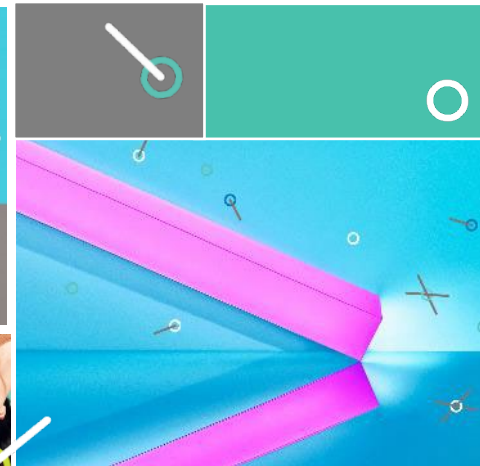
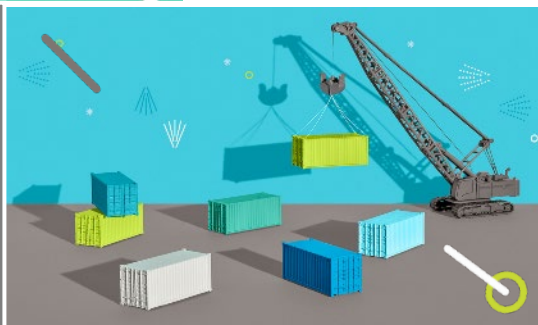


# earnings conference call first quarter fiscal 2026

February 3, 2026



 **Ashland™**  
always solving

## 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 are not limited to, anticipated demand trends and market conditions; expected benefits, timing, and outcomes associated with Ashland’s manufacturing network initiatives, portfolio actions, innovation programs, and commercial strategies; assumptions regarding raw material costs, supply chain and macroeconomic conditions; Ashland’s ability to execute its strategic priorities, drive growth across key platforms, and create long-term shareholder value; as well as management’s outlook and beliefs concerning Ashland’s fiscal year 2026 performance.

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: Ashland’s aggressive growth goals and the extent to which such goals may be impacted by a failure to optimize our tangible and intangible assets, a failure to identify and integrate acquisition targets, any unexpected costs and liabilities associated with such acquisitions, and goodwill impairment; business disruptions stemming from natural, operational, and other catastrophic events, including disruptions to supply and logistics functions, manufacturing delays, and information technology system and network failures; climate change and related resource impacts; changes in consumer preferences and a reduction in demand for Ashland’s products; risks inherent in operating a global business, including tariffs and other trade policies, geopolitical instability and armed conflict, and challenges associated with hiring and managing a diverse workforce across countries with differing laws, regulations, and cultural practices; economic downturns and disruptions in the financial markets; Ashland’s substantial indebtedness, including the possibility that such indebtedness and related restrictive covenants may adversely affect our future cash flows, limit our ability to repay debt and obtain future financing, place Ashland at a competitive disadvantage, and make us more vulnerable to interest rate increases; our ability to develop and market new products and remain competitive in the markets in which we operate; our ability to pass increases in the costs of energy and raw materials to customers and to fulfill our contractual requirements with customers and vendors; downward pressures on prices and margins; the ability to attract and retain key employees and to provide for effective succession planning; cybersecurity risks, including disruptions to or failures in Ashland’s information technology systems and networks, malicious cyberattacks, and the inadvertent or accidental disclosure or loss of proprietary or sensitive information; Ashland’s ability to effectively protect and enforce its intellectual property rights; exposure to products liability claims; risks related to compliance with environmental, health, and safety regulations, including the potential for costly litigation, remediation, and settlement actions; exposure to pending and threatened asbestos-related litigation; changes in the legal and regulatory landscapes in which we operate; changes in taxation or adverse tax rulings; and, without limitation, risks and uncertainties affecting Ashland that are described in Ashland’s most recent Annual Report on 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 news release whether as a result of new information, future events or otherwise.

## Regulation G: Adjusted Results

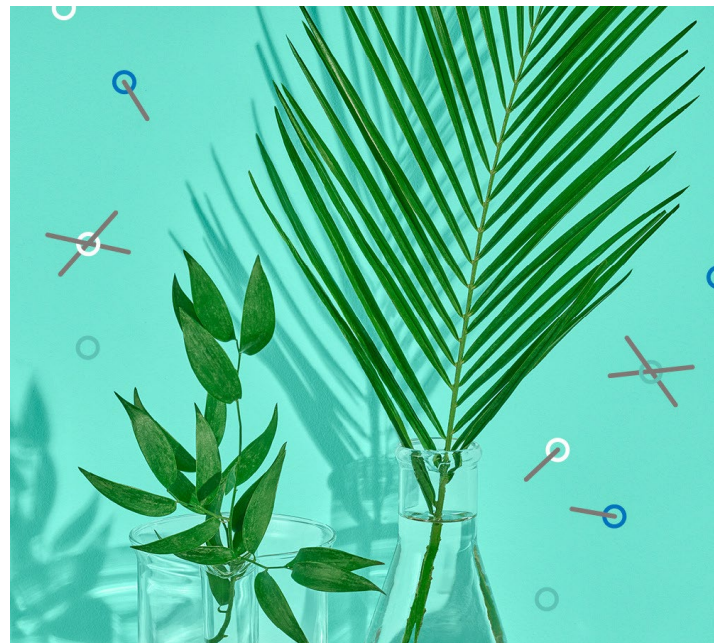
The information presented herein regarding certain unaudited adjusted results does not conform to generally accepted accounting principles in the United States (U.S. GAAP) and should not be construed as an alternative to the reported results determined in accordance with U.S. GAAP. Ashland has included 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

