



# Mativ 2Q 2023 Earnings Release Presentation

August 10, 2023

# Forward Looking Statements, Non-GAAP Disclosure, & Definitions



This presentation may contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 and other federal securities laws that are subject to the safe harbor created by such laws and other legal protections. Caution should be taken not to place undue reliance on any such forward-looking statements because actual results may differ materially from the results suggested by these statements. These forward-looking statements are made only as of the date of this presentation. We undertake no obligation, except as may be required by law, to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In addition, forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from our historical experience and present expectations or projections. These risks and uncertainties include, but are not limited to, those described in Part I, “Item 1A. Risk Factors” and elsewhere in our Annual Report on Form 10-K for the year ended December 31, 2022, and those described from time to time in our periodic and other reports filed with the Securities and Exchange Commission.

Certain financial measures and comments contained in this presentation are “non-GAAP” financial measures. We believe that investors’ understanding is enhanced by disclosing these non-GAAP financial measures as a reasonable basis for comparison of our ongoing results of operations. All non-GAAP (adjusted) figures are reconciled to closest GAAP measure in the appendix. All financial metrics are presented on a continuing operations basis unless noted otherwise; all per share metrics are on a diluted basis.

The following terms/abbreviations are used throughout the presentation and are defined as follows: ATM – Advanced Technical Materials segment, FBS – Fiber-Based Solutions segment, OP - operating profit, EBITDA - earnings before interest taxes depreciation and amortization, EPS - earnings per share.

# Forward Looking Statements, Non-GAAP Disclosure, & Definitions



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## Combined Legacy Financial Information

Due to the significance of the Neenah merger and the resulting change in our reportable segments, Mativ is providing the supplemental combined legacy financial information set forth in the tables below under the captions “Non-GAAP Reconciliation: Combined Legacy Neenah and SWM Results for Comparability” and “Non-GAAP Reconciliation: Sales Results” to enhance its investors’ ability to evaluate the Company’s operating performance on a combined basis with Neenah. The purpose of the supplemental legacy combined financial information is to reflect changes to our reportable segments and to present certain non-GAAP financial measures on a combined company basis for the current and corresponding prior year periods.

The supplemental combined legacy financial information in the attached schedules is not necessarily indicative of the operating results of the combined companies had the Neenah merger been completed at the beginning of or prior to the periods presented or of the operating results of the combined company in the future. The supplemental combined legacy financial information for periods prior to the date of the Neenah merger does not reflect cost savings or other synergies anticipated as a result of the merger. The supplemental combined legacy financial information is not pro forma information prepared in accordance with Article 11 of Regulation S-X of the SEC, and the preparation of information in accordance with Article 11 would result in a different presentation.

Please refer to the Company’s 8-K filed on December 22, 2022, which includes historical reconciliations of non-GAAP results for periods beginning with the first quarter of 2021 through the third quarter of 2022, as well as subsequent 8-K and earnings releases documents for similar reconciliations.

# 30%+ Adjusted EBITDA Growth Versus 1Q:23

## Driven by Strong Sequential Improvements in Operations



	As reported		Comparable*	
	2Q:23	2Q:22	2Q:23	2Q:22
(\$ millions, except EPS)				
<b>Sales</b>	<b>\$668.3</b>	<b>\$426.4</b>	<b>\$668.3</b>	<b>\$733.2</b>
<b>GAAP Income</b>	<b>(\$4.5)</b>	<b>\$11.8</b>	<b>(\$4.5)</b>	N/A
<b>GAAP EPS</b>	<b>(\$0.08)</b>	<b>\$0.36</b>	<b>(\$0.08)</b>	N/A
<b>Adjusted EBITDA</b>	<b>\$87.4</b>	<b>\$58.1</b>	<b>\$87.4</b>	<b>\$96.9</b>
<b>Adjusted EPS</b>	<b>\$0.51</b>	<b>\$0.86</b>	<b>\$0.51</b>	N/A

- Strong sequential Adjusted EBITDA improvement, up 33% vs 1Q:23
- Improved operational and cost performance, no lingering effects from first quarter French strikes
- Continued synergy delivery and aggressive operating cost reductions contributed to sequential margin improvement
- Pricing versus input cost inflation net benefit of  $\approx$  \$25 million
- Volume/mix impacted by continued customer de-stocking across end-markets
- Announced proposed sale of Engineered Papers and rebalanced capital allocation strategy on August 1; strategic and financial repositioning for accelerated growth and de-leveraging

Note: Adjusted EBITDA, Adjusted EPS, Comparable results, and organic sales growth are non-GAAP measures and reconciled in the appendix of this presentation.  
 \* See non-GAAP reconciliations for analyses of current period reported results compared to prior year period results of legacy Neenah and legacy SWM combined.  
 Please refer to reconciliations at the end of this presentation and in the 8-K and earnings release dated August 9, 2023 for additional details.

