



Investor Relations

Sidoti Fall Virtual Investor Conference

September 22, 2021

We Manufacture Growth



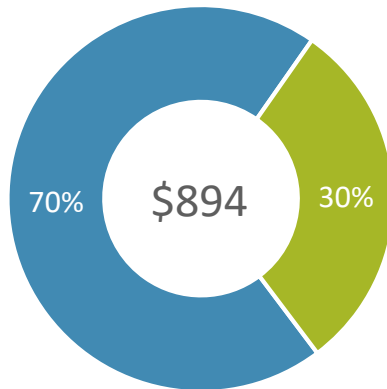
Neenah Overview

An innovative leader in the manufacturing of fiber and polymer based materials focused on premium markets

Business Segments

TECHNICAL PRODUCTS

Filtration
Industrial Solutions
Digital Transfer Papers

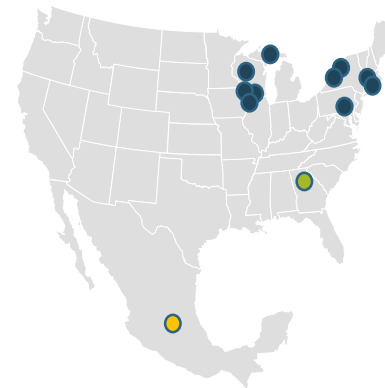


FINE PAPER & PACKAGING

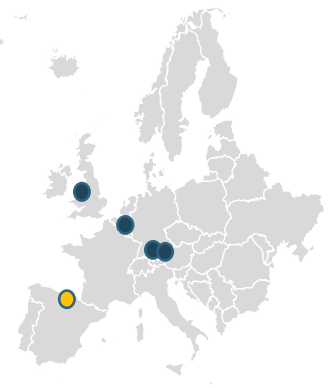
Commercial
Consumer
Premium Packaging

Global Footprint

Americas



Europe



- Headquarters
- Manufacturing facilities
- New locations (Itasca)

Financial Highlights (LTM 2021)

\$894

Net Sales

\$121

ADJ. EBITDA

\$52MM

Free Cash Flow

10%

ROIC 5 year average

3.9%




Dividend Yield

3.3x

Net Debt/Adj EBITDA

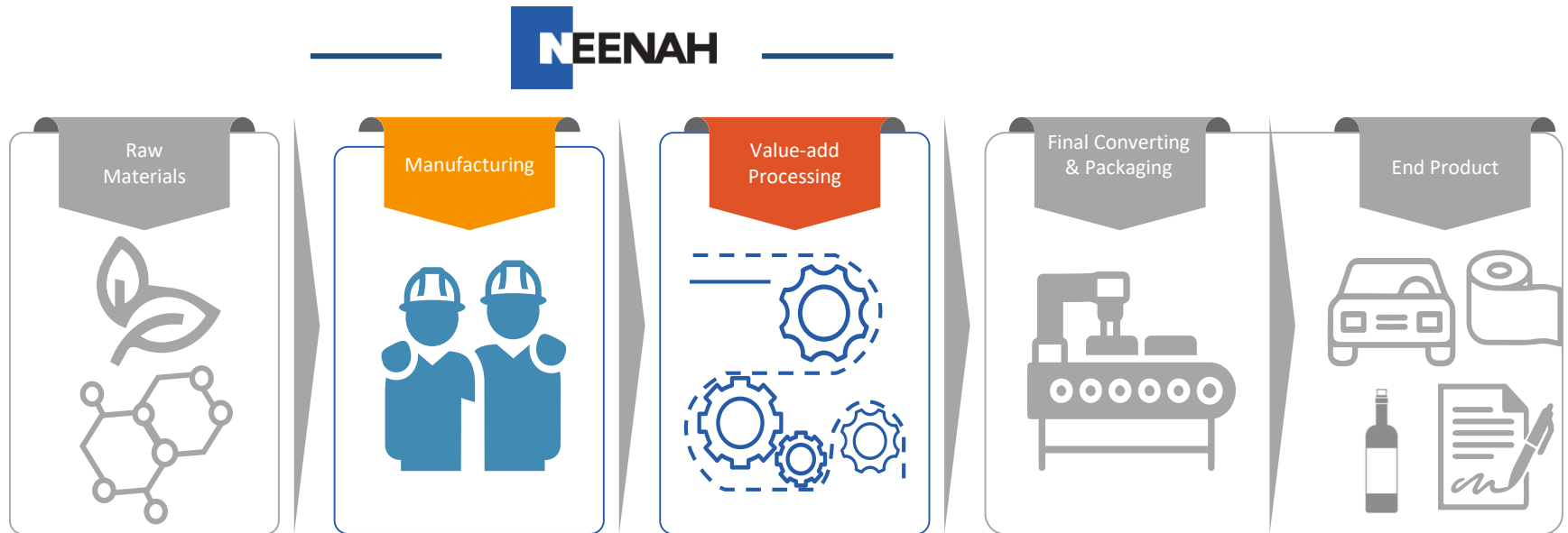
What We Make

A diversified portfolio of specialty products serving various growing end markets

