



Bank of America Leverage Finance Conference

Investor Presentation
November 30, 2021

We Manufacture Growth



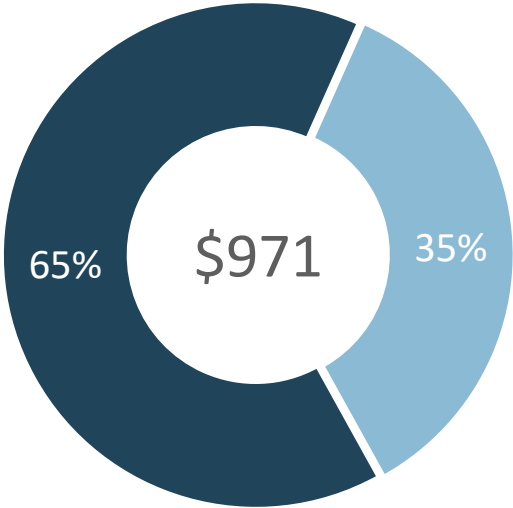
Company Overview

An innovative leader in the manufacturing of specialty materials focused on premium markets

Business Segments

Technical Products

Filtration
Industrial Solutions
Specialty Coatings



Fine Paper & Packaging

Commercial
Consumer
Packaging

Financial Highlights

(\$Millions - LTM Q321)

\$971

Net Sales

\$122

Adj. EBITDA

6%

Avg Free Cash Flow % Sales

10%

ROIC 5 year average

4%

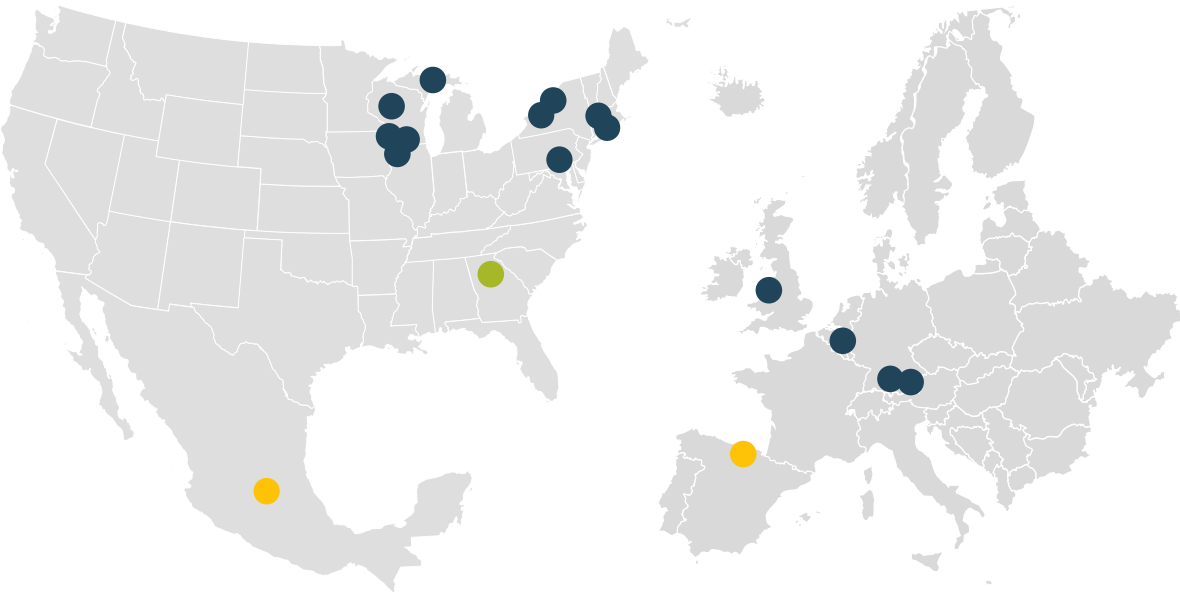
Dividend Yield

3.4x

Net Debt/Adj EBITDA

Global Footprint

● Headquarters ● Manufacturing facilities ● New locations (Itasa)



Our Products

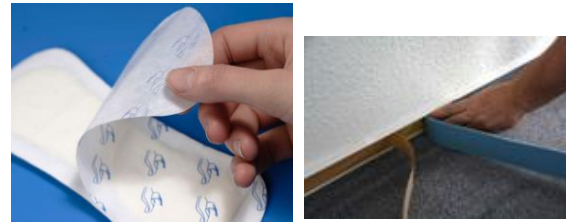
Technical Products (65%)

