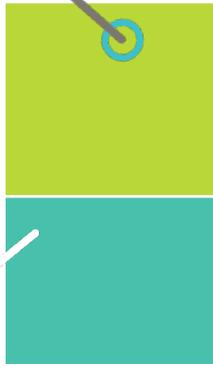


earnings conference call
 third quarter fiscal 2024

August 7, 2024 10:00 a.m. ET



Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. Ashland has identified some of these forward-looking statements with words such as "anticipates," "believes," "expects," "estimates," "is likely," "predicts," "projects," "forecasts," "objectives," "may," "will," "should," "plans" and "intends" and the negative of these words or other comparable terminology. Ashland may from time to time make forward-looking statements in its annual reports, quarterly reports and other filings with the U.S. Securities and Exchange Commission (SEC), news releases and other written and oral communications. These forward-looking statements are based on Ashland's expectations and assumptions, as of the date such statements are made, regarding Ashland's future operating performance, financial, operating cash flow and liquidity, as well as the economy and other future events or circumstances. These statements include but may not be limited to statements with respect to Ashland's portfolio optimization activities; expectations regarding future growth opportunities; expectations regarding the closing of sale of the nutraceuticals business; and management's expectations and beliefs regarding Ashland's fiscal-fourth quarter results and outlook.

Ashland's expectations and assumptions include, without limitation, internal forecasts and analyses of current and future market conditions and trends, management plans and strategies, operating efficiencies and economic conditions (such as prices, supply and demand, cost of raw materials, and the ability to recover raw-material cost increases through price increases), and risks and uncertainties associated with the following: the impact of acquisitions and/or divestitures Ashland has made or may make (including the possibility that Ashland may not realize the anticipated benefits from such transactions); Ashland's substantial indebtedness (including the possibility that such indebtedness and related restrictive covenants may adversely affect Ashland's future cash flows, results of operations, financial condition and its ability to repay debt); severe weather, natural disasters, public-health crises, cyber events and legal proceedings and claims (including product recalls, environmental and asbestos matters); the ongoing Ukraine-Russia and Israel-Hamas conflicts on the geographies in which we operate, the end markets we serve and on our supply chain and customers, and without limitation, risks and uncertainties affecting Ashland that are described in Ashland's most recent Form 10-K (including Item 1A Risk Factors) filed with the SEC, which is available on Ashland's website at <http://investor.ashland.com> or on the SEC's website at <http://www.sec.gov>. Various risks and uncertainties may cause actual results to differ materially from those stated, projected or implied by any forward-looking statements. Ashland believes its expectations and assumptions are reasonable, but there can be no assurance that the expectations reflected herein will be achieved. Unless legally required, Ashland undertakes no obligation to update any forward-looking statements made in this presentation whether as a result of new information, future events or otherwise.

Regulation G: Adjusted Results

The information presented herein regarding certain unaudited adjusted results does not conform to generally accepted accounting principles in the United States (U.S. GAAP) and should not be construed as an alternative to the reported results determined in accordance with U.S. GAAP. Ashland has included this non-GAAP information to assist in understanding the operating performance of the company and its reportable segments. The non-GAAP information provided may not be consistent with the methodologies used by other companies. All non-GAAP information has been reconciled with reported U.S. GAAP results under Appendix B: Non-GAAP Reconciliation of this presentation.

agenda

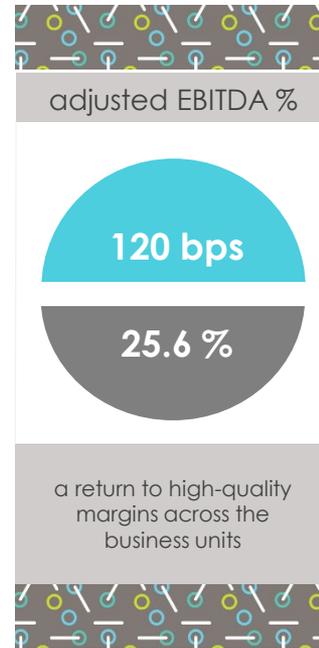
- Q3 performance summary
- Q3 financial results
- outlook
- update on strategic priorities
- closing comments
- Q&A



Guillermo Novo, Chair & CEO
Q3 performance summary



Q3 highlights¹

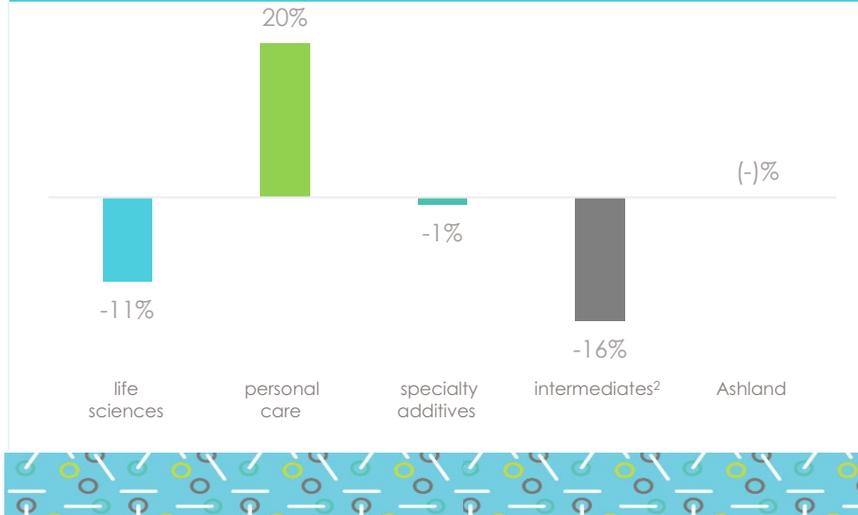


1 Comparisons versus prior-year quarter. All figures are presented on an adjusted basis except Sales. Appendix B reconciles adjusted amounts to amounts reported under GAAP, including reconciliations of net income to EBITDA and adjusted EBITDA, operating income to adjusted operating income, income from continuing operations to adjusted income from continuing operations, diluted earnings per share to adjusted diluted earnings per share and adjusted diluted earnings per share, excluding amortization expense.

