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Third Quarter 2020 Earnings Presentation

October 29, 2020

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Non-GAAP Financial Measures: This presentation includes certain non-GAAP financial measures intended to supplement, not substitute for, comparable GAAP measures. Reconciliations of non-GAAP financial measures to GAAP financial measures are provided within the Appendix to this presentation. Investors are urged to consider carefully the comparable GAAP measures and the reconciliations to those measures provided.

Today's Agenda

1 Third Quarter Highlights

2 Segment Performance

3 Financial Review

4 Guidance

5 Ingevity 2.0

6 Q&A

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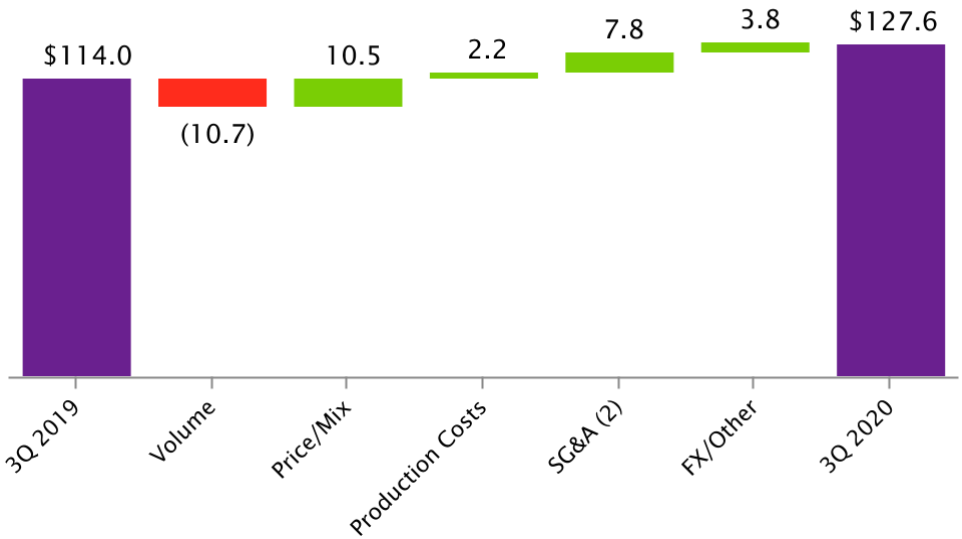
Third Quarter 2020 Results

$ in millions	3Q 2020	3Q 2019	vs Prior Year ▲	▲%
Net Sales	**331.7**	**359.9**	**(28.2)**	**(7.8)%**
Adjusted EBITDA(1)	127.6	114.0	13.6	11.9%
Adjusted EBITDA(1) Margin	38.5%	31.7%	+680bps	

3Q Adjusted EBITDA(1)



Performance Highlights

- Revenues down only 8%
- Results driven by:
  - Strong rebounds in automotive sales and production globally
  - Continued strong paving season in both North America and international
  - Cost reduction actions and strong execution
  - Partially offset by COVID-weakened demand in engineered polymers, industrial specialties and oilfield applications
- Adjusted EBITDA up 12%; all-time quarterly record
- Adjusted EBITDA margin up 680 basis points to 38.5%; all-time quarterly record
- Strong free cash flow[1] of $73.5 million

(1) Please see appendices included at the end of this presentation for Ingevity's use of non-GAAP financial measures, definitions of those financial measures as well as the reconciliation to the nearest GAAP financial measure.
(2) SG&A includes research & technical expense.

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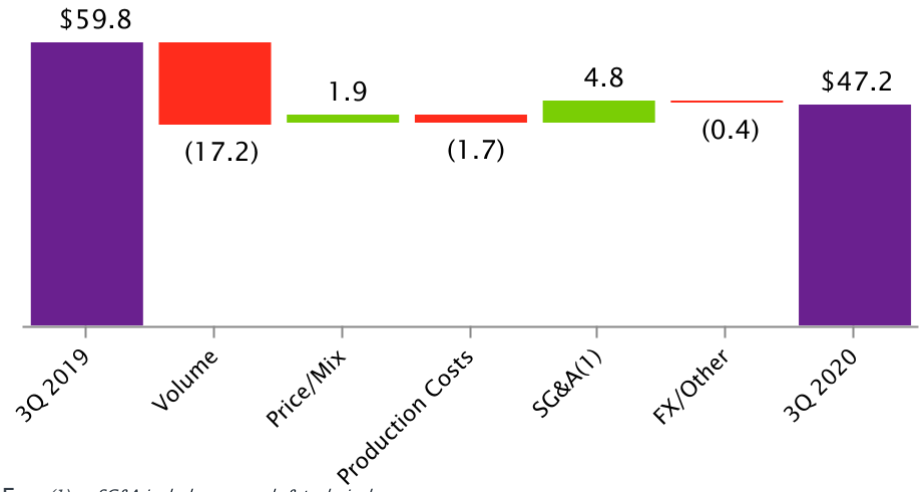
Performance Chemicals