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- Q1 performance summary
- Q1 financial results
- business unit reviews
- strategic priorities & outlook
- CEO priorities
- Q&A



## Q1 performance summary

# Q1 business drivers

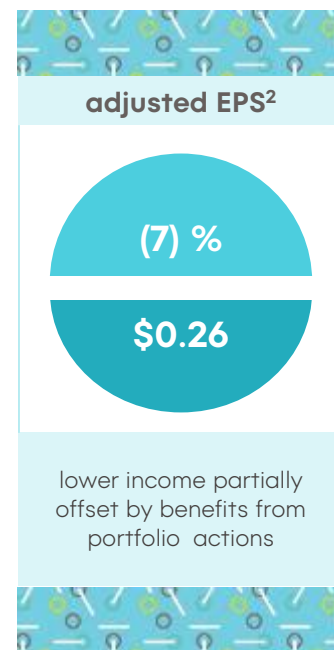
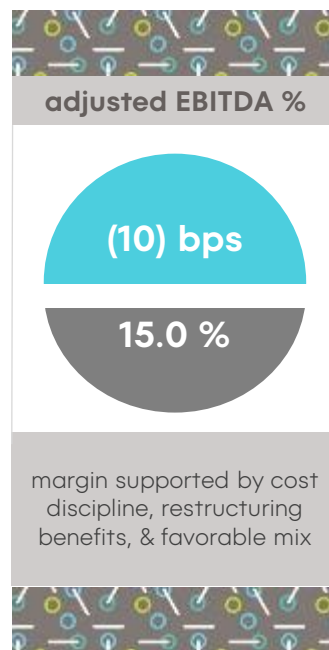
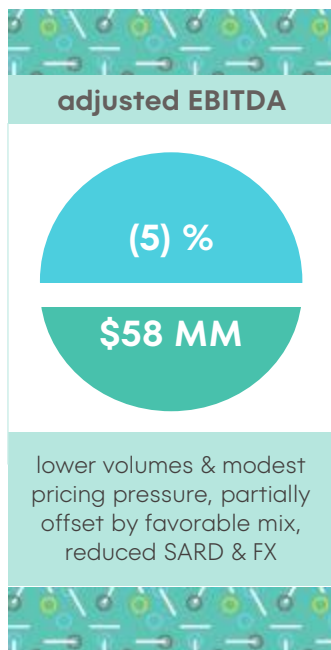
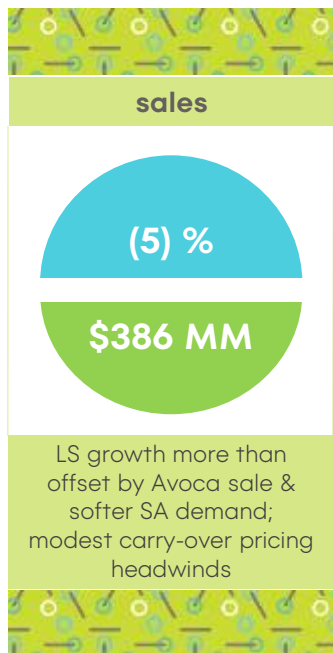
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- **Life Sciences** delivered healthy growth driven by resilient pharma demand, strong innovate-and-globalize momentum, with continued progress across injectables, tablet coatings and high-value excipients
- **Personal Care** delivered stable performance excluding the prior year Avoca divestiture, with double digit growth in biofunctional actives and volume growth in microbial protection, partially offset by softer demand in North America
- **Specialty Additives** continued to face muted demand and elevated competition; cost actions and network consolidation supported margin resilience despite softer coatings, construction, and select industrial markets
- **Intermediates** modestly softer due to lower captive BDO pricing; merchant business stable with flat sales
- **Plant Operations** customer supply remained uninterrupted and free cash flow solid through the ongoing Calvert City repair work and recent weather challenges

resilient performance supported by strong execution and cost actions as the team manages pockets of weakness and isolated operational challenges, with encouraging early-Q2 sales trends

# Q1 highlights<sup>1</sup>

delivered steady performance through focused execution and ongoing cost discipline

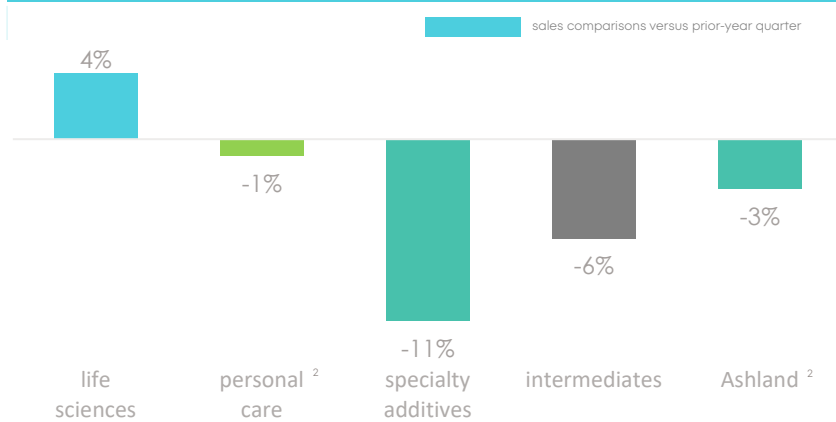


<sup>1</sup> Comparisons versus prior-year quarter. All figures are presented on an adjusted basis except Sales. Appendix B reconciles adjusted amounts to amounts reported under U.S. GAAP, including reconciliations of net income to EBITDA and Adjusted EBITDA, operating income to Adjusted Operating Income, 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.