2 Unless otherwise noted, earnings are reported on a diluted-share basis and exclude amortization expense.

mixed growth & improving margins

mixed sales¹ with disciplined price management



high-quality adjusted EBITDA margins



- 1 Comparisons versus prior-year quarter.
- 2 Merchant sales represents ~65% of Intermediates.

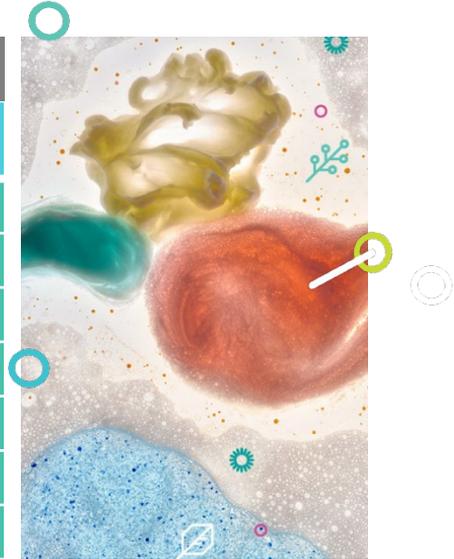
Kevin Willis, CFO
Q3 financial results



fiscal-third quarter adjusted results¹

operating results summary

Ashland			
(\$US in millions, except percentages)	Q3 FY24	Q3 FY23	change
sales	\$544	\$546	(-) %
gross profit margin	36.2 %	33.3 %	+290 bps
SG&A / R&D costs / intangible amortization	\$110	\$113	(3) %
operating income	\$87	\$73	+19 %
EBITDA	\$139	\$133	+5 %
EBITDA margin	25.6 %	24.4 %	+120 bps
EPS (excluding acquisition amortization) ²	\$1.49	\$1.23	+21 %



1 All figures are presented on an adjusted basis except Sales. Appendix B reconciles adjusted amounts to amounts reported under GAAP, including reconciliations of net income to EBITDA and adjusted EBITDA, operating income to adjusted operating income, income from continuing operations to adjusted income from continuing operations, diluted earnings per share to adjusted diluted earnings per share and adjusted diluted earnings per share, excluding amortization expense.

2 Unless otherwise noted, earnings are reported on a diluted-share basis.

business unit reviews

life sciences



personal care



specialty additives



intermediates



life sciences

highlights

- o softer demand for VP&D in pharma & crop-care
- o VP&D nutrition exits
- o VP&D pharma share loss, particularly Europe
- o pharma cellulosics stable
- o lower pricing partially offset by deflationary raw materials

adjusted results summary ¹			
(\$US in millions, except percentages)	Q3 FY24	Q3 FY23	change
sales	\$195	\$219	(11) %
gross profit	\$75	\$86	(13) %
gross profit margin	38.5 %	39.3 %	(80) bps
operating income	\$43	\$54	(20) %
EBITDA	\$59	\$72	(18) %
EBITDA margin	30.3 %	32.9 %	(260) bps

-DD	-LSD	-DD
pharma	nutraceuticals	nutrition & other

Q3 FY24 year-over-year sales (HSD/MSD/LSD = high, mid or low single-digit %. DD = double-digit %)

¹ All figures are presented on an adjusted basis except Sales. Appendix B reconciles adjusted amounts to amounts reported under GAAP, including reconciliations of net income to EBITDA and adjusted EBITDA, operating income to adjusted operating income.



personal care

highlights

- o strong sales volume recovery across markets, particularly skin & hair
- o avoca impact moderated on sequential improvement & weak prior-year
- o (\$3 MM) optimization sales impact
- o balanced raw materials and lower pricing
- o favorable product mix
- o favorable absorption
- o variable comp reset

adjusted results summary ¹			
(\$US in millions, except percentages)	Q3 FY24	Q3 FY23	change
sales	\$175	\$146	+20 %
gross profit	\$71	\$51	+39 %
gross profit margin	40.6 %	34.9 %	+570 bps
operating income	\$32	\$14	+129 %
EBITDA	\$51	\$35	+46 %
EBITDA margin	29.1 %	24.0 %	+510 bps

+DD	+DD	+DD	+LSD
skin care	hair care	oral care	household



Q3 FY24 year-over-year sales (HSD/MSD/LSD = high, mid or low single-digit %. DD = double-digit %)

¹ All figures are presented on an adjusted basis except Sales. Appendix B reconciles adjusted amounts to amounts reported under GAAP, including reconciliations of net income to EBITDA and adjusted EBITDA, operating income to adjusted operating income.

specialty additives

highlights

- o sales volume improvement in coatings & performance specialties
- o continued weakness in energy end markets
- o (\$12 MM) optimization sales impact
- o lower pricing in Asia partially offset by global deflationary raw materials
- o favorable product mix
- o favorable absorption
- o variable comp reset

adjusted results summary ¹			
(\$US in millions, except percentages)	Q3 FY24	Q3 FY23	change
sales	\$150	\$152	(1) %
gross profit	\$43	\$30	+43 %
gross profit margin	28.7 %	19.7 %	+900 bps
operating income	\$22	\$9	+144 %
EBITDA	\$38	\$29	+31 %
EBITDA margin	25.3 %	19.1 %	+620 bps

+LSD	-MSD
coatings	construction, energy, performance spec.