$ in millions	3Q 2020	3Q 2019	vs Prior Year ▲	▲%
Net Sales	**187.9**	**229.7**	**(41.8)**	**(18.2)%**
Pavement Technologies	72.5	69.8	2.7	3.9%
Engineered Polymers	25.3	32.4	(7.1)	(21.9)%
Industrial Specialties	76.1	99.9	(23.8)	(23.8)%
Oilfield Technologies	14.0	27.6	(13.6)	(49.3)%
Segment EBITDA	47.2	59.8	(12.6)	(21.1)%
Segment EBITDA Margin	25.1%	26.0%	-90 bps	

3Q Segment EBITDA



Performance Highlights

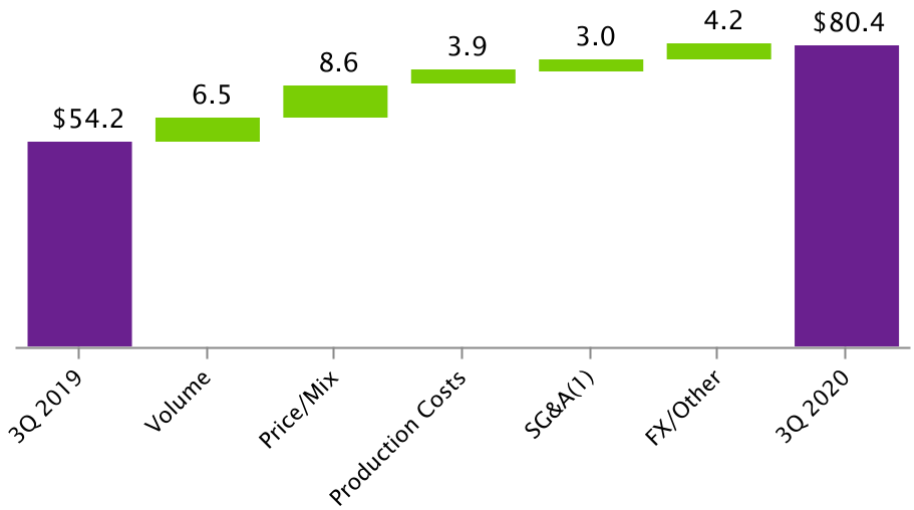
- Revenue of $188 million; down 18%
  - *Pavement Technologies*: Record quarterly sales; sales flat in North America, while up sharply in China and EMEA, albeit on smaller bases
  - *Engineered Polymers*: Volumes down due to global industrial weakness and in footwear and medical devices; bioplastics continues to show growth; successful sales of derivatized polyols and thermoplastics, accounting for ~80% of business unit revenue this quarter
  - *Industrial Specialties*: Continued pressure in most end-use markets impacted by global industrial slowdown; Ingevity products for sustainable agriculture applications continue to advance with a number of major customers
  - *Oilfield Technologies*: Down due to reduced N. Amer. drilling; production down moderately; wins in China, Middle East
- Segment EBITDA of $47 million; down 21%
  - Reduced volumes and plant throughput partially offset by improved price/mix, and lower SG&A
- Planned Q4 outages at Warrington, U.K., and North Charleston, S.C., facilities

(1) *SG&A includes research & technical expense.*

Performance Materials

$ in millions	3Q 2020	3Q 2019	vs Prior Year ▲	▲%
Net Sales	**143.8**	**130.2**	**13.6**	**10.4%**
Automotive Technologies	136.8	120.5	16.3	13.5%
Process Purification	7.0	9.7	(2.7)	(27.8)%
Segment EBITDA	80.4	54.2	26.2	48.3%
Segment EBITDA Margin	55.9%	41.6%	+1430 bps	

3Q Segment EBITDA



Performance Highlights

- Record revenues of $144 million; up 10%
  - Strong rebound in U.S./Canada as OEMs refill pipeline; U.S. vehicle inventory at 9-year low in May – September
    - Q3 U.S./Canada vehicle sales down 8.7%; N. Amer. production up 0.4%
    - Record truck + SUV mix at 77%
    - Record quarterly production of honeycomb scrubbers
  - Continued strong demand in China
    - July vehicle sales and production up 13.8% and 18.3%, respectively
    - August sales and production up 9.5% and 3.8%, respectively
    - China 6 is fully implemented
- Record segment EBITDA of $80 million, up 48%
  - Strong volume and price/mix improvement
  - Leverage of low variable cost
  - Lower SG&A and legal costs
- No plant furloughs in Q3, none expected for rest of year; facilities back to running at normal pace
- 35-day kiln replacement outage at Covington, Va., in October/November