Technical Products	Filtration	<ul style="list-style-type: none"> Transportation Air & Facemasks Industrial & Water 				
	Industrial Solutions	<ul style="list-style-type: none"> Tape & Abrasives Labels Specialties 				
	Specialty Coatings	<ul style="list-style-type: none"> Release Liner Digital Transfer 				
Fine Paper & Packaging	Commercial	<ul style="list-style-type: none"> High-end printing (colors, textures, finishes) 				
	Consumer	<ul style="list-style-type: none"> Consumer Paper Journals & Planners School & Decoration 				
	Premium Packaging	<ul style="list-style-type: none"> Spirits Retail Beauty & Wellness 				

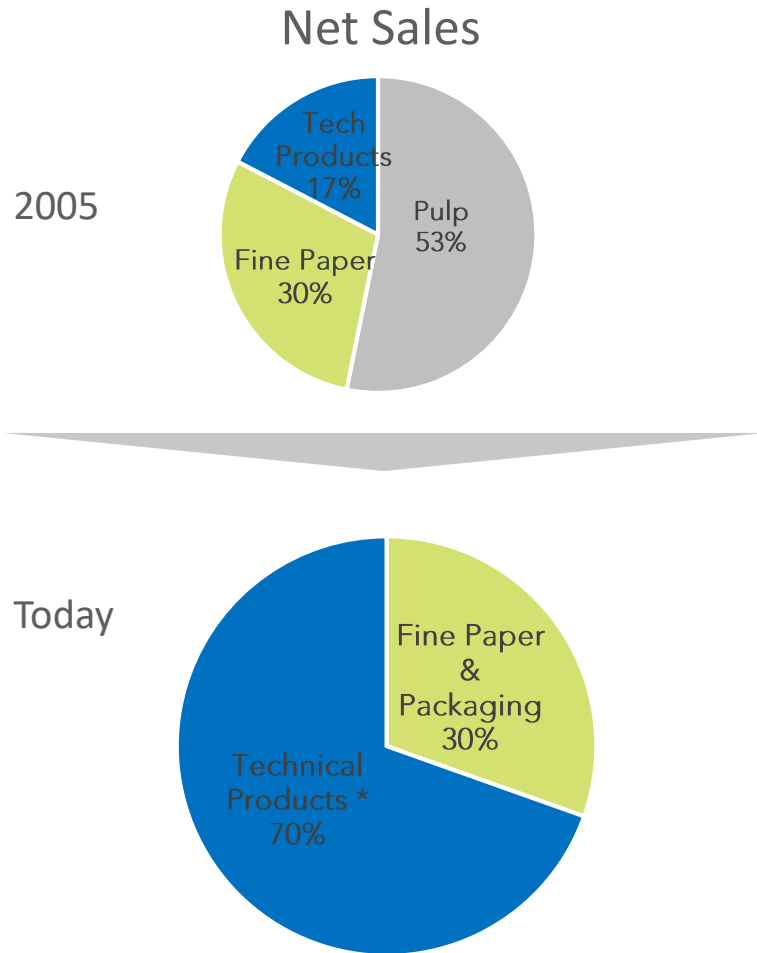
How We Make It

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

Continuing a History of Successful Transformation

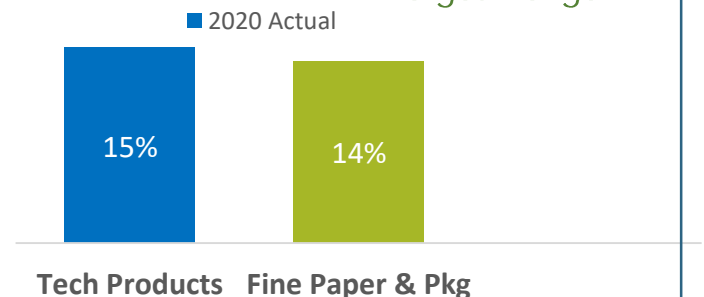


Top Line Growth Targets

Organic Growth	1-3%
+ M&A*	<u>2-4%</u>
Top Line Growth	3-7%

* Assumes Cash Flow of ~\$30+ MM/year redeployed for M&A

Mid-Teen Credit EBITDA Margins



Increasing our organic growth rate, margins and capital efficiency

* Includes Itasa acquisition

Targeted Growth Platforms

Filtration

Separation and purification of air and liquids for critical applications

- Transportation
- Air (HVAC/HEPA, Industrial)
- Water Purification
- Food & Beverage



