



earnings conference call second-quarter fiscal 2022

April 27, 2022
9:00 am ET



ashland.com / efficacy usability allure integrity profitability



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 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 condition, and expected effects of the COVID-19 pandemic on Ashland’s business, as well as the economy and other future events or circumstances. These statements include, but may not be limited to, the statements under Priorities and Outlook on pages 22 – 25 of the presentation, and Ashland’s expectations regarding its ability to drive sales and earnings growth and realize further cost reductions. 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, including the sale of the Performance Adhesives business, 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 (including the current COVID-19 pandemic), cyber events and legal proceedings and claims (including product recalls, environmental and asbestos matters); the effects of the COVID-19 pandemic, and the ongoing Ukraine/Russia conflict, 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. The extent and duration of the COVID-19 pandemic on our business and operations is uncertain. Factors that will influence the impact on our business and operations include the duration and extent of the pandemic, the extent of imposed or recommended containment and mitigation measures, and the general economic consequences of the pandemic. 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 beginning on page 33 of this presentation.



agenda

- Q2 performance summary
- Q2 financial results
- advancing our strategy
- outlook
- closing comments
- Q&A



Q2 performance summary

strong, resilient performance

in a world of accelerating change

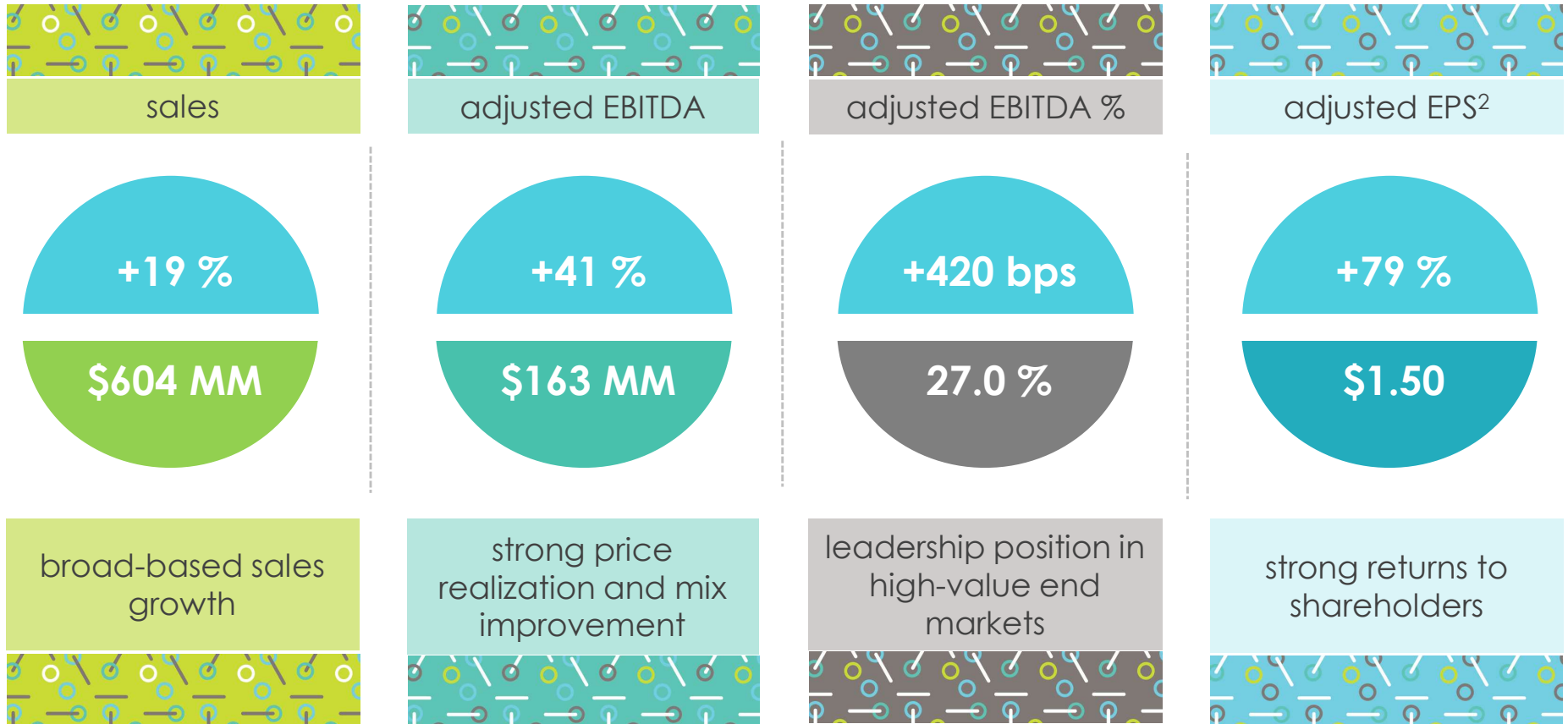
resilient sales, profit and margins
exceeding pre-pandemic levels

