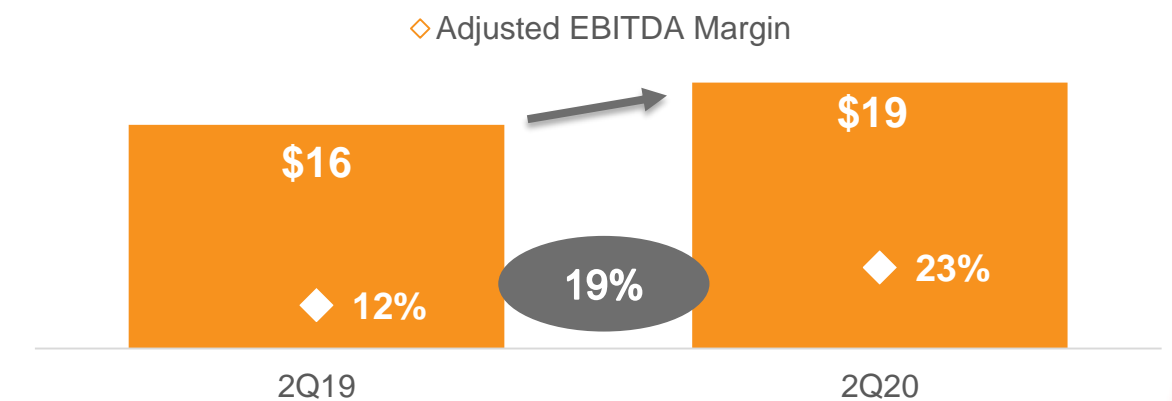
Quarterly Net Sales



Quarterly Sales Drivers

	Yr/Yr % Δ
Price	(3)
Volume	(16)
Currency	(0)
Other / Portfolio ¹	(18)

Quarterly Adjusted EBITDA



¹ Other / Portfolio represents the Methylamines and Methylamides business, which was divested in the fourth quarter of 2019

Titanium Technologies Business Summary

Second Quarter

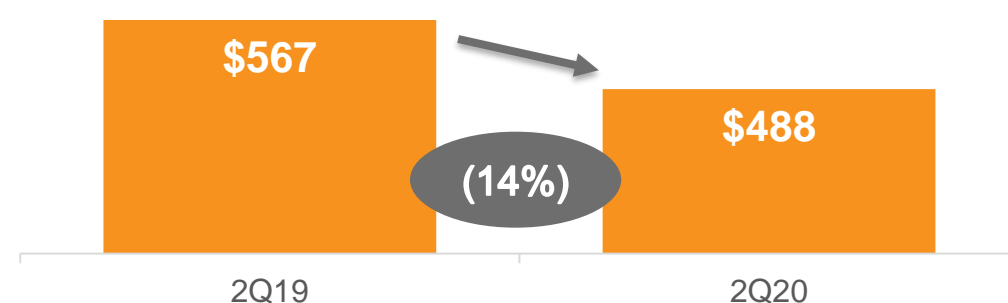
- Experienced softer demand in most of the regions with modest sequential recovery as we exited June
- Saw steady performance in architectural coatings, offset by lower demand in other markets
- Maintained stable sequential average global Ti-Pure™ pigment prices

2020 Outlook

- Maintaining close engagement with customers to respond to their changing needs and demand recovery
- Beginning to see signs of nascent market recovery – though regional differences persist
- Continuing to run our facilities in line with the demand needs of our customers

Second Quarter 2020 Financial Summary (\$ in millions)

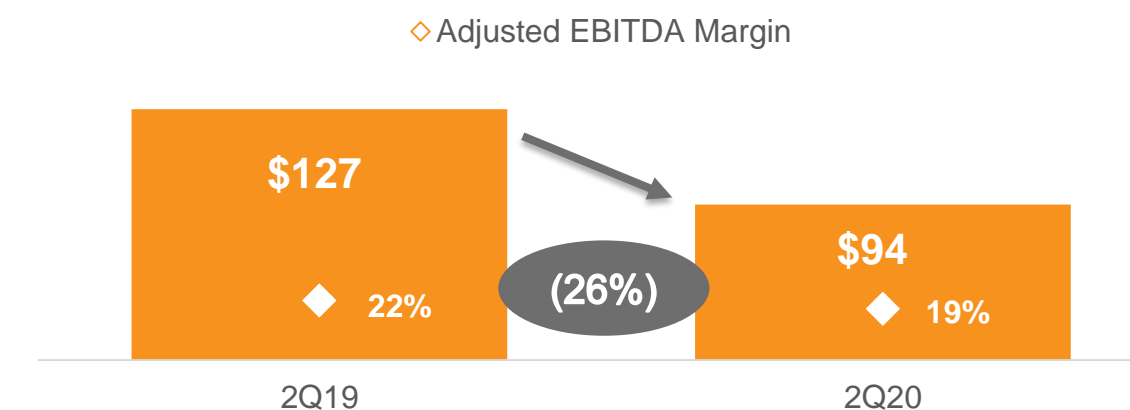
Quarterly Net Sales



Quarterly Sales Drivers

	Yr/Yr % Δ
Price	(5)
Volume	(9)
Currency	(0)