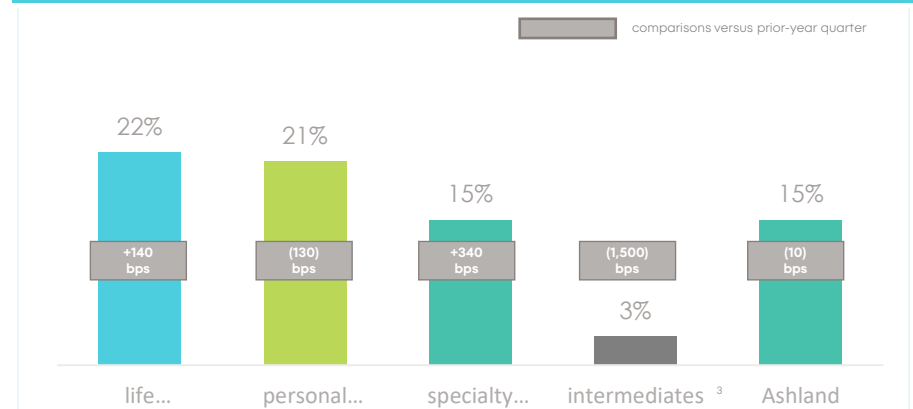
<sup>2</sup> Unless otherwise noted, earnings are reported on a diluted-share basis and exclude amortization expense.

# resilient performance maintained in mixed markets

## mixed demand trends across segments



## disciplined execution supports margin<sup>1</sup> stability



- <sup>1</sup> Adjusted EBITDA Margin. See Appendices A & B for additional detail. Some totals may not add due to rounding.  
<sup>2</sup> Personal Care sales and EBITDA margin adjusted for Avoca divestiture.  
<sup>3</sup> Merchant sales represents ~70% of Intermediates.

## Q1 financial results and business unit reviews

# fiscal-first quarter adjusted results<sup>1</sup>

## Ashland adjusted results summary<sup>1</sup>

(\$US in millions, except percentages)	Q1 FY26	Q1 FY25	change
sales	\$386	\$405	(5) %
gross profit margin	29.3 %	28.1 %	+120 bps
SG&A / R&D costs / intangible amortization	\$100	\$104	(4) %
operating income	\$14	\$11	+27 %
EBITDA	\$58	\$61	(5) %
EBITDA margin	15.0 %	15.1 %	(10) bps
EPS (excluding acquisition amortization) <sup>2</sup>	\$0.26	\$0.28	(7) %
ongoing Free Cash Flow <sup>3</sup>	\$26	\$(26)	NM



<sup>1</sup> All figures are presented on an adjusted basis except Sales. Appendix B reconciles adjusted amounts to amounts reported under U.S. 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.

<sup>2</sup> Unless otherwise noted, earnings are reported on a diluted-share basis.

<sup>3</sup> 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.

# life sciences

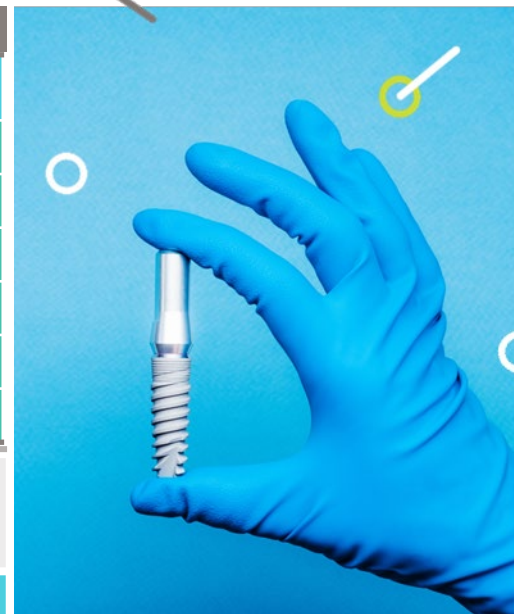
## highlights

- o pharma resilience continued; +LSD YoY, led by celluloseics, tablet coatings & injectables
- o pricing trends stable QoQ, modest YoY decline reflects prior-year carry-over
- o favorable product mix
- o adjusted EBITDA +11% YoY; 22.3% margin, +140bps despite Calvert City outage
- o continued execution on cost discipline and VP&D

adjusted results summary <sup>1</sup>			
(\$US in millions, except percentages)	Q1 FY26	Q1 FY25	change
sales	\$139	\$134	+4 %
gross profit	\$45	\$43	+5 %
gross profit margin	32.4%	32.1%	+30 bps
operating income	\$17	\$14	+21 %
EBITDA	\$31	\$28	+11 %
EBITDA margin	22.3 %	20.9 %	+140 bps
+LSD		+MSD	
pharma		nutrition & other	

Q1 FY26 year-over-year sales vs. prior-year<sup>2</sup> (HSD/MSD/LSD = high, mid or low single-digit %. DD = double-digit %)