strong cost recovery
in a high inflation environment

innovation
record number of new product introductions
growing significantly



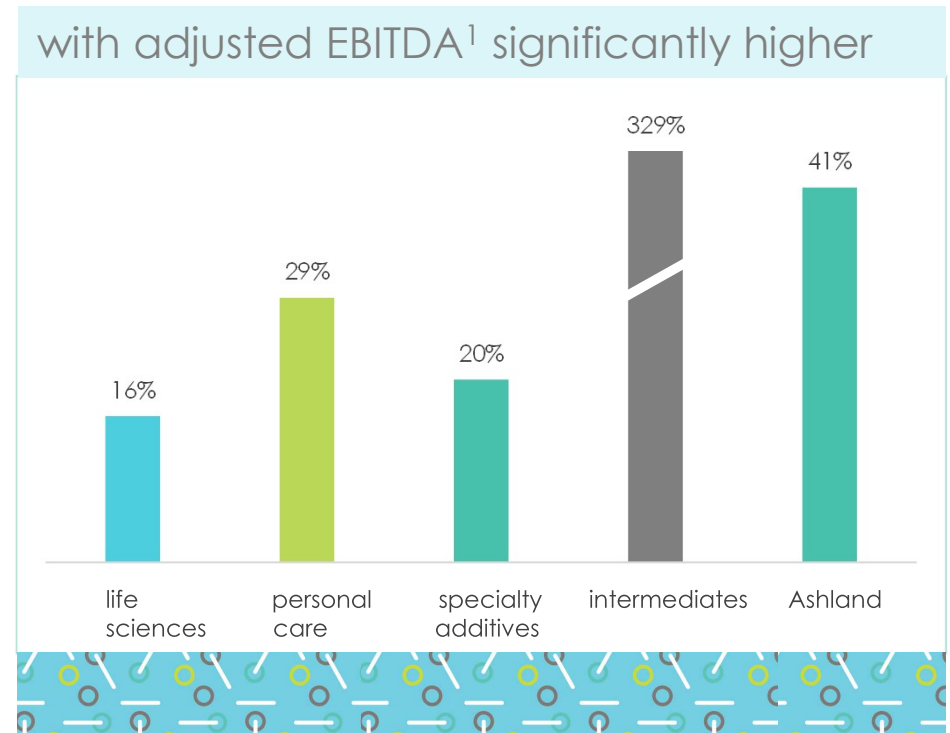
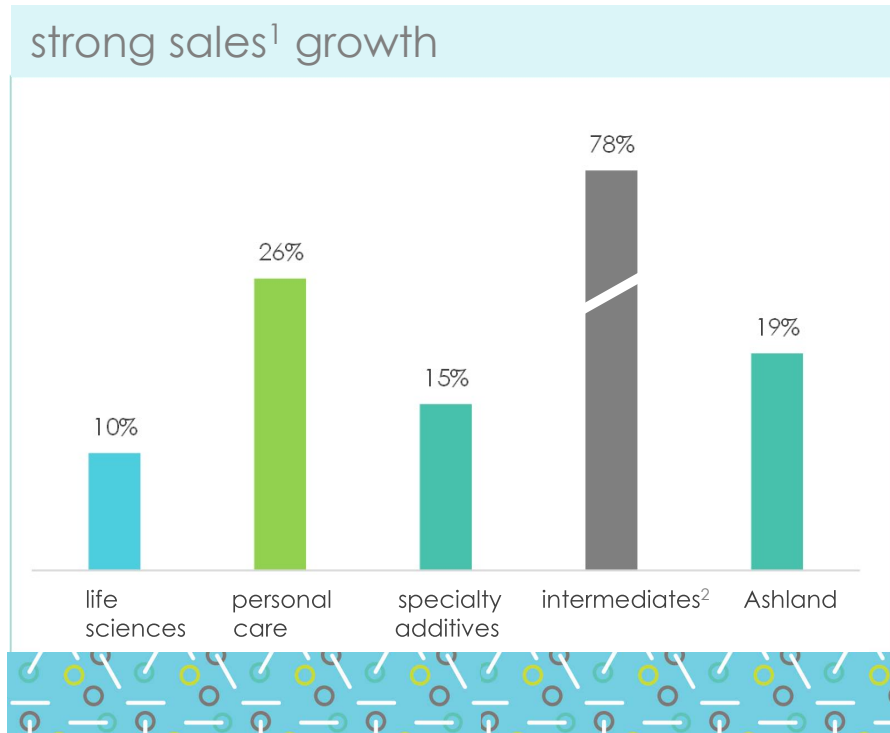
outstanding performance¹



1 Comparisons versus prior year. 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.

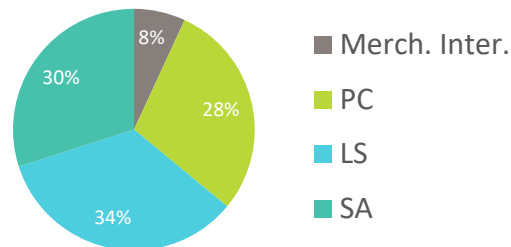
2 Unless otherwise noted, earnings are reported on a diluted-share basis.

growth across all business units



1 Comparisons versus prior year.
 2 Merchant sales represents 70% of Intermediates.

Q2-2022 Sales



Q2 financial results

fiscal-second quarter adjusted results¹

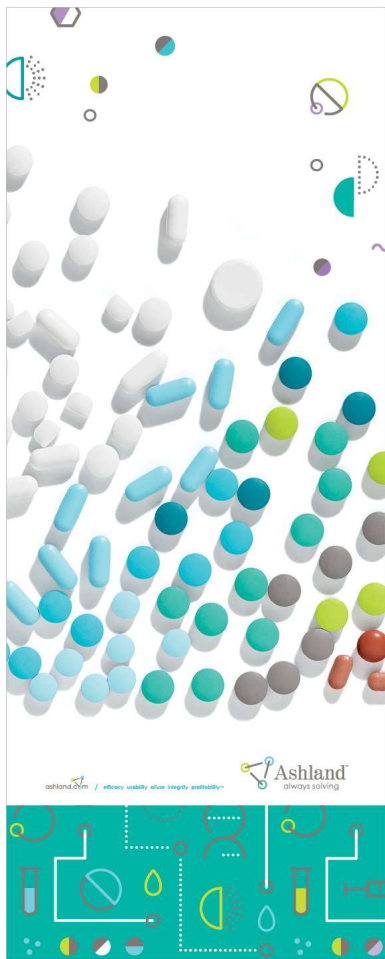
Ashland			
(\$US in millions, except percentages)	Q2 FY22	Q2 FY21	change
sales	\$604	\$509	+19 %
gross profit margin	36.4 %	31.4 %	+500 bps
SG&A / R&D costs / intangible amortization	\$119	\$103	+16 %
operating income	\$101	\$57	+77 %
EBITDA	\$163	\$116	+41 %
EBITDA margin	27.0 %	22.8 %	+420 bps
EPS (excluding acquisition amortization) ²	\$1.50	\$0.84	+79 %

- o strong end-market demand, cost recovery in an inflationary environment, improved mix and Schülke & Mayr acquisition drove double-digit sales and earnings growth; FX a 3% headwind to sales
- o increase in SARD expense due to the Schülke & Mayr acquisition, elimination of the INEOS transition services agreement and higher incentive accruals
- o EBITDA up 41% to \$163 million compared to prior year