Quarterly Adjusted EBITDA



The Chemours Company

Appendix



Segment Net Sales and Adjusted EBITDA (Unaudited)

(\$ in millions)

	Three Months Ended		Three Months Ended
	June 30,		March 31,
	2020	2019	2020
SEGMENT NET SALES			
Fluoroproducts	\$ 523	\$ 711	\$ 600
Chemical Solutions	82	130	92
Titanium Technologies	488	567	613
Total Company	<u>\$ 1,093</u>	<u>\$ 1,408</u>	<u>\$ 1,305</u>
SEGMENT ADJUSTED EBITDA			
Fluoroproducts	\$ 97	\$ 180	\$ 140
Chemical Solutions	19	16	15
Titanium Technologies	94	127	138
Corporate and Other	(44)	(40)	(36)
Total Company	<u>\$ 166</u>	<u>\$ 283</u>	<u>\$ 257</u>
SEGMENT ADJUSTED EBITDA MARGIN			
Fluoroproducts	19%	25%	23%
Chemical Solutions	23%	12%	16%
Titanium Technologies	19%	22%	23%
Corporate and Other	—	—	—
Total Company	<u>15%</u>	<u>20%</u>	<u>20%</u>



GAAP Net Income Attributable to Chemours to Adjusted Net Income, Adjusted EBITDA, and Adjusted EPS Reconciliations (Unaudited)

(\$ in millions except per share amounts)

	Three Months Ended				Three Months Ended	
	June 30,				March 31,	
	2020		2019		2020	
	\$ amounts	\$ per share*	\$ amounts	\$ per share*	\$ amounts	\$ per share*
Net income attributable to Chemours	\$ 24	\$ 0.15	\$ 96	\$ 0.58	\$ 100	\$ 0.61
Non-operating pension and other post-retirement employee benefit income	(1)	(0.01)	(3)	(0.02)	—	—
Exchange (gains) losses, net	(6)	(0.04)	9	0.05	24	0.15
Restructuring, asset-related, and other charges	17	0.10	7	0.04	11	0.07
Gain on sales of assets and businesses	—	—	(2)	(0.01)	—	—
Transaction costs	—	—	1	0.01	2	0.01
Legal and environmental charges	1	0.01	8	0.05	10	0.06
Adjustments made to income taxes	(2)	(0.01)	7	0.04	(19)	(0.11)
Benefit from income taxes relating to reconciling items	(3)	(0.02)	(3)	(0.02)	(10)	(0.06)
Adjusted Net Income	\$ 30	\$ 0.18	\$ 120	\$ 0.72	\$ 118	\$ 0.71
Interest expense, net	53		52		54	
Depreciation and amortization	82		78		79	
All remaining provision for income taxes	1		33		6	
Adjusted EBITDA	\$ 166		\$ 283		\$ 257	
Weighted-average number of common shares outstanding - basic	164,648,103		164,118,816		164,247,449	
Weighted-average number of common shares outstanding - diluted	165,413,941		166,941,626		165,257,991	
Basic earnings per share of common stock	\$ 0.15		\$ 0.58		\$ 0.61	
Diluted earnings per share of common stock	0.15		0.57		0.61	
Adjusted basic earnings per share of common stock	0.18		0.73		0.72	
Adjusted diluted earnings per share of common stock	0.18		0.72		0.71	

* Note: \$ per share columns may not sum due to rounding.

Return on Invested Capital (ROIC) (Unaudited)

(\$ in millions)

Adjusted EBITDA (1)
 Less: Depreciation and amortization (1)
Adjusted EBIT

		Twelve Months Ended June 30,	
		2020	2019
\$	898	\$	1,321
	(315)		(296)
\$	583	\$	1,025

(\$ in millions)

Total debt
 Total equity
 Less: Cash and cash equivalents
Invested capital, net
 Average invested capital (2)

		As of June 30,	
		2020	2019
\$	4,346	\$	4,208
	659		829
	(1,031)		(630)
\$	3,974	\$	4,407
\$	4,116	\$	3,989

Return on Invested Capital

14%

26%

(1) See the reconciliation of Adjusted EBITDA to net income attributable to Chemours on the previous slide.

(2) Average invested capital is based on a five-quarter trailing average of invested capital, net.



Free Cash Flows Reconciliations (Unaudited)

(\$ in millions)

	Three Months Ended		
	June 30,		March 31,
	2020	2019	2020
Cash flows provided by operating activities	\$ 111	\$ 7	\$ 44
Less: Purchases of property, plant, and equipment	(61)	(124)	(106)
Free Cash Flows	\$ 50	\$ (117)	\$ (62)



The Chemours Company