<sup>1</sup> 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

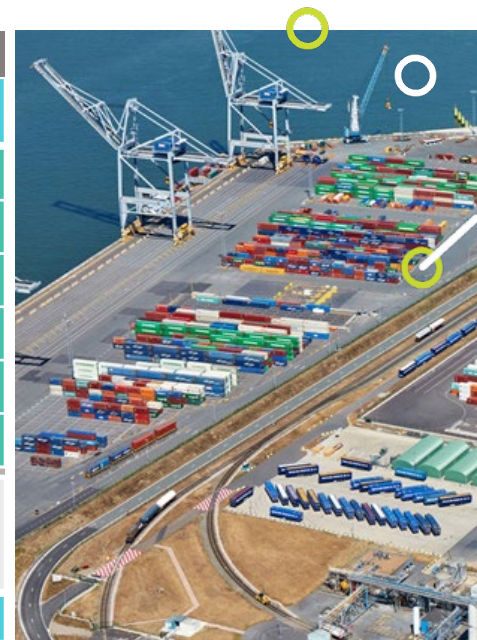
## highlights

- oversupply across BDO value chain continues to weigh on performance and pricing
- merchant business stable with steady volumes and modest pricing pressure resulting in flat sales
- profitability pressured by lower prices, reduced operating leverage, and upstream impact from the Calvert City outage

adjusted results summary <sup>1</sup>			
(\$US in millions, except percentages)	Q1 FY26	Q1 FY25	change
sales	\$31	\$33	(6) %
gross profit	\$2	\$5	(60) %
gross profit margin	6.5%	15.2%	(870) bps
operating income	\$0	\$3	NM
EBITDA	\$1	\$6	(83) %
EBITDA margin	3.2 %	18.2 %	(1,500) bps
no change		-DD	
merchant		captive	

Q1 FY26 year-over-year sales vs. prior-year<sup>2</sup> (HSD/MSD/LSD = high, mid or low single-digit %. DD = double-digit %)

<sup>1</sup> 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 avoca divestiture: (\$10MM) sales & (\$1MM) EBITDA
- o organic sales down 1% YoY, demand broadly stable
- o biofunctional actives up DD YoY, momentum strong
- o ongoing share gains in microbial protection
- o care ingredients saw isolated customer outages and softer demand in North America
- o low-20s margin driven by cost discipline and favorable mix, and Calvert City outage

adjusted results summary <sup>1</sup>			
(\$US in millions, except percentages)	Q1 FY26	Q1 FY25	change
sales	\$123	\$134	(8) %
gross profit	\$44	\$48	(8) %
gross profit margin	35.8%	35.8%	NM
operating income	\$11	\$12	(8) %
EBITDA	\$26	\$30	(13) %
EBITDA margin	21.1 %	22.4 %	(130) bps
+LSD	-MSD	+LSD	
skin care	hair care	oral care, household	

Q1 FY26 year-over-year sales vs. prior-year<sup>2</sup> (HSD/MSD/LSD = high, mid or low single-digit %. DD = double-digit %)

<sup>1</sup> 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

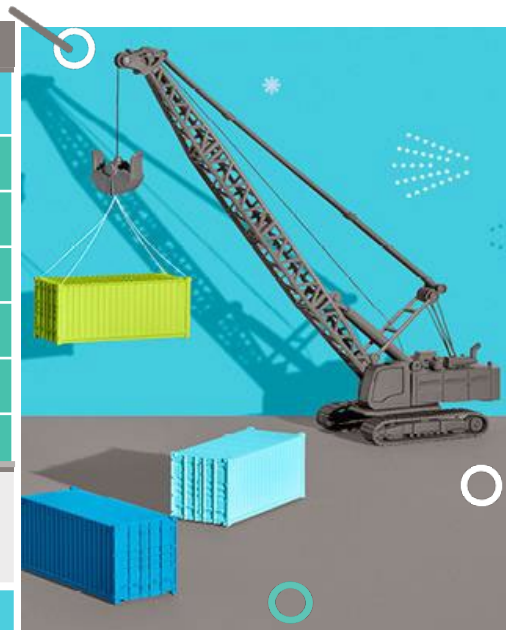
## highlights

- o sales down YoY, reflecting coatings softness in China and export markets and softer North America demand
- o overall coatings demand soft, with outperformance in Europe and Latin America
- o construction volumes lower amid soft repair & remodel
- o EBITDA & margins up YoY, supported by actions
- o innovation traction continued, \$5MM from recent launches

adjusted results summary <sup>1</sup>			
(\$US in millions, except percentages)	Q1 FY26	Q1 FY25	change
sales	\$102	\$115	(11) %
gross profit	\$22	\$18	+22 %
gross profit margin	21.6%	15.7%	+590 bps
operating income	\$0	\$(3)	NM
EBITDA	\$15	\$13	+15 %
EBITDA margin	14.7 %	11.3 %	+340 bps
-HSD		-DD	
coatings		construction, energy, performance spec.	