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.

adjusted results summary¹



life sciences

(\$US in millions, except percentages)	Q2 FY22	Q2 FY21	change
sales	\$204	\$185	+10 %
gross profit	\$73	\$64	+14 %
gross profit margin	35.8 %	34.6 %	+120 bps
operating income	\$43	\$35	+23 %
EBITDA	\$58	\$50	+16 %
EBITDA margin	28.4 %	27.0 %	+140 bps

- improved cost recovery and enhanced mix plus strong pharma demand
- solid execution despite continued supply-chain and labor-availability challenges
- gross margin and Adjusted EBITDA margin expansion
- Adjusted EBITDA growth to \$58 million



Q2 FY22 year-over-year Sales (HSD/MSD/LSD = high, mid or low single-digit %. DD = double-digit %)

10 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.

adjusted results summary¹



personal care			
(\$US in millions, except percentages)	Q2 FY22	Q2 FY21	change
sales	\$172	\$137	+26 %
gross profit	\$67	\$49	+37 %
gross profit margin	39.0 %	35.8 %	+320 bps
operating Income	\$28	\$19	+47 %
EBITDA	\$49	\$38	+29 %
EBITDA margin	28.5 %	27.7 %	+80 bps

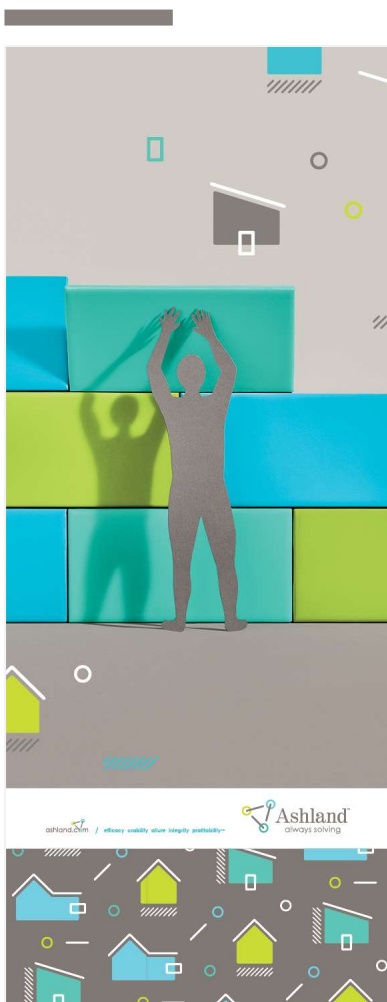
- strong customer demand, pricing and mix enhancements in core end markets; sales up 16% excluding acquisition and product exits (primarily in skin care)
- Schülke & Mayr acquisition continues to be a strong contributor to skin care growth
- earnings growth and margin expansion driven by cost recovery and mix improvements

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

Q2 FY22 year-over-year Sales (HSD/MSD/LSD = high, mid or low single-digit %. DD = double-digit %)

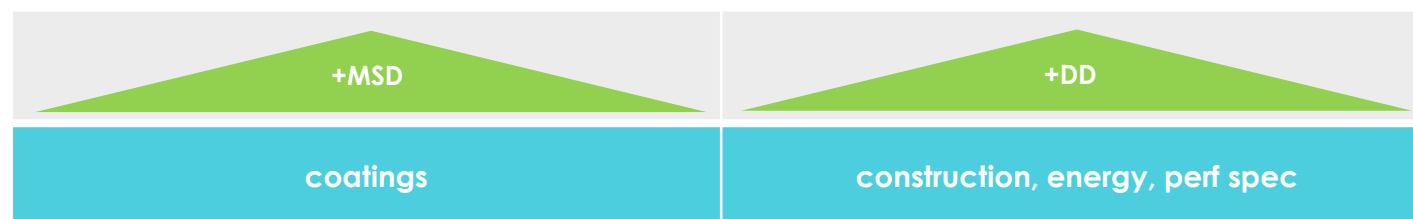
11 ¹ All figures are presented on an adjusted basis except Sales. Appendix B reconciles adjusted amounts to amounts reported under GAAP, including reconciliations of net income to EBITDA and adjusted EBITDA, operating income to adjusted operating income.

adjusted results summary¹



specialty additives			
(\$US in millions, except percentages)	Q2 FY22	Q2 FY21	change
sales	\$182	\$158	+15 %
gross profit	\$51	\$42	+21%
gross profit margin	28.0 %	26.6 %	+140 bps
operating income	\$26	\$19	+37 %
EBITDA	\$48	\$40	+20 %
EBITDA margin	26.4 %	25.3 %	+110 bps

- strong demand, improved mix and cost recovery drove sales growth
- pricing and mix improvement across end markets led to margin expansion
- earnings growth despite inflation in raw materials, freight and energy costs and supply-chain challenges

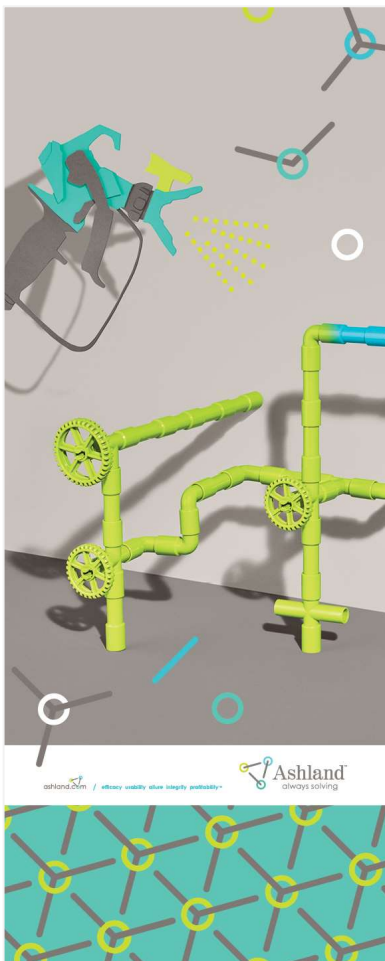


Q2 FY22 year-over-year Sales (HSD/MSD/LSD = high, mid or low single-digit %. DD = double-digit %)

12 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.