Specialty Coatings

Enhancing substrates through chemical and polymer science

- Digital Transfer Paper
- Performance labels
- Silicone Release Liner



Engineered Materials

Specialty media for demanding end-use markets

- Glass mat & Nonwovens
- Composites
- Acoustical/Thermal Insulation



Imaging & Packaging

Creating impact, sustainably, through color, texture, and design

- Premium Packaging
- Sustainable Solutions
- Consumer Products



- Focused on four large, growing, profitable and defensible markets that are aligned with our core capabilities and technologies
- Resources biased toward growth – both organic and M&A

NEENAH

Recent
Acquisitions

2014
Crane

2015
FiberMark

2017
Hazen

2017
Coldenhove

2021
ITASA

Recent Release Liners Acquisition Furthers Transformation in Technical Products



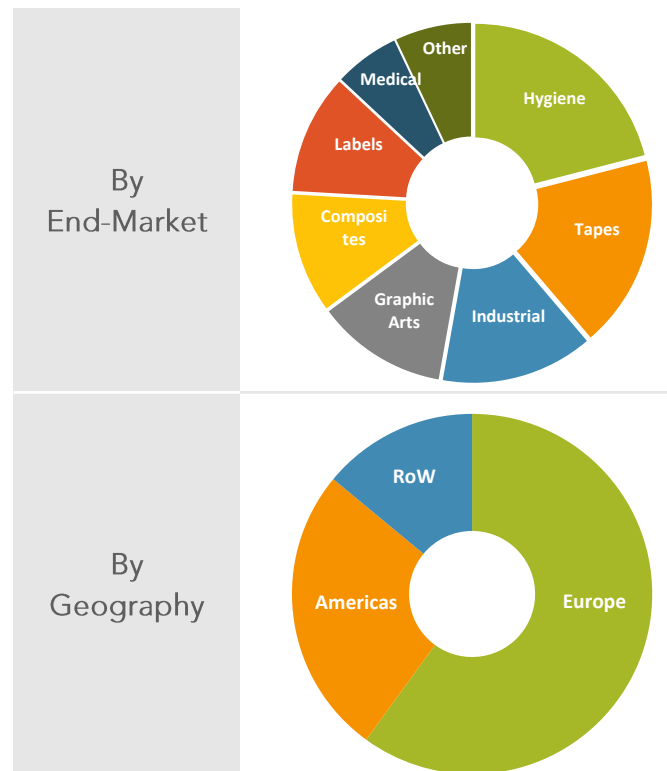
Key Transaction Financials

- Net Sales (2021 est.) ~\$140 MM
- EBITDA Margin: Mid-teen
- Historical growth 8% CAGR
- Purchase price €205 MM
- Annual synergies \$4 MM (*excl. interest savings*)
- Financing Term Loan B increase to \$450 MM
- Post-deal leverage ~3x debt/EBITDA

Strategic Logic

- Builds and extends specialty coating capabilities
- Overlaps customers and end-markets
- Accretive to margins and earnings, with strong cash flows
- Solid foundational presence
- Complementary technologies

Net Sales



Labels

Food and beverage product labels



Pressure-Sensitive Materials (Tapes)

Industrial and consumer uses



Hygiene

Feminine protection and adult incontinence



Building & Construction

Application of roofing materials



Electronics

Liners in cellphone mfg



Medical

Drug delivery & wound care



Composites

Resin impregnation, carbon fiber mfg

Competitive Advantages

Technical Products



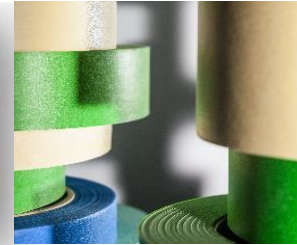
Broad array of technical abilities with a global footprint



Long customer relationships; significant qualification requirements



Proven innovation and customization capabilities



Fine Paper & Packaging



Market leading brands, specified by customers



Purpose-built, best in class assets with array of colors and textures



Broad portfolio of premium packaging media with in-house design know-how



Growth Catalysts and Margin Accelerators in Place

Top and bottom line to benefit from strategic execution in targeted growth platforms