# Strong Pricing, Synergies and Cost Reductions Partially Offsetting Reduced Volumes



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## ≈ \$25 million of price/cost favorability

- Expect positive trend to continue
- Pricing actions of 2022 remain in effect, input costs are easing
- Both FBS and ATM showed strong price/cost performance

## Synergy actions remain on-plan; 1-year plans achieved

- Met goal of executing half of \$65 million synergy plan in first year
- Majority of SG&A actions taken in 2022; 2023 focus on procurement and supply chain
- Overall integration on-plan; smooth finance, HR, IT, etc. functional transitions

## De-stocking drove 2Q volumes

- Customers de-stocking across end-markets, most significantly in industrials and packaging and specialty paper
- Continued volume softness expected into 3Q
- Delivering new products, expanding geographies, and new customers to drive volume improvements

## Manufacturing improvements versus first quarter

- Aggressive cost reduction actions in place to mitigate absorption impacts
- Reduced staffing levels
- French labor strikes behind us

# 2Q:23 Results Overview



\$ millions	<b>2Q:23</b>	<b>Comments</b>
ATM Sales	\$419.8	Down 9% organic
FBS Sales	\$248.5	Down 6% organic
<b>Total Sales</b>	<b>\$668.3</b>	Organic down 8%
GAAP Income / EPS	(\$4.5) / (\$0.08)	
Adj. Income / EPS	\$27.7 / \$0.51	
ATM Adj. EBITDA	\$63.1 <i>15.0% margin</i>	Comparable*: down 18%, margin down 130 bps versus prior year Sequential: up 7%, margin up 150 bps, improved efficiencies, costs and continued pricing strength
FBS Adj. EBITDA	\$45.7 <i>18.4% margin</i>	Comparable*: up 1%, 130 bps of margin expansion versus prior year Sequential: up 61%, margin up 680 bps, no impact of French strikes, improved efficiencies and labor costs
Unallocated	(\$21.4) <i>3.2% of total sales</i>	Comparable*: down 14%, or 20 bps versus prior year, synergy execution Sequential: flat \$ and %
<b>Total Adj. EBITDA</b>	<b>\$87.4</b> <i>13.1% margin</i>	Comparable*: down 10%, margin flat versus prior year despite volume decline due to strong cost reduction efforts Sequential: up 33%, margin up 340 bps

Note: Adjusted Income, Adjusted EPS, and Adjusted EBITDA are non-GAAP measures and are reconciled in the appendix of this presentation.

\* See non-GAAP reconciliations for analyses of current period reported results compared to prior year period results of legacy Neenah and legacy SWM combined. Please refer to reconciliations at the end of this presentation and in the 8-K and earnings release dated May 10, 2023 for additional details.

## 2Q:23 Key Y/Y Variances & Trends



\$ millions		Trend
<b>2Q:22 Adj. EBITDA (Comparable)</b>	<b>\$97</b>	
Price	≈ \$40	Up 5%, holding on to strong pricing actions to recover input cost inflation, expect to moderate throughout 2H:23
Input Cost	≈ <u>(\$15)</u>	Input costs off peak levels, expect continued improvements
Price vs Input Cost	≈ \$25	Strong momentum, expected to moderate in 2H:23 but remain positive
Volume/Mix		Improved \$25 million vs. 1Q:23 variance; De-stocking primary driver
Manuf/Other	≈ (\$35)	Aggressively reduced costs, improved operational performance, no impacts from 1Q French strikes
<b>2Q:23 Adj. EBITDA</b>	<b>\$87</b>	

# Sequential Cash Flow Increase Driven by Improved EBITDA and Aggressively Managing Working Capital; De-leveraging Remains a Priority and Accelerates with Proposed Sale of EP



## Credit agreement net leverage 4.2x

- Includes LTM comparable EBITDA plus synergy adjustment
- De-leveraging is top near-term priority
- Proposed EP sale expected to reduce leverage by 0.3x upon close
- With improved EBITDA in 2024 and re-sized dividend, expect to be within 2.5x – 3.5x target range by end of 2024

