



Fourth Quarter 2021 Earnings Call

March 15, 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,” 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;
- 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;



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 our 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;
- 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

- **2021 Financial Results and Review**

David Bullwinkle, Chief Financial Officer



CEO Perspective

- Strong full year performance reflecting continued improvement despite rapid inflationary pressures and resource constraints; including rising costs in raw materials, shipping and supply chain issues and work force challenges.
- Continue to focus as “One Kodak” and on our customers to execute long-term plan and continue to navigate the impacts created by the pandemic and the war in Ukraine.
- Revenues increased \$121 million (+12%) compared to the prior year, \$105 million (+10%) excluding foreign exchange.
- Reduced Net Debt by \$294 million when compared to March 31, 2019.

(in millions)	As of	As of	\$ Change
	December 31, 2021	March 31, 2019	
Cash and cash equivalents	\$ 362	\$ 221	\$ 141
Short-term and long-term debt	(254)	(414)	160
Convertible preferred stock	(196)	(175)	(21)
Deferred consideration on disposed businesses	-	(14)	14
Net debt	\$ (88)	\$ (382)	\$ 294

- Remain committed to continue innovation in digital print.
- New Product Launches in October 2021:
 - KODAK ASCEND Digital Press.
 - Won European Digital Press Association’s 2021 EDP Award. Kodak earned the prestigious industry accolade in the "Industrial Print & Finishing Solutions – Best Folding Carton Solution”
 - KODAK PRINERGY On Demand Access.



CEO Perspective

- Recognizing strong growth in our businesses, including KODAK SONORA Process-Free Plates and KODAK PROSPER annuities for the year and overall volume increases in other businesses.
- 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.
- **New initiatives in Advanced Materials & Chemicals business**
 - ***EV/Energy Storage Battery Material Manufacturing*** – Coating of substrates is a critical aspect of manufacturing materials for batteries and Kodak plans to capitalize on its expertise in coating technology to develop opportunities in this area.
 - Over the past several years, Kodak has been using its pilot coating facility to work with battery developers to coat their materials on substrates for EV/energy storage batteries and fuel cells. Based on potential commercial opportunities, we are assessing full-scale production feasibility.
 - Kodak has repurposed a full-scale production coating machine to manufacture coated substrates for cathode and anode assembly in the EV / energy storage battery market.
 - Kodak will continue to explore opportunities to apply its extensive coating expertise to produce U.S.-manufactured coated substrates for battery assembly.
 - ***Light Blocking Technology*** – Kodak plans to leverage a proprietary technology initially developed for electrophotographic toners to commercialize a carbon-less fabric coating designed to offer superior light management, from complete blackout to selective light filtering, and coating compatibility with an unmatched range of fabrics.
 - Kodak has successfully developed and tested a product branded KODALUX for blinds and drapery coating applications. There has been significant interest in the KODALUX product from major hospitality businesses.
 - Kodak is completing the installation and commissioning of its proprietary fabric coating plant in Eastman Business Park, located in Rochester, NY. Kodak expects the coating facility to come online and start supplying product in the second half of 2022.



CEO Perspective

- **New initiatives in Advanced Materials & Chemicals business (cont.)**
 - **Transparent Antennas** - Kodak plans to leverage its proprietary copper micro-wire technologies and high-resolution printing expertise to contract-manufacture custom transparent antennas for automotive, commercial construction, and other applications requiring excellent RF (radio frequency) and optical performance.
 - Kodak is working with multiple customers in several market segments at different stages of the commercialization process for antenna products.
 - Kodak is making a modest investment in manufacturing infrastructure in 2022 to meet the needs of RF antenna customers.
 - **Reagent Manufacturing** – Kodak plans to capitalize on its existing chemical manufacturing expertise to implement an expansion into manufacturing Diagnostic Test Reagent solutions.
 - Kodak is in the early stages of developing a test reagent manufacturing facility for producing reagents used in laboratory tests. Renovation to convert an existing clean room to a cGMP facility is underway.
 - Kodak’s initial objective is to enter the domestic Balanced Buffer market due to the domestic supply chain crisis and regulatory requirements. Once the Kodak cGMP facility is operational, Kodak plans to manufacture limited volumes of a variety of regulated chemicals and materials for healthcare applications.