Filtration



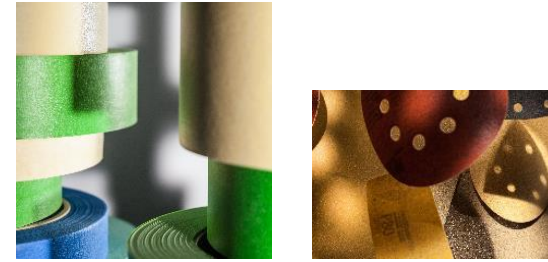
Industrial

Specialty Coatings



Release Liners

Engineered Materials



Tape & Abrasive Backing



Life Sciences



Dye Sublimation



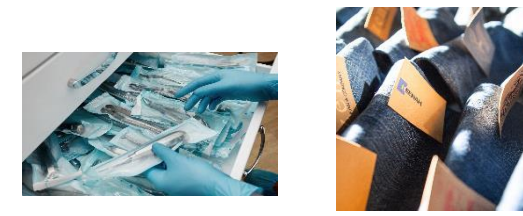
Performance Labels



3 Transportation & Mobility



Heat Transfer



Medical Packaging & Specialties

Imaging & Packaging (35%)



Premium Packaging



Consumer Products



Commercial Print

Our Categories

Diversified portfolio of products serving various growing end-markets



Health & Wellness



Consumer Goods



Food & Beverage



Transport & Mobility



Home & construction



Industrial Processes



Comms & Graphics

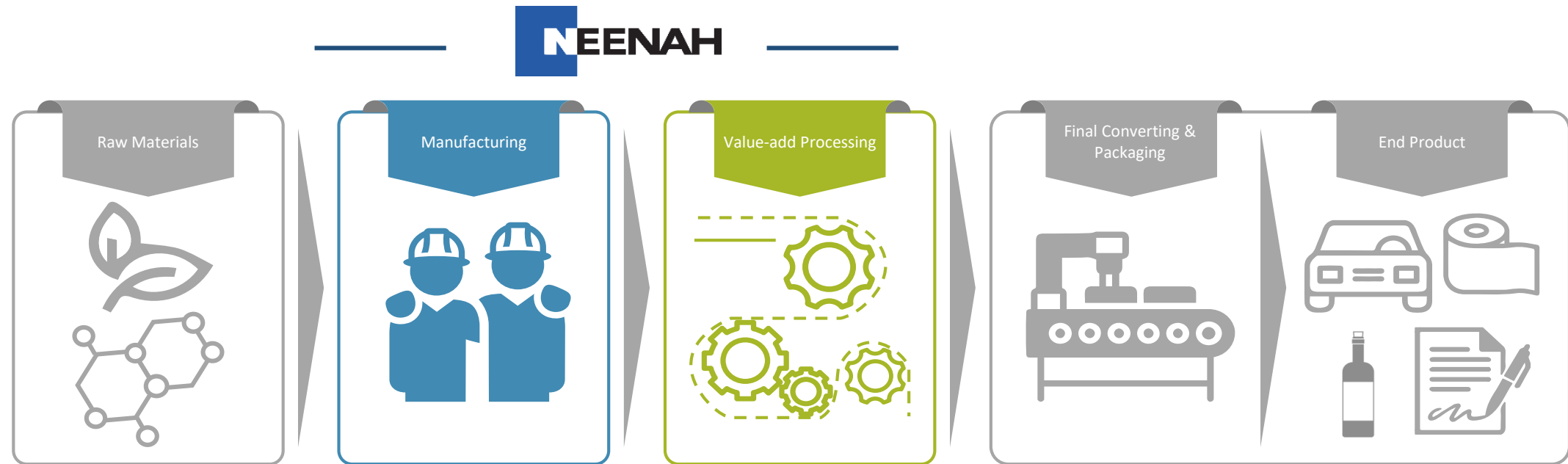
Technical Products	Filtration	✓		✓	✓	✓	✓	
	Industrial Solutions	✓	✓	✓	✓	✓	✓	✓
	Specialty Coatings	✓	✓	✓		✓	✓	✓
Fine Paper & Packaging	Premium Packaging	✓	✓	✓				✓
	Consumer		✓	✓		✓		✓
	Commercial			✓				✓

Mega-Trend Influences Supporting Growth

		Technical Products			Fine Paper & Packaging		
		Filtration	Industrial Solutions	Specialty Coating	Premium Packaging	Consumer	Commercial
Population							
Technology							
Health & Wellness							
Urbanization							
Sustainability							
Aging Population							
Regulation							
Infrastructure							
Growth Outlook							

How We Make It

We combine fibers and polymers to create value-added media for specialty markets



Our products are critical to performance, but a small part of the cost of end-product