(1) *SG&A includes research & technical expense as well as legal expenses.*

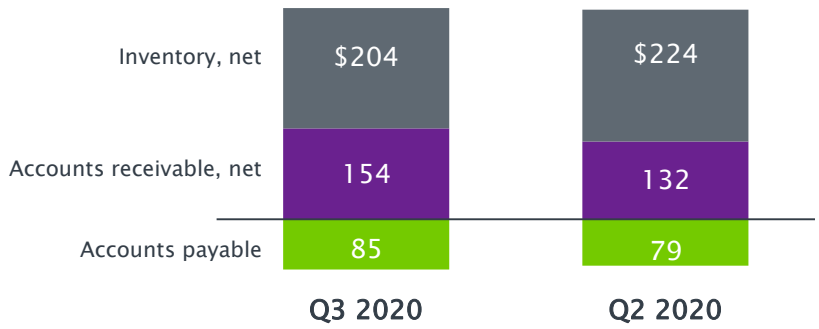
Third Quarter 2020 Financial Summary

Capital Structure

$ in millions	Current Pricing	Amount
$750m Revolver	L+150	$170.0
Term Loans	L+100-150	726.6
$166mm Interest Rate Swap [1]	*1.35%*	
Senior Notes	4.5%	300.0
Finance Leases & Other [2]	~8%	108.5
Total Debt		$1,305.1
Less: Cash Balance [3]		(200.1)
Less: Restricted Investment		(73.0)
Total Net Debt [4]		$1,032.0
Net Debt Ratio [4]		**2.73x**

Working Capital Management

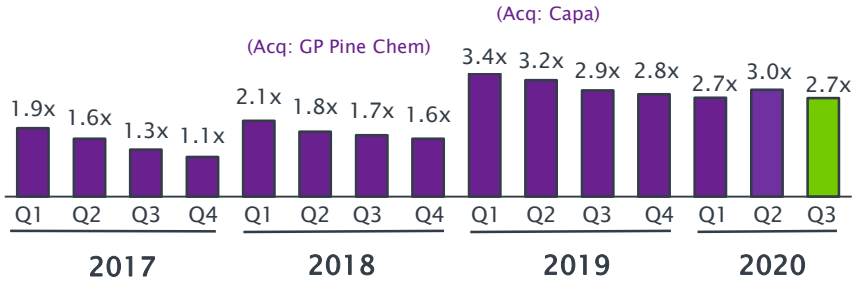
$ in millions



	Q3 2020	Q2 2020
Trade Working Capital [5]	**$273**	**$277**
% of LTM Net Sales	*23%*	*23%*

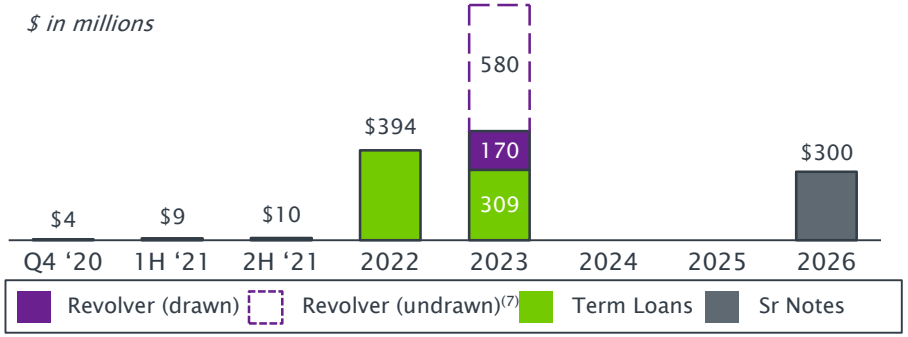
Historical Net Debt Ratio [4]

Targeted Net Debt ratio = 2.0 – 2.5x



Debt Maturity Schedule as of Sept. 30 [6]

