



G L A T F E L T E R

Sidoti Small Cap Investor Conference

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NYSE: GLT

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Forward Looking Statements and Use of Non-GAAP Financial Measures

Any statements included in this presentation which pertain to future financial and business matters are “forward-looking statements” within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. The Company uses words such as “anticipates”, “believes”, “expects”, “future”, “intends”, “plans”, “targets”, and similar expressions to identify forward-looking statements. Any such statements are based on the Company’s current expectations and are subject to numerous risks, uncertainties and other unpredictable or uncontrollable factors that could cause future results to differ materially from those expressed in the forward-looking statements, which are described in the Company’s filings with the U.S. Securities and Exchange Commission (“SEC”), including those set forth in the Risk Factors section and under the heading “Forward-Looking Statements” in the Company’s most recently filed Annual Report on Form 10-K and Quarterly Report on Form 10-Q, which are available on the SEC’s website at www.sec.gov. In light of these risks, uncertainties and other factors, the forward-looking matters discussed in this presentation may not occur and readers are cautioned not to place undue reliance on these forward-looking statements. The forward-looking statements speak only as of the date of this presentation and the Company undertakes no obligation, and does not intend, to update these forward-looking statements to reflect events or circumstances occurring after the date of this presentation.

During the course of this presentation, certain non-U.S. GAAP financial measures will be presented. A reconciliation of these measures to U.S. GAAP financial measures is included in the appendix of this presentation.



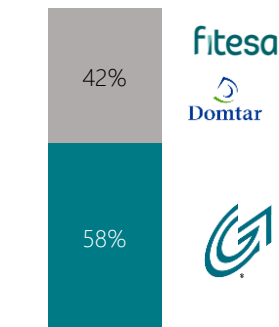
Airlaid Materials

Category Share

Feminine Hygiene



Glatfelter Category Share
Target Region NA + EMEA



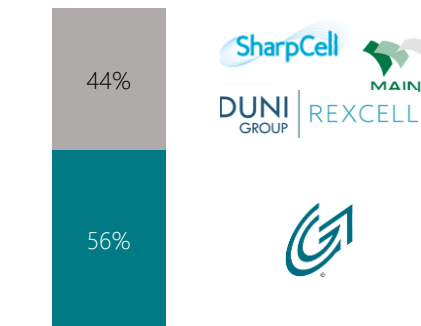
Growth opportunities

- Pursue growth in developing Asian and Latin American markets
- Innovation to consolidate several layers
- Evaluate lower-cost production options in developing world
- Trend to thinner cores boost business

Table top



Glatfelter Category Share
Target Region NA + EMEA



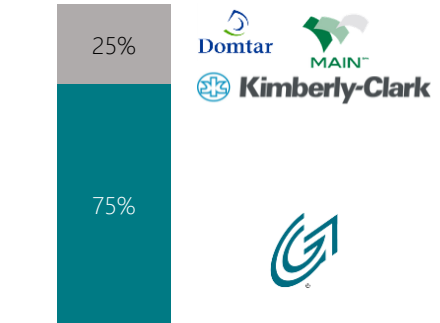
Growth opportunities

- Capitalize on home compostable tabletop offering
- Support customers "Linen Attack" programs to replace washable napkins

Baby Wipes



Glatfelter Category Share
Target Region NA + EMEA



Growth opportunities

- Capitalize on plastic free demand and regulations
- Increase in hygiene standards leading to more consumption of wipes