Competitive Advantages



Leading
positions in
profitable,
defensible
markets

- Foundational businesses with barriers to entry
- Long-standing customer relationships
- Pricing power to offset short-term material inflation



Effective
technology
base

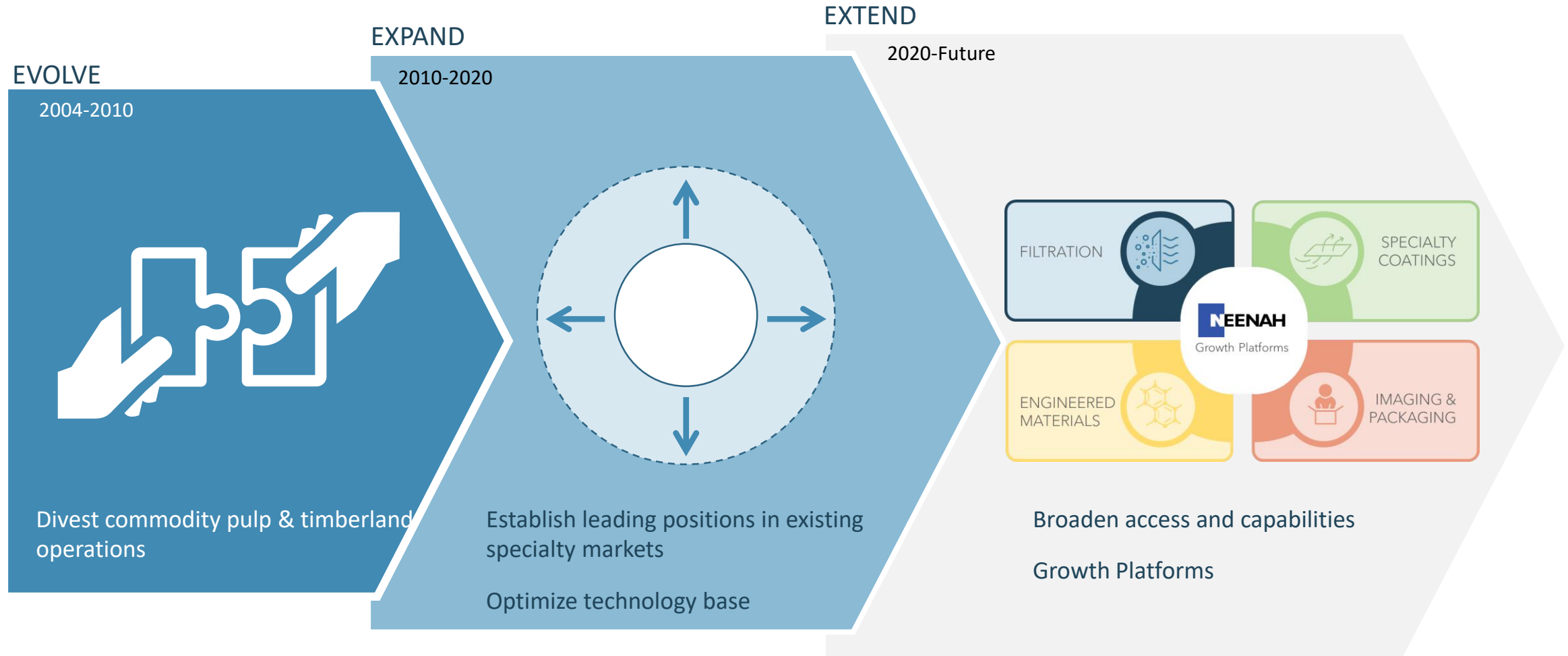
- Wide array of advanced technical capabilities
- Neenah Operating System continuous improvement program
- Global footprint aligned with desired local supply chains for customers



Financial
strength and
discipline

- Strong balance sheet/robust cash flow generation
- History of balanced capital deployment to drive added value
- Eleven consecutive years of dividend increases