$ in millions



(1) *$166m interest rate swap through 2023*
(2) *Finance leases related to the Industrial Development Bond that is part of the financing for our Wickliffe, Kentucky facility of $80.0 million and our HQ lease of $23.3 million; other relates to other short term borrowings less deferred financing fees*
(3) *Includes $1.9 million of Restricted Cash related to our New Market Tax Credit arrangement.*
(4) *See appendix for Non GAAP reconciliation.*
(5) *Trade Working Capital is defined as Inventory + Accounts Receivable – Accounts Payable*
(6) *Excludes ~$5m of other debt, $80m Finance Lease (due 2027), and $23.3m related to our HQ lease (15 year term) for simplicity*
(7) *As of September 30, 2020, $577.6 million was undrawn, reflecting $2.4 million of outstanding letters of credit.*

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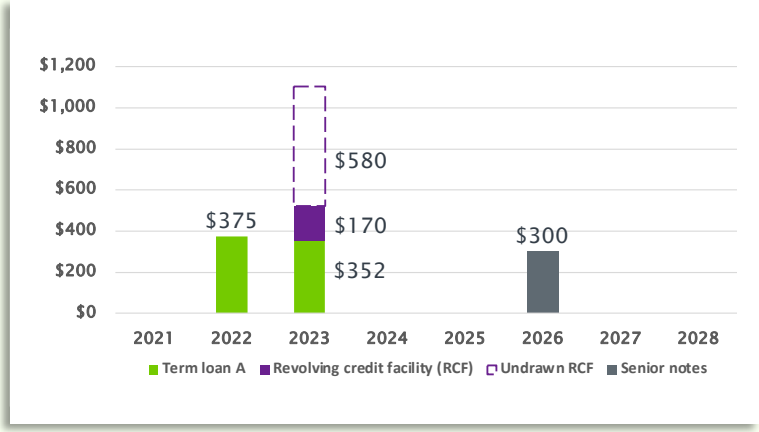
Updated Capital Structure

Debt Maturity Profile as of Sept. 30



New Debt Maturity Profile

Notes Offering and Credit Facility Amendment

- $550 million 8-year senior notes issued at 3.875%
- Amended and extended revolving credit facility (RCF)
  - Downsized from $750 million to $500 million
  - Pushed maturity from 2023 to 2025
- Proceeds used to repay
  - $375 million 2022 term loan agreement
  - Remaining $170 million outstanding on the RCF
- Added ~3 years to debt maturity profile
- Call provision in February 2026 on senior notes provides opportunity to minimize dilution
- Enables efficient and flexible capital structure for next several years

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2020 Revised Guidance
($M)

Item	Current FY20 Guidance	Narrowed FY20 Guidance
Revenue	$1,100 – $1,200	$1,150 – $1,200
Adjusted EBITDA[1]	$310 – $350	$355 – $365
Adjusted tax rate[1]	22 – 24%	21 – 22%
Capital expenditures	~$85	~$85
Free Cash Flow[1]	$130 – 170	≥ $175
Net Debt Ratio[1]	~2.75 – 3.25x	≤ 2.75x

(1) *Please see appendices included at the end of this presentation for Ingevity's use of non-GAAP financial measures, definitions of those financial measures as well as the reconciliation to the nearest GAAP financial measure.*

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From Ingevity 1.0 to Ingevity 2.0

Ingevity 1.0 Success	Ingevity 2.0 Focus
Completed successful spin-off into publicly traded company	Drive further organic growth by leveraging technology-driven customer relationships
Executed to opportunity for Performance Materials in U.S./Canada and China	Continue to improve top line across the businesses by focusing on derivatized, high-margin products
Drove Performance Chemicals margins from 13% to 23%	Build on our heritage of innovation
Organized around our roots as a sustainable company and established a dedicated Sustainability function	Use sustainability as a key competitive advantage and demonstrate value to customers
Established as a leading specialty chemicals company with over 30% adjusted EBITDA margins	*Leverage favorable macro-trends*

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Ingevity 2.0

Favorable Trends Provide Growth Opportunities

- Customer focus on renewable resources as they seek to reduce their GHG footprints
- Continued regulatory activity in end-use applications that favor our products
- Biofuels market expected to grow rapidly
- Increasing renewable natural gas containment and use

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Ingevity 2.0

Strategic approach to growth

Sustainability as a Competitive Advantage

- Demonstrate value to customers and shareholders by conducting **GHG studies** across Ingevity's product portfolio
- Obtain relevant **"green product" certifications**
- **Expand regulatory advocacy** efforts for key end-uses like asphalt, engineered polymers and select adhesives

Customer- and Market-Driven Culture

- Lean into existing customer-centric approach to achieve **"stickiness" in customer formulations**
- Drive **geographic expansion** for Oilfield and Pavement Technologies
- Streamline customer interactions through a **digital transformation**

Focused Approach to Innovation

- Establish **growth pipelines** across both business segments
- Explore opportunities to leverage Engineered Polymers platform with **emphasis on bioplastics**
- **Accelerate ANG adoption** and **assess new applications** where our activated carbon can add value
- Explore opportunities related to **biofuels market**

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Well Positioned for Value Creation

Market-leading global specialty chemical company

- Well-positioned to capitalize on:
  - Increasingly rigorous regulatory landscape
  - Emissions standards
  - Technology adoption
  - Infrastructure spending

Developing and delivering high-performance solutions

- Brings extensive technical and market expertise
- Diversified product portfolio including significant intellectual property and patents

Deep and longstanding customer relationships

- Relentless focus on developing, manufacturing, and bringing to market products and processes that help solve complex problems

Strong balance sheet and cash flow generation

- Support balanced capital deployment between investments in organic growth and opportunistic acquisitions, supported by prudent shareholder returns to drive sustained value

Experienced and proven management team

- Deep talent bench with the right skills to continue to execute strategic plan

For More Information

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Media
Laura Woodcock (843) 746-8197

Thank you for your interest in Ingevity!

Appendix

Third Quarter 2020 Financial Results

$ in millions except EPS	Q3 QTD 2020	Q3 QTD 2019	vs PY Δ%	Q3 YTD 2020	Q3 YTD 2019	vs PY Δ%
Consolidated Income Statement:						
Net sales	**$331.7**	**$359.9**	**(7.8)%**	**$890.5**	**$989.5**	**(10.0)%**
Gross Profit	$139.6	$139.5	**0.1%**	$338.1	$371.0	**(8.9)%**
% Margin	42.1%	38.8%	***+330 bps***	38.0%	37.5%	***+50 bps***
Core SG&A[1]	$26.9	$33.8	**(20.4)%**	$84.0	$103.3	**(18.7)%**
Acquisition Amortization	8.0	6.9	**15.9%**	23.9	19.0	**25.8%**
Total Selling, General & Admin Expense	$34.9	$40.7	**(14.3)%**	$107.9	$122.3	**(11.8)%**
% of Net Sales - Total SG&A	*10.5%*	*11.3%*	***-80 bps***	*12.1%*	*12.4%*	***-30 bps***
% of Net Sales - Core SG&A[1]	*8.1%*	*9.4%*	***-130 bps***	*9.4%*	*10.4%*	***-100 bps***
Adjusted EBITDA[1]	$127.6	$114	**11.9%**	$287.0	$305.8	**(6.1)%**
% Margin[1]	***38.5%***	***31.7%***	***+680 bps***	***32.2%***	***30.9%***	***+130 bps***
Interest expense, net	$8.9	$12.1	**(26.4)%**	$29.8	$36.3	**(17.9)%**
Income taxes on Adjusted Earnings[1]	$19.4	$18.2	**6.6%**	$36.2	$46.5	**(22.2)%**
Adjusted earnings (loss)[1]	$74.2	$62.2	**19.3%**	$147.5	$161.6	**(8.7)%**
Diluted Adjusted EPS[1]	$1.79	$1.46	**22.6%**	$3.55	$3.83	**(7.3)%**
Consolidated Cash Flow Items:						
Cash Flow from Operations	$90.0	$118.7		$199.1	$190.2	
Less: Capital Expenditures	16.5	22.1		51.0	79.8	
Free Cash Flow[1]	***$73.5***	***$96.6***	***(23.9)%***	***$148.1***	***$110.4***	***34.1%***

(1) Please see appendices included at the end of this presentation for Ingevity's use of non-GAAP financial measures, definitions of those financial measures as well as the reconciliation to the nearest GAAP financial measure.

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Non-GAAP Financial Measures

Ingevity has presented certain financial measures, defined below, which have not been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") and has provided a reconciliation to the most directly comparable financial measure calculated in accordance with GAAP. These financial measures are not meant to be considered in isolation or as a substitute for the most directly comparable financial measure calculated in accordance with GAAP. The company believes these non-GAAP measures provide investors, potential investors, securities analysts and others with useful information to evaluate the performance of the business, because such measures, when viewed together with our financial results computed in accordance with GAAP, provide a more complete understanding of the factors and trends affecting our historical financial performance and projected future results.

Ingevity uses the following non-GAAP measures:

Adjusted earnings (loss) is defined as net income (loss) plus restructuring and other (income) charges, net, acquisition and other-related costs, pension and postretirement settlement and curtailment (income) charges and the income tax expense (benefit) on those items, less the provision (benefit) from certain discrete tax items.