Top Line

- Driving growth in 4 targeted growth platforms
 - Filtration
 - Specialty Coating
 - Engineered Materials
 - Premium Packaging
- Investing in innovation to drive share gains and expand market reach
- Neenah Operating System delivering manufacturing efficiencies and unlocking capacity
- Footprint optimization with new investments, curtailments and asset restarts to support growth and leverage cost structure
- Aggressive pricing actions to overcome near-term input cost pressures

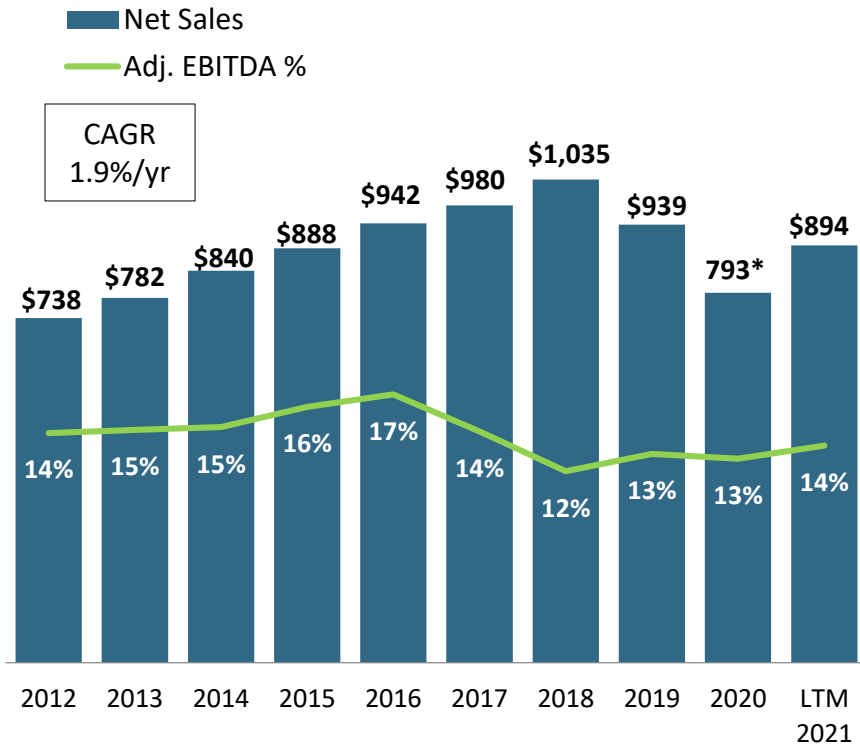
Bottom Line

Our Financials

Manufacturers of Growth

Sales & Margin Trends

Returning to historical margins

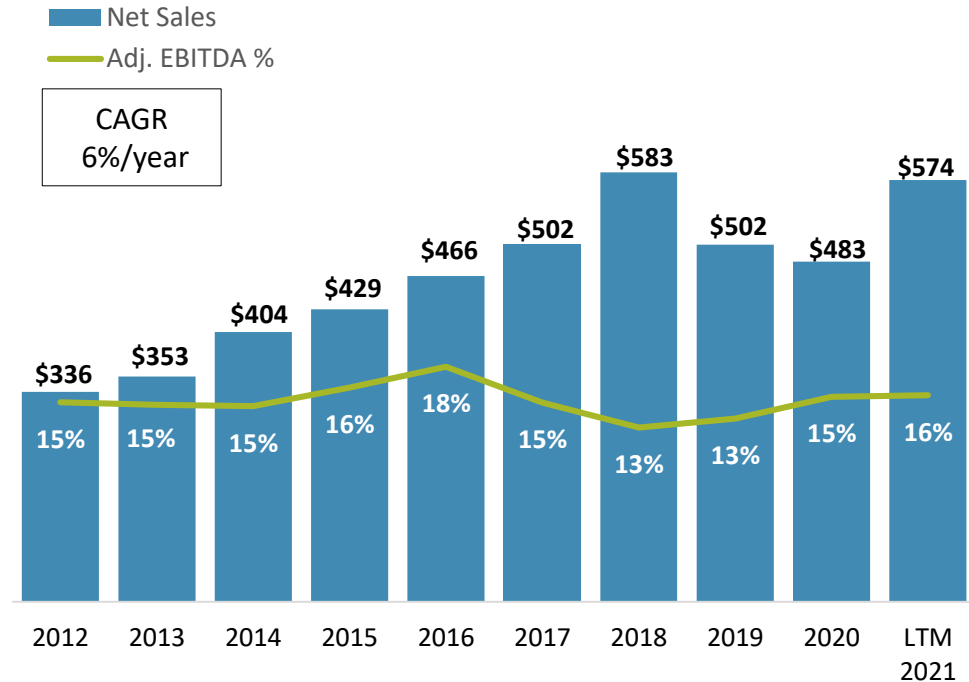
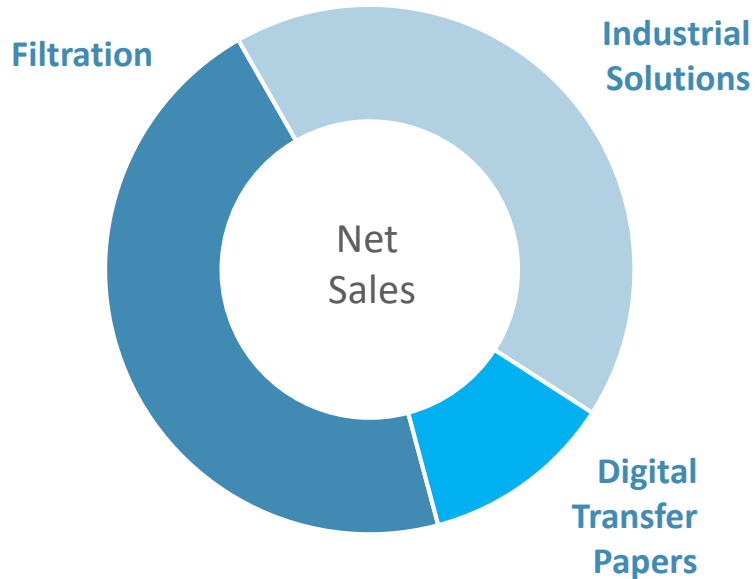