Q1 FY26 year-over-year sales vs. prior-year<sup>2</sup> (HSD/MSD/LSD = high, mid or low single-digit %. DD = double-digit %)

<sup>1</sup> All figures are presented on an adjusted basis except Sales. Appendix B reconciles adjusted amounts to amounts reported under U.S. GAAP, including reconciliations of net income to EBITDA and Adjusted EBITDA, operating income to Adjusted Operating Income.



strategic priorities & outlook

# execute: strengthening network, driving efficiencies

	FY26 target	key updates
<b>1 restructuring plan</b> reset cost structure and eliminate stranded cost	\$12MM ✓	• <b>plan completion;</b> ratably over 1H
+		
<b>2 manufacturing optimization</b> strengthen HEC & VP&D competitive position; enable share gains	\$18MM ✓	• <b>VP&amp;D &amp; small plant consolidation</b> on track; 2H weighted • HEC inefficiencies; actions underway
+		
<b>3 additional productivity</b> productivity improvements supporting higher throughput; profitable growth and / or selective unit benefits	tbd ✓	• <b>additional efficiency upside</b> across the network; assessment underway

structural cost gains remain intact as manufacturing optimization progresses; expected savings of \$50 to \$55MM are unchanged with an opportunity to reach \$60MM as China recovers

# globalize & innovate: FY26 early-year progress

on track



**Globalize:** delivered strong growth across most businesses with early investment benefits and accelerating momentum

target

+\$20  
million

incremental FY26  
sales target

progress

+\$3  
million  
incremental sales  
fiscal year-to-date

on track



**Innovate:** broad based growth led by pharma cellulosics with a healthy launch pipeline reinforcing momentum

target

+\$15  
million

incremental FY26  
sales target

progress

+\$6  
million  
incremental sales  
fiscal year-to-date

**building the FY26 foundation:** innovation leading and globalize advancing

# FY26 outlook: EBITDA range narrowed

## forward looking insights

### key market factors

- Life Sciences and Personal Care remain resilient with stable fundamentals
- Specialty Additives & Intermediates mixed with minimal coatings recovery
- early 2Q sales trends encouraging with traction in consumer markets
- raw material costs generally stable to favorable
- reliable supply chain performance in-line with recent trends
- typical seasonal cadence expected with stronger 2H performance

### strategic priorities

- ongoing momentum in innovation driven and globalized product lines
- cost savings actions progressing, benefits building through the year

### other key adj. EBITDA bridging items

- weather-related outages & Calvert City startup delay expected to impact Q2 by ~\$11MM; impacts are temporary & recoverable over time

## risks & opportunities

- mixed macro with regional variability
- geopolitical and tariff uncertainty
- Chinese overcapacity & exports
- trade policy & stimulus
- weather & operational performance
- raw material cost / FX volatility

## FY26 outlook

- **sales:** \$1,835 – \$1,905M

- **adj. EBITDA:** \$400 – \$420M

*(all other guidance metrics unchanged)*

- **adj. EPS<sup>1</sup> growth:** double-digit-plus

- **ongoing FCF conversion<sup>2</sup>:** ~50% of adj. EBITDA; includes ~\$100M capex

# innovative new technology platforms



## transformed vegetable oil

**nature-derived with tunable water solubility**

- Two new products launched since 2025 innovation day, now progressing through early commercial adoption
- Regulatory packages filed in all key regions, enabling customer qualification cycles



## super wetting agent

**high-performing silicone-PFAS-free, sustainable wetting agents**

- Launched easy-wet™ 310 wetting agent for industrial / specialty coating applications in September 2025
- Technology expanding into Personal Care, received positive customer feedback, targeting FY26 launch



## bioresorbable polymers

**enabling improved drug delivery systems & medical devices**

- Advancing into medical devices and aesthetic medicine; early projects active with key customers
- U.S. and China DMFs advancing through regulatory review, supporting customer submissions

demonstrating commercial progress across platforms since 2025 Innovation Day

# CEO priorities

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## **build resilience & deliver commitments**

- safety, sales growth, profitability, inventory, FCF, RONA
- manufacturing optimization goals for FY26-27

## **advance strategy: execute, globalize & innovate**

- accelerate innovation commercialization
- expand global platforms & productivity culture
- improve and sustain inventory management

## **drive leadership ownership & accountability**

- regional empowerment for ownership & accuracy

## **strengthen systems & processes**

- enhance S&OP, standard costing, financial planning
- leverage AI for productivity

## **invest in talent & organizational stability**

- developing and retaining top talent
- building organizational capability & bench strength

## **engage investors & deliver credibility**

- transparent communication & consistent execution

disciplined execution, productivity, innovation & ownership drive Ashland's FY26 priorities

Guillermo Novo, Chair and CEO  
closing comments

thank you

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Q&A



## appendix A: adjusted results summary and balance sheet

# Q1 adjusted results summary<sup>1</sup>

(\$US in millions, except percentages and per share data)	Q1 FY26	Q1 FY25	change
sales	\$386	\$405	(5) %
gross profit	\$113	\$114	(1) %
gross profit margin	29.3 %	28.1 %	+120 bps
SG&A / R&D costs / intangible amort.	\$100	\$104	(4) %
operating income	\$14	\$11	+27 %
depreciation & amortization	\$45	\$51	(12) %
EBITDA	\$58	\$61	(5) %
EBITDA Margin	15.0 %	15.1 %	(10) bps
net interest and other expense	\$10	\$11	(9) %
effective tax rate	NM	NM	NM
income from continuing operations	\$--	\$--	-- %
Income from Continuing Operations Excluding Intangible Amortization	\$12	\$14	(14) %
diluted share count (million shares)	46	48	(4) %
EPS (excluding intangible amortization)	\$0.26	\$0.28	(7) %

<sup>1</sup> 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 U.S. 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.

# Q1 business unit consolidation<sup>1</sup>

(\$US in millions, except percentages)	life sciences	personal care	specialty additives	Intermediates	intercompany eliminations <sup>2</sup>	unallocated and other <sup>3</sup>	Ashland
sales	\$139	\$123	\$102	\$31	(\$9)	-	\$386
gross profit	\$45	\$44	\$22	\$2			\$113
gross profit margin	32.4%	35.8%	21.6%	6.5%			29.3%
EBITDA	\$31	\$26	\$15	\$1	-	(\$15)	\$58
EBITDA Margin	22.3 %	21.1 %	14.7 %	3.2 %	-	-	15.0 %

<sup>1</sup> All figures are presented on an adjusted basis except Sales. Appendix B reconciles adjusted amounts to amounts reported under U.S. 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.

