



Origin Materials, Inc.
2Q25 Earnings Conference Call Script
August 14, 2025

Operator

Thank you for standing by, this is the conference operator. Welcome to the Origin Materials Second Quarter 2025 Earnings Call. As a reminder, all participants are in listen-only mode and the conference is being recorded. After the presentation, there will be an opportunity to ask questions. To join the question queue, you may press * then 1 on your telephone keypad. Should you need assistance during the conference call you may signal an operator by pressing * and 0.

At this time, for opening remarks and introductions, I will turn the call over to Ryan Smith, Co-Founder and Chief Product Officer. Please go ahead.

Ryan Smith, Co-Founder and Chief Product Officer, Origin Materials

Thank you. Good afternoon and thank you for joining us, everyone. Speaking first today is Origin's CEO and Co-Founder, John Bissell, followed by CFO & COO Matt Plavan. Then we will open the call to questions from analysts and discuss questions submitted as part of this quarter's "Ask Origin" campaign.

Ahead of this call, Origin has issued its 2025 second quarter press release and presentation. These can be found on the Investor Relations section of our website at originmaterials.com.

Please note that during our discussion today we will be making forward-looking statements based on current expectations and assumptions, which are subject to risks and uncertainties. These statements reflect our views as of today, should not be relied upon as representative about views of any subsequent date, and we undertake no obligation to revise or publicly release the results of any revision to these forward-looking statements in light of new information or future events. These statements are subject to a variety of risks and uncertainties that could cause actual results to differ materially from expectations. For further discussion on the material risks and other important factors that could affect our financial results, please refer



Origin Materials, Inc.
2Q25 Earnings Conference Call Script
August 14, 2025

to our filings with the SEC including our Quarterly Report on Form 10-Q filed today. During today's call, we will discuss non-GAAP financial measures, which we believe are useful as supplemental measures of Origin Materials' performance. These non-GAAP measures should be considered in addition to and not as substitutes for, or in isolation from GAAP results. You will find additional disclosures regarding the non-GAAP financial measures discussed on today's call in our press release issued this afternoon and our filings with the SEC, which will be posted to our website. The webcast of this call will also be available on the Investor Relations section of our company website.

With that, I will turn the call over to John.

John Bissell, CEO, Origin Materials

Thank you, Ryan. Good afternoon.

In a separate press release issued today, we announced the first Origin PET bottlecaps are now on store shelves, a world's first and a significant inflection point for the company and the packaging industry.

- **We are now officially in market with our 1881 cap** for non-carbonated water, a \$7 billion segment of the caps market.

Coupled with our recent customer announcements, including our first publicly named customer, Berlin Packaging, and recent progress reports on our manufacturing capacity build-out, **we are closer than ever to bringing our transformative PET bottlecap technology to the entire \$65 billion closures packaging market.**

- **Our technology platform produces what we believe to be the world's first and only commercially viable PET caps.**



Origin Materials, Inc.
2Q25 Earnings Conference Call Script
August 14, 2025

- **The platform excels in seven areas:** recyclability, oxygen barrier (enabling shelf-life), closure diameter (enabling more economic large formats), thickness (enabling lighter weight), rigidity (premium feel), use of recycled content, and optical clarity.
- Successful commercialization will be a step change for recycling and improved packaging performance while creating significant value for our shareholders in the process.

During the quarter, we maintained laser focus on the priority build-out of our first eight CapFormer lines, making solid progress advancing through the various stages of order placement, manufacture, testing, and shipping of lines two through eight.

- Despite our progress, **we experienced a number of OEM manufacturing delays, including slower subcomponent deliveries and procurement delays, often due to tariff considerations.**
- As a result, we expect FAT completion for each of our lines to be 30 to 90 days beyond our prior expectations. These delays accentuate the gap between the indicated demand for Origin’s PET caps and our production capacity, leaving ‘money on the table.’

Separately, we have fielded a number of strategic collaboration inquiries reflecting the natural synergy between the robust manufacturing and distribution capabilities of legacy packaging companies and the high value products and innovative technology development capabilities at Origin.