*Recent results reflect divestiture, Asian Tariff and COVID-19

- A solid history of growth driven by share gains, new products, price/mix improvement and acquisitions
- Revenue decline in 2020 due primarily to COVID-19 pandemic, especially in Fine Paper & Packaging. Solid recovery in Technical Products, led by Filtration
- Margins to improve with:
 - ✓ *Neenah Operating System implementation*
 - ✓ *Filtration capacity ramp-up*
 - ✓ *Growth in profitable targeted markets*

Technical Products

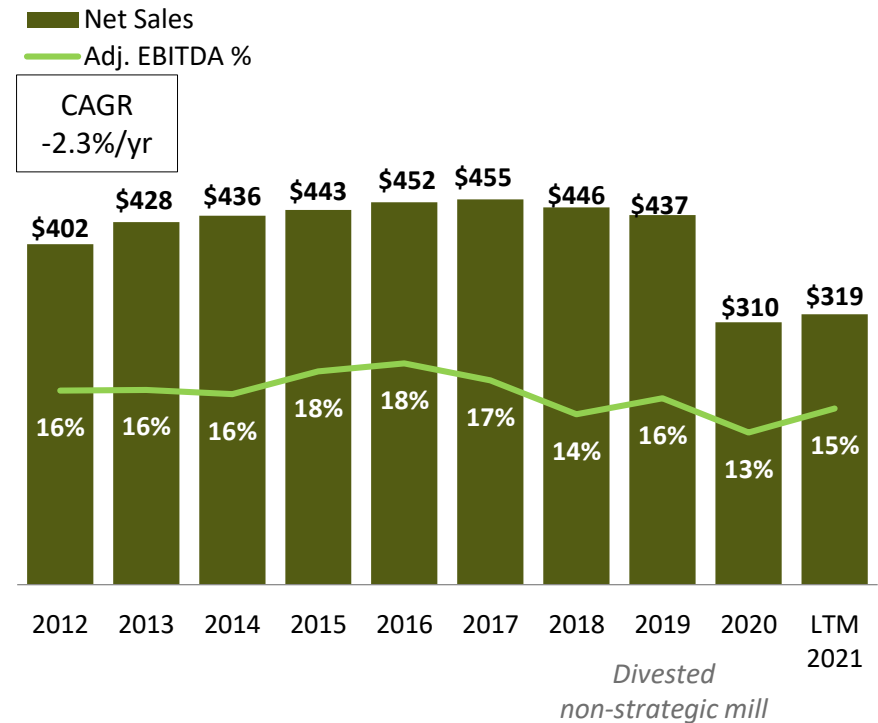
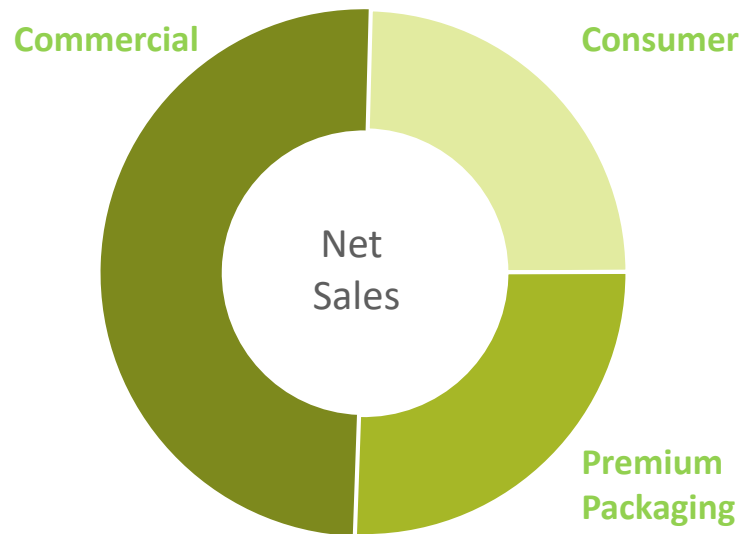
Filtration | Industrial Solutions | Specialty Coatings