Blue Chip Customers



rockline



Kimberly-Clark



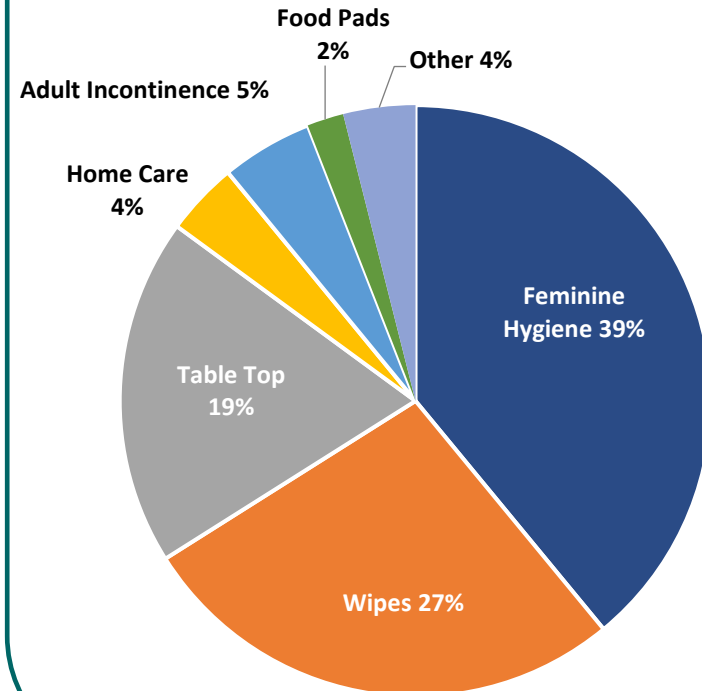
Airlaid Materials

Portfolio Summary

Key Success Factors

- Megatrends driving demand:
 - Sustainability (~70% plant-based feedstock)
 - Hygiene, Wellbeing and Health
 - Convenience
 - Growing and aging population
- Consumer staples categories growing at normalized GDP/GDP+ rates:
 - Feminine Hygiene ~1%
 - Consumer Wipes ~1-2%
 - Tabletop ~2-3%
 - Adult Incontinence ~4%
- Economies of scale, global manufacturing footprint and diversified product portfolio
- Innovation and product development partner for “Blue Chip” players
 - Sustainable bottle screw caps through joint innovation with ALPLA (BOC joint venture)

Sales Mix



Composite Fibers

Category Share

Wallcover



Glatfelter Category Share
Target Region EMEA



Growth opportunities

- Population growth and more spending for renovation
- Evolution from traditional paper to nonwoven
- Customization trend creates opportunity for nonwovens in digital printing

Food & Beverage*



Glatfelter Category Share
Target Region Global



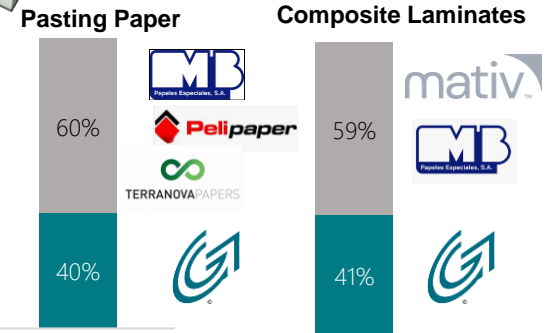
Growth opportunities

- **Tea:** Lower-cost model for developing regions / Continue to support customers' desire to promote tea as healthy beverage alternative
- **Coffee:** Home compostable sealing fibers and binders, biocup and biolid materials

Others



Glatfelter Category Share
Target Region Global



Growth opportunities

- **Pasting Paper:** Growth expected in category / New generation pasting product penetration in China
- **Composite Laminates:** Population growth and more spending for refurbishment and construction activities