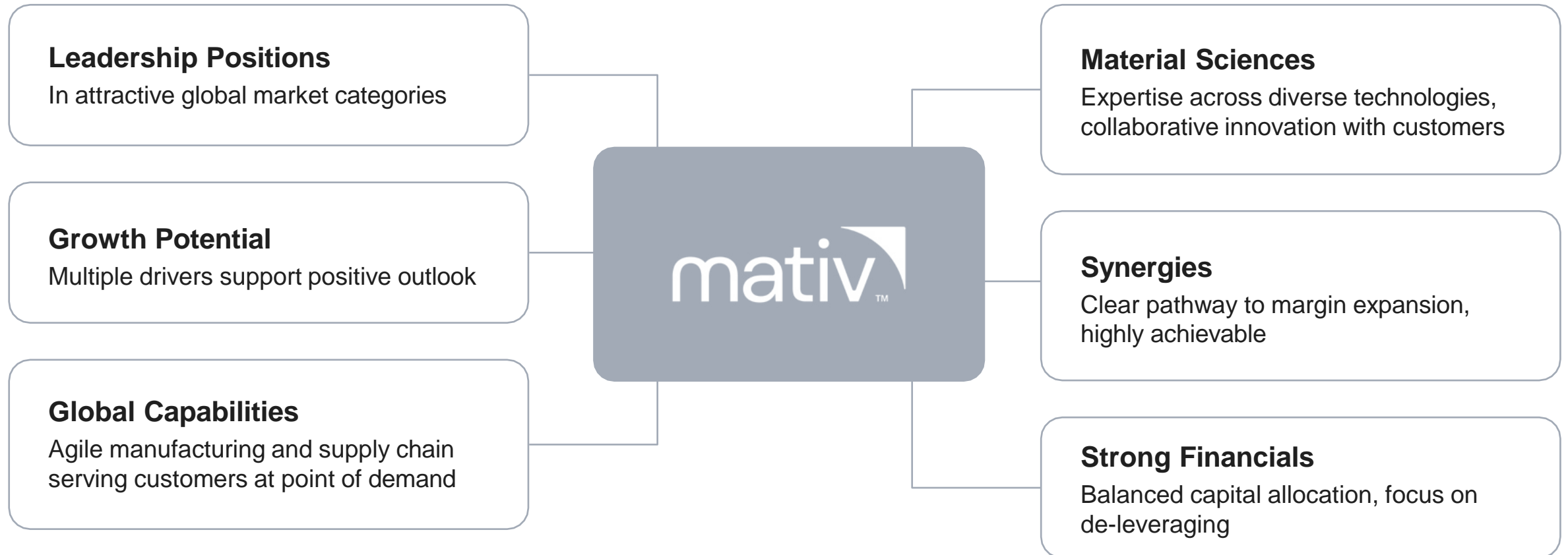
## Operating and free cash flow improved sequentially, working capital inflow

- Inventory reduction of \$23 million during 2Q:23 to drive cash flow, continued focus near-term
- Expect free cash flow trends to remain positive in 2H:23, consistent with historical patterns