- **The packaging industry is well defined, highly commoditized, and very competitive.** Its core competencies are operational efficiency, consistently high productivity, and reliable delivery. **What we hear regularly from customers, however, is that innovation in the packaging industry is lacking.**



Origin Materials, Inc.
2Q25 Earnings Conference Call Script
August 14, 2025

- **To pursue these emerging opportunities and help address the gap between the indicated demand and production capacity for Origin’s PET caps, we’ve launched a strategic review with our financial advisor, RBC Capital Markets (“RBC”), to identify accretive strategies that can enhance the company’s access to manufacturing capacity, marketing and distribution capabilities, and strategic capital.**
- We believe this will enable value capture beyond what we can achieve organically, potentially enabling Origin to more effectively fulfill pent-up demand **and accelerate our efforts to unlock shareholder value in the near term.**

One early result of our strategic review is an important refinement of our go-to-market strategy to more effectively prioritize and capture high-value opportunities within the over \$65 billion caps and closures market, which is comprised of a number of differentiated segments.

- **Our current strategic prioritization targets five large functional segments** including
 - Water (\$7 billion)
 - Carbonated soft drinks (“CSD”—\$6 billion)
 - Other beverage applications (hot fill, ready-to-drink, beer, wine, milk, sports drinks—\$18 billion)
 - Food and pharmaceutical (\$20 billion), and
 - Other non-beverage (\$17 billion).
- Each segment utilizes different cap formats to achieve unique performance characteristics required by the product.



Origin Materials, Inc.
2Q25 Earnings Conference Call Script
August 14, 2025

- Previously, our approach had been to design a single 1881 cap to serve all of these markets.

However, following the recent successful qualification of our 1881 cap for flat water, we can now begin immediately selling into the 1881 flat water market rather than waiting until completion of final designs for the 1881 cap that will serve the broader CSD market later in 2026.

Our PET cap works, passed qualification for a customer's water requirements, succeeded on a commercial bottling system, and went on store shelves.

- We continue to work side-by-side with CSD customers and anticipate success with CSD qualification, with a focus on impact resistance and multi-day heated horizontal stress testing.
- **Given the design freedom and material properties afforded by our proprietary method for producing PET caps, we believe CSD qualification is a matter of 'when,' not 'if.'**

Next, I will highlight a few of our recently announced strategic partnerships and customer relationships, and then share the status of our manufacturing capacity build-out.

- **Earlier this month we announced a new customer, Berlin Packaging.** Berlin Packaging is a respected market leader and has agreed to purchase PET 1881 caps from Origin Materials for sale and distribution. Berlin's broad and deep distribution footprint not only immediately extends our market reach for 1881, but also opens the door for all our forthcoming formats across all closure applications globally. As a strategic customer, Berlin was exceptionally attractive because of their expertise in connecting closure products with brands to unlock the highest value opportunities. We look forward to working with Berlin and to revealing more about our other customers, as well.



**Origin Materials, Inc.
2Q25 Earnings Conference Call Script
August 14, 2025**

On the supply side, we continue to grow our manufacturing capacity and execute our adaptive supply chain strategy, actively responding to macroeconomic uncertainty and changing conditions.

The status of our CapFormer build-out is as follows:

- **Our first CapFormer System is producing PET caps** in Reed City, Michigan.
- **Two additional CapFormers,** including thermoformers and for one of the CapFormers all its subsystems, arrived in the United States from Europe in July and August 2025. The equipment arrived at Reed City Group prior to, or received an exemption from, the EU and Switzerland tariff increases to 15% and 39%, respectively, **saving over \$1 million.**
- We continue to expect CapFormers three through six to complete Factory Acceptance Testing on a rolling basis through Q4 of 2025.
- And, primarily due to capital constraints accentuated by tariff exposure, we now plan to complete Factory Acceptance Testing for CapFormers seven and eight in the second half of 2026, updated from Q1 2026.

In July, we announced a new European mass production partner, Royal Hordijk, further diversifying Origin's manufacturing footprint in response to continued pressure from U.S. tariffs on European imports.

- **European manufacturing capacity expands Origin's global footprint,** enabling the production and sale of PET caps without equipment or caps crossing U.S. borders.
- **Hordijk is a leading Dutch producer of sustainable plastic packaging solutions** in operation for over 100 years. Hordijk will use its PET extruders to produce extruded sheet for use in CapFormer production lines owned by Origin and operated by Hordijk in Hordijk facilities in the EU. We expect Hordijk PET extruders and extrusion expertise can drive capital cost efficiency for CapFormer lines.