- 2019 impact of Asia Trade Wars / Tariffs on Industrial Solutions
- 2019 Divest a non-strategic mill
- Q4 2021 curtailed under performing asset

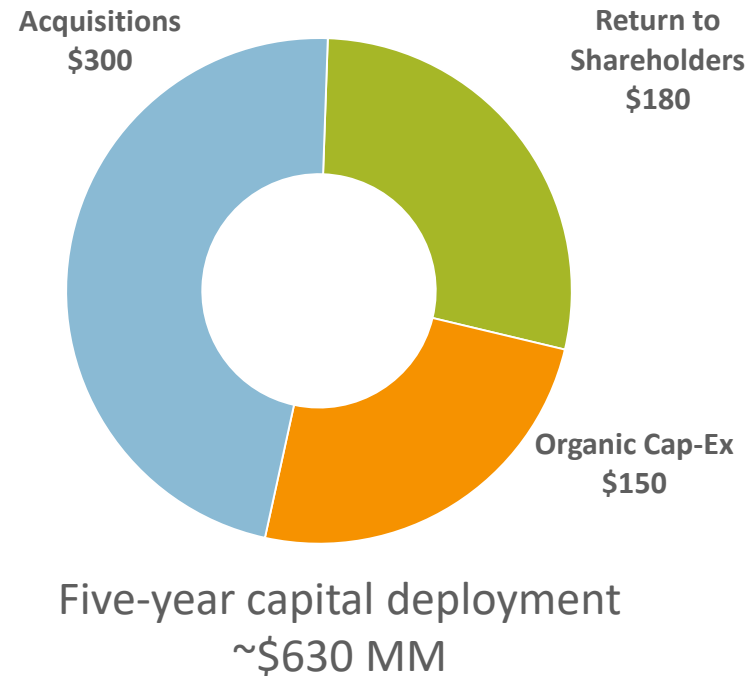
Fine Paper and Packaging

Commercial | Consumer | Premium Packaging



Financial Objectives

- Balanced capital deployment
- Consistent strong cash flows
- Maintain a prudent balance sheet
- Attractive shareholder returns



Strong Cash Flow & Balance Sheet

- **Efficient asset base/capital spending needs**

Target 2-4% of sales; maintenance cap-ex ~\$15 MM

- **Strong balance sheet and liquidity**

Flexible \$450MM Term Loan B with a variable rate currently at 3.5% due 2028

Substantial capacity available with \$175 MM Global Revolving Credit Facility

All debt facilities considered covenant-light

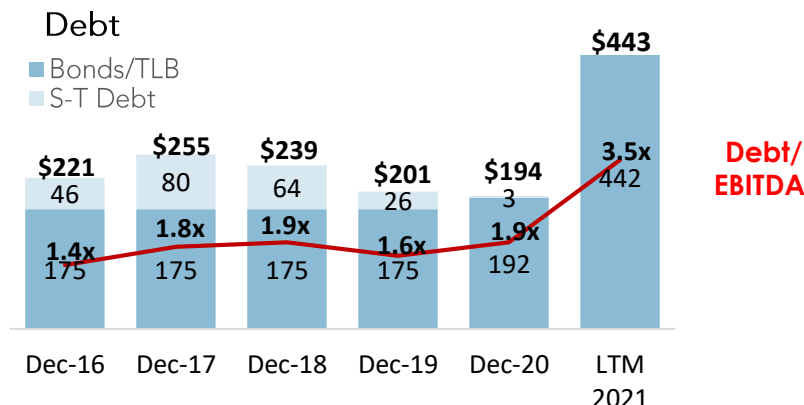
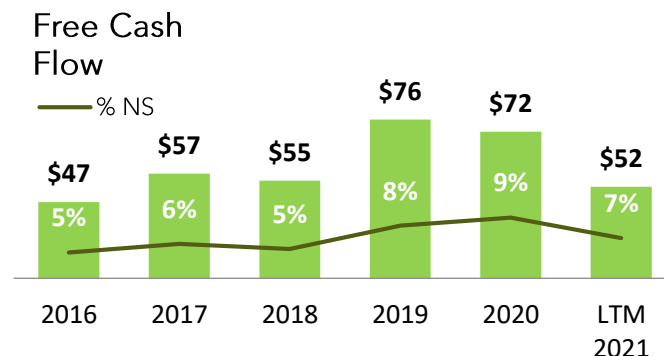
- **Attractive direct returns to shareholders**