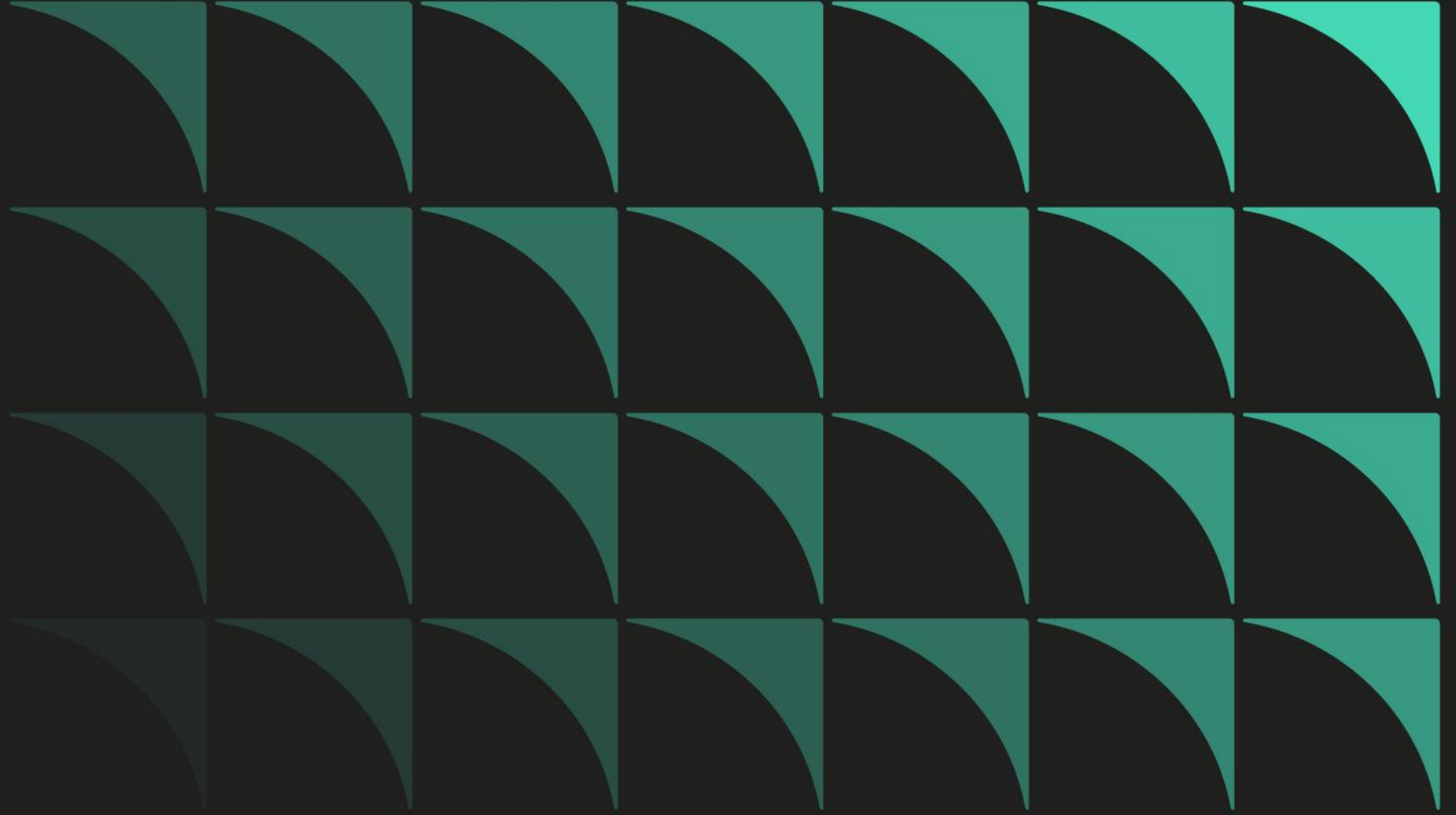
(\$ millions)	1Q:23	2Q:23	1H:23
<b>Operating Cash Flow</b>	<b>(\$20.7)</b>	<b>→ \$40.2</b>	<b>\$19.5</b>
<i>Working Capital</i>	<i>(\$52.0)</i>	<i>→ \$9.6</i>	<i>(\$42.4)</i>
<b>Capex (incl. software)</b>	<b>(\$19.2)</b>	<b>(\$23.3)</b>	<b>(\$42.5)</b>
<b>Free Cash Flow</b>	<b>(\$39.9)</b>	<b>→ \$16.9</b>	<b>(\$23.0)</b>

# Investment Highlights

One year together, tremendous opportunity



# Appendix



# Non-GAAP Reconciliation: Segment Reporting



## NOTE RE: SEGMENT REPORTING & COMPARABILITY

Effective July 6, 2022, in connection with the close of the Neenah merger, Mativ has two reportable segments for financial reporting purposes: Advanced Technical Materials ("ATM") and Fiber-Based Solutions ("FBS"). ATM is comprised of the legacy SWM Advanced Materials & Structures segment and the legacy Neenah Technical Products segment. FBS is comprised of the legacy SWM Engineered Papers segment and the legacy Neenah Fine Paper and Packaging segment. For accounting purposes, SWM was the surviving entity, thus results for the September 2022 quarter onward reflect the merged company's financials while all prior periods reflect only previously reported SWM consolidated and segment results.

## BUSINESS SEGMENTS, AS REPORTED, \$ millions

### Net Sales

	Three Months Ended June 30,			Six Months Ended June 30,		
	2023	2022	% Change	2023	2022	% Change
ATM	\$ 419.8	\$ 288.1	45.7 %	\$ 854.1	\$ 561.0	52.2 %
FBS	248.5	138.3	79.7 %	493.2	272.2	81.2 %
Total Consolidated	<u>\$ 668.3</u>	<u>\$ 426.4</u>	56.7 %	<u>\$ 1,347.3</u>	<u>\$ 833.2</u>	61.7 %