Q3 FY24 year-over-year sales (HSD/MSD/LSD = high, mid or low single-digit %. DD = double-digit %)

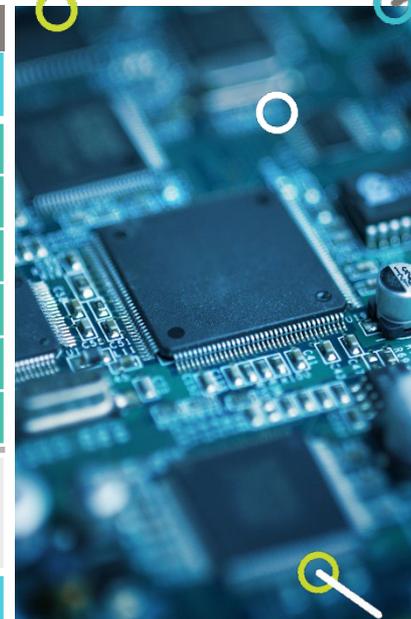
¹ All figures are presented on an adjusted basis except Sales. Appendix B reconciles adjusted amounts to amounts reported under GAAP, including reconciliations of net income to EBITDA and adjusted EBITDA, operating income to adjusted operating income.

intermediates

highlights

- o merchant: lower NMP pricing and higher overall volumes
- o weaker demand in electric vehicle / battery & crop-care
- o captive: lower BDO volumes and pricing

adjusted results summary ¹			
(\$US in millions, except percentages)	Q3 FY24	Q3 FY23	change
sales	\$36	\$43	(16) %
gross profit	\$8	\$15	(47) %
gross profit margin	22.2 %	34.9 %	(1,270) bps
operating income	\$6	\$13	(54) %
EBITDA	\$9	\$16	(44) %
EBITDA margin	25.0 %	37.2 %	(1,220) bps
-DD		-DD	
merchant		captive	



Q3 FY24 year-over-year sales (HSD/MSD/LSD = high, mid or low single-digit %. DD = double-digit %)

¹ All figures are presented on an adjusted basis except Sales. Appendix B reconciles adjusted amounts to amounts reported under GAAP, including reconciliations of net income to EBITDA and adjusted EBITDA, operating income to adjusted operating income.

strong balance sheet

robust financial position with increased flexibility

strong balance sheet¹

- cash and liquidity available of ~\$1.0 billion
- net debt² of \$926 million; net leverage³ of 2.3x
- no long-term debt maturities for the next three years

share repurchases under \$1 billion authorization

- \$770 million remains under the current authorization
- repurchased \$130 million / ~1.3 million during the third quarter
- repurchased \$1.18 billion / ~12.4 million shares over last three years

other long-term capital allocation priorities

- growth capital investment over the coming years
- slowing certain growth investments to keep pace with demand recovery
- increased flexibility to pursue future M&A strategy



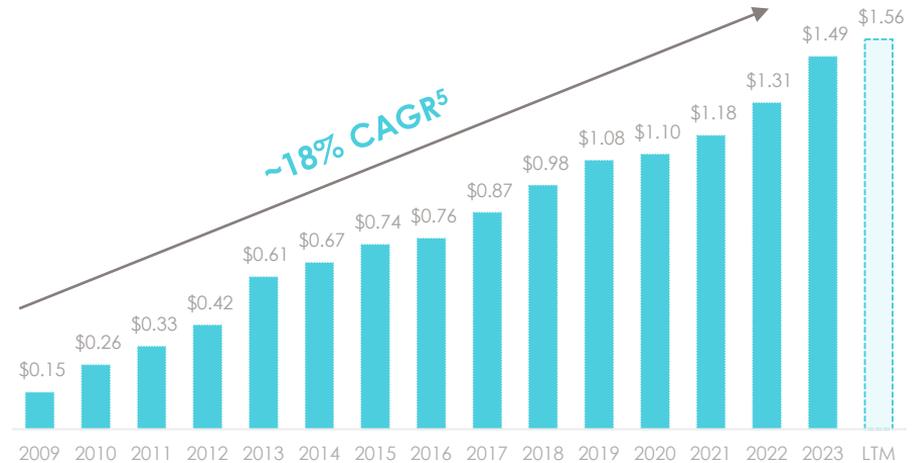
enhanced balance sheet strength and flexibility

ongoing free cash flow & dividend

ongoing free cash flow¹ generation

- inventory levels increased \$6 million² during Q3 and decreased \$156 million² versus the prior year
- overall ongoing free cash flow¹ for the quarter was \$112 million and \$182 million fiscal-year to-date
- 81% ongoing free cash flow conversion³ for the quarter and 54% fiscal-year to-date
- expect free cash flow conversion³ of 50 – 55% in FY24