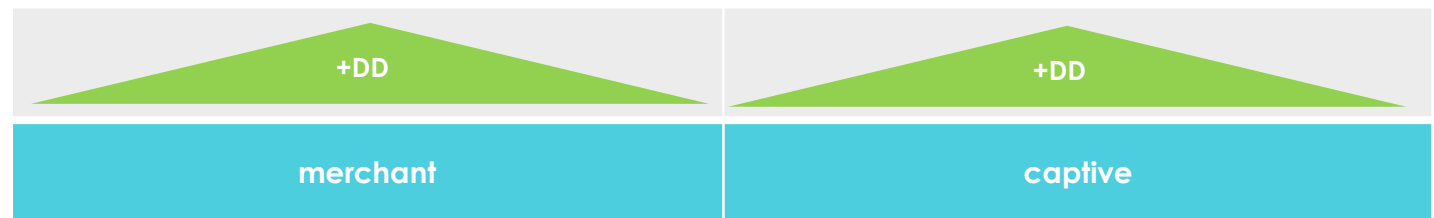
adjusted results summary¹



intermediates

(\$US in millions, except percentages)	Q2 FY22	Q2 FY21	change
sales	\$66	\$37	+78 %
gross profit	\$29	\$6	+383 %
gross profit margin	43.9 %	16.2 %	+2,770 bps
operating income	\$27	\$3	+800 %
EBITDA	\$30	\$7	+329 %
EBITDA margin	45.5 %	18.9 %	+2,660 bps

- sales growth driven by significantly higher pricing across all product lines
- captive sales of butanediol (BDO) transferred internally at current market-based prices
- higher earnings and expanded margins from higher pricing and improved mix, partially offset by overall cost inflation



Q2 FY22 year-over-year sales (HSD/MSD/LSD = high, mid or low single-digit %. DD = double-digit %)

13 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.

capital allocation discipline

Performance Adhesives sale closed on February 28

- gross proceeds of \$1.65 billion; net proceeds¹ of \$1.2 – \$1.3 billion

use of proceeds

- ~\$625 million of debt repayment since December 2021
- \$200 million open-market share repurchase
 - incremental to \$450 MM accelerated share repurchase completed on February 22
- \$35 million contributed to environmental trust

other long-term capital allocation priorities

- \$150 – \$200 million growth capital investment over next 3 years
- increased flexibility to pursue future M&A strategy



Ashland has repurchased ~6.75 million shares (~11% outstanding) and reduced net leverage² from 3.6x to 1.3x since August 2021

¹ Taxes payable of approximately \$320 million and transaction costs of approximately \$4 million to be paid in Q3 and Q4 of fiscal year 2022.

² Net leverage defined as total debt less cash divided by trailing-twelve month Adjusted EBITDA. Current net leverage excludes taxes and transaction costs payable related to the sale of the Performance Adhesives business.

advancing our strategy



progress

operating resilience

disciplined pricing in an inflationary environment

improved mix management with widespread capacity constraints

improved planning despite challenging supply-chain issues

strategic focus

margin expansion and free cash flow conversion

refining innovation portfolio management process

advance M&A strategy and opportunity portfolio

innovation & growth

strong growth in new product introductions

alignment with markets and customer drivers

technology differentiation

strengthening innovation portfolio management

capital allocation

expanding cellulosic capacity

production capabilities beyond North America and Europe

robust 3-year growth capital plan underway

ESG progress

responsibly solving for a better world means Ashland is taking a leading global role in the supply of conscious specialty ingredients and ways of working



environment

- **sourcing** 90% key materials suppliers* are Ecovadis certified; naturally derived ingredients, sourced responsibly
- **operations** Nature Conservancy Plant a Billion Trees
- **solutions** 72% of Q2 new products are highly sustainable+



social

- established Responsible Solvers™ program
- announced innovative supplier partnership using STEM skills for sustainably farming guar
- Sponsored greenlight4girls- International Women's Day
- Nature Conservancy youth engagement lab sponsor



governance

- anti-boycott training for subject matter experts
- enterprise-wide global ethics ambassador program
- Ukraine- Russia sanctions and coordination with global incident management team (IMT)
- increased cyber security

* by spend
+ natural or nature-derived

defining Science Based Targets (SBTi)



aligning operations with the ambitious aim of the Paris Climate Accord to limit global temperature rise to 1.5°C above preindustrial levels

- validating emissions data to ensure we set accurate targets for approval
- targets to be submitted for approval by end 2022



engaging in collaborative projects which advance the broader development goals of the United Nations, particularly the Sustainable Development Goals

ESG in action

STEM education and sustainable farming
Sriganganagar district, Rajasthan, India

responsibly solving for a better world
sustainable guar

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Ashland
always solving

The Nature Conservancy forest restoration effort and youth engagement STEM nature lab

who is responsibly solving for a better world?
we are.

ashland.com / efficacy usability culture integrity profitability™

Ashland
always solving

in-cosmetics global, Paris, France
April 5 – 7, 2022

in-cosmetics global
Innovation Zone
Best Ingredient Award 2022
BRONZE
Functional Ingredient
natrathix™ bio cellulose
Ashland