### Operating Profit

	Three Months Ended June 30,				Six Months Ended June 30,			
			Return on Net Sales				Return on Net Sales	
	2023	2022	2023	2022	2023	2022	2023	2022
ATM	\$ 35.1	\$ 29.4	8.4 %	10.2 %	\$ 72.7	\$ 39.7	8.5 %	7.1 %
FBS	31.9	22.4	12.8 %	16.2 %	38.1	48.1	7.7 %	17.7 %
Unallocated	(33.4)	(24.0)	(5.0) %	(5.6) %	(67.9)	(49.4)	(5.0) %	(5.9) %
Total Consolidated	<u>\$ 33.6</u>	<u>\$ 27.8</u>	5.0 %	6.5 %	<u>\$ 42.9</u>	<u>\$ 38.4</u>	3.2 %	4.6 %



# Non-GAAP Reconciliation: Segment Reporting (cont.)

## BUSINESS SEGMENTS, AS REPORTED, \$ millions

### Non-GAAP Adjustments to Operating Profit

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
ATM - Amortization of intangibles and other purchase accounting adjustments	\$ 14.4	\$ 11.1	\$ 21.4	\$ 22.2
ATM - Restructuring, impairment, and other expenses	0.8	1.1	1.5	14.3
FBS - Amortization of intangibles and other purchase accounting adjustments	1.0	—	9.9	—
FBS - Restructuring, impairment, and other expenses	—	(0.9)	0.1	(0.6)
Unallocated - Restructuring, impairment, and other expenses	1.1	—	1.1	—
Unallocated - Acquisition/Merger and integration costs	9.1	6.5	19.5	13.6
<b>Total Consolidated</b>	<b>\$ 26.4</b>	<b>\$ 17.8</b>	<b>\$ 53.5</b>	<b>\$ 49.5</b>

### Adjusted Operating Profit

	Three Months Ended June 30,				Six Months Ended June 30,			
			Return on Net Sales				Return on Net Sales	
	2023	2022	2023	2022	2023	2022	2023	2022
ATM	\$ 50.3	\$ 41.6	12.0 %	14.4 %	\$ 95.6	\$ 76.2	11.2 %	13.6 %
FBS	32.9	21.5	13.2 %	15.5 %	48.1	47.5	9.8 %	17.5 %
Unallocated	(23.2)	(17.5)	(3.5)%	(4.1)%	(47.3)	(35.8)	(3.5)%	(4.3)%
<b>Total Consolidated</b>	<b>\$ 60.0</b>	<b>\$ 45.6</b>	<b>9.0 %</b>	<b>10.7 %</b>	<b>\$ 96.4</b>	<b>\$ 87.9</b>	<b>7.2 %</b>	<b>10.5 %</b>



## Non-GAAP Reconciliation: Segment Reporting (cont.)

### BUSINESS SEGMENTS, AS REPORTED, \$ millions

#### Non-GAAP Adjustments to Adjusted Operating Profit

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
ATM - Depreciation and stock-based compensation	\$ 12.8	\$ 7.6	\$ 26.3	\$ 15.4
FBS - Depreciation and stock-based compensation	12.8	5.5	26.0	10.4
Unallocated - Depreciation and stock-based compensation	1.8	2.3	4.4	5.8
Total Consolidated	<u>\$ 27.4</u>	<u>\$ 15.4</u>	<u>\$ 56.7</u>	<u>\$ 31.6</u>

#### Adjusted EBITDA

	Three Months Ended June 30,				Six Months Ended June 30,			
			Return on Net Sales				Return on Net Sales	
	2023	2022	2023	2022	2023	2022	2023	2022
ATM	\$ 63.1	\$ 49.2	15.0 %	17.1 %	\$ 121.9	\$ 91.6	14.3 %	16.3 %
FBS	45.7	27.0	18.4 %	19.5 %	74.1	57.9	15.0 %	21.3 %
Unallocated	(21.4)	(15.2)	(3.2) %	(3.6) %	(42.9)	(30.0)	(3.2) %	(3.6) %
Total Consolidated	<u>\$ 87.4</u>	<u>\$ 61.0</u>	13.1 %	14.3 %	<u>\$ 153.1</u>	<u>\$ 119.5</u>	11.4 %	14.3 %