annual dividend⁴ increase every year since 2009



compelling cash generation supporting a consistent and progressive dividend

- 1 Ongoing free cash flow defined as total cash flow provided by operating activities, less adjustments to property, plant and equipment and excluding any inflows or outflows related to U.S. and Foreign Accounts Receivable Sales Program, restructuring-related payments and environmental and related litigation payments.
- 2 For comparison purposes, June 30, 2024 inventory includes \$24 million of nutraceuticals inventory which is classified as current assets held for sale on the balance sheet.
- 3 Ongoing free cash flow as a percentage of Adjusted EBITDA.
- 4 Calendar year dividend payments. Dividends prior to June 15, 2017 are adjusted for the Valvoline separation. LTM = last twelve months as of June 30, 2024.
- 5 CAGR = Compound annual growth rate from December 31 2009 – December 31 2023



Kevin Willis, CFO
outlook



execute: primary portfolio actions

strengthen our base and drive performance

	status	key updates
1 divest nutraceuticals business	in process	signed; target to close within FY24
2 optimize & consolidate CMC business	✓	closed production / shifting select SKUs
3 optimize & consolidate MC-industrial business	✓	closed production / shifting select SKUs
4 rebalance global HEC production network	in process	transition-in-process to migrate product lines
5 review of Avoca business line	in process	initial actions taken; review in-process

actions, including stranded cost elimination, remain on track for a more resilient and profitable portfolio

fiscal Q4 and full-year outlook

Q4 outlook change: slower VP&D volume recovery and softer coatings demand growth

forward looking insights

- flat - LSD end-market growth; ASH sales volumes¹ +MSD vs. prior-year
- favorable PC/SA comps vs. prior-year on demand normalization
- pharma sales stable with improving margins vs. prior-year
- deflationary raw materials to partially offset softer pricing vs. prior-year
- (~\$20) million revenue CMC/MC optimization
- portfolio optimization improving mix
- producing to demand with an absorption benefit vs. prior-year

risks and opportunities

- global recession impact on consumer
- demand recovery timing and magnitude
- changes in specific segment, region or customer demand
- plant loading and operating levels
- price vs. raw material balance
- geo-political uncertainties

fiscal Q4	
sales	\$530 - \$540 million
adjusted EBITDA	\$130 - \$140 million
fiscal full-year	
sales	~\$2.1 billion
adjusted EBITDA	\$465 - \$475 million

agile, disciplined,
focused on what
we can control

Guillermo Novo, Chair & CEO
update on strategic priorities



strategic priorities

shape and grow the portfolio

execute

- expand leading technology capacity
- exit select product / business lines

globalize

- high-value product segments in key geographies
- expand big3 in Asia

innovate

- existing technology platforms
- new technology platforms

acquire

- drug delivery technologies
- natural & biotech technologies
- high-value additives

sustainably shape and grow

globalize: expanding high-margin businesses

pharma

injectables



- strong new launches
- expanding business development resources

OSD film coatings



- key global roles filled
- disruptive potential with new technology platforms

personal care

biofunctionals



- new product adoption up 3x
- sourcing & producing locally in Asia

preservatives



- established regional commercial team
- localizing Brazilian production

~10% of overall sales which are highly accretive to margins and growth; double-digit-plus growth

innovate: advancing scalable growth



select updates

		transformed vegetable oils	super wetting agents	novel cellulotics
life sciences	OSD	✓	✓	
	bioprocessing			✓
	crop care	✓	✓	
personal care	skin	★ ✓	✓	✓
	hair	✓		✓
	oral	★ ✓		✓
	home	✓	✓	✓
specialty additives	coatings	✓	★ ✓	✓
	performance specialties	✓	✓	✓

patented, new-to-the-world, tunable technologies that are scalable across markets

- ★ products launched
- ✓ products in development

focusing on controllables

execute: maximize near-term performance

- complete portfolio optimization
- strengthen VP&D and HEC competitive position
- grow the core with share gain and core innovation
- manage margins
- prioritize investments

build growth catalysts: deliver long-term profitable growth

- increase technology investment
- develop JDAs with strategic customers
- expand supply capabilities for “globalize” businesses
- bolt-on M&A to augment organic growth
- develop our team and capabilities



thank you



Q&A





appendix A: adjusted results
summary and balance sheet

Q3 adjusted results summary¹

(US\$ in millions, except percentages and per share data)	Q3 FY24	Q3 FY23	change
sales	\$544	\$546	(-) %
gross profit	\$197	\$182	+8 %
gross profit margin	36.2 %	33.3 %	+290 bps
SG&A / R&D costs / intangible amort.	\$110	\$113	(3) %
operating income	\$87	\$73	+19 %
depreciation & amortization	\$54	\$62	(13) %
EBITDA	\$139	\$133	5 %
EBITDA margin	25.6 %	24.4 %	120 bps
net interest and other expense	\$8	\$9	(11) %
effective tax rate	23 %	26 %	(300) bps
income from continuing operations	\$60	\$46	+30 %
income from continuing operations (excluding intangible amortization)	\$75	\$65	+15 %
diluted share count (million shares)	51	53	(4) %
EPS (excluding intangible amortization)	\$1.49	\$1.23	+21 %

¹ All figures are presented on an adjusted basis except Sales and Diluted share count (million shares). Appendix B reconciles adjusted amounts to amounts reported under GAAP, including reconciliations of net income to EBITDA and adjusted EBITDA, operating income to adjusted operating income, income from continuing operations to adjusted income from continuing operations, diluted earnings per share to adjusted diluted earnings per share and adjusted diluted earnings per share, excluding amortization expense.

