



NEWS RELEASE

# American Vanguard Reports Second Quarter & Midyear 2022 Results

2022-08-09

American Vanguard Corporation (NYSE: AVD) today announced financial results for the second quarter and six months ended June 30, 2022.

Fiscal 2022 Second Quarter Financial Highlights – versus Fiscal 2021 Second Quarter:

- Net sales were \$148 million in 2022, compared to \$135 million in 2021
- Net income was \$6.8 million in 2022, compared to \$5.1 million in 2021
- Earnings per diluted share of \$0.23 in 2022, compared to \$0.17 in 2021
- Adjusted EBITDA<sup>1</sup> of \$19.7 million in 2022, compared to \$16.5 million in 2021

Fiscal 2022 Mid-Year Financial Highlights – versus Fiscal 2021 Mid-Year:

- Net sales were \$298 million in 2022, compared to \$251 million in 2021
- Net income was \$16.8 million in 2022, compared to \$8.2 million in 2021
- Earnings per diluted share of \$0.55 in 2022, compared to \$0.27 in 2021
- Adjusted EBITDA<sup>1</sup> of \$42.5 million in 2022, compared to \$30.3 million in 2021

**Note: Further details are available in the financial schedules attached to this press release**

Eric Wintemute, Chairman and CEO of American Vanguard stated: “Conditions within our agricultural markets continue to be favorable with consistently high commodity prices, a strong farm economy and, for US-based companies, a strong US dollar. Having built a portfolio of products that reaches across multiple crops – including corn, soybeans, cotton, potatoes, and high-value fruits and vegetables – we were better able to cross-sell to

growers and enjoyed strong demand for our products, both domestically and abroad. Our focused efforts to increase prices and more fully exploit our manufacturing assets enabled us to achieve higher margins despite inflation and supply chain challenges. Within this context, we recorded strong results for the second quarter and first half of 2022, including higher sales and improved profitability.”

Mr. Wintemute continued: “Our second quarter improvement was led by our international business, which generated higher sales of soil fumigants, foliar and soil insecticides, fungicides and micronutrient products across multiple regions. Our domestic crop business enjoyed strong demand for our expanding portfolio of herbicides, partially offset by lower soil fumigant sales due to drought conditions in the West and Southwest, where water allocation has been implemented. During the second quarter of 2022, our U.S. non-crop business experienced relatively steady demand in mosquito control, commercial pest applications and horticulture/ornamental products.”

Mr. Wintemute concluded: “Looking forward, we believe that our Company is situated well in both domestic and international markets and are consequently optimistic, even with weather- and economy-related variables, about meeting or exceeding our previously announced performance targets for FY 2022, including revenue growth between 8% and 11%, gross profit margins of 38-40% of net sales, operating expenses within the range of 31-33% of net sales and a year-over-year net income increase of between 60% and 70%. We look forward to giving you a more detailed presentation during our upcoming earnings call.”

1 Adjusted earnings before interest, taxes, depreciation, amortization, non-cash stock compensation, and proxy contest activities. Adjusted EBITDA is not a financial measure calculated and presented in accordance with U.S. generally accepted accounting principles (GAAP) and should not be considered as an alternative to net income (loss), operating income (loss) or any other financial measure so calculated and presented, nor as an alternative to cash flow from operating activities as a measure of liquidity. The items excluded from Adjusted EBITDA are detailed in the reconciliation attached to this news release. Other companies (including the Company’s competitors) may define Adjusted EBITDA differently.

2 Adjusted earnings before interest, taxes, depreciation, amortization, non-cash stock compensation, and proxy contest activities. Adjusted EBITDA is not a financial measure calculated and presented in accordance with U.S. generally accepted accounting principles (GAAP) and should not be considered as an alternative to net income (loss), operating income (loss) or any other financial measures so calculated and presented, nor as an alternative to cash flow from operating activities as a measure of liquidity. We provide these measures because we believe that they provide helpful comparisons to other companies in our industry and peer group. The items excluded from Adjusted EBITDA are detailed in the reconciliation attached to this news release. Other companies (including the Company’s competitors) may define Adjusted EBITDA differently.

**[View a recording of the American Vanguard 2022 Second-Quarter Earnings Call here](#)**

## About American Vanguard

American Vanguard Corporation is a diversified specialty and agricultural products company that develops and markets products for crop protection and management, turf and ornamentals management and public and animal health. American Vanguard is included on the Russell 2000® and Russell 3000® Indexes and the Standard & Poor's Small Cap 600 Index. To learn more about American Vanguard, please reference the Company's web site at [www.american-vanguard.com](http://www.american-vanguard.com).

The Company, from time to time, may discuss forward-looking information. Except for the historical information contained in this release, all forward-looking statements are estimates by the Company's management and are subject to various risks and uncertainties that may cause results to differ from management's current expectations. Such factors include weather conditions, changes in regulatory policy and other risks as detailed from time-to-time in the Company's SEC reports and filings. All forward-looking statements, if any, in this release represent the Company's judgment as of the date of this release.

## Contacts

### Company

American Vanguard Corporation

William A. Kuser, Director of Investor Relations

(949) 260-1200

[williamk@amvac-chemical.com](mailto:williamk@amvac-chemical.com)

### Investor Representative

The Equity Group Inc.

[www.theequitygroup.com](http://www.theequitygroup.com)

Lena Cati

[Lcati@equityny.com](mailto:Lcati@equityny.com)