# Non-GAAP Reconciliation: Consolidated Reported Results

\$ millions



	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Operating profit	\$ 33.6	\$ 27.8	\$ 42.9	\$ 38.4
Plus: Restructuring and impairment related expenses	1.9	2.4	2.7	15.9
Plus: Purchase accounting adjustments	15.4	11.1	31.3	22.2
Plus: Acquisition/merger and integration related costs	9.1	6.5	19.5	13.6
Less: Litigation/tax settlement	—	(2.2)	—	(2.2)
Adjusted Operating Profit	<u>\$ 60.0</u>	<u>\$ 45.6</u>	<u>\$ 96.4</u>	<u>\$ 87.9</u>
Income (loss)	\$ (4.5)	\$ 11.8	\$ (12.2)	\$ 13.4
Plus: Restructuring and impairment expenses	0.5	\$ 2.4	1.3	15.9
Less: Tax impact of restructuring and impairment expense	(0.1)	\$ (0.5)	(0.3)	(3.3)
Less: Gain on sale of assets	—	\$ (2.4)	—	(2.9)
Plus: Tax impact on gain on sale of assets	—	\$ 0.7	—	0.8
Plus: Other restructuring related expenses	0.9	\$ —	1.4	—
Less: Tax impact of other restructuring related expenses	(0.2)	\$ —	(0.3)	—
Plus: Purchase accounting adjustments	15.4	\$ 11.1	31.3	22.2
Less: Tax impact of purchase accounting adjustments	(4.1)	\$ (2.3)	(7.7)	(4.6)
Less: Litigation/tax settlement	6.2	\$ (2.8)	6.2	(2.8)
Plus: Tax impact of litigation/tax settlement	(1.7)	\$ 1.0	(1.7)	1.0
Plus: Acquisition/merger and integration related costs	9.1	\$ 9.8	19.5	16.9
Less: Tax impact on acquisition/merger and integration related costs	(2.3)	\$ (2.3)	(4.6)	(3.8)
Plus: Tax legislative changes, net of other discrete items	8.5	\$ 1.2	8.5	3.0
Adjusted Income	<u>\$ 27.7</u>	<u>\$ 27.7</u>	<u>\$ 41.4</u>	<u>\$ 55.8</u>

## Non-GAAP Reconciliation: Consolidated Reported Results (cont.)

\$ millions



	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Earnings (loss) per share - diluted	\$ (0.08)	\$ 0.36	\$ (0.23)	\$ 0.41
Plus: Restructuring and impairment related expenses	0.01	0.08	0.02	0.51
Less: Tax impact of restructuring and impairment expense	—	(0.01)	(0.01)	(0.10)
Less: Gain on sale of assets	—	(0.07)	—	(0.09)
Plus: Tax impact on gain on sale of assets	—	0.02	—	0.02
Plus: Other restructuring related expenses	0.02	—	0.03	—
Less: Tax impact of other restructuring related expenses	—	—	(0.01)	—
Plus: Purchase accounting adjustments	0.28	0.36	0.57	0.71
Less: Tax impact of purchase accounting adjustment	(0.08)	(0.08)	(0.14)	(0.15)
Less: Litigation/tax settlement	0.11	(0.09)	0.11	(0.09)
Plus: Tax impact of litigation/tax settlement	(0.03)	0.03	(0.03)	0.03
Plus: Acquisition/merger and integration related costs	0.16	0.29	0.36	0.52
Less: Tax impact on acquisition/merger and integration related costs	(0.04)	(0.07)	(0.08)	(0.12)
Plus: Tax legislative changes, net of other discrete items	0.16	0.04	0.16	0.10
Adjusted Earnings Per Share - Diluted	<u>\$ 0.51</u>	<u>\$ 0.86</u>	<u>\$ 0.75</u>	<u>\$ 1.75</u>



## Non-GAAP Reconciliation: Consolidated Reported Results (cont.)

\$ millions

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Net Income (loss)	\$ (4.5)	\$ 11.8	\$ (12.2)	\$ 13.4
Plus: Interest expense	28.2	21.1	54.7	35.6
Plus: Interest income on litigation/tax settlement	—	(0.7)	—	(0.7)
Plus: Provision for income taxes	6.6	4.6	4.2	6.7
Plus: Depreciation & amortization	41.2	23.6	83.2	47.5
Plus: Stock compensation expense	1.6	—	3.4	—
Plus: Inventory step up expense	—	—	1.4	—
Plus: Restructuring and impairment expense	0.5	2.4	1.3	15.9
Plus: Other restructuring related expense	1.4	—	1.4	—
Plus: Acquisition/merger and integration related costs	9.1	6.5	19.5	13.6
Plus: Income from equity affiliates	(0.1)	(1.7)	(0.2)	(3.8)
Plus: Litigation/tax settlement	6.2	(2.2)	6.2	(2.2)
Plus: Other income, net	(2.8)	(7.3)	(9.8)	(12.8)
Adjusted EBITDA (1)	<u>\$ 87.4</u>	<u>\$ 58.1</u>	<u>\$ 153.1</u>	<u>\$ 113.2</u>
Cash provided by (used in) operating activities	\$ 40.2	\$ 13.0	\$ 19.5	\$ 18.0
Less: Capital spending	(22.9)	(9.1)	(42.0)	(17.8)
Less: Capitalized software costs	(0.4)	(0.7)	(0.5)	(1.6)
Free Cash Flow	<u>\$ 16.9</u>	<u>\$ 3.2</u>	<u>\$ (23.0)</u>	<u>\$ (1.4)</u>
			<b>June 30, 2023</b>	<b>December 31, 2022</b>
Total Debt			\$ 1,747.6	\$ 1,693.9
Less: Cash			107.6	124.4
Net Debt			<u>\$ 1,640.0</u>	<u>\$ 1,569.5</u>