Q3 business unit consolidation¹

(\$US in millions, except percentages)	life sciences	personal care	specialty additives	Intermediates	intercompany eliminations ²	unallocated and other ³	Ashland
sales	\$195	\$175	\$150	\$36	(\$12)	-	\$544
gross profit	\$75	\$71	\$43	\$8	-	-	\$197
gross profit margin	38.5 %	40.6 %	28.7 %	22.2 %	-	-	36.2 %
EBITDA	\$59	\$51	\$38	\$9	-	(\$18)	\$139
EBITDA margin	30.3 %	29.1 %	25.3 %	25.0 %	-	-	25.6 %

1 All figures are presented on an adjusted basis except Sales. Appendix B reconciles adjusted amounts to amounts reported under GAAP, including reconciliations of net income to EBITDA and adjusted EBITDA, operating income to adjusted operating income, income from continuing operations to adjusted income from continuing operations and diluted earnings per share to adjusted diluted earnings per share.

2 Intercompany sales from intermediates to all other segments recorded at market pricing and are eliminated in consolidation.

3 Unallocated and other includes legacy costs plus corporate governance (finance, legal, executive, etc.).

liquidity and net debt

((\$US in millions)	expiration	interest rate	Moody's rating	S&P rating	6/30/24 balance
cash					\$399
revolver and A/R facilities availability					596
cash and revolver availability¹					\$995
US and foreign A/R sales program¹					-
debt					
2.00% notes (EUR)	Jan. 2028	2.000%	Ba1	BB+	\$535
3.375% notes	Sept. 2031	3.375%	Ba1	BB+	450
6.875% notes	May 2043	6.875%	Ba1	BB+	282
revolving credit facility ²	July 2027	Term SOFR+137.5	-	-	-
6.50% junior subordinated notes	Jun. 2029	6.500%	B1	BB+	66
other ³		-	-	-	(8)
total debt			Ba1/stable	BB+/stable	\$1,325
cash					(399)
net debt					\$926

1 Total liquidity of \$995 million from all sources.

2 Term SOFR benchmark rate to include 10 bps credit adjustment spread on USD 1-, 3-, and 6-month borrowings.

3 Includes \$12 million of debt issuance cost discounts as of June 30, 2024.

appendix B: non-GAAP reconciliation¹

¹ Although Ashland provides forward looking guidance for adjusted EBITDA in this presentation, Ashland is not reaffirming or providing forward-looking guidance for U.S. GAAP reported financial measures or a reconciliation of forward-looking non-GAAP financial measures to the most directly comparable U.S. GAAP measure because it is unable to predict with reasonable certainty the ultimate outcome of certain significant items without unreasonable effort.

Ashland Inc. and Consolidated Subsidiaries
Reconciliation of Non-GAAP Data
for the 12 Months Ended June 30, 2024

(\$ millions, except percentages)

Sales¹	Q3 24	Q2 24	Q1 24	Q4 23	Total	Q3 23
Life Sciences	195	\$ 222	\$ 200	\$ 203	\$ 820	\$ 219
Personal Care	175	169	129	146	619	146
Specialty Additives	150	157	122	144	573	152
Intermediates	36	40	33	37	146	43
Less: Intercompany Eliminations	(12)	(13)	(11)	(12)	(48)	(14)
Total	\$ 544	\$ 575	\$ 473	\$ 518	\$ 2,110	\$ 546

Adjusted EBITDA¹	Q3 24	Q2 24	Q1 24	Q4 23	Total	Adjusted EBITDA	Q3 23
						Margin	
Life Sciences	\$ 59	\$ 66	\$ 48	\$ 48	\$ 221	27.0%	\$ 72
Personal Care	51	45	22	36	154	24.9%	\$ 35
Specialty Additives	38	27	6	8	79	13.8%	\$ 29
Intermediates	9	12	10	3	34	23.3%	\$ 16
Unallocated	(18)	(24)	(16)	(21)	(79)		\$ (19)
Total	\$ 139	\$ 126	\$ 70	\$ 74	\$ 409	19.4%	\$ 133

Ashland Inc. and Consolidated Subsidiaries
**Segment Components of Key Items for Applicable
Income Statement Captions – for the 3 months ended June 30, 2024**
In millions - preliminary and unaudited

(\$ millions)

	Three Months Ended June 30, 2024					Total
	Life Sciences	Personal Care	Specialty Additives	Intermediates	Unallocated & Other	
OPERATING INCOME (LOSS)						
Operating key items:						
Nutraceutical impairment	\$ -	\$ -	\$ -	\$ -	\$ (99)	\$ (99)
Environmental reserve adjustments	(1)	-	(1)	-	(33)	(35)
Restructuring, separation and other costs	-	-	-	-	(3)	(3)
Accelerated depreciation	-	(1)	(7)	-	-	(8)
Other plant optimization costs	-	-	(4)	-	-	(4)
Held for sale depreciation and amortization	1	-	-	-	-	1
All other operating income (loss)	43	32	22	6	(16)	87
Operating income (loss)	43	31	10	6	(151)	(61)
NET INTEREST AND OTHER EXPENSE (INCOME)						
Key items					(1)	(1)
All other net interest and other expense					8	8
					7	7
OTHER NET PERIODIC BENEFIT LOSS					2	2
INCOME TAX EXPENSE (BENEFIT)						
Tax effect of key items ^(a)					(12)	(12)
Tax specific key items ^(b)					(106)	(106)
All other income tax expense					17	17
					(101)	(101)
INCOME (LOSS) FROM CONTINUING OPERATIONS	<u>\$ 43</u>	<u>\$ 31</u>	<u>\$ 10</u>	<u>\$ 6</u>	<u>\$ (59)</u>	<u>\$ 31</u>

(a) Represents the tax effect of the key items that are previously identified above.