History of a consistent and growing dividend

Modest share buybacks to offset dilution

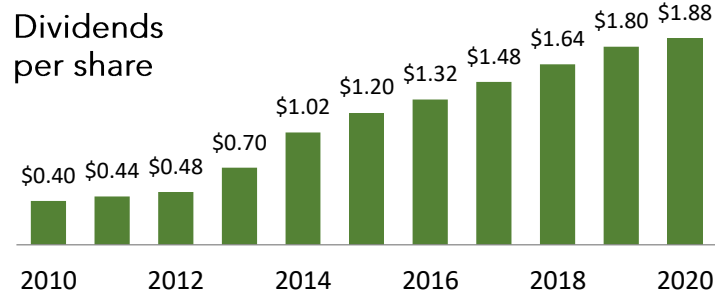
- **Capital deployment prioritizes highest returns**

(1-organic, 2-M&A, 3-debt reduction)



Cash & Equivalents

\$3 \$5 \$10 \$9 \$37 \$37



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
- **Invested in Regenerative Thermal Oxidizers** to significantly reduce emissions and natural gas consumption at two of our mills
- **Reinvigorated our innovation efforts** to develop sustainable products that drive sustainable, long-term value creation

Social

- **Redefined our mission, vision, values and strategy**, providing clear direction and focus on key drivers that will add value and support growth in our four targeted platforms
- **Workplace safety** 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; and developing best practices for recruiting
- **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 Board, Management and Workforce; **>10% increase in gender and racial diversity over past 5 years**
- Board providing risk oversight on **Climate Change, Cybersecurity and Human Capital Management**
- 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

Why Invest in Neenah



**Leading
positions in
profitable,
defensible
markets**

- Foundational businesses provide sizeable cash flows
- Pricing power to offset short-term material inflation
- Defensible technologies across broad array of assets provides unique capabilities



**Growth &
Margin
Catalysts in
place**

- M&A and innovation investments in growing markets
- Exit of underperforming assets, immediately accretive
- Neenah Operating System delivering ahead of plan
- New leadership team driving significant change



**Financial
strength and
discipline**

- Financial strength with significant liquidity and low leverage
- Track record of balanced, value-adding capital deployment
- At an attractive entry point and supported by a meaningful dividend