Continued evolution in specialty materials



Strategic Execution

Growth Platforms



Strategy Drivers



Goals



Filtration



Specialty Coating



Engineered Materials



Imaging & Packaging



5%

SALES GROWTH

10%

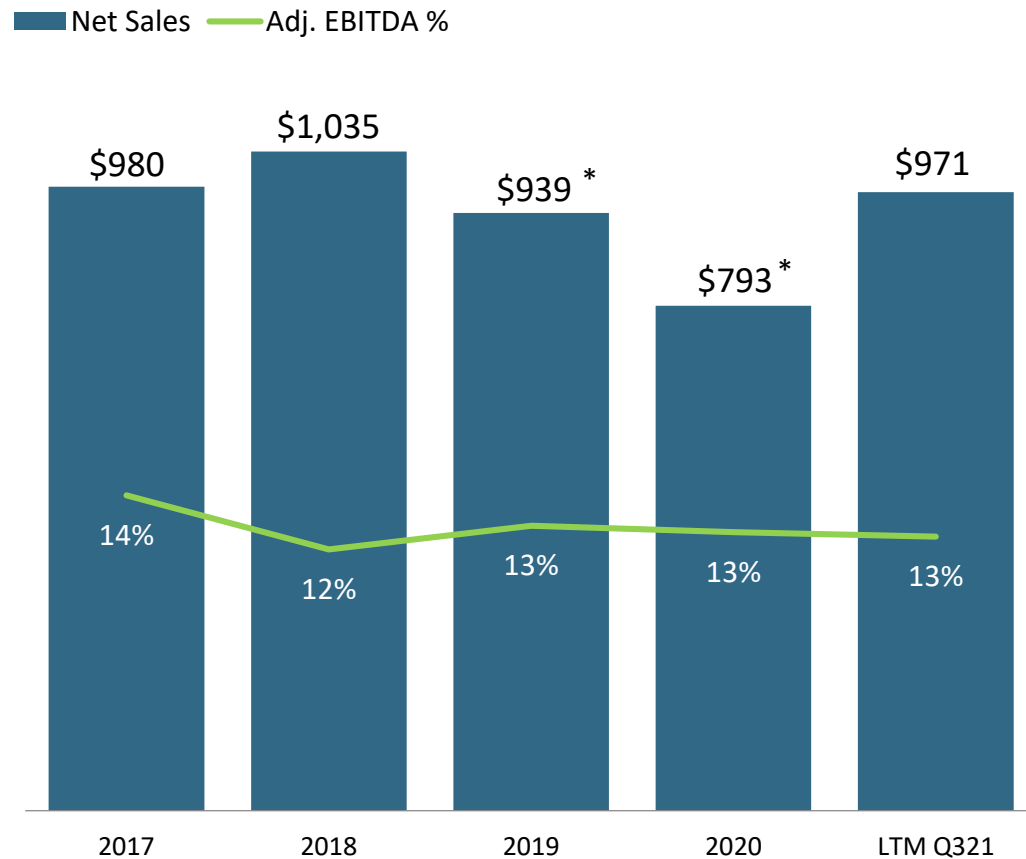
PROFIT GROWTH

15%

EBITDA MARGINS

Our Financials

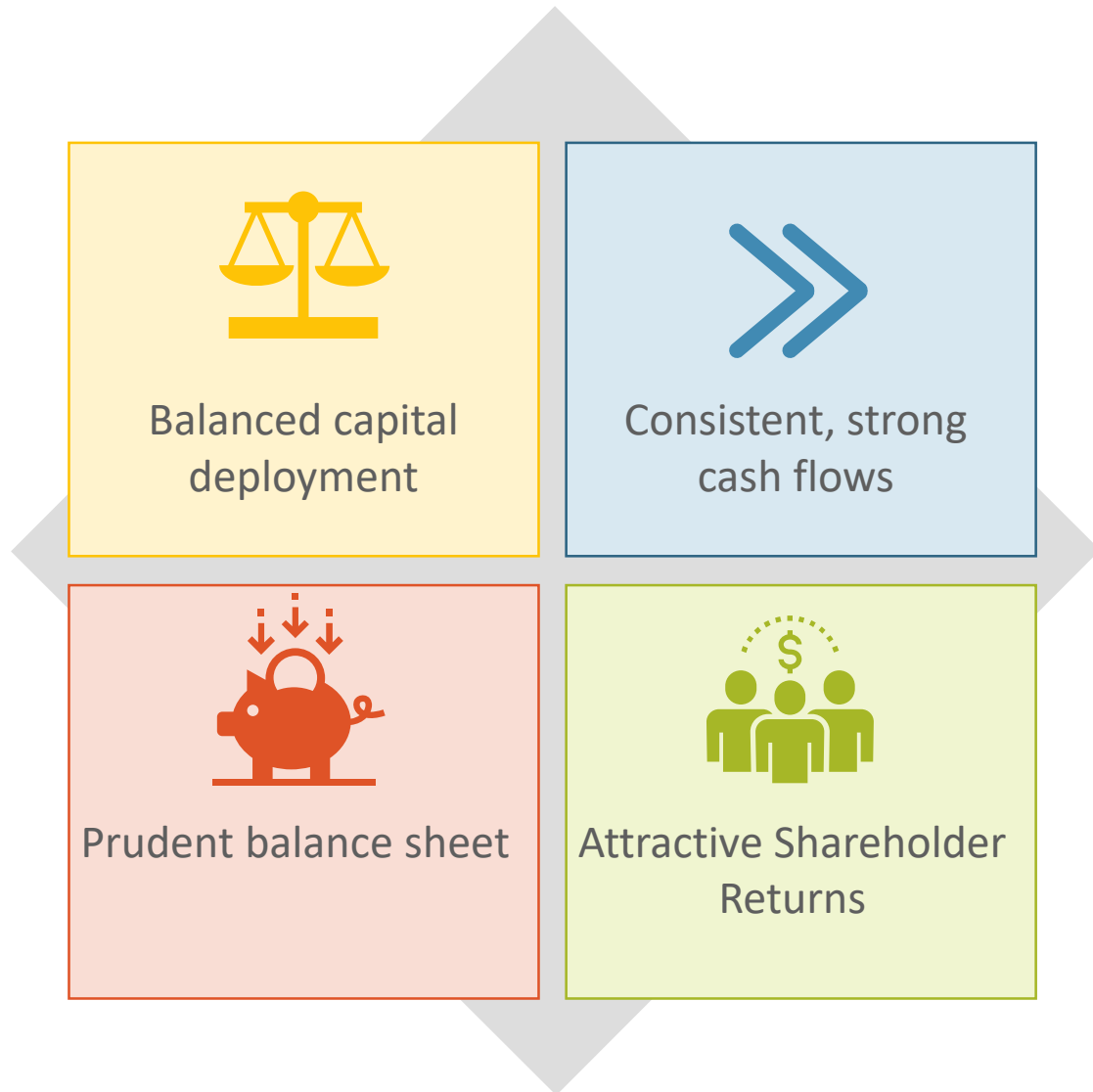
Sales & Margin Trends



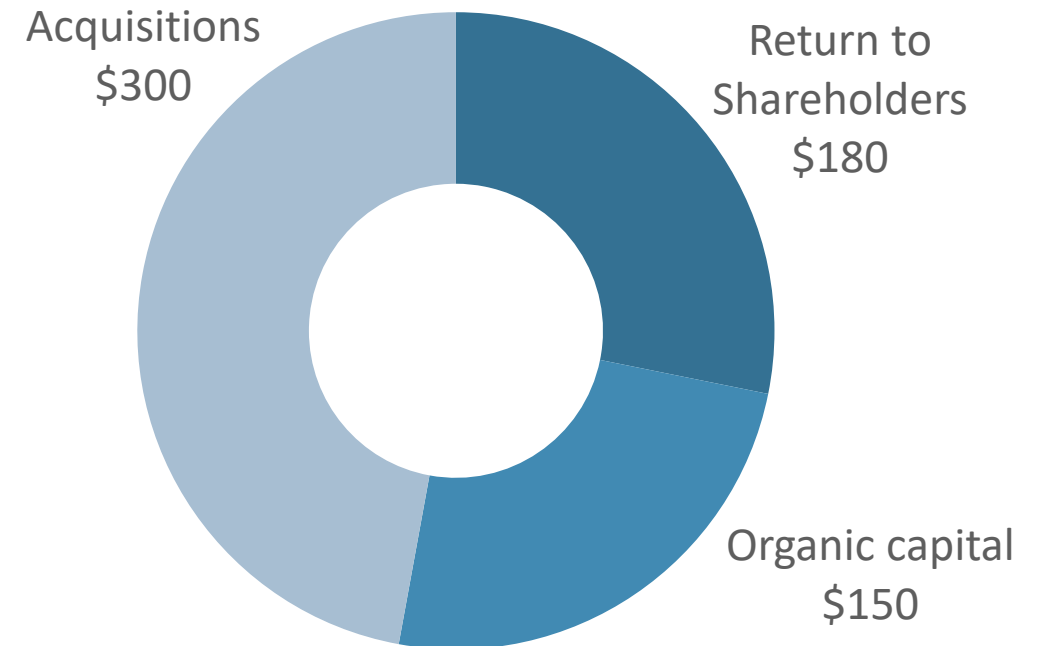
*Results reflect non-core divestiture, Asian Tariff/trade war and COVID-19

- Repositioning Neenah for growth and margin improvement
- Focused on four Growth Platforms
 - ✓ Robust M&A pipeline; recent Itasa acquisition
 - ✓ New coater expansion
 - ✓ Restart of asset to support packaging
 - ✓ Increased investment in innovation
- Margins to improve with:
 - ✓ Pricing to overcome near-term input cost pressures
 - ✓ Footprint optimization
 - ✓ Neenah Operating System implementation
 - ✓ Growth in profitable targeted markets