(b) Represents key items resulting from tax specific financial transactions, tax law changes or other matters that fall within the definition of tax specific key items. See Slide 37 for additional information.

Ashland Inc. and Consolidated Subsidiaries
**Segment Components of Key Items for Applicable
Income Statement Captions – for the 3 months ended June 30, 2023**
In millions - preliminary and unaudited

(\$ millions)

	Three Months Ended June 30, 2023					
	<u>Life Sciences</u>	<u>Personal Care</u>	<u>Specialty Additives</u>	<u>Intermediates</u>	<u>Unallocated & Other</u>	<u>Total</u>
OPERATING INCOME (LOSS)						
Operating key items:						
Environmental reserve adjustments	\$ (2)	\$ -	\$ (4)	\$ -	\$ (13)	\$ (19)
Restructuring, separation and other costs	(3)	-	-	-	(1)	(4)
ICMS Brazil tax credit	-	-	-	-	12	12
All other operating income (loss)	54	14	9	13	(17)	73
Operating income (loss)	49	14	5	13	(19)	62
NET INTEREST AND OTHER EXPENSE (INCOME)						
Key items					(6)	(6)
All other net interest and other expense					9	9
					3	3
OTHER NET PERIODIC BENEFIT LOSS					2	2
INCOME TAX EXPENSE (BENEFIT)						
Tax effect of key items ^(a)					3	3
Tax specific key items ^(b)					(4)	(4)
All other income tax expense					16	16
					15	15
INCOME (LOSS) FROM CONTINUING OPERATIONS	<u>\$ 49</u>	<u>\$ 14</u>	<u>\$ 5</u>	<u>\$ 13</u>	<u>\$ (39)</u>	<u>\$ 42</u>

(a) Represents the tax effect of the key items that are previously identified above.

(b) Represents key items resulting from tax specific financial transactions, tax law changes or other matters that fall within the definition of tax specific key items. See Slide 37 for additional information.

Ashland Inc. and Consolidated Subsidiaries

Reconciliation of Non-GAAP Data – Free Cash Flow and Adjusted Operating Income

for the 3 and 9 Months Ended June 30, 2024 and 2023

(\$ millions)

	Three months ended June 30		Nine months ended June 30	
	2024	2023	2024	2023
Free cash flows				
Total cash flows provided by operating activities from continuing operations	\$ 128	\$ 137	\$ 382	\$ 163
Adjustments:				
Additions to property, plant and equipment	(29)	(44)	(99)	(101)
Free cash flows	\$ 99	\$ 93	\$ 283	\$ 62
Cash (inflows) outflows from U.S. Accounts Receivable Sales Program ^(a)	3	(8)	(11)	14
Cash inflows from Foreign Accounts Receivable Sales Program ^(b)	(1)	-	(123)	-
Restructuring-related payments ^(c)	3	2	10	3
Environmental and related litigation payments ^(d)	8	10	23	34
Ongoing free cash flow	\$ 112	\$ 97	\$ 182	\$ 113
Net income	\$ 6	\$ 50	\$ 153	\$ 182
Adjusted EBITDA ^(e)	\$ 139	\$ 133	\$ 336	\$ 385
Operating cash flow conversion ^(f)	2133%	274%	250%	90%
Ongoing free cash flow conversion ^(g)	81%	73%	54%	29%

(a) Represents activity associated with the U.S. Accounts Receivable Sales Program impacting each period presented.

(b) Represents activity associated with the Foreign Accounts Receivable Sales Program impacting each period presented.

(c) Restructuring payments incurred during each period presented.

(d) Represents cash outflows associated with environmental and related litigation payments which will be reimbursed by the Environmental trust.

(e) See Adjusted EBITDA reconciliation.

(f) Operating cash flow conversion is defined as Cash flows provided by operating activities from continuing operations divided by Net income.

(g) Ongoing free cash flow conversion is defined as Ongoing free cash flow divided by Adjusted EBITDA

	Three months ended June 30		Nine months ended June 30	
	2024	2023	2024	2023
Adjusted operating income				
Operating income (loss) (as reported)	\$ (61)	\$ 62	\$ (57)	\$ 182
Key items, before tax:				
Nutraceutical impairment	99	-	99	-
Accelerated depreciation	8	-	56	-
Environmental reserve adjustments	35	19	41	31
Restructuring, separation and other costs	3	4	28	5
Other plant optimization costs	4	-	5	-
Argentina currency devaluation impact	-	-	5	-
Asset impairments	-	-	-	4
ICMS Brazil tax credit	-	(12)	-	(12)
Held for sale depreciation and amortization	(1)	-	(1)	-
Adjusted operating income (non-GAAP)	\$ 87	\$ 73	\$ 176	\$ 210