Contact Us

For more information

Visit Our Website: www.neenah.com

Email: investors@neenah.com

Phone Number: (678) 518-3278

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>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Net Income (Loss)	\$ 73.0	\$ 80.3	\$ 36.4	\$ 55.4	(\$ 15.8)
Loss from discontinued operations	<u>0.4</u>	<u>-</u>	<u>0.8</u>	<u>-</u>	<u>-</u>
Income from Continuing Operations (Loss)	73.4	80.3	37.2	55.4	(15.8)
Plus: Provision (Benefit) for income taxes	29.6	11.4	3.9	11.1	(2.9)
Plus: Interest expense, net	<u>11.1</u>	<u>12.6</u>	<u>13.0</u>	<u>11.8</u>	<u>12.6</u>
EBIT (Operating Income)	114.1	104.3	54.1	78.3	(6.1)
Plus: Asset Restructuring and Impairment costs	-	-	31.1	4.7	57.8
Plus: Other restructuring and non-routine costs	7.0	1.3	2.1	1.5	4.2
Plus: COVID-19 costs	-	-	-	-	3.5
Plus: Loss on debt extinguishment	-	-	-	-	1.9
Plus: Pension, insurance settlement and other costs	0.8	(2.6)	(2.5)	(1.4)	1.6
Plus: Acquisition and due diligence costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1.5</u>
Adjusted EBIT	\$ 121.9	\$ 103.0	\$ 84.8	\$ 83.1	\$ 64.4
Plus: Net depreciation and amortization	30.1	32.1	35.0	33.8	32.5
Plus: Stock-based compensation	<u>5.8</u>	<u>6.4</u>	<u>4.0</u>	<u>5.6</u>	<u>4.2</u>
Adjusted EBITDA	\$ 157.8	\$ 141.5	\$ 123.8	\$ 122.5	\$ 101.1
Diluted Earnings (Loss) per Share	\$ 4.26	\$ 4.68	\$2.17	\$3.26	(\$0.96)
Plus: Asset Restructuring and Impairment costs	-	-	1.37	0.21	2.64
Plus: Other restructuring and non-routine costs	0.25	0.06	(0.11)	0.06	0.18
Plus: COVID-19 costs	-	-	-	-	0.16
Plus: Loss on debt extinguishment	-	-	-	-	0.08
Plus: Pension, insurance settlement and other costs	0.03	(0.10)	0.06	(0.06)	0.07
Plus: Acquisition and due diligence costs	-	-	-	-	0.07
Plus: Income tax adjustments	<u>-</u>	<u>(0.32)</u>	<u>0.01</u>	<u>-</u>	<u>0.22</u>
Diluted Adjusted Earnings per Share	\$ 4.54	\$ 4.32	\$3.50	\$3.47	\$2.46

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.

GAAP Adjusted EBITDA Segment Reconciliation

Continuing Operations

\$ millions	2012	2013	2014	2015	2016	2017	2018	2019	2020
Technical Products									
GAAP Operating Income (Loss)	\$ 37.7	\$ 38.9	\$ 46.0	\$ 54.1	\$ 65.6	\$ 55.3	\$ 50.9	\$ 43.3	(\$ 3.9)
Plus: Asset restructuring and impairment costs	-	-	-	-	-	-	-	-	54.1
Plus: Other Restructuring/ non-routine costs	-	-	1.6	1.8	1.4	-	(1.8)	0.3	0.5
Plus: COVID-19 costs	-	-	-	-	-	-	-	-	1.4
Plus: Pension, insurance settlement and other costs	-	-	-	-	-	-	0.4	(1.5)	0.7
Adjusted EBIT	\$ 37.7	\$ 38.9	\$ 47.6	\$ 55.9	\$ 67.0	\$ 55.3	\$ 49.5	\$ 42.1	\$ 52.9
Plus: Net depreciation and amortization	12.6	13.1	11.3	13.9	17.7	19.6	24.5	22.1	21.7
Adjusted EBITDA	\$ 50.3	\$ 52.0	\$ 58.9	\$ 69.8	\$ 84.7	\$ 74.9	\$ 74.0	\$ 64.2	\$ 74.6
Net Sales	\$ 336	\$ 353	\$ 404	\$ 429	\$ 466	\$ 502	\$ 583	\$ 502	\$483
Adj. EBITDA Margin of NS (%)	15%	15%	15%	16%	18%	15%	13%	13%	15%

Fine Paper and Packaging

GAAP Operating Income	\$ 50.0	\$ 59.9	\$ 60.8	\$ 67.3	\$ 70.7	\$ 69.5	\$ 29.4	\$ 54.5	\$ 22.4
Plus: Asset restructuring and impairment costs	-	-	-	-	-	-	-	4.7	3.7
Plus: Other Restructuring/non-routine costs	5.8	0.4	-	1.5	1.8	(2.9)	23.9	1.0	2.5
Plus: COVID-19 costs	-	-	-	-	-	-	-	-	1.5
Plus: Pension, insurance settlement and other costs	-	-	-	-	-	-	0.4	-	0.4
Adjusted EBIT	\$ 55.8	\$ 60.3	\$ 60.8	\$ 68.8	\$ 72.5	\$ 66.6	\$ 53.7	\$ 60.2	\$ 30.5
Plus: Net depreciation and amortization	9.4	9.3	8.6	9.9	10.9	11.0	9.9	11.2	10.4
Adjusted EBITDA	\$ 65.2	\$ 69.6	\$ 69.4	\$ 78.7	\$ 83.4	\$ 77.6	\$ 63.6	\$ 71.4	\$ 40.9
Net Sales	\$ 402	\$ 428	\$ 436	\$ 443	\$ 452	\$ 455	\$ 446	\$ 437	\$ 310
Adj. EBITDA Margin of NS (%)	16%	16%	16%	18%	18%	17%	14%	16%	13%

Net Sales and Adjusted EBIT in 2019-2020 include recast of publishing products from Technical Products to Fine Paper & Packaging.