Financial Objectives



Five-year capital deployment
~\$630 MM



Strong Cash Flow & Balance Sheet

Efficient asset base & capital spending needs

- Target 2-4% of sales
- Maintenance capital ~\$15MM

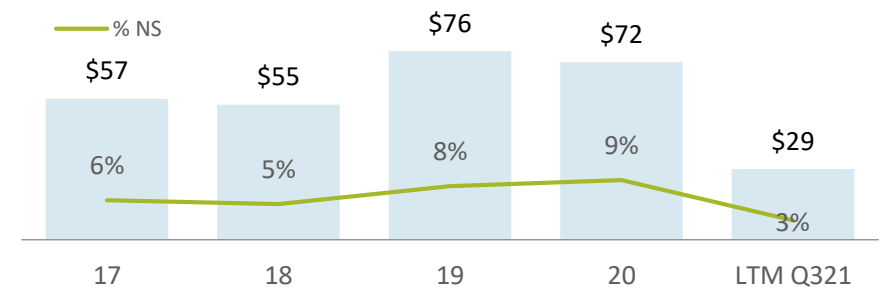
Strong balance sheet & liquidity

- Flexible \$450MM Term Loan B due 2028; variable rate currently 3.5%
- Substantial capacity available with \$175MM Global Revolving Credit Facility
- All debt facilities considered covenant-light

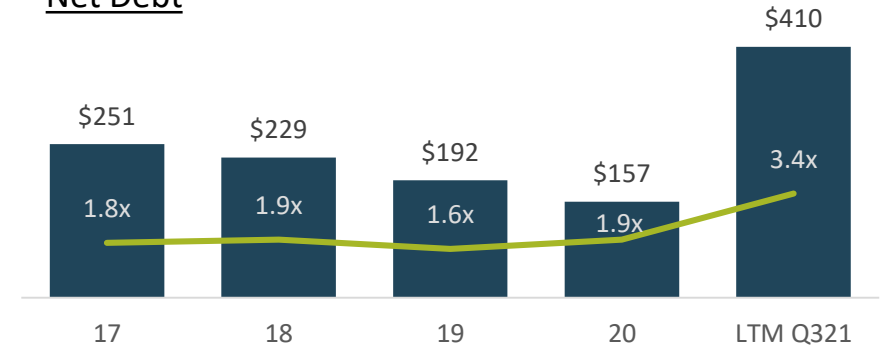
Attractive direct returns to shareholders

- History of consistent and growing dividends
- Modest share buy-backs to offset dilution

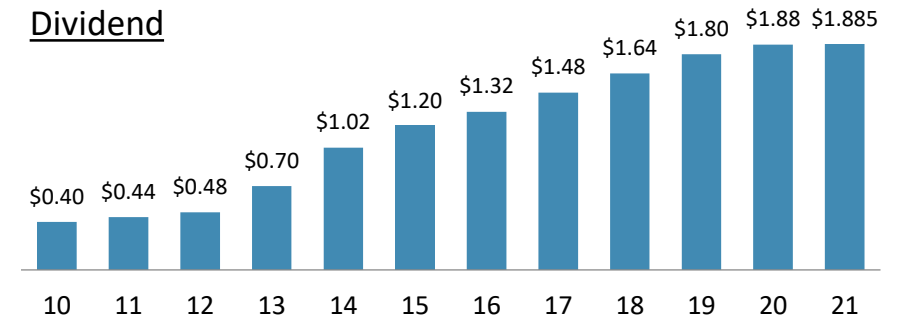
Free Cash Flow



Net Debt



Dividend



ESG: A Part of Our Strategy and Culture



Environmental

- **Corporate Sustainability Report** published annually in line with SASB industry guidelines
- **Double-digit reductions achieved in greenhouse gas,** water and energy usage
- **100% of wood fiber** purchases are FSC-certified or controlled
- **Largest purchaser of Green-E** in the state of Wisconsin
- **Reinvigorated our innovation efforts** to develop sustainable products that drive sustainable, long-term value creation
- Itasca recently awarded EcoVadis **2021 Gold Medal for Sustainability**