best functional ingredient
BRONZE award
Ashland natrathix™ bio cellulose

Ashland
always solving

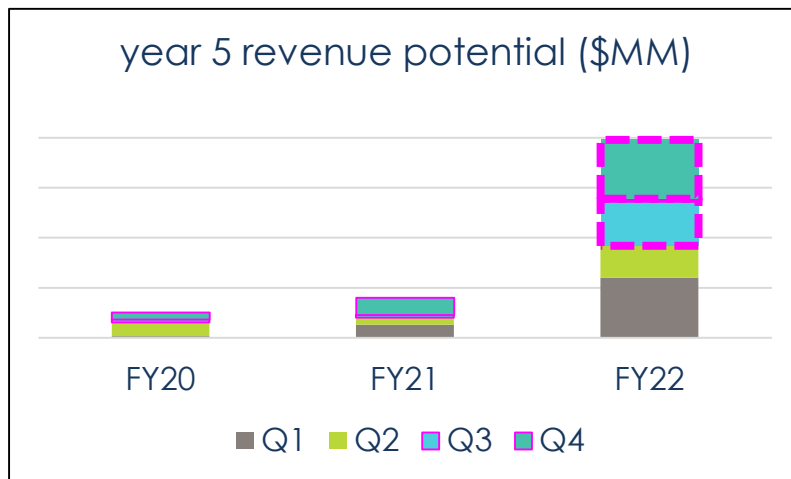
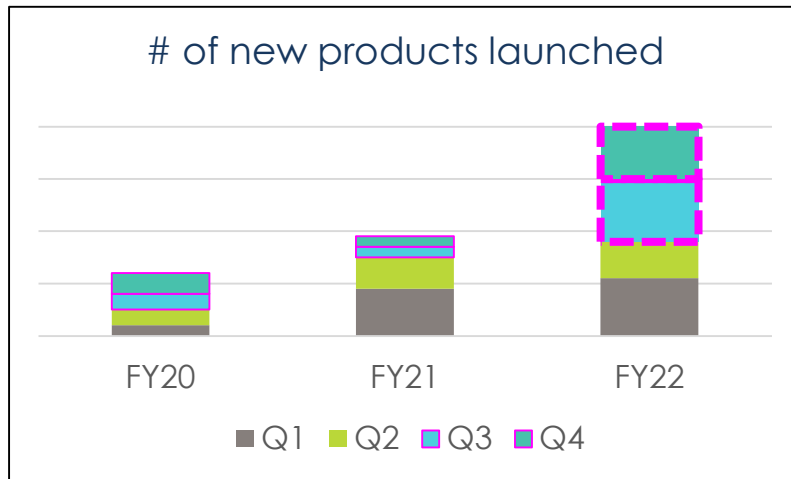
who maintains balance naturally?
natrathix™ bio cellulose

ashland.com / efficacy usability culture integrity profitability™

Ashland
always solving



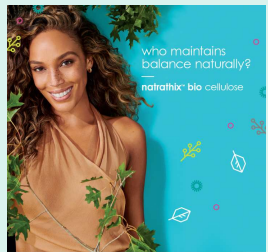
increased innovation speed & impact



- record number of new product introductions
- 100% of FY22 launches focused on growth
- 89% of the launches FY22 year-to-date are highly sustainable
- disciplined innovation process (project and portfolio management)
- business unit ownership of strategy and innovation priorities
- corporate oversight of portfolio and investments

recent new product introductions

award winning innovations



**natrathix™
bio cellulose**

guar / guar derivatives

best
functional
ingredient
BRONZE
award



aquaflow™ eco

2022 Ringer
award



**styleze™ es-1
polymer**

guar / guar derivatives

2021 Henkel
award for
sustainability



ESG as a business opportunity to unlocking sustainable, profitable growth



styleze™ es-dura

- nature-derived
- biodegradable
- vegan
- halal



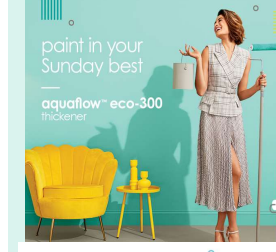
**caressense™
biofunctional**

- natural
- organic
- biodegradable
- vegan
- COSMOS validated
- sustainably sourced



sensiva™ go natural

- natural
- biodegradable
- vegan
- COSMOS validated



aquaflow™ eco

- biocide-free
- CO2 reduction by solid delivery form
- recyclable paper packaging



nutrapress™ chw

- organic chewable base
- sugar free
- allergen free
- vegan



priorities



profitable growth

- rebalanced our innovation portfolio
- consumer-market focus
- intensifying ESG initiatives
- bolt-on M&A



margin expansion

- accelerate innovation growth
- value pricing
- mix improvement
- productivity



enhanced FCF

- prioritize organic growth CAPEX
- improved working capital efficiency
- strategically aligned M&A
- efficient balance sheet
- continued rewarding shareholders

Three stylized green trees in pots, arranged in a row.

ESG is integral to our future
embedded in our strategy and operating plans;
intense commitment to environment, social and governance (ESG) as a growth driver

outlook

current macro trends

tailwinds

- revenue
 - pricing a major driver
 - stable demand in life sciences, personal care, specialty additives and intermediates
 - capacity constraints support mix improvement
 - significant demand backlog allows for shifting supply of key products across segments
 - continuing to rebuild inventories
- plants operating well and producing more (sell or rebuild inventory)
- strong pricing action in place to cover existing and currently forecasted inflation
- raw-material availability challenging but improving
- some improvement in trucking availability and cost

headwinds

- impact of inflation control actions on economic growth and demand
- tight capacity limits volume growth
- continued supply-chain and logistics challenges
- lag impact of additional pricing actions to offset additional cost inflation
- impact of Ukraine war
- China COVID lockdowns

difficult to forecast uncertain external risks
(war escalation, lockdowns, energy & supply chain)

critical performance variables

revenue growth drivers

- end-market demand

- production stability

- inventory build

- supply-chain reliability

demand remains strong,
supply will drive revenue



profitability drivers

- price

- mix improvement

- productivity

- cost inflation

energy inflation driving broad based
pricing/cost inflation

outlook

full-year guidance maintained

forward looking insights

- robust demand
 - strong order book
 - low inventory levels
- pricing to address cost inflation
- no changes to underlying operating performance
- intermediates plant turnaround shifted from Q4 to Q3
- current model forecasts adj. EBITDA above range midpoint
- inflation, Russia / Ukraine war and China lockdowns - high level of uncertainty/difficult to forecast; room for upside/downside potential
- investing to support profitable growth

risks

- reliability / cost of ocean freight
- rising global energy costs
- general cost inflation; foreign currency
- lag impact of pricing recover in Q4
- impact of Russia /Ukraine war and China lockdowns