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

<sup>3</sup> 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	12/31/25 balance
cash					\$304
revolver availability					596
<b>cash and revolver availability<sup>1</sup></b>					<b>\$900</b>
<b>US and foreign A/R sales program<sup>1</sup></b>					<b>-</b>
debt					
2.00% notes (EUR)	Jan. 2028	2.000%	Ba2	BB+	\$588
3.375% notes	Sept. 2031	3.375%	Ba2	BB+	450
6.875% notes	May 2043	6.875%	Ba2	BB+	282
6.50% junior subordinated notes	Jun. 2029	6.500%	B2	BB+	73
revolving credit facility <sup>2</sup>	July 2027	Term SOFR+137.5	-	-	-
other <sup>3</sup>		-	-	-	(6)
<b>total debt</b>			<b>Ba2/stable</b>	<b>BB+/stable</b>	<b>\$1,387</b>
cash					(304)
<b>net debt</b>					<b>\$1,083</b>

<sup>1</sup> Total liquidity of \$900 million from all sources.

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

<sup>3</sup> Includes \$9 million of debt issuance cost discounts as of December 31, 2025.

# strong balance sheet & capital allocation strategy

## strong balance sheet and balanced capital allocation

### strong balance sheet<sup>1</sup>

- cash and liquidity available of ~\$0.9 billion
- net debt of \$1,083 million; net leverage of 2.7x
- next significant long-term debt maturity: January 2028
- balanced maturity schedule; no near-term refinancing pressure

### healthy ongoing Free Cash Flow<sup>2</sup> generation

- LTM Ongoing Free Cash Flow<sup>2</sup> of \$179 million
- continued discipline in working capital management

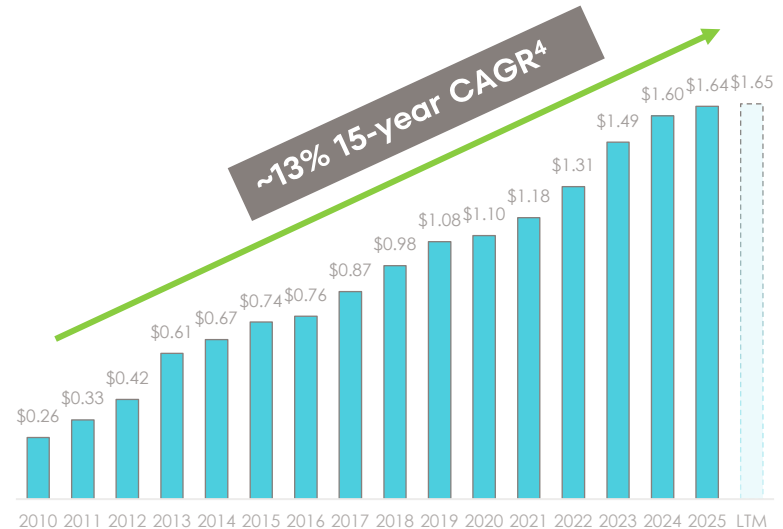
### share repurchases under \$1 billion authorization

- \$520 million remains under the current authorization
- LTM repurchases of \$100 million / ~1.5 million shares

### other long-term capital allocation priorities

- FY25 capex = \$98 million
- increased flexibility to pursue future M&A strategy
- fund innovation, global expansion, and productivity programs

## annual dividend<sup>3</sup> increase every year since 2009



<sup>1</sup> All figures as of December 31, 2025

<sup>2</sup> 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.

<sup>3</sup> Calendar year dividend payments. Dividends prior to June 15, 2017 are adjusted for the Valvoline separation.

<sup>4</sup> CAGR = Compound annual growth rate from December 31, 2010 – December 31, 2025

## appendix B: non-GAAP reconciliation<sup>1</sup>

<sup>1</sup> 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 December 31, 2025

(\$ millions, except percentages)

Sales <sup>1</sup>	Q1 26	Q4 25	Q3 25	Q2 25	Total	Q1 25
Life Sciences	\$ 139	\$ 173	\$ 162	\$ 172	\$ 646	\$ 134
Personal Care	123	151	147	146	567	134
Specialty Additives	102	131	131	134	498	115
Intermediates	31	33	33	37	134	33
Less: Intercompany Eliminations	(9)	(10)	(10)	(10)	(39)	(11)
Total	\$ 386	\$ 478	\$ 463	\$ 479	\$ 1,806	\$ 405

Adjusted EBITDA <sup>1</sup>	Q1 26	Q4 25	Q3 25	Q2 25	Total	Adjusted EBITDA Margin	Q1 25
Life Sciences	\$ 31	\$ 55	\$ 54	\$ 56	\$ 196	30.3%	\$ 28
Personal Care	26	43	41	44	154	27.2%	30
Specialty Additives	15	29	26	26	96	19.3%	13
Intermediates	1	5	7	2	15	11.2%	6
Unallocated	(15)	(13)	(15)	(20)	(63)		(16)
Total	\$ 58	\$ 119	\$ 113	\$ 108	\$ 398	22.0%	\$ 61