(1) This reconciliation from Net income to Adjusted EBITDA for the quarter ended and year to date ended June 30, 2022 is consistent with the press release filed on August 9, 2022. For conformed reconciliations for the quarter ended and year to date ended June 30, 2022, refer to the Non-GAAP reconciliations of combined results in the tables below.

# Non-GAAP Reconciliation: Combined Legacy Neenah and SWM Results for Comparability



\$ millions

	Three Months Ended					
	June 30, 2022			June 30, 2023		
	Legacy Neenah	Adjustments	Legacy Neenah Adjusted	Legacy SWM	Mativ Combined for Comparison	Mativ
<b>Advanced Technical Materials (ATM) (1)</b>						
<b>Net Sales</b>	\$ 198.5	\$ (17.2)	\$ 181.3	\$ 288.1	\$ 469.4	\$ 419.8
<b>GAAP Operating Profit</b>	16.3	2.5	18.8	29.4	48.2	35.1
Amortization of intangibles and other purchase accounting adjustments	2.1	(0.1)	2.0	11.1	13.1	14.4
Restructuring, impairment, and other expenses	2.1	—	2.1	1.1	3.2	0.8
Acquisition/Merger and integration costs	0.3	—	0.3	—	0.3	—
<b>Adjusted Operating Profit (2)</b>	\$ 20.8	\$ 2.4	\$ 23.2	\$ 41.6	\$ 64.8	\$ 50.3
Adjusted Operating Profit Margin	10.5 %	N/A	12.8 %	14.4 %	13.8 %	12.0 %
Depreciation and stock-based compensation expense (3)	5.0	(0.7)	4.3	7.6	11.9	12.8
<b>Adjusted EBITDA (4)</b>	\$ 25.8	\$ 1.7	\$ 27.5	\$ 49.2	\$ 76.7	\$ 63.1
Adjusted EBITDA Margin	13.0 %	N/A	15.2 %	17.1 %	16.3 %	15.0 %
<b>Fiber-Based Solutions (FBS) (1)</b>						
<b>Net Sales</b>	\$ 108.3	\$ 17.2	\$ 125.5	\$ 138.3	\$ 263.8	\$ 248.5
<b>GAAP Operating Profit</b>	14.5	0.4	14.9	22.4	37.3	31.9
Amortization of intangibles and other purchase accounting adjustments	0.2	0.1	0.3	—	0.3	1.0
Restructuring, impairment, and other expenses	—	—	—	(0.9)	(0.9)	—
<b>Adjusted Operating Profit (2)</b>	\$ 14.7	\$ 0.5	\$ 15.2	\$ 21.5	\$ 36.7	\$ 32.9
Adjusted Operating Profit Margin	13.6 %	N/A	12.1 %	15.5 %	13.9 %	13.2 %
Depreciation and stock-based compensation expense (3)	2.3	0.7	3.0	5.5	8.5	12.8
<b>Adjusted EBITDA (4)</b>	\$ 17.0	\$ 1.2	\$ 18.2	\$ 27.0	\$ 45.2	\$ 45.7
Adjusted EBITDA Margin	15.7 %	N/A	14.5 %	19.5 %	17.1 %	18.4 %