agile, disciplined,
focused on what
we can control

sales

\$2.25 – \$2.35 billion

adjusted EBITDA

\$550 – \$570 million

closing comments

Ashland

focused additives and specialty ingredients company

- flexible, agile
 - consistent execution
 - solid growth
 - high margins
 - strong free cash flow
- ✓ leadership positions in high-quality markets and with exciting profitable growth opportunities
 - ✓ strong technology, commercial and operations capabilities
 - ✓ global infrastructure
 - ✓ compelling growth platforms with scale and sustainable competitive advantage
 - ✓ strong financial performance and cash flow generation
 - ✓ experienced management team with proven track record and execution discipline
 - ✓ ESG is embedded in our strategy and operating plans

thank you and Q&A



appendix A: adjusted results summary and balance sheet

adjusted results summary¹

(\$US in millions, except percentages and per share data)	Q2 FY22	Q2 FY21	change
sales	\$604	\$509	+19 %
gross profit	\$220	\$160	+38 %
gross profit margin	36.4 %	31.4 %	+500 bps
SG&A / R&D costs / intangible amort.	\$119	\$103	+16 %
operating income	\$101	\$57	+77 %
depreciation & amortization	\$61	\$59	+3 %
EBITDA	\$163	\$116	+41 %
EBITDA margin	27.0 %	22.8 %	+420 bps
net interest and other expense	\$15	\$16	(6) %
effective tax rate	23 %	15 %	+800 bps
income from continuing operations	\$67	\$35	+91 %
income from continuing operations (excluding acquisition amortization)	\$86	\$52	+65 %
diluted share count (million shares)	57	62	(8) %
EPS (excluding acquisition amortization)	\$1.50	\$0.84	+79 %

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.

Q2 business unit consolidation¹

(\$US in millions, except percentages)	Life Sciences	Personal Care	Specialty Additives	Inter-mediates	interco. eliminations	unallocated and other	Ashland
sales	\$204	\$172	\$182	\$66	(\$20)	-	\$604
gross profit	\$73	\$67	\$51	\$29	-	-	\$220
gross profit margin	35.8 %	39.0 %	28.0 %	43.9 %	-	-	36.4 %
EBITDA	\$58	\$49	\$48	\$30	-	(\$22)	\$163
EBITDA margin	28.4 %	28.5 %	26.4 %	45.5 %	-	-	27.0 %

- intercompany sales from intermediates to all other segments recorded at market pricing and are eliminated in consolidation
- unallocated and other includes legacy costs plus corporate governance (finance, legal, executive, etc.)
- costs and assets aligned with primary business unit

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.

liquidity and net debt

(\$US in millions)	expiration	interest rate	Moody's rating	S&P rating	3/31/22 balance
cash					\$964
revolver and A/R facilities availability					692
cash, A/R and revolver availability¹					\$1,656
US A/R sales program¹					-
debt					
2.00% notes (EUR)	Jan. 2028	2.000%	Ba1	BB+	\$558
3.375% notes	Sept. 2031	3.375%	Ba1	BB+	450
6.875% notes	May 2043	6.875%	Ba1	BB+	282
European A/R securitization	Aug. 2021	CP+70	-	-	-
revolving credit facility	Jan. 2025	L+137.5	-	-	-
6.50% junior subordinated notes	Jun. 2029	6.500%	B1	BB+	59
other ²		-	-	-	(13)
total debt			Ba1/stable	BB+/stable	\$1,336
cash					(964)
net debt					\$372

1 Total liquidity of \$1,656 million from all sources.

2 Includes \$16 million of debt issuance cost discounts as of March 31, 2022.

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 Global Holdings Inc. and Consolidated Subsidiaries

Reconciliation of Non-GAAP Data

for 12 Months Ended March 31, 2022

(\$ millions, except percentages)

Sales¹	Q2 22	Q1 22	Q4 21	Q3 21	Total		Q2 21
Life Sciences	\$ 204	\$ 170	\$ 189	\$ 193	\$ 756		\$ 185
Personal Care	172	147	183	147	649		137
Specialty Additives	182	156	181	169	688		158
Intermediates	66	53	60	49	228		37
Less: Intercompany Eliminations	(20)	(14)	(22)	(15)	(71)		(8)
Total	\$ 604	\$ 512	\$ 591	\$ 543	\$ 2,250		\$ 509

Adjusted EBITDA¹	Q2 22	Q1 22	Q4 21	Q3 21	Total	Adjusted EBITDA Margin	Q2 21
Life Sciences	\$ 58	\$ 36	\$ 48	\$ 53	\$ 195	25.8%	\$ 50
Personal Care	49	36	51	39	175	27.0%	38
Specialty Additives	48	38	47	39	172	25.0%	40
Intermediates	30	19	21	15	85	37.3%	7
<i>Unallocated</i>	(22)	(23)	(18)	(17)	(80)		(19)
Total	\$ 163	\$ 106	\$ 149	\$ 129	\$ 547	24.3%	\$ 116

¹ Quarterly totals may not add to annual amounts due to rounding. Calculation of adjusted EBITDA for each period presented have been reconciled within certain financial filings with the SEC and posted on Ashland's website for each reportable segment.

Ashland Global Holdings Inc. and Consolidated Subsidiaries

Segment Components of Key Items for Applicable Income Statement Captions

for 3 Months Ended March 31, 2022

(\$ millions)

	Three Months Ended March 31, 2022					
	Life Sciences	Personal Care	Specialty Additives	Intermediates	Unallocated & Other	Total
OPERATING INCOME (LOSS)						
Operating key items:						
Environmental reserve adjustments	\$ -	\$ -	\$ -	\$ -	\$ (7)	\$ (7)
Restructuring, separation and other costs	-	-	-	-	(1)	(1)
All other operating income (loss)	43	28	26	27	(23)	101
Operating income (loss)	43	28	26	27	(31)	93
NET INTEREST AND OTHER EXPENSE						
Key items					28	28
All other net interest and other expense					15	15
					43	43
OTHER NET PERIODIC BENEFIT INCOME						
All other net periodic benefit income					1	1
NET INCOME (EXPENSE) ON ACQUISITIONS AND DIVESTITURES						
Key items					7	7
INCOME TAX EXPENSE (BENEFIT)						
Tax effect of key items ⁽¹⁾					(6)	(6)
Tax specific key items ⁽²⁾					6	6
All other income tax expense					20	20
					20	20
INCOME (LOSS) FROM CONTINUING OPERATIONS	\$ 43	\$ 28	\$ 26	\$ 27	\$ (86)	\$ 38

⁽¹⁾ Represents the tax effect of the key items that are previously identified above.