Origin Materials, Inc.
2Q25 Earnings Conference Call Script
August 14, 2025

- We anticipate installing the first CapFormer in a Hordijk facility before the end of Q1 2026.

Finally, our sales pipeline remains strong, and interest remains high for larger format caps with attractive unit economics.

- We believe our thermoforming PET technology advantages us disproportionately as format size increases which we believe will translate to higher margins than HDPE caps the larger the format.
- A key objective of our strategic review process is to identify opportunities to accelerate our development and deployment of these new formats.

And now I'll hand it over to Matt for a review of our expected near-term financial performance.

Matt Plavan, CFO and COO, Origin Materials

Thanks, John. Good afternoon, everyone.

I'd like to begin with an update on our financing strategy:

- As we've previously indicated, we endeavor to source the majority of funds for our capital equipment build-out on our way to sustained profitability **from non-dilutive capital such as equipment and corporate debt.**
- However, depending on equipment operation target locations, **tariffs may require us to deploy meaningfully more capital for our equipment going forward.** The 15% tariff on EU imports, up from 10% as of late July 2025, and the 39% tariff on Switzerland imports, which went into effect on August 7, 2025, affect Origin because we source CapFormer subsystems from Switzerland and Germany for deployment in the United States.



Origin Materials, Inc.
2Q25 Earnings Conference Call Script
August 14, 2025

- **Such tariff costs can significantly raise the cash outlay required for financed equipment**, as we do not expect the tariff costs will be financeable, thereby making debt financing in those instances more expensive and potentially suboptimal.
- We believe our strategic review process will help us **optimize our cost of capital under these circumstances and to maintain timely capacity build for demand capture and to preserve the path to our goal of non-dilutive financing for the majority of our forthcoming capital expenses.**

Next, we are revising our revenue and run-rate Adjusted EBITDA guidance.

- We estimate an aggregate reduction in manufacturing output of approximately 50% and 15% for 2026 and 2027, respectively, compared to our prior estimates.
- This is due to the impact of the aforementioned delay in CapFormer FAT timing for lines two through eight on our backloaded 2026 production schedule described in May 2025.
- Prior revenue guidance for 2026 and 2027 was a range of \$50M to \$70M and \$150M to \$210M, respectively. We are updating revenue guidance, before consideration of potential strategic review outcomes, to **\$20M to \$30M and \$100M to \$200M for 2026 and 2027, respectively. In addition, we expect these same factors to push our Adjusted EBITDA run-rate breakeven from 2026 into 2027.**

Lastly, we ended the quarter with a strong balance sheet, including \$69 million dollars in cash, cash equivalents, and marketable securities.

- **In addition, the net accounts receivable balance of \$17.9 million** at June 30, 2025, is comprised of receivables associated with the Company's legacy supply chain activation program being wound down in 2025. Concurrent with the



Origin Materials, Inc.
2Q25 Earnings Conference Call Script
August 14, 2025

wind-down of the supply chain activation program, we expect to collect all related net receivables in due course, resulting in a significant source of cash.

- **Additionally, as of June 30, 2025, the Company had \$9 million of land held for sale in Geismar, Louisiana.** We expect the sale of this land to result in an additional significant source of cash.

With that, I will pass it back to John for concluding remarks.

John Bissell, CEO, Origin Materials

Thanks, Matt.

I will conclude by reiterating what I said at the beginning of this call: Today, Origin is closer than ever to bringing our product to the \$65 billion dollar closures market. The first Origin PET bottlecaps are now on store shelves. We are now officially in market with our 1881 cap for non-carbonated water. This quarter we announced our first publicly named customer, Berlin Packaging. Despite tariffs as high as 39% directly impacting our business, we remain nimble by expanding the geographies into which we can deploy production. We are adapting and executing our plan. And we are evaluating promising paths forward through our strategic review with RBC, which we believe can both accelerate and de-risk our business plan, while simultaneously unlocking significant value for our shareholders.

With that, I'll open up the call for questions. Operator, may we have the first question, please?