Full-Year 2021 Results

(\$ millions)	FY 2021	FY 2020	Improvement / (Decline)- \$
Consolidated Revenue	\$1,150	\$1,029	\$121
Less: Favorable Impact of Foreign Exchange ²	(\$16)		
Adjusted Consolidated Revenue	\$1,134	\$1,029	\$105
Net Income (Loss)	\$24	(\$541)	\$565
Changes in Fair Value of Embedded Derivative Liability Features	(\$7)	\$382	
Non-Cash Changes in Employee Benefit Reserves	(\$4)	\$4	
Legal Settlements	(\$7)		
Loss on Extinguishment of Debt		\$2	
Trade Name Impairment		\$3	
Increase in Accounts Receivable Reserves		\$3	
Net Loss (Gain) on Sales of Assets	\$1	(\$10)	
Increase in Deferred Tax Valuation Allowances		\$167	
Adjusted Net Income	\$7	\$10	(\$3)
Operational EBITDA ¹	\$11	(\$1)	\$12
Add: Increase in Accounts Receivable Reserves		\$3	
Add: Unfavorable Impact of Foreign Exchange ²	\$1		
Less: Changes in Employee Benefit Reserves	(\$4)	\$4	
Adjusted Operational EBITDA	\$8	\$6	\$2

- Operational EBITDA was favorably impacted by improvement in revenue and manufacturing costs from increases in volume partially offset by ongoing global cost increases in 2021. The current year Operational EBITDA results did not benefit from \$25 million in savings from temporary pay cuts and furloughs that largely ended in January 2021.
- FY 2021 sales and volume for growth engines:
 - Volume for KODAK SONORA Process-Free Plates improved by 31 percent
 - Annuities revenue for KODAK PROSPER improved by 21 percent
- Continued investment in ULTRASTREAM and advanced materials

This document should be read in conjunction with Eastman Kodak Company's Annual Report on Form 10-K for the year ended December 31, 2021 (the "2021 Form 10-K").

⁽¹⁾ Operational EBITDA is equivalent to "Segment Operational EBITDA" as presented in Note 26, Segment Information to the financial statements included in the 2021 Form 10-K.

⁽²⁾ Refer to page 10 of this presentation for the explanation on the calculation of constant currency.



Full Year 2021 Cash Flow

(\$ Millions)

Primary Drivers of Cash:

Cash from Operations:

Net income (loss)

Depreciation and amortization

Pension and other postretirement income

Change in fair value of embedded conversion features derivatives

Loss on early extinguishment of debt

Net loss (gain) on sales of assets

Asset impairments

Stock based compensation

Non-cash changes in workers' compensation and postemployment reserves

(Benefit) Provision for deferred income taxes

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 provided by financing activities

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

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

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

Net (increase) decrease in restricted cash

Net increase (decrease) in cash and cash equivalents

Net proceeds from refinancing transactions

Funding of Letter Credit Facility from refinancing transaction proceeds

Proceeds from stock option exercises

Project and consulting payments

Savings from temporary furloughs and pay cuts

Effect of exchange rates on cash and cash equivalents

Adjusted net decrease in cash and cash equivalents

Twelve Months Ended December 31,

2021 2020 \$ Change

	2021	2020	\$ Change
\$	24	\$(541)	\$ 565
	31	37	(6)
	(83)	(77)	(6)
	(7)	382	(389)
	-	2	(2)
	1	(10)	11
	-	3	(3)
	7	15	(8)
	(4)	4	(8)
	(1)	160	(161)
	14	9	5
	(29)	(26)	(3)
	-	7	(7)
	(47)	(35)	(12)
	(20)	(13)	(7)
	238	10	228
	(4)	4	(8)
\$	167	\$(34)	\$ 201

\$32M Use of Cash from Net Earnings

\$15M Use of Cash from Balance Sheet Changes

\$7M Year-Over-Year decrease in Cash Flow from Net Earnings

\$5M Year-Over-Year decrease in Cash Flow from Balance Sheet Changes

\$	167	\$(34)	\$ 201
	(1)	(3)	2
\$	166	\$(37)	\$ 203
	(247)	-	(247)
	14	-	14
	-	(33)	33
	17	7	10
	-	(25)	25
	4	(4)	8
\$	(46)	\$(92)	\$ 46

This document should be read in conjunction with 2021 Form 10-K.