Reconciliation of Non-GAAP Data – Adjusted EBITDA

for the 3 Months Ended June 30, 2024 and 2023

(\$ millions)

Adjusted EBITDA - Ashland Inc.	Three months ended June 30	
	2024	2023
Net income	\$ 6	\$ 50
Income tax expense (benefit)	(101)	15
Net interest and other expense	7	3
Depreciation and amortization ^(a)	54	62
EBITDA	(34)	130
Loss (income) from discontinued operations, net of income taxes	25	(8)
Operating key items (see slides 31 and 32)	148	11
Adjusted EBITDA	<u>\$ 139</u>	<u>\$ 133</u>

(a)

Depreciation and amortization excludes accelerated depreciation expense of \$1 million and \$7 million for Personal Care and Specialty Additives, respectively, for the three months ended June 30, 2024, which is included as a key item within this table as a component of Adjusted EBITDA. Depreciation and amortization includes \$1 million for Life Sciences associated with the Nutraceuticals business held for sale assets for the three months ended June 30, 2024, which is included as a key item within this table as a component of Adjusted EBITDA.

Reconciliation of Non-GAAP Data – Adjusted EBITDA

for the 3 Months Ended June 30, 2024 and 2023

(\$ millions)

	Three months ended June 30	
	2024	2023
<u>Adjusted EBITDA - Life Sciences</u>		
Operating income	\$ 43	\$ 49
Add:		
Depreciation and amortization ^(a)	16	18
Operating key items (see slides 31 and 32)	-	5
Adjusted EBITDA	<u>\$ 59</u>	<u>\$ 72</u>
<u>Adjusted EBITDA - Personal Care</u>		
Operating income	\$ 31	\$ 14
Add:		
Depreciation and amortization ^(a)	19	21
Operating key items (see slides 31 and 32)	1	-
Adjusted EBITDA	<u>\$ 51</u>	<u>\$ 35</u>

(a) Depreciation and amortization excludes accelerated depreciation expense of \$1 million and \$7 million for Personal Care and Specialty Additives, respectively, for the three months ended June 30, 2024, which is included as a key item within this table as a component of Adjusted EBITDA. Depreciation and amortization includes \$1 million for Life Sciences for the Nutraceuticals business held for sale assets for the three months ended June 30, 2024, which is included as a key item within this table as a component of Adjusted EBITDA.

Reconciliation of Non-GAAP Data – Adjusted EBITDA

for the 3 Months Ended June 30, 2024 and 2023

(\$ millions)

	Three months ended June 30	
	<u>2024</u>	<u>2023</u>
<u>Adjusted EBITDA - Specialty Additives</u>		
Operating income (loss)	\$ 10	\$ 5
Add:		
Depreciation and amortization ^(a)	16	20
Operating key items (see slides 31 and 32)	12	4
Adjusted EBITDA	<u>\$ 38</u>	<u>\$ 29</u>
 <u>Adjusted EBITDA - Intermediates</u>		
Operating income	\$ 6	\$ 13
Add:		
Depreciation and amortization	3	3
Adjusted EBITDA	<u>\$ 9</u>	<u>\$ 16</u>

- (a) Depreciation and amortization excludes accelerated depreciation expense of \$1 million and \$7 million for Personal Care and Specialty Additives, respectively, for the three months ended June 30, 2024, which is included as a key item within this table as a component of Adjusted EBITDA. Depreciation and amortization includes \$1 million for Life Sciences for the Nutraceuticals business held for sale assets for the three months ended June 30, 2024, which is included as a key item within this table as a component of Adjusted EBITDA.

Reconciliation of Non-GAAP Data – Adjusted Income from Continuing Operations

for the 3 and 9 Months Ended June 30, 2024 and 2023

(\$ millions)	Three months ended		Nine months ended	
	June 30		June 30	
	2024	2023	2024	2023
Income from continuing operations (as reported)	\$ 31	\$ 42	\$ 180	\$ 176
Key items, before tax:				
Nutraceutical impairment	99	-	99	-
Accelerated depreciation	8	-	56	-
Environmental reserve adjustments	35	19	41	31
Restructuring, separation and other costs	3	4	28	5
Other plant optimization costs	4	-	5	-
Argentina currency devaluation impact	-	-	5	-
Asset impairments	-	-	-	4
ICMS Brazil tax credit	-	(12)	-	(12)
Held for sale depreciation and amortization	(1)	-	(1)	-
Unrealized gains on securities	(1)	(6)	(39)	(47)
Key items, before tax	147	5	194	(19)
Tax effect of key items ^(a)	(12)	3	(24)	8
Key items, after tax	135	8	170	(11)
Tax specific key items:				
Uncertain tax positions	9	(3)	9	(23)
Valuation allowance	-	(1)	-	(1)
Restructuring and separation activity	(115)	-	(115)	-
Other and tax reform related activity	-	-	(129)	-
Tax specific key items ^(b)	(106)	(4)	(235)	(24)
Total key items	29	4	(65)	(35)
Adjusted income (loss) from continuing operations (non-GAAP)	\$ 60	\$ 46	\$ 115	\$ 141
Amortization expense adjustment (net of tax) ^(c)	15	19	48	56
Adjusted income (loss) from continuing operations (non-GAAP) excluding intangibles amortization expense	\$ 75	\$ 65	\$ 163	\$ 197

(a) Represents the tax effect of the key items that are previously identified above.

(b) Represents key items resulting from tax specific financial transactions, tax law changes or other matters that fall within the definition of tax specific key items including the following:

- uncertain tax position: includes the impact from the settlement of uncertain tax positions with various tax authorities.
- valuation allowance: includes the impact from the release of certain foreign tax credit valuation allowances.
- restructuring and separation activity: includes the tax impact of the held for sale classification of the Nutraceuticals business.
- other and tax reform: Includes the impact from the remeasurement of Ashland's foreign deferred tax balances resulting from the impact of rate changes for foreign jurisdictions and other tax law changes during 2024.

(c). Amortization expense adjustment (net of tax) tax rates were 20% for the three and nine months ended June 30, 2024 and 2023.



Reconciliation of Non-GAAP Data – Adjusted Diluted EPS from Continuing Operations

for the 3 and 9 Months Ended June 30, 2024 and 2023

Diluted EPS from continuing operations (as reported)

Key items, before tax:

Nutraceutical impairment	1.94	-	1.94	-
Accelerated depreciation	0.16	-	1.10	-
Environmental reserve adjustments	0.69	0.36	0.80	0.58
Restructuring, separation and other costs	0.06	0.09	0.55	0.09
Other plant optimization costs	0.08	-	0.10	-
Argentina currency devaluation impact	-	-	0.10	-
Asset impairments	-	-	-	0.07
ICMS Brazil tax credit	-	(0.23)	-	(0.22)
Held for sale depreciation and amortization	(0.02)	-	(0.02)	-
Unrealized gains on securities	(0.02)	(0.12)	(0.76)	(0.87)

Key items, before tax

Tax effect of key items^(a)

Key items, after tax

Tax specific key items:

Uncertain tax positions	0.18	(0.06)	0.18	(0.42)
Valuation allowance	-	(0.02)	-	(0.02)
Restructuring and separation activity	(2.25)	-	(2.25)	-
Other and tax reform related activity	-	-	(2.54)	-

Tax specific key items^(b)

Total key items

Adjusted diluted EPS from continuing operations (non-GAAP)

Amortization expense adjustment (net of tax)^(c)

Adjusted diluted EPS from continuing operations (non-GAAP) excluding intangibles amortization expense

	Three months ended June 30		Nine months ended June 30	
	2024	2023	2024	2023
Diluted EPS from continuing operations (as reported)	\$ 0.60	\$ 0.79	\$ 3.53	\$ 3.24
Key items, before tax:				
Nutraceutical impairment	1.94	-	1.94	-
Accelerated depreciation	0.16	-	1.10	-
Environmental reserve adjustments	0.69	0.36	0.80	0.58
Restructuring, separation and other costs	0.06	0.09	0.55	0.09
Other plant optimization costs	0.08	-	0.10	-
Argentina currency devaluation impact	-	-	0.10	-
Asset impairments	-	-	-	0.07
ICMS Brazil tax credit	-	(0.23)	-	(0.22)
Held for sale depreciation and amortization	(0.02)	-	(0.02)	-
Unrealized gains on securities	(0.02)	(0.12)	(0.76)	(0.87)
Key items, before tax	2.89	0.10	3.81	(0.35)
Tax effect of key items ^(a)	(0.24)	0.06	(0.48)	0.15
Key items, after tax	2.65	0.16	3.33	(0.20)
Tax specific key items:				
Uncertain tax positions	0.18	(0.06)	0.18	(0.42)
Valuation allowance	-	(0.02)	-	(0.02)
Restructuring and separation activity	(2.25)	-	(2.25)	-
Other and tax reform related activity	-	-	(2.54)	-
Tax specific key items ^(b)	(2.07)	(0.08)	(4.61)	(0.44)
Total key items	0.58	0.08	(1.28)	(0.64)
Adjusted diluted EPS from continuing operations (non-GAAP)	\$ 1.18	\$ 0.87	\$ 2.25	\$ 2.60
Amortization expense adjustment (net of tax) ^(c)	0.31	0.36	0.94	1.03
Adjusted diluted EPS from continuing operations (non-GAAP) excluding intangibles amortization expense	\$ 1.49	\$ 1.23	\$ 3.19	\$ 3.63

(a) Represents the tax effect of the key items that are previously identified above.

(b) Represents key items resulting from tax specific financial transactions, tax law changes or other matters that fall within the definition of tax specific key items including the following:

-uncertain tax position: includes the impact from the settlement of uncertain tax positions with various tax authorities.

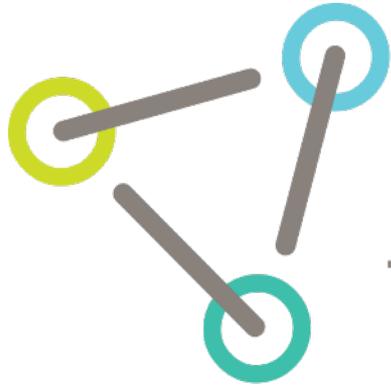
-valuation allowance: includes the impact from the release of certain foreign tax credit valuation allowances.

-restructuring and separation activity: includes the tax impact of the held for sale classification of the Nutraceuticals business.

-other and tax reform: Includes the impact from the remeasurement of Ashland's foreign deferred tax balances resulting from the impact of rate changes for foreign jurisdictions and other tax law changes during 2024.

(c) Amortization expense adjustment (net of tax) tax rates were 20% for the three and nine months ended June 30, 2024 and 2023.





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