⁽²⁾ 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 41 for additional information.

Ashland Global Holdings Inc. and Consolidated Subsidiaries

Segment Components of Key Items for Applicable Income Statement Captions

for 3 Months Ended March 31, 2021

(\$ millions)

	Three Months Ended March 31, 2021					
	Life Sciences	Personal Care	Specialty Additives	Intermediates	Unallocated & Other	Total
OPERATING INCOME (LOSS)						
Operating key items:						
Restructuring, separation and other costs	\$ -	\$ -	\$ -	\$ -	\$ (1)	\$ (1)
Environmental reserve adjustments	-	-	-	-	(8)	(8)
All other operating income (loss)	35	19	19	3	(19)	57
Operating income (loss)	35	19	19	3	(28)	48
NET INTEREST AND OTHER EXPENSE						
Key items					7	7
All other net interest and other expense					16	16
NET INCOME (EXPENSE) ON ACQUISITIONS AND DIVESTITURES						
Key items					(5)	(5)
INCOME TAX EXPENSE (BENEFIT)						
Tax effect of key items ⁽¹⁾					(4)	(4)
Tax specific key items ⁽²⁾					(7)	(7)
All other income tax expense (benefit)					6	6
INCOME (LOSS) FROM CONTINUING OPERATIONS	<u>\$ 35</u>	<u>\$ 19</u>	<u>\$ 19</u>	<u>\$ 3</u>	<u>\$ (51)</u>	<u>\$ 25</u>

⁽¹⁾ Represents the tax effect of the key items that are previously identified above.

⁽²⁾ 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 Table 4 for additional

⁽¹⁾ Represents the tax effect of the key items that are previously identified above.

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Ashland Global Holdings Inc. and Consolidated Subsidiaries

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

for the 3 and 6 Months Ended March 31, 2022 and 2021

(\$ millions)

	Three months ended March 31		Six months ended March 31	
	2022	2021	2022	2021
Free cash flows				
Total cash flows provided by operating activities from continuing operations	\$ 16	\$ 38	31	\$ 120
Adjustments:				
Additions to property, plant and equipment	(22)	(23)	(37)	(53)
Free cash flows	<u>\$ (6)</u>	<u>\$ 15</u>	<u>(6)</u>	<u>67</u>
Cash (inflows) outflows from U.S. Accounts Receivable Sales Program ⁽¹⁾	(15)	-	(5)	-
Restructuring-related payments ⁽²⁾	1	15	5	29
Environmental and related litigation payments ⁽³⁾	15	12	28	21
Ongoing free cash flow	<u>\$ (5)</u>	<u>\$ 42</u>	<u>\$ 22</u>	<u>\$ 117</u>
Adjusted EBITDA ⁽⁴⁾	\$ 163	\$ 116	\$ 269	\$ 218
Ongoing free cash flow conversion ⁽⁵⁾	-3%	36%	8%	54%

⁽¹⁾ Represents activity associated with the U.S. Accounts Receivable Sales Program impacting each period presented.

⁽²⁾ Restructuring payments incurred during each period presented.

⁽³⁾ Represents cash outflows associated with environmental and related litigation payments which will be reimbursed by the Environmental trust.

⁽⁴⁾ See Adjusted EBITDA reconciliation.

⁽⁵⁾ Ongoing free cash flow divided by Adjusted EBITDA

	Three months ended March 31		Six months ended March 31	
	2022	2021	2022	2021
Adjusted operating income				
Operating income (loss) (as reported)	\$ 93	\$ 48	\$ 135	\$ 66
Key items, before tax:				
Restructuring, separation and other costs	1	1	2	13
Environmental reserve adjustments	7	8	10	12
Capital project impairment	-	-	-	9
Adjusted operating income (non-GAAP)	<u>\$ 101</u>	<u>\$ 57</u>	<u>\$ 147</u>	<u>\$ 100</u>

Ashland Global Holdings Inc.

Reconciliation of Non-GAAP Data – Adjusted EBITDA

for 3 Months Ended March 31, 2022 and 2021

(\$ millions)

Adjusted EBITDA - Ashland Global Holdings Inc.	Three months ended March 31	
	2022	2021
Net income	\$ 786	\$ 41
Income tax expense (benefit)	20	(5)
Net interest and other expense (income)	43	23
Depreciation and amortization	61	59
Cash (inflows) outflows from U.S. Accounts Receivable Sales Program	910	118
Restructuring-related payments	(748)	(16)
Environmental and related litigation payments	(7)	5
Operating key items (see Slides 35 and 36)	8	9
Adjusted EBITDA	<u>\$ 163</u>	<u>\$ 116</u>

Life Sciences and Personal Care

Reconciliation of Non-GAAP Data – Adjusted EBITDA

for 3 Months Ended March 31, 2022 and 2021

(\$ millions)

	Three months March 31	
	2022	2021
<u>Adjusted EBITDA - Life Sciences</u>		
Operating income	\$ 43	\$ 35
Add:		
Depreciation and amortization	15	15
Operating key items (see Slides 35 and 36)	-	-
Adjusted EBITDA	<u>\$ 58</u>	<u>\$ 50</u>
<u>Adjusted EBITDA - Personal Care</u>		
Operating income	\$ 28	\$ 19
Add:		
Depreciation and amortization	21	19
Operating key items (see Slides 35 and 36)	-	-
Adjusted EBITDA	<u>\$ 49</u>	<u>\$ 38</u>

Specialties Additives and Intermediates

Reconciliation of Non-GAAP Data – Adjusted EBITDA

for 3 Months Ended March 31, 2022 and 2021

(\$ millions)