Blue Chip Customers



*Tea and Coffee



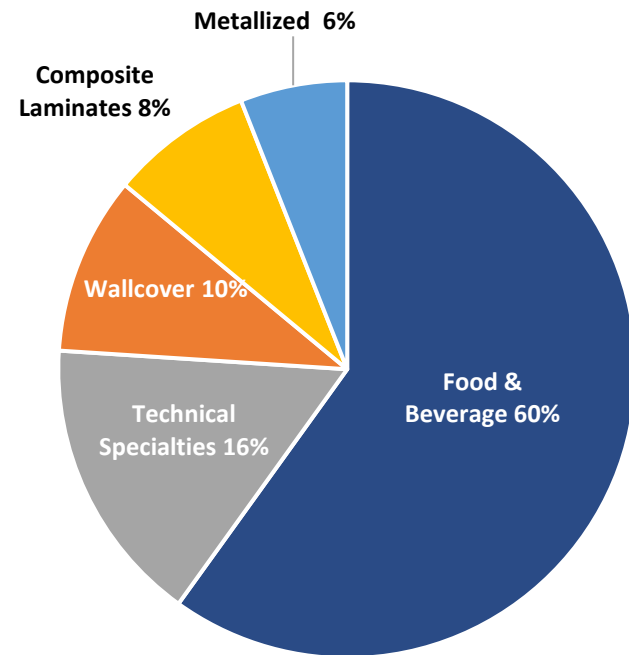
Composite Fibers

Portfolio Summary

Key Success Factors

- Megatrends driving demand:
 - Sustainability (~65% plant-based feedstock)
 - Convenience and wellbeing
 - Growing population
 - Mobility
- Categories growing at normalized GDP/GDP+ rates:
 - Tea ~1-2%
 - Single Serve Coffee ~2-3%
 - Composite Laminates ~2-3%
- Impacted by Russia/Ukraine conflict and related sanctions (Wallcover and Tea)
- Unrivaled inclined-wire manufacturing assets, captive abaca pulp supply and superior quality
- Progressing innovation through development of non-woven based lithium-ion battery separator

Sales Mix

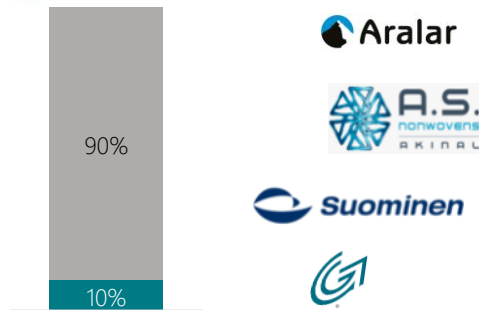


Spunlace Category Share

Wipes



Glatfelter Category Share
Target Region NA



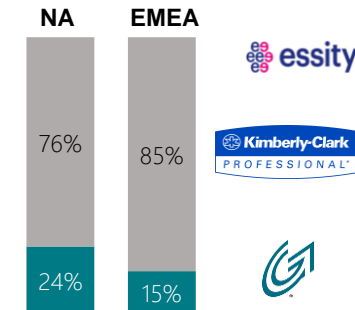
Growth opportunities

- **Baby Wipes:** Window of opportunity to introduce new products due to shift to plant-based materials
- **Dispersible Wipes:** Capitalize on plastic free trends and regulations / Growing market demand for dispersible material in other applications

Critical Cleaning



Glatfelter Category Share
Target Region NA + EMEA



Growth opportunities

- Localization trend driven by supply chain disruptions and sustainability
- Geographical expansion and growth into new applications
- Increasing interest in sustainable wipes

Health Care



Glatfelter Category Share
Target Region Global



Growth opportunities

- Increasing interest in more sustainable offerings, made with recycled PET and new coatings
- Opening new markets by combining our technologies

Blue Chip Customers



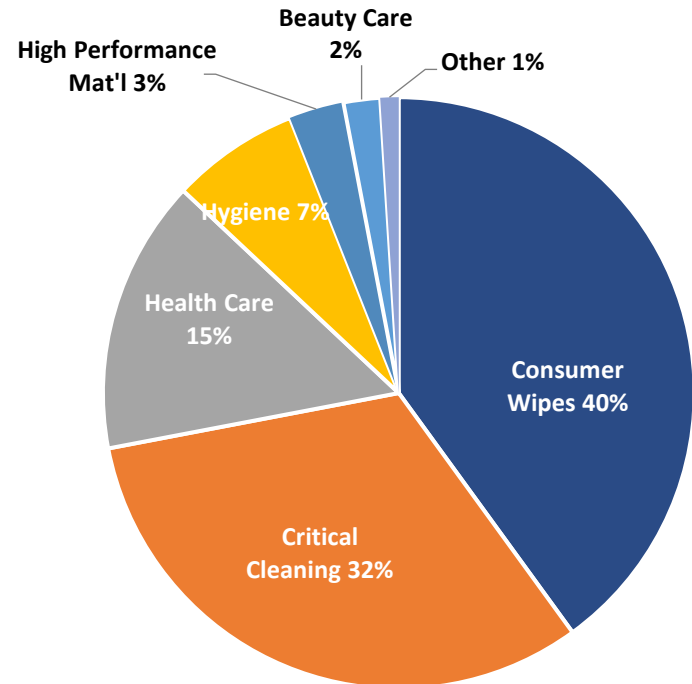
Spunlace

Portfolio Summary

Key Success Factors

- Megatrends driving demand:
 - Sustainability (~60% plