



First Quarter 2022 Earnings Call

May 10, 2022

Cautionary Statement Regarding Forward-looking Statements Pursuant to Safe Harbor Provisions of The Private Securities Litigation Reform Act of 1995

Cautionary Statement Regarding Forward-Looking Statements

This presentation includes “forward-looking statements” as that term is defined under the Private Securities Litigation Reform Act of 1995.

Forward-looking statements include statements concerning Kodak’s plans, objectives, goals, strategies, future events, future revenue or performance, capital expenditures, liquidity, investments, financing needs and business trends and other information that is not historical information. When used in this presentation, the words “estimates,” “expects,” “anticipates,” “projects,” “plans,” “intends,” “believes,” “predicts,” “forecasts,” “strategy,” “continues,” “goals,” “targets” or future or conditional verbs, such as “will,” “should,” “could,” or “may,” and similar words and expressions, as well as statements that do not relate strictly to historical or current facts, are intended to identify forward-looking statements. All forward-looking statements, including management’s examination of historical operating trends and data, are based upon Kodak’s current expectations and assumptions. Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from historical results or those expressed in or implied by such forward-looking statements.

Important factors that could cause actual events or results to differ materially from the forward-looking statements include, among others, the risks and uncertainties described in more detail in Kodak’s Annual Report on Form 10-K for the year ended December 31, 2021 under the headings “Business,” “Risk Factors,” “Legal Proceedings,” and/or “Management’s Discussion and Analysis of Financial Condition and Results of Operations–Liquidity and Capital Resources,” in the corresponding sections of Kodak’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2022, and in other filings Kodak makes with the U.S. Securities and Exchange Commission from time to time, as well as the following:

- Kodak’s ability to improve and sustain its operating structure, cash flow, profitability and other financial results;
- Kodak’s ability to achieve strategic objectives, cash forecasts, financial projections, and projected growth;
- Kodak’s ability to achieve the financial and operational results contained in its business plans;
- Kodak’s ability to comply with the covenants in its various credit facilities;
- Kodak’s ability to fund continued investments, capital needs and restructuring payments and service its debt and Series B Preferred Stock and Series C Preferred Stock;
- The performance by third parties of their obligations to supply products, components or services to Kodak and Kodak’s ability to address supply chain disruptions and continue to obtain raw materials and components available from single or limited sources of supply, which may be adversely affected by the COVID-19 pandemic;
- The impact of the global economic environment or medical epidemics such as the COVID-19 pandemic, including the restrictions and other actions taken in response to the COVID-19 pandemic, and Kodak’s ability to effectively mitigate or recoup associated increased costs of materials, labor, shipping and operations;



Cautionary Statement Regarding Forward-looking Statements Pursuant to Safe Harbor Provisions of The Private Securities Litigation Reform Act of 1995

Cautionary Statement Regarding Forward-Looking Statements (continued)

- The impacts of the war in Ukraine and the international response thereto on Kodak's business and operations, including the cost of and availability of aluminum and other raw materials and components, shipping costs, transit times and energy costs;
- Changes in foreign currency exchange rates, commodity prices, interest rates and tariff rates;
- The impact of the investigations, litigation and claims arising out of the circumstances surrounding the announcement on July 28, 2020, by the U.S. International Development Finance Corporation of the signing of a non-binding letter of interest to provide a subsidiary of Kodak with a potential loan to support the launch of an initiative for the manufacture of pharmaceutical ingredients for essential generic drugs;
- Kodak's ability to effectively anticipate technology and industry trends and develop and market new products, solutions and technologies, including products based on its technology and expertise that relate to industries in which it does not currently conduct material business;
- Kodak's ability to effectively compete with large, well-financed industry participants;
- Continued sufficient availability of borrowings and letters of credit under Kodak's asset based credit facility and letter of credit facility, Kodak's ability to obtain additional financing if and as needed and Kodak's ability to provide or facilitate financing for its customers;
- Kodak's ability to effect strategic transactions, such as acquisitions, strategic alliances, divestitures and similar transactions, or to achieve the benefits sought to be achieved from such strategic transactions; and
- The potential impact of force majeure events, cyber-attacks or other data security incidents that could disrupt or otherwise harm Kodak's operations.

Future events and other factors may cause Kodak's actual results to differ materially from the forward-looking statements. All forward-looking statements attributable to Kodak or persons acting on its behalf apply only as of the date of this presentation and are expressly qualified in their entirety by the cautionary statements included or referenced in this presentation. Kodak undertakes no obligation to update or revise forward-looking statements to reflect events or circumstances that arise after the date made or to reflect the occurrence of unanticipated events, except as required by law.



Agenda

- **Introduction**

Paul Dils, Chief Tax Officer and Director of Investor Relations

- **CEO Perspective**

Jim Continenza, Executive Chairman

- **First Quarter 2022 Financial Results and Review**

David Bullwinkle, Chief Financial Officer



CEO Perspective

- Started 2022 with a strong balance sheet building off the accomplishments of 2021, including several new product announcements. Cash and cash equivalents as of March 31, 2022, was \$309 million.
- Revenues increased \$25 million (+9%) compared to the prior year quarter, \$35 million (+13%) excluding foreign exchange.
- Recognized strong growth in our print businesses, including KODAK SONORA Process-Free Plates and KODAK PROSPER annuities and volume increases in other businesses. Volume for KODAK SONORA Process-Free Plates improved by 24 percent and annuities revenue for KODAK PROSPER improved by 2 percent.
- Continued to navigate through the ongoing global impacts associated with the COVID-19 pandemic, the war in Ukraine and other global events. The Company is experiencing supply chain disruptions, shortages in materials and labor, and increased labor, material and distribution costs. The Company has implemented numerous measures to mitigate these challenges, including increasing safety stock and lead-times, providing suppliers with longer forecasts of future demand, certifying additional sources or substitute materials where possible and implementing pricing actions.
- Long-term strategy continues to focus on core competencies in print, advanced materials and chemicals, provide environmentally sustainable solutions turning the business to focus on innovation, growth and profitability.
- Remain committed to continued innovation in digital print, including the revolutionary new KODAK ASCEND Digital Press announced in 2021 which is aimed at the retail, point of purchase and packaging markets.



CEO Perspective

- **New initiatives in Advanced Materials & Chemicals business:**
 - ***EV/Energy Storage Battery Material Manufacturing*** – Started coating substrates for EV and energy storage materials. In 2021, started limited production of approximately 3 million square meters, with a maximum capacity of 80 million square meters. Continue to explore opportunities to apply our extensive coating expertise to produce coated substrates in the U.S.
 - ***Light Blocking Technology*** – Kodak plans to leverage an existing proprietary technology to commercialize a carbon-less fabric coating, branded KODALUX. The product is designed to offer superior light management properties and coating compatibility with an unmatched range of fabrics. We are currently completing the installation of a full-scale coating machine to coat fabrics in Eastman Business Park, located in Rochester, NY.
 - ***Transparent Antennas*** - Kodak plans to leverage our proprietary copper micro-wire technologies and high-resolution printing expertise to contract-manufacture custom transparent antennas for automotive and other applications requiring excellent Radio Frequency and optical performance.
 - ***Reagent Manufacturing*** – continue to leverage our trusted brand and expertise in chemicals, we have started the construction of an approximately \$20 million lab and manufacturing facility to manufacture Reagents for healthcare applications.



First Quarter 2022 Results

(\$ millions)	Q1 2022	Q1 2021	Improvement / (Decline)- \$
Consolidated Revenue	\$290	\$265	\$25
Add: Unfavorable Impact of Foreign Exchange ²	\$10		
Adjusted Consolidated Revenue	\$300	\$265	\$35
Net (Loss) Income	(\$3)	\$6	(\$9)
Changes in Fair Value of Embedded Derivative Liability Features	\$3	\$1	
Non-Cash Changes in Workers Compensation Reserves	(\$4)		
Adjusted Net (Loss) Income	(\$4)	\$7	(\$11)
Operational EBITDA ¹	(\$7)	\$3	(\$10)
Less: Non-Cash Changes in Workers Compensation Reserves	(\$4)		
Add: Unfavorable Impact of Foreign Exchange ²	\$1		
Adjusted Operational EBITDA	(\$10)	\$3	(\$13)

- Operational EBITDA was favorably impacted by the growth in revenue due to improved pricing and volume offset by higher ongoing global cost increases in the first quarter of 2022.
- First quarter 2022 sales and volume for growth engines:
 - Volume for KODAK SONORA Process-Free Plates improved by 24 percent
 - Annuities revenue for KODAK PROSPER improved by 2 percent
- Continued investment in ULTRASTREAM and advanced materials and chemicals

This document should be read in conjunction with Eastman Kodak Company's Quarterly Report on Form 10-Q for the period ended March 31, 2022 (the "Q1 2022 Form 10-Q").

⁽¹⁾ Operational EBITDA is equivalent to "Segment Operational EBITDA" as presented in Note 15, Segment Information to the financial statements included in the Q1 2022 Form 10-Q.

⁽²⁾ Refer to page 9 of this presentation for the explanation on the calculation of constant currency.



First Quarter 2022 Cash Flow

(\$ Millions)

Primary Drivers of Cash:

Cash from Operations:

Net (loss) income

Depreciation and amortization

Pension and other postretirement income

Change in fair value of embedded conversion features derivatives

Non-cash changes in workers' compensation reserves

Stock based compensation

Change in working capital

Decrease in liabilities excluding borrowings and trade payables

Other items, net

Net cash used in operating activities

Net cash used in investing activities

Net cash (used in) provided by financing activities

Effect of exchange rate changes on cash, cash equivalents and restricted cash

Net (decrease) increase in cash, cash equivalents and restricted cash

Net (decrease) increase in cash, cash equivalents and restricted cash

Net increase in restricted cash

Net (decrease) increase in cash and cash equivalents

Net proceeds from refinancing transactions

Funding of Letter Credit Facility from refinancing transaction proceeds

Effect of exchange rates on cash

Adjusted net decrease in cash and cash equivalents

Three Months Ended March 31,

2022 2021 \$ Change

	2022	2021	\$ Change
\$ (3)	\$ 6	\$ (9)	
7	8	(1)	
(26)	(21)	(5)	
3	1	2	
(4)	-	(4)	
2	3	(1)	
(10)	10	(20)	
(13)	(22)	9	
1	(1)	2	
(43)	(16)	(27)	
(5)	(1)	(4)	
(1)	242	(243)	
-	(4)	4	
\$ (49)	\$ 221	\$ (270)	

\$21M Use of Cash from Net Earnings

\$22M Use of Cash from Balance Sheet Changes

\$18M Year-Over-Year decrease in Cash Flow from Net Earnings

\$9M Year-Over-Year decrease in Cash Flow from Balance Sheet Changes

\$ (49)	\$ 221	\$ (270)
(4)	(16)	12
\$ (53)	\$ 205	\$ (258)
-	(247)	247
-	14	(14)
-	4	(4)
\$ (53)	\$ (24)	\$ (29)

This document should be read in conjunction with the Q1 2022 Form 10-Q.



Non-GAAP Measures

In this first quarter earnings presentation, reference is made to the following non-GAAP financial measures:

- Revenues and Operational EBITDA on a constant currency basis;
- Net (Loss) Income excluding changes in fair value of embedded derivative liability features and non-cash changes in workers compensation reserves (“Adjusted Net (Loss) Income”);
- Operational EBITDA;
- Operational EBITDA on a constant currency basis excluding changes in non-cash workers compensation reserves (“Adjusted Operational EBITDA”); and
- Decrease in cash and cash equivalents excluding net proceeds from refinancing transactions, funding of Letter of Credit Facility and foreign exchange impact on cash and cash equivalents (“Adjusted Net Decrease in Cash and Cash Equivalents”).

Kodak believes that these non-GAAP measures represent important internal measures of performance as used by management. Accordingly, where they are provided, it is to give investors the same financial data management uses with the belief that this information will assist the investment community in properly assessing the underlying performance of Kodak, its financial condition, results of operations and cash flow. The performance measure related to Adjusted Net Decrease in Cash and Cash Equivalents is an important measure in evaluating the Company’s liquidity.

Kodak’s segment measure of profit and loss is an adjusted earnings before interest, taxes, depreciation and amortization (“Operational EBITDA”). Operational EBITDA represents the (loss) earnings from continuing operations excluding the provision for income taxes; non-service cost components of pension and OPEB income; depreciation and amortization expense; restructuring costs and other; stock-based compensation expense; consulting and other costs; idle costs; other operating income, net; interest expense; and other charges, net.

The change in consolidated revenues and Operational EBITDA on a constant currency basis, as presented in this earnings presentation, is calculated by using average foreign exchange rates for the three months ended March 31, 2021, rather than the actual average exchange rates in effect for the three months ended March 31, 2022.



Non-GAAP Measures

The following table reconciles the most directly comparable GAAP measure of Net (Loss) Income to Adjusted Net (Loss) Income for the three months ended March 31, 2022 and 2021, respectively:

(in millions)

	<u>Q1 2022</u>	<u>Q1 2021</u>	<u>\$ Change</u>
Net (Loss) Income	\$ (3)	\$ 6	\$ (9)
Changes in Fair Value of Embedded Derivative Liability Features	3	1	2
Non-Cash Changes in Workers Compensation Reserves	(4)	-	(4)
Adjusted Net (Loss) Income	<u>\$ (4)</u>	<u>\$ 7</u>	<u>\$ (11)</u>



Non-GAAP Measures

The following table reconciles the most directly comparable GAAP measure of Net (Loss) Income to Operational EBITDA, Operational EBITDA on a constant currency basis and Adjusted Operational EBITDA for the three months ended March 31, 2022 and 2021, respectively:

(in millions)