Social

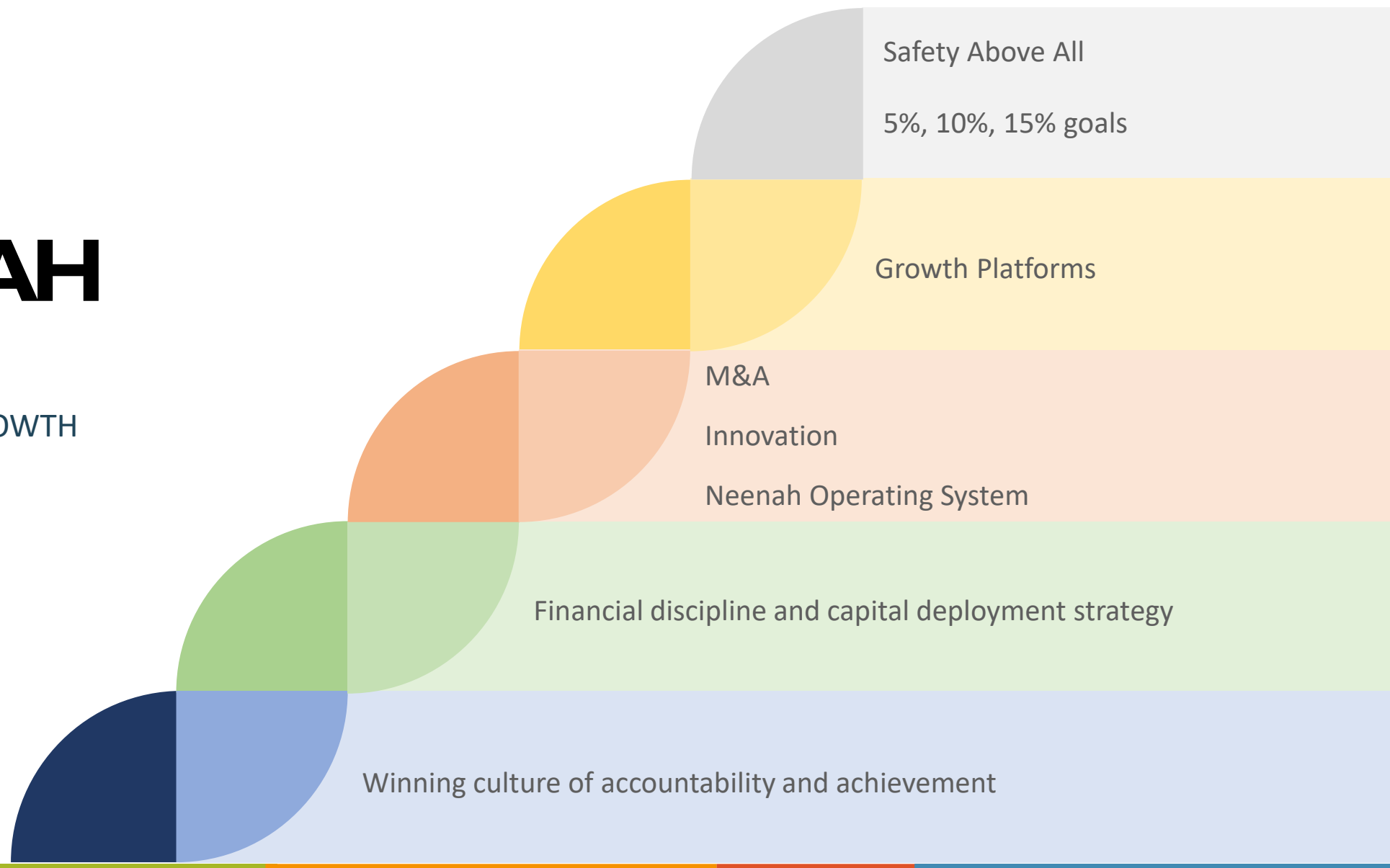
- **Redefined our mission, vision, values and strategy,** providing clear direction and focus on key drivers
- 40% improvement in **workplace safety** performance; remains #1 commitment and priority
- Along with our employees, contribute over \$250,000 annually to **local charities** in our communities
- Dedicated resources reinforcing **commitment to diverse, inclusive and equitable workforce**; on-going employee training; establishing Employee Resource Groups; member of CEO Action for Diversity & Inclusion organization
- **Strong industry relationships** Board seats on Paper and Packaging Board and National Paper Trade Association Packaging Board and National Paper Trade Association

Governance

- Increasingly diverse governance; **50% Board of Directors identify as female or underrepresented minorities**
- Chair of Board of Directors recipient of NACD Public Company Director of the Year award
- Board providing risk oversight on **Climate Change, Cybersecurity and Human Capital Management**
- **“Pay for Performance”** compensation plan aligned with stakeholders
- Guidelines and ongoing training on our **Code of Business Conduct and Ethics** and other trending topics



WE MANUFACTURE GROWTH



Contact Us

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Appendix

Forward Looking Statements

Statements in this presentation which are not statements of historical fact are “forward-looking statements” within the “safe harbor” provision of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on the information available to, and the expectations and assumptions deemed reasonable by, Neenah, Inc. at the time this presentation was made. Although Neenah believes that the assumptions underlying such statements are reasonable, it can give no assurance that they will be attained. Factors that could cause actual results to differ materially from expectations include the risks detailed in the section “Risk Factors” in the Company’s most recent Form 10-K and SEC filings.

In addition, the company may use certain figures in this presentation that include non-GAAP financial measures as defined by SEC regulations. As required by those regulations, a reconciliation of these measures to what management believes are the most directly comparable GAAP measures would be included as an appendix to this presentation and posted on the company’s web site at www.neenah.com

GAAP Reconciliation

Continuing Operations

<i>\$ millions</i>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>LTM Q321</u>
Net Income (Loss)	\$ 80.3	\$ 36.4	\$ 55.4	(\$ 15.8)	(\$ 8.1)
Loss from discontinued operations	<u>-</u>	<u>0.8</u>	<u>-</u>	<u>-</u>	<u>-</u>
Income from Continuing Operations (Loss)	80.3	37.2	55.4	(15.8)	(8.1)
Plus: Provision (Benefit) for income taxes	11.4	3.9	11.1	(2.9)	(0.7)
Plus: Interest expense, net	<u>12.6</u>	<u>13.0</u>	<u>11.8</u>	<u>12.6</u>	<u>16.1</u>
EBIT (Operating Income)	104.3	54.1	78.3	(6.1)	7.3
Plus: Impairment and asset restructuring costs	-	31.1	4.7	57.8	39.5
Plus: Acquisition and integration costs	-	-	-	1.5	18.2
Plus: Other restructuring and non-routine costs	1.3	2.1	1.5	4.2	1.6
Plus: COVID-19 costs	-	-	-	3.5	2.6
Plus: Loss on debt extinguishment	-	-	-	1.9	7.2
Plus: Pension, insurance settlement and other costs	<u>(2.6)</u>	<u>(2.5)</u>	<u>(1.4)</u>	<u>1.6</u>	<u>2.6</u>
Adjusted EBIT	\$ 103.0	\$ 84.8	\$ 83.1	\$ 64.4	\$ 79.0
Plus: Net depreciation and amortization	32.1	35.0	33.8	32.5	38.2
Plus: Stock-based compensation	<u>6.4</u>	<u>4.0</u>	<u>5.6</u>	<u>4.2</u>	<u>4.7</u>
Adjusted EBITDA	\$ 141.5	\$ 123.8	\$ 122.5	\$ 101.1	\$ 121.9
Diluted Earnings (Loss) per Share	\$ 4.68	\$ 2.17	\$ 3.26	(\$ 0.96)	(\$ 0.50)
Plus: Impairment and asset restructuring costs	-	1.37	0.21	2.64	1.78
Plus: Acquisition and integration costs	-	-	-	0.07	0.82
Plus: Other restructuring and non-routine costs	0.06	(0.11)	0.06	0.18	0.07
Plus: COVID-19 costs	-	-	-	0.16	0.11
Plus: Loss on debt extinguishment	-	-	-	0.08	0.32
Plus: Pension, insurance settlement and other costs	(0.10)	0.06	(0.06)	0.07	0.12
Plus: Income tax adjustments	<u>(0.32)</u>	<u>0.01</u>	<u>-</u>	<u>0.22</u>	<u>0.22</u>
Diluted Adjusted Earnings per Share	\$ 4.32	\$ 3.50	\$ 3.47	\$ 2.46	\$ 2.94

Results for the year ended December 31, 2016, include integration and restructuring costs of \$7.0MM and a pension plan settlement charge of \$0.8MM. Results for the year ended December 31, 2017, include integration and restructuring costs of \$1.3MM, a pension plan settlement charge and insurance settlement of (\$2.6MM). Results for the year ended December 31, 2018, include an impairment loss of \$31.1MM, restructuring, integration and other costs of \$2.1MM and a pension plan settlement charge and insurance settlement of (\$2.5MM). Results for the year ended December 31, 2019, include restructuring, integration, and other costs \$6.2MM and pension plan settlement charge (\$1.4MM). Results for the year ended December 31, 2020, include asset restructuring and impairment costs of \$57.8MM, COVID-19 costs of \$3.5MM, and acquisition, other restructuring, and non-routine costs \$7.5MM and pension plan settlement charge of \$1.6MM.