# Non-GAAP Reconciliation: Combined Legacy Neenah and SWM Results for Comparability (cont.)



\$ millions

	Three Months Ended					
	June 30, 2022					June 30, 2023
	Legacy Neenah	Adjustments	Legacy Neenah Adjusted	Legacy SWM	Mativ Combined for Comparison	Mativ
<b>Corporate Unallocated</b>						
<b>GAAP Operating Loss</b>	\$ (13.8)	\$ (3.2)	\$ (17.0)	\$ (24.0)	\$ (41.0)	\$ (33.4)
Restructuring, impairment, and other expenses	—	—	—	—	—	1.1
Acquisition/Merger and integration costs	5.4	—	5.4	6.5	11.9	9.1
<b>Adjusted Operating Loss (2)</b>	\$ (8.4)	\$ (3.2)	\$ (11.6)	\$ (17.5)	\$ (29.1)	\$ (23.2)
% of total Net Sales	(2.7) %	N/A	(3.8) %	(4.1) %	(4.0) %	(3.5) %
Depreciation and stock-based compensation expense (3)	1.8	—	1.8	2.3	4.1	1.8
<b>Adjusted EBITDA (4)</b>	\$ (6.6)	\$ (3.2)	\$ (9.8)	\$ (15.2)	\$ (25.0)	\$ (21.4)
% of total Net Sales	(2.2) %	N/A	(3.2) %	(3.6) %	(3.4) %	(3.2) %
<b>Consolidated</b>						
<b>Net Sales</b>	\$ 306.8	\$ —	\$ 306.8	\$ 426.4	\$ 733.2	\$ 668.3
<b>GAAP Operating Profit (1)</b>	17.0	(0.3)	16.7	27.8	44.5	33.6
Amortization of intangibles and other purchase accounting adjustments	2.3	—	2.3	11.1	13.4	15.4
Restructuring, impairment, and other expenses	2.1	—	2.1	0.2	2.3	1.9
Acquisition/Merger and integration costs	5.7	—	5.7	6.5	12.2	9.1
<b>Adjusted Operating Profit (2)</b>	\$ 27.1	\$ (0.3)	\$ 26.8	\$ 45.6	\$ 72.4	\$ 60.0
Adjusted Operating Profit Margin	8.8 %	N/A	8.7 %	10.7 %	9.9 %	9.0 %
Depreciation and stock-based compensation expense (3)	9.1	—	9.1	15.4	24.5	27.4
<b>Adjusted EBITDA (4)</b>	\$ 36.2	\$ (0.3)	\$ 35.9	\$ 61.0	\$ 96.9	\$ 87.4
Adjusted EBITDA Margin	11.8 %	N/A	11.7 %	14.3 %	13.2 %	13.1 %

The following notes apply to all periods and tables presented herein:

(1) Effective with the merger, certain assets/net sales were reclassified out of ATM and into FBS, and to conform with legacy SWM accounting practices certain of legacy Neenah operating expenses were reclassified out of the ATM and FBS operating segments and moved to Corporate Unallocated. In addition, certain legacy Neenah Corporate Unallocated operating expenses were reclassified out of GAAP Operating Profit and moved to Other income, net to conform with legacy SWM accounting practices.

(2) Effective with the merger, legacy Neenah's definition of Adjusted Operating Profit, a non-GAAP financial measure, was conformed to legacy SWM's Adjusted Operating Profit definition which includes an add-back for amortization of intangible assets and other purchase accounting adjustments.

(3) Depreciation and stock-based compensation excludes stock-based compensation included in acquisition/merger and integration costs.

(4) Effective with the merger, legacy SWM's definition of EBITDA, a non-GAAP financial measure, was conformed to legacy Neenah's EBITDA definition which includes an add-back for stock-based compensation. The revised EBITDA definition is more aligned with the terms of the Company's Credit Agreement.



# Non-GAAP Reconciliation: Sales Results

\$ millions

## Non-GAAP Reconciliation of Organic Net Sales Growth

	Advanced Technical Materials	Fiber-Based Solutions	Consolidated Mativ
Three Months Ended June 30,			
Mativ Combined 2022 Net Sales	\$ 469.4	\$ 263.8	\$ 733.2
Divestiture/closure adjustments	(7.9)	—	(7.9)
<b>Mativ Combined 2022 Comparable Net Sales</b>	<b>\$ 461.5</b>	<b>\$ 263.8</b>	<b>\$ 725.3</b>
Mativ Combined 2023 Net Sales	\$ 419.8	\$ 248.5	\$ 668.3
Divestiture/closure adjustments	—	—	—
<b>Mativ Combined 2023 Comparable Net Sales</b>	<b>\$ 419.8</b>	<b>\$ 248.5</b>	<b>\$ 668.3</b>
<i>Organic growth</i>	(9.0)%	(5.8)%	(7.9)%
Currency effects on 2023	\$ 1.2	\$ (0.1)	1.1
<b>Mativ 2023 Comparable Net Sales with Currency Adjustment</b>	<b>\$ 418.6</b>	<b>\$ 248.6</b>	<b>\$ 667.2</b>
<i>Organic constant currency growth</i>	(9.3)%	(5.8)%	(8.0)%