Diluted adjusted earnings (loss) per share is defined as diluted earnings (loss) per common share plus restructuring and other (income) charges, net per share, acquisition and other-related costs per share, pension and postretirement settlement and curtailment (income) charges per share and the income tax expense (benefit) per share on those items, less the per share tax provision (benefit) from certain discrete tax items per share.

Adjusted EBITDA is defined as net income (loss) plus provision (benefit) for income taxes, interest expense, depreciation and amortization, restructuring and other (income) charges, net, acquisition and other-related costs, and pension and postretirement settlement and curtailment (income) charges.

Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by Net sales.

Income Taxes on Adjusted Earnings is defined as provision for income taxes plus the tax expense (benefit) on restructuring and other (income) charges, net, acquisition and other-related costs, pension and postretirement settlement and curtailment (income) charges, less the provision (benefit) from certain discrete tax items.

Adjusted Tax Rate is defined as Provision for Income Taxes on Adjusted Earnings divided by Adjusted Earnings (loss).

Core SG&A is defined as selling, general, and administrative costs less intangible amortization expense related to acquisitions.

Core SG&A as a Percent of Sales is defined as Core SG&A divided by Net sales.

Net Debt is defined as the sum of short-term debt, current maturities of long-term debt and long-term debt less the sum of cash and cash equivalents and restricted investment.

Net Debt Ratio is defined as Net Debt divided by last twelve months Adjusted EBITDA, inclusive of acquisition-related pro forma adjustments.

Free Cash Flow is defined as the sum of cash provided by (used in) the following items: operating activities less capital expenditures.

Ingevity also uses the above financial measures as the primary measures of profitability used by managers of the business. In addition, Ingevity believes Adjusted EBITDA and Adjusted EBITDA Margin are useful measures because they exclude the effects of financing and investment activities as well as non-operating activities. None of the above non-GAAP financial measures are intended to replace the presentation of financial results in accordance with GAAP and investors should consider the limitations associated with these non-GAAP measures, including the potential lack of comparability of these measures from one company to another. Reconciliations of these non-GAAP financial measures are set forth within the following pages.

A reconciliation of net income to adjusted EBITDA as projected for 2020 is not provided. Ingevity does not forecast net income as it cannot, without unreasonable effort, estimate or predict with certainty various components of net income. These components, net of tax, include further restructuring and other income (charges), net; additional acquisition and other related costs in connection with the acquisition of Perstorp Holding AB's Capa caprolactone business; additional pension and postretirement settlement and curtailment (income) charges; and revisions due to future guidance and assessment of U.S. tax reform. Additionally, discrete tax items could drive variability in our projected effective tax rate. All of these components could significantly impact such financial measures. Further, in the future, other items with similar characteristics to those currently included in adjusted EBITDA, that have a similar impact on comparability of periods, and which are not known at this time, may exist and impact adjusted EBITDA. A reconciliation of our GAAP effective tax rate to adjusted tax rate as projected for 2020 is not provided due to the same reasons as listed under the net income to adjusted EBITDA as projected for 2020 detailed above. A reconciliation of our total debt to net income ratio to our net debt ratio as project for 2020 is not provided as we do not forecast net income as noted above.

Reconciliation of Net Income (Loss) (GAAP) to Adjusted Earnings (Loss) (Non-GAAP)

In millions, except per data (unaudited)	Three Months Ended September 30, 2020	Three Months Ended September 30, 2019	Nine Months Ended September 30, 2020	Nine Months Ended September 30, 2019
Net income (loss) (GAAP)	$ 69.9	$ 59.9	$ 135.4	$ 139.4
Restructuring and other (income) charges [1]	5.5	1.7	13.3	2.0
Acquisition and other related costs [2]	—	1.3	1.7	33.3
Tax effect on items above	(1.2)	(0.8)	(3.4)	(6.4)
Certain discrete tax provision (benefit) [3]	—	0.1	0.5	(6.7)
Adjusted earnings (loss) (Non-GAAP)	$ 74.2	$ 62.2	$ 147.5	$ 161.6
Diluted earnings (loss) per common share (GAAP)	$ 1.69	$ 1.41	$ 3.26	$ 3.30
Restructuring and other (income) charges	0.13	0.04	0.32	0.05
Acquisition and other related costs	—	0.03	0.04	0.79
Tax effect on items above	(0.03)	(0.02)	(0.08)	(0.15)
Certain discrete tax provision (benefit)	—	—	0.01	(0.16)
Diluted adjusted earnings (loss) per share (Non-GAAP)	$ 1.79	$ 1.46	$ 3.55	$ 3.83
Weighted average common shares outstanding - Diluted	41.5	42.6	41.6	42.2

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(1) Income (charges) for all periods presented relate to restructuring activity and costs associated with the business transformation initiative. For the three and nine months ended September 30, 2020, charges of $2.6 million and $5.4 million relate to the Performance Material segment, respectively, and charges of $3.0 million and $7.9 million related the Performance Chemicals segment. For the three and nine months ended September 30, 2019, all charges relate to the Performance Chemicals segment.