# Segment Components of Key Items for Applicable

## Income Statement Captions – for the 3 months ended December 31, 2025

In millions - preliminary and unaudited

(\$ millions)

Three Months Ended December 31, 2025						
	Life Sciences	Personal Care	Specialty Additives	Intermediates	Unallocated & Other	Total
<b>OPERATING INCOME (LOSS)</b>						
Operating key items:						
Environmental reserve adjustments	\$ -	\$ -	\$ -	\$ -	\$ (10)	\$ (10)
Other plant optimization costs	-	-	(5)	-	-	(5)
Restructuring, separation and other costs	-	-	-	-	(4)	(4)
Accelerated depreciation	-	-	(3)	-	-	(3)
Income on divestitures, net	-	-	-	-	2	2
All other operating income (loss)	17	11	-	-	(14)	14
Operating income (loss)	17	11	(8)	-	(26)	(6)
<b>NET INTEREST AND OTHER EXPENSE (INCOME)</b>						
Key items					(2)	(2)
All other net interest and other expense					10	10
					8	8
<b>OTHER NET PERIODIC BENEFIT LOSS</b>					1	1
<b>INCOME TAX EXPENSE (BENEFIT)</b>						
Tax effect of key items <sup>(a)</sup>					(4)	(4)
All other income tax expense					3	3
					(1)	(1)
<b>INCOME (LOSS) FROM CONTINUING OPERATIONS</b>	\$ 17	\$ 11	\$ (8)	\$ -	\$ (34)	\$ (14)

# Segment Components of Key Items for Applicable Income Statement Captions – for the 3 months ended December 31, 2024

In millions - preliminary and unaudited

(\$ millions)

	Three Months Ended December 31, 2024					
	Life Sciences	Personal Care	Specialty Additives	Intermediates	Unallocated & Other	Total
<b>OPERATING INCOME (LOSS)</b>						
Operating key items:						
Avoca impairment	\$ -	\$ -	\$ -	\$ -	\$ (183)	\$ (183)
Other plant optimization costs	-	(1)	(2)	-	-	(3)
Restructuring, separation and other costs	-	-	-	-	(3)	(3)
Environmental reserve adjustments	-	-	-	-	(1)	(1)
All other operating income (loss)	14	12	(3)	3	(15)	11
Operating income (loss)	14	11	(5)	3	(202)	(179)
<b>NET INTEREST AND OTHER EXPENSE</b>						
Key items					17	17
All other net interest and other expense					11	11
					28	28
<b>OTHER NET PERIODIC BENEFIT LOSS</b>						
Key items					1	1
All other net periodic benefit costs					1	1
					2	2
<b>INCOME TAX EXPENSE (BENEFIT)</b>						
Tax effect of key items <sup>(a)</sup>					(50)	(50)
Tax specific key items <sup>(b)</sup>					8	8
All other income tax expense					(1)	(1)
					(43)	(43)
<b>INCOME (LOSS) FROM CONTINUING OPERATIONS</b>	\$ 14	\$ 11	\$ (5)	\$ 3	\$ (189)	\$ (166)

# Ashland Inc. and Consolidated Subsidiaries

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

### for the 3 Months Ended December 31, 2025 and 2024

(\$ millions)

	Three months ended December 31	
	2025	2024
<b>Free cash flows</b>		
Total cash flows provided (used) by operating activities from continuing operations	\$ 125	\$ (30)
Adjustments:		
Additions to property, plant and equipment	(14)	(23)
Free Cash Flows	\$ 111	\$ (53)
Tax refund <sup>(a)</sup>	(103)	-
Cash outflows from U.S. Accounts Receivable Sales Program <sup>(b)</sup>	-	7
Cash outflows from Foreign Accounts Receivable Sales Program <sup>(c)</sup>	7	13
Restructuring-related payments <sup>(d)</sup>	5	3
Environmental and related litigation payments <sup>(e)</sup>	6	4
Ongoing Free Cash Flow	\$ 26	\$ (26)
Net loss	\$ (12)	\$ (165)
Adjusted EBITDA <sup>(f)</sup>	\$ 58	\$ 61
Operating Cash Flow Conversion <sup>(g)</sup>	Not meaningful	18%
Ongoing Free Cash Flow Conversion <sup>(h)</sup>	45%	-43%

(a) Represents receipt of tax refund related to the capital loss carryback from the Nutraceutical divestiture.

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

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

(d) Restructuring payments incurred during each period presented.

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

(f) See Adjusted EBITDA reconciliation.

(g) Operating Cash Flow Conversion is defined as Cash flows provided (used) by operating activities from continuing operations divided by Net loss.

(h) Ongoing Free Cash Flow Conversion is defined as Ongoing free cash flow divided by Adjusted EBITDA

	Three months ended December 31	
	2025	2024
<b>Adjusted Operating Income</b>		
<b>Operating loss (as reported)</b>	\$ (6)	\$ (179)
Key items, before tax:		
Environmental reserve adjustments	10	1
Other plant optimization costs	5	3
Restructuring, separation and other costs	4	3
Accelerated depreciation	3	-
Avoca business impairment	-	183
Income on divestitures, net	(2)	-
<b>Adjusted Operating Income (non-GAAP)</b>	\$ 14	\$ 11



# Reconciliation of Non-GAAP Data – Adjusted EBITDA

for the 3 Months Ended December 31, 2025 and 2024

(\$ millions)