	Three months March 31	
	<u>2022</u>	<u>2021</u>
<u>Adjusted EBITDA - Specialty Additives</u>		
Operating income	\$ 26	\$ 19
Add:		
Depreciation and amortization	22	21
Operating key items (see Slides 35 and 36)	-	-
Adjusted EBITDA	<u>\$ 48</u>	<u>\$ 40</u>
 <u>Adjusted EBITDA - Intermediates</u>		
Operating income (loss)	\$ 27	\$ 3
Add:		
Depreciation and amortization	3	4
Operating key items (see Slides 35 and 36)	-	-
Adjusted EBITDA	<u>\$ 30</u>	<u>\$ 7</u>

Ashland Global Holdings Inc. and Consolidated Subsidiaries

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

for the 3 and 6 Months Ended March 31, 2022 and 2021

(\$ millions)

Income from continuing operations (as reported)

Key items, before tax:

Restructuring, separation and other costs

Unrealized (gain) loss on securities

Environmental reserve adjustments

Net (gain) loss on acquisitions and divestitures

Impairments

Key items, before tax

Tax effect of key items ⁽¹⁾

Key items, after tax

Tax specific key items:

Restructuring and separation activity

Valuation allowance

Uncertain tax positions

Tax specific key items ⁽²⁾

Total key items

Adjusted income from continuing operations (non-GAAP)

Amortization expense adjustment (net of tax) ⁽³⁾

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

	Three months ended March 31		Six months ended March 31	
	2022	2021	2022	2021
\$	38	25	70	68
	1	1	2	13
	28	7	24	(11)
	7	8	10	12
	(7)	5	(7)	(9)
	-	-	-	9
	29	21	29	14
	(6)	(4)	(6)	(2)
	23	17	23	12
	10	-	10	(13)
	(4)	-	(4)	-
	-	(7)	-	(7)
	6	(7)	6	(20)
	29	10	29	(8)
\$	67	35	99	60
	19	17	38	34
\$	86	52	137	94

⁽¹⁾ Represents the tax effect of the key items that are previously identified above.

⁽²⁾ 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.

These tax specific key items included the following:

- Restructuring and separation activity: Includes the impact from company-wide restructuring activities. These adjustments related to various tax impacts including state tax costs, foreign tax costs and other tax account adjustments.
- Uncertain tax positions: Includes the impact from settlement of certain tax positions with various tax authorities.

⁽³⁾ Amortization expense adjustment (net of tax) tax rates were 20% for the three and six months ended March 31, 2022 and 21% for the three and six months ended March 31, 2021.

Ashland Global Holdings Inc. and Consolidated Subsidiaries

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

for the 3 and 6 Months Ended March 31, 2022 and 2021

(\$ millions)

Diluted EPS from continuing operations (as reported)

Key items, before tax:

Restructuring, separation and other costs

Unrealized (gain) loss on securities

Environmental reserve adjustments

Net (gain) loss on acquisitions and divestitures

Impairments

Key items, before tax

Tax effect of key items ⁽¹⁾

Key items, after tax

Tax specific key items:

Restructuring and separation activity

Valuation allowance

Uncertain tax positions

Tax specific key items ⁽²⁾

Total key items

Adjusted diluted EPS from continuing operations (non-GAAP)

Amortization expense adjustment (net of tax) ⁽³⁾

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

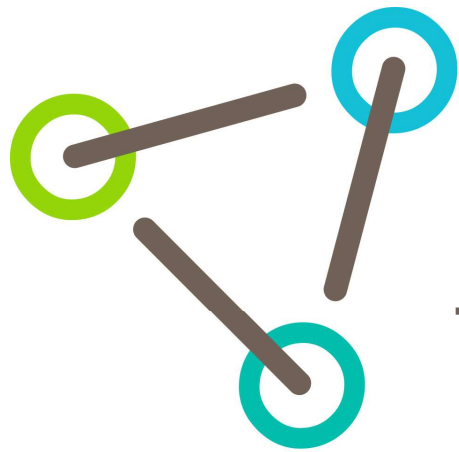
	Three months ended March 31		Six months ended March 31	
	2022	2021	2022	2021
Diluted EPS from continuing operations (as reported)	\$ 0.66	\$ 0.40	\$ 1.20	\$ 1.10
Key items, before tax:				
Restructuring, separation and other costs	0.02	0.02	0.04	0.21
Unrealized (gain) loss on securities	0.49	0.11	0.42	(0.18)
Environmental reserve adjustments	0.14	0.12	0.19	0.19
Net (gain) loss on acquisitions and divestitures	(0.12)	0.08	(0.12)	(0.16)
Impairments	-	-	-	0.16
Key items, before tax	0.53	0.33	0.53	0.22
Tax effect of key items ⁽¹⁾	(0.12)	(0.07)	(0.12)	(0.02)
Key items, after tax	0.41	0.26	0.41	0.20
Tax specific key items:				
Restructuring and separation activity	0.17	-	0.17	(0.22)
Valuation allowance	(0.07)	-	(0.07)	-
Uncertain tax positions	-	(0.10)	-	(0.10)
Tax specific key items ⁽²⁾	0.10	(0.10)	0.10	(0.32)
Total key items	0.51	0.16	0.51	(0.12)
Adjusted diluted EPS from continuing operations (non-GAAP)	\$ 1.17	\$ 0.56	\$ 1.71	\$ 0.98
Amortization expense adjustment (net of tax) ⁽³⁾	0.33	0.28	0.66	0.55
Adjusted diluted EPS from continuing operations (non-GAAP) excluding intangibles amortization expense	\$ 1.50	\$ 0.84	\$ 2.37	\$ 1.53

⁽¹⁾ Represents the tax effect of the key items that are previously identified above.

⁽²⁾ 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. These tax specific key items included the following:

- Restructuring and separation activity: Includes the impact from company-wide restructuring activities. These adjustments related to various tax impacts including state tax costs, foreign tax costs and other tax account adjustments.
- Uncertain tax positions: Includes the impact from settlement of certain tax positions with various tax authorities.

⁽³⁾ Amortization expense adjustment (net of tax) tax rates were 20% for the three and six months ended March 31, 2022 and 21% for the three and six months ended March 31, 2021.



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