(2) Charges primarily relate to legal and professional fees, inventory step-up amortization, and a purchase price hedge incurred, associated with acquisitions in the Performance Chemicals segment.

In millions	Three Months Ended September 30, 2020	Three Months Ended September 30, 2019	Nine Months Ended September 30, 2020	Nine Months Ended September 30, 2019
Legal and professional service fees	$ —	$ 1.3	$ 1.7	$ 12.2
Caprolactone Acquisition purchase price hedge adjustment	—	—	—	12.7
Acquisition-related costs	—	1.3	1.7	24.9
Inventory fair value step-up amortization [i]	—	—	—	8.4
Acquisition and other related costs	$ —	$ 1.3	$ 1.7	$ 33.3

(i) Included within "Cost of sales" on the condensed consolidated statement of operations.

(3) Represents certain discrete tax items such as excess tax benefits on stock compensation and impacts of changes associated with U.S. Tax Reform. Management believes excluding these discrete tax items assists investors, potential investors, securities analysts, and others in understanding the tax provision and the effective tax rate related to continuing operating results thereby providing useful supplemental information about operational performance.

Reconciliation of Net Income (GAAP) to Adjusted EBITDA (Non-GAAP)

In millions (unaudited)	Three Months Ended September 30, 2020	Three Months Ended September 30, 2019	Nine Months Ended September 30, 2020	Nine Months Ended September 30, 2019
Net income (loss) (GAAP)	$ 69.9	$ 59.9	$ 135.4	$ 139.4
Provision (benefit) for income taxes	18.2	17.5	33.3	33.4
Interest expense, net	8.9	12.1	29.8	36.3
Depreciation and amortization	25.1	21.5	73.5	61.4
Restructuring and other (income) charges, net	5.5	1.7	13.3	2.0
Acquisition and other related costs	—	1.3	1.7	33.3
Adjusted EBITDA (Non-GAAP)	$ 127.6	$ 114.0	$ 287.0	$ 305.8
Net sales	$ 331.7	$ 359.9	$ 890.5	$ 989.5
Net income (loss) margin	21.1 %	16.6 %	15.2 %	14.1 %
Adjusted EBITDA margin	38.5 %	31.7 %	32.2 %	30.9 %

Reconciliation of Provision for Income Taxes (GAAP) to Provision for Income Taxes on Adjusted Earnings (Non-GAAP)

In millions (unaudited)	Three Months Ended September 30, 2020	Three Months Ended September 30, 2019	Nine Months Ended September 30, 2020	Nine Months Ended September 30, 2019
Adjusted EBITDA (Non-GAAP)	$ 127.6	$ 114.0	$ 287.0	$ 305.8
Depreciation and amortization	25.1	21.5	73.5	61.4
Interest expense, net	8.9	12.1	29.8	36.3
Adjusted income before taxes (Non-GAAP)	$ 93.6	$ 80.4	$ 183.7	$ 208.1
Provision (benefit) for income taxes (GAAP)	$ 18.2	$ 17.5	$ 33.3	$ 33.4
Tax effect on certain items	(1.2)	(0.8)	(3.4)	(6.4)
Discrete tax provision (benefit)	—	0.1	0.5	(6.7)
Provision for Income Taxes on Adjusted Earnings (Non-GAAP)	$ 19.4	$ 18.2	$ 36.2	$ 46.5
Tax Rate (GAAP)	20.7 %	22.6 %	19.7 %	19.3 %
Adjusted Tax Rate (Non-GAAP)	20.7 %	22.6 %	19.7 %	22.3 %

Calculation of Total Debt to Net Income (Loss) Ratio (GAAP) to Net Debt to Adjusted EBITDA Ratio (Non-GAAP)