	Q1 2022	Q1 2021	\$ Change
Net (Loss) Income	\$ (3)	\$ 6	\$ (9)
Depreciation and amortization	7	8	(1)
Restructuring costs and other ⁽¹⁾	-	1	(1)
Stock based compensation	2	3	(1)
Consulting and other costs ⁽²⁾	2	5	(3)
Idle costs ⁽³⁾	1	1	-
Other operating income, net	-	(1)	1
Interest expense ⁽¹⁾	9	4	5
Pension income excluding service cost component ⁽¹⁾	(30)	(25)	(5)
Other charges, net ⁽¹⁾	3	-	3
Provision for income taxes ⁽¹⁾	2	1	1
Operational EBITDA	\$ (7)	\$ 3	\$ (10)
Impact of foreign exchange ⁽⁴⁾	1	-	1
Operational EBITDA on a constant currency basis	\$ (6)	\$ 3	\$ (9)
Change in workers compensation reserves	(4)	-	(4)
Operational EBITDA on a constant currency basis excluding changes in workers compensation reserves ("Adjusted Operational EBITDA")	\$ (10)	\$ 3	\$ (13)

Refer to Page 13 of this presentation for footnote explanations.



Non-GAAP Measures

The following table reconciles the most directly comparable GAAP measure of Net (decrease) increase in cash, cash equivalents and restricted cash to cash and cash equivalents excluding net proceeds from refinancing transactions, funding of Letter of Credit Facility and foreign exchange impact on cash and cash equivalents (“Adjusted net decrease in cash and cash equivalents”) for the three months ended March 31, 2022 and 2021, respectively:

(in millions)	Three Months Ended March 31, 2022	Three Months Ended March 31, 2021	\$ Change
Net cash used in operating activities	\$ (43)	\$ (16)	\$ (27)
Net cash used in investing activities	(5)	(1)	(4)
Net cash (used in) provided by financing activities	(1)	242	(243)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	-	(4)	4
Net (decrease) increase in cash, cash equivalents and restricted cash	(49)	221	(270)
Net increase in restricted cash	(4)	(16)	12
Net (decrease) increase in cash and cash equivalents	(53)	205	(258)
Net proceeds from refinancing transactions	-	(247)	247
Funding of Letter Credit Facility from refinancing transaction proceeds	-	14	(14)
Effect of exchange rates on cash and cash equivalents	-	4	(4)
Adjusted net decrease in cash and cash equivalents	\$ (53)	\$ (24)	\$ (29)



Non-GAAP Measures

Footnote Explanations:

- (1) As reported in the Consolidated Statement of Operations.
- (2) Consulting and other costs are primarily professional services and internal costs associated with certain corporate strategic initiatives, investigations and litigation.
- (3) Consists of third-party costs such as security, maintenance, and utilities required to maintain land and buildings in certain locations not used in any Kodak operations and the costs, net of any rental income received, of underutilized portions of certain properties.
- (4) The impact of foreign exchange is calculated by using average foreign exchange rates for the three months ended March 31, 2021, rather than the actual average exchange rates in effect for the three months ended March 31, 2022.





APPENDIX

First Quarter 2022 Financial Summary by Reportable Segment

(\$ millions)

Q1 2022 Actuals	Traditional Printing	Digital Printing	Advanced Materials & Chemicals	Brand	Total
Revenue	\$ 172	\$ 56	\$ 54	\$ 4	\$ 286
Operational EBITDA ⁽¹⁾	\$ (2)	\$ (5)	\$ (3)	\$ 3	\$ (7)
Q1 2021 Actuals	Traditional Printing	Digital Printing	Advanced Materials & Chemicals	Brand	Total
Revenue	\$ 148	\$ 64	\$ 46	\$ 3	\$ 261
Operational EBITDA ⁽¹⁾	\$ 5	\$ -	\$ (4)	\$ 2	\$ 3
Q1 2022 vs. Q1 2021 Actuals B/(W)	Traditional Printing	Digital Printing	Advanced Materials & Chemicals	Brand	Total
Revenue	\$ 24	\$ (8)	\$ 8	\$ 1	\$ 25
Operational EBITDA	\$ (7)	\$ (5)	\$ 1	\$ 1	\$ (10)
Q1 2022 Actuals on constant currency ⁽²⁾ vs. Q1 2021 Actuals B/(W)	Traditional Printing	Digital Printing	Advanced Materials & Chemicals	Brand	Total
Revenue	\$ 32	\$ (6)	\$ 8	\$ 1	\$ 35
Operational EBITDA	\$ (7)	\$ (4)	\$ 1	\$ 1	\$ (9)

⁽¹⁾ Operational EBITDA is equivalent to "Segment Operational EBITDA" as presented in Note 15, Segment Information to the financial statements included in the Q1 2022 Form 10-Q.

⁽²⁾ Refer to page 9 of this presentation for the explanation on the calculation of constant currency.

Eastman Business Park segment is not a reportable segment and is excluded from the table above.





Thank You