Non-GAAP Measures

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

- Cash and cash equivalents excluding debt, convertible preferred stock and deferred consideration on disposed businesses (“Net Debt”);
- Revenues and Operational EBITDA on a constant currency basis;
- Net Income (Loss) excluding changes in fair value of embedded derivative liability features, non-cash changes in employee benefit reserves, legal settlements, loss on early extinguishment of debt, trade name impairment, increase in accounts receivable reserves, net loss (gain) on sale of assets and increase in deferred tax valuation allowances (“Adjusted Net Income”);
- Operational EBITDA;
- Operational EBITDA on a constant currency basis excluding the increase in accounts receivable reserves and changes in employee benefit reserves (“Adjusted Operational EBITDA”); and
- Decrease in cash and cash equivalents excluding net proceeds from refinancing transactions, funding of Letter of Credit Facility, proceeds from stock options exercises, project and consulting payments, savings from temporary furloughs and pay cuts 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 measures related to Net Debt and Adjusted Net Decrease in Cash and Cash Equivalents are important measures 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 income (loss) from continuing operations excluding the provision for income taxes; earnings from discontinued operations, net of 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; loss on early extinguishment of debt; other operating (income) expense, net; interest expense; and other (income) 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 twelve months ended December 31, 2020, rather than the actual average exchange rates in effect for the twelve months ended December 31, 2021.



Non-GAAP Measures

The following table reconciles the most directly comparable GAAP measure of Cash, Cash Equivalents, Restricted Cash and Cash in Assets Held for Sale, end of period to Cash and cash equivalents excluding debt, convertible preferred stock and deferred consideration on disposed businesses for the twelve months ended December 31, 2021 and three months ended March 31, 2019, respectively:

(in millions)	Twelve Months Ended December 31, 2021	Three Months Ended March 31, 2019	\$ Change
Net cash used in operating activities	\$ (47)	\$ (12)	\$ (35)
Net cash used in investing activities	(20)	(3)	(17)
Net cash provided by financing activities	238	3	235
Effect of exchange rate changes on cash, cash equivalents, restricted cash and cash in assets held for sale	(4)	2	(6)
Net decrease in cash, cash equivalents, restricted cash and cash in assets held for sale	167	(10)	177
Cash, cash equivalents, restricted cash and cash in assets held for sale, beginning of period	256	267	(11)
Cash, cash equivalents, restricted cash and cash in assets held for sale, end of period	423	257	166
Restricted cash balance and cash in assets held for sale	(61)	(36)	(25)
Cash and cash equivalents, end of period	362	221	141
Short-term borrowings and current portion of long-term debt	(1)	(396)	395
Long-term debt, net of current portion	(253)	(18)	(235)
Convertible preferred stock	(196)	(175)	(21)
Deferred consideration on disposed businesses	-	(14)	14
Cash and cash equivalents excluding debt, convertible preferred stock and deferred consideration on disposed businesses ("Net Debt")	\$ (88)	\$ (382)	\$ 294



Non-GAAP Measures

The following table reconciles the most directly comparable GAAP measure of Net Income (Loss) to Adjusted Net Income for the twelve months ended December 31, 2021 and 2020, respectively:

(in millions)

	<u>FY 2021</u>	<u>FY 2020</u>	<u>\$ Change</u>
Net Income (Loss)	\$ 24	\$ (541)	\$ 565
Changes in Fair Value of Embedded Derivative Liability Features	(7)	382	(389)
Non-Cash Changes in Employee Benefit Reserves	(4)	4	(8)
Legal Settlements	(7)	-	(7)
Loss on Extinguishment of Debt	-	2	(2)
Trade Name Impairment	-	3	(3)
Increase in Accounts Receivable Reserves	-	3	(3)
Net Loss (Gain) on Sales of Assets	1	(10)	11
Increase in Deferred Tax Valuation Allowances	-	167	(167)
Adjusted Net Income	<u>\$ 7</u>	<u>\$ 10</u>	<u>\$ (3)</u>



Non-GAAP Measures

The following table reconciles the most directly comparable GAAP measure of Net Income (Loss) to Operational EBITDA, Operational EBITDA on a constant currency basis and Adjusted Operational EBITDA for the twelve months ended December 31, 2021 and 2020, respectively:

(in millions)

	FY 2021	FY 2020	\$ Change
Net Income (Loss)	\$ 24	\$ (541)	\$ 565
All other	(2)	(1)	(1)
Depreciation and amortization	31	37	(6)
Restructuring costs and other ⁽¹⁾	6	17	(11)
Stock based compensation	7	15	(8)
Consulting and other costs ⁽²⁾	19	9	10
Idle costs ⁽³⁾	2	3	(1)
Other operating income, net, excluding income from transition services agreement ⁽⁴⁾	(6)	(7)	1
Interest expense ⁽¹⁾	33	12	21
Pension income excluding service cost component ⁽¹⁾	(102)	(98)	(4)
Loss on early extinguishment of debt ⁽¹⁾	-	2	(2)
Other (income) charges, net ⁽¹⁾	(5)	386	(391)
Earnings from discontinued operations, net of income taxes	-	(3)	3
Provision for income taxes ⁽¹⁾	4	168	(164)
Operational EBITDA	\$ 11	\$ (1)	\$ 12
Impact of foreign exchange ⁽⁵⁾	1		1
Operational EBITDA on a constant currency basis	\$ 12	\$ (1)	\$ 13
Increase in accounts receivable reserves	-	3	(3)
Change in employee benefit reserves	(4)	4	(8)
Operational EBITDA on a constant currency basis excluding increase in accounts receivable reserves and changes in employee benefit reserves ("Adjusted Operational EBITDA")	\$ 8	\$ 6	\$ 2

Refer to Page 15 of this presentation for footnote explanations.



Non-GAAP Measures

The following table reconciles the most directly comparable GAAP measure of Net increase (decrease) in cash, cash equivalents and restricted cash to cash and cash equivalents excluding net proceeds from refinancing transactions, funding of Letter of Credit Facility, proceeds from stock options exercises, project and consulting payments, savings from temporary furloughs and pay cuts and foreign exchange impact on cash and cash equivalents (“Adjusted net decrease in cash and cash equivalents”) for the twelve months ended December 31, 2021 and 2020, respectively:

(in millions)	Twelve Months Ended December 31, 2021	Twelve Months Ended December 31, 2020	\$ Change
Net cash used in operating activities	\$ (47)	\$ (35)	\$ (12)
Net cash used in investing activities	(20)	(13)	(7)
Net cash provided by financing activities	238	10	228
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(4)	4	(8)
Net decrease in cash, cash equivalents and restricted cash	167	(34)	201
Net increase in restricted cash	(1)	(3)	2
Net increase (decrease) in cash and cash equivalents	166	(37)	203
Net proceeds from refinancing transactions	(247)	-	(247)
Funding of Letter Credit Facility from refinancing transaction proceeds	14	-	14
Proceeds from stock option exercises	-	(33)	33
Project and consulting payments	17	7	10
Savings from temporary furloughs and pay cuts	-	(25)	25
Effect of exchange rates on cash and cash equivalents	4	(4)	8
Adjusted net decrease in cash and cash equivalents	\$ (46)	\$ (92)	\$ 46



Non-GAAP Measures

Footnote Explanations:

- (1) As reported in the Consolidated Statement of Operations.
- (2) Consulting and other costs are professional services and internal costs associated with certain corporate strategic initiatives, investigations and litigation.
- (3) Consists of 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) \$6 million of income from the transition services agreement related to the sale of the Flexographic Packaging Business was recognized in the twelve months ended December 31, 2020, respectively. No income has been recognized in 2021. The income was reported in Other operating (income) expense, net in the Consolidated Statement of Operations. Other operating (income) expense, net is typically excluded from the segment measure. However, the income from the transition services agreement was included in the segment measure.
- (5) The impact of foreign exchange is calculated by using average foreign exchange rates for the twelve months ended December 31, 2020, rather than the actual average exchange rates in effect for the twelve months ended December 31, 2021.





APPENDIX

Full Year 2021 Financial Summary by Reportable Segment

(\$ millions)

FY 2021 Actuals	Traditional Printing	Digital Printing	Advanced Materials & Chemicals	Brand	Total
Revenue	\$ 659	\$ 249	\$ 212	\$ 15	\$ 1,135
Operational EBITDA ⁽¹⁾	\$ 9	\$ (5)	\$ (6)	\$ 13	\$ 11
FY 2020 Actuals	Traditional Printing	Digital Printing	Advanced Materials & Chemicals	Brand	Total
Revenue	\$ 592	\$ 241	\$ 172	\$ 13	\$ 1,018
Operational EBITDA ⁽¹⁾	\$ 21	\$ (10)	\$ (23)	\$ 11	\$ (1)
FY 2021 vs. FY 2020 Actuals B/(W)	Traditional Printing	Digital Printing	Advanced Materials & Chemicals	Brand	Total
Revenue	\$ 67	\$ 8	\$ 40	\$ 2	\$ 117
Operational EBITDA	\$ (12)	\$ 5	\$ 17	\$ 2	\$ 12
FY 2021 Actuals on constant currency ⁽²⁾ vs. FY 2020 Actuals B/(W)	Traditional Printing	Digital Printing	Advanced Materials & Chemicals	Brand	Total
Revenue	\$ 56	\$ 4	\$ 39	\$ 2	\$ 101
Operational EBITDA	\$ (8)	\$ 3	\$ 16	\$ 2	\$ 13

⁽¹⁾ Operational EBITDA is equivalent to "Segment Operational EBITDA" as presented in Note 26, Segment Information to the financial statements included in the 2021 Form 10-K.

⁽²⁾ Refer to page 10 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