In millions, except ratios (unaudited)		September 30, 2020
Notes payable and current maturities of long-term debt	$	22.4
Long-term debt including finance lease obligations		1,277.0
Debt issuance costs		5.7
Total Debt		1,305.1
Less:		
Cash and cash equivalents [1]		200.1
Restricted investment		73.0
Net Debt	$	1,032.0
Total Debt to Net income (loss) Ratio (GAAP)		
Twelve months ended December 31, 2019	$	183.7
Nine months ended September 30, 2019		(139.4)
Nine months ended September 30, 2020		135.0
Net income (loss) - last twelve months (LTM) as of September 30, 2020	$	179.3
Total debt to Net income (loss) ratio (GAAP)		7.28x
Net Debt Ratio (Non GAAP)		
Twelve months ended December 31, 2019	$	396.9
Nine months ended September 30, 2019		(305.8)
Nine months ended September 30, 2020		287.0
Adjusted EBITDA - LTM as of September 30, 2020	$	378.1
Net debt ratio (Non GAAP)		2.73x

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(1) Includes $1.9 million of Restricted Cash related to our New Market Tax Credit arrangement.

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Calculation of Historical Net Debt Ratio (Non-GAAP)

	2016			2017				2018			
In millions, except ratios (unaudited)	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net Debt[1]	$ 445.2	$ 424.0	$ 391.7	$ 405.1	$ 370.2	$ 314.0	$ 295.8	$ 628.7	$ 600.2	$ 627.5	$ 610.2
Adjusted EBITDA[2]	58.4	59.6	36.0	50.2	67.2	72.7	52.6	67.1	89.4	90.7	73.3
Pine Chemical Pro Forma[3]	—	—	—	6.0	5.6	7.5	7.8	4.8	—	—	—
Caprolactone Pro Forma [3]	—	—	—	—	—	—	—	15.1	14.5	16.7	14.8
Pro Forma Adjusted EBITDA	58.4	59.6	36.0	56.2	72.8	80.2	60.4	87.0	103.9	107.4	88.1
LTM Pro Forma Adjusted EBITDA	—	—	—	210.2	224.6	245.2	269.6	300.4	331.5	358.7	386.4
Net Debt Ratio	—	—	—	1.9x	1.6x	1.3x	1.1x	2.1x	1.8x	1.7x	1.6x

	2019				2020	
In millions, except ratios (unaudited)	Q1	Q2	Q3	Q4	Q1	Q2
Net Debt[1]	$ 1,319.2	$ 1,267.7	$ 1,175.9	$ 1,121.0	$ 1,113.3	$ 1,078.5
Adjusted EBITDA[2]	83.5	108.3	114.0	91.1	92.2	67.2
Pine Chemical Pro Forma[3]	—	—	—	—	—	—
Caprolactone Pro Forma [3]	5.5	—	—	—	—	—
Pro Forma Adjusted EBITDA	89.0	108.3	114.0	91.1	92.2	67.2
LTM Pro Forma Adjusted EBITDA	388.4	197.3	311.3	402.4	405.6	364.5
Net Debt Ratio	3.4x	6.4x	3.8x	2.8x	2.7x	3.0x

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(1) Represents total debt including capital lease obligation, excluding deferred financing fees, less cash and cash equivalents less restricted investment for each period included above. See the Company's Form 10-Q for each period for more information. This does not include any pro forma adjustment for acquisition related debt.

(2) Represents net income (loss) plus provision for income taxes, interest expense, depreciation and amortization, restructuring and other (income) charges, acquisition and other related costs, and pension and postretirement settlement and curtailment (income) charges for each period included above. See the Company's Form 10-Q for each period for more information.

(3) Pro forma amounts include historical results of the Pine Chemical Business and Caprolactone Business, prior to the acquisition dates of March 8, 2018 and February 13, 2019, respectively. These amounts also include adjustments as if the acquisitions had occurred on January 1st of the year preceding the acquisition date. The pro forma amounts do not include adjustments for expenses related to integration activities, cost savings, or synergies that have been or may have been realized had we acquired the businesses on January 1st of the year preceding the acquisition date. Details associated with the pro forma results for both acquisitions are included within the Management Discussion and Analysis section of the Company's Form 10-Q for each respective period.

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Reconciliation of Selling, General and Admin (SG&A) (GAAP) to Core SG&A (Non-GAAP)

In millions (unaudited)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	2019	2020	2019
SG&A (GAAP)	$ 34.9	$ 40.7	$ 107.9	$ 122.3
Intangible amortization related to acquisitions	8.0	6.9	23.9	19.0
Core SG&A (Non-GAAP)	$ 26.9	$ 33.8	$ 84.0	$ 103.3
Net sales	$ 331.7	$ 359.9	$ 890.5	$ 989.5
SG&A as a percent of Net sales	10.5 %	11.3 %	12.1 %	12.4 %
Core SG&A as a percent of sales	8.1 %	9.4 %	9.4 %	10.4 %

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