	Three months ended December 31	
	2025	2024
Adjusted EBITDA - Ashland Inc.		
Net loss	\$ (12)	\$ (165)
Income tax benefit	(1)	(43)
Net interest and other expense	8	28
Depreciation and amortization <sup>(a)</sup>	45	51
EBITDA	40	(129)
Income from discontinued operations, net of income taxes	(2)	(1)
Loss on pension and other postretirement plan remeasurements	-	1
Operating key items (see Slides 29 & 30)	20	190
Adjusted EBITDA	\$ 58	\$ 61

# Reconciliation of Non-GAAP Data – Adjusted EBITDA

for the 3 Months Ended December 31, 2025 and 2024

(\$ millions)

Three months ended  
December 31

**2025**      **2024**

## Adjusted EBITDA - Life Sciences

Operating income

\$ 17      \$ 14

Add:

Depreciation and amortization

14      14

Adjusted EBITDA

\$ 31      \$ 28

## Adjusted EBITDA - Personal Care

Operating income

\$ 11      \$ 11

Add:

Depreciation and amortization

15      18

Operating key items (see Slides 29 & 30)

-      1

Adjusted EBITDA

\$ 26      \$ 30

## Reconciliation of Non-GAAP Data – Adjusted EBITDA

for the 3 Months Ended December 31, 2025 and 2024

(\$ millions)

	Three months ended December 31	
	2025	2024
Adjusted EBITDA - Specialty Additives		
Operating loss	\$ (8)	\$ (5)
Add:		
Depreciation and amortization <sup>(a)</sup>	15	16
Operating key items (see Slides 29 & 30)	8	2
Adjusted EBITDA	<u>\$ 15</u>	<u>\$ 13</u>
Adjusted EBITDA - Intermediates		
Operating income	\$ -	\$ 3
Add:		
Depreciation and amortization	1	3
Adjusted EBITDA	<u>\$ 1</u>	<u>\$ 6</u>

# Ashland Inc. and Consolidated Subsidiaries

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

### for the 3 Months Ended December 31, 2025 and 2024

(\$ millions)

	Three months ended December 31	
	2025	2024
<b>Loss from continuing operations (as reported)</b>	\$ (14)	\$ (166)
Key items, before tax:		
Environmental reserve adjustments	10	1
Other plant optimization costs	5	3
Restructuring, separation and other costs	4	3
Accelerated depreciation	3	-
Avoca business impairment	-	183
Loss on pension plan remeasurements	-	1
Income on divestitures, net	(2)	-
Unrealized (gains) losses on securities	(2)	17
Key items, before tax	18	208
Tax effect of key items <sup>(a)</sup>	(4)	(50)
Key items, after tax	14	158
Tax specific key items:		
Uncertain tax positions	-	1
Other and tax reform related activity	-	7
Tax specific key items <sup>(b)</sup>	-	8
Total key items	14	166
<b>Adjusted Loss from Continuing Operations (non-GAAP)</b>	\$ -	\$ -
Amortization expense adjustment (net of tax) <sup>(c)</sup>	12	14
<b>Adjusted Income from Continuing Operations (non-GAAP) Excluding Intangibles Amortization Expense</b>	\$ 12	\$ 14

(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. These tax specific key items included the following:

-Uncertain tax positions: Includes the impact from the settlement of uncertain tax positions with various tax authorities.

-Other and tax reform: Includes the impact from the measurement of foreign deferred tax balances resulting from the impact from rate changes for foreign jurisdictions and other tax law changes enacted during fiscal 2025.

(c) Amortization expense adjustment (net of tax) tax rates were 20% and 21% for the three months ended December 31, 2025 and 2024, respectively.



# Ashland Inc. and Consolidated Subsidiaries

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

for the 3 Months Ended December 31, 2025 and 2024

	Three months ended December 31	
	2025	2024
<b>Diluted EPS from continuing operations (as reported)</b>	\$ (0.30)	\$ (3.51)
Key items, before tax:		
Environmental reserve adjustments	0.22	0.02
Other plant optimization costs	0.11	0.06
Restructuring, separation and other costs	0.08	0.06
Accelerated depreciation	0.06	-
Avoca business impairment	-	3.89
Loss on pension plan remeasurements	-	0.02
Income on divestitures, net	(0.04)	-
Unrealized (gains) losses on securities	(0.05)	0.35
Key items, before tax	0.38	4.40
Tax effect of key items <sup>(a)</sup>	(0.09)	(1.07)
Key items, after tax	0.29	3.33
Tax specific key items:		
Uncertain tax positions	-	0.02
Other and tax reform related activity	-	0.15
Tax specific key items <sup>(b)</sup>	-	0.17
Total key items	0.29	3.50
<b>Adjusted Diluted EPS from Continuing Operations (non-GAAP)</b>	<b>\$ (0.01)</b>	<b>\$ (0.01)</b>
Amortization expense adjustment (net of tax) <sup>(c)</sup>	0.27	0.29
<b>Adjusted Diluted EPS from Continuing Operations (non-GAAP) Excluding Intangibles Amortization Expense</b>	<b>\$ 0.26</b>	<b>\$ 0.28</b>

(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. These tax specific key items included the following:

-Uncertain tax positions: Includes the impact from the settlement of uncertain tax positions with various tax authorities.

-Other and tax reform: Includes the impact from the measurement of foreign deferred tax balances resulting from the impact from rate changes for foreign jurisdictions and other tax law changes enacted during fiscal 2025.

(c) Amortization expense adjustment (net of tax) tax rates were 20% and 21% for the three months ended December 31, 2025 and 2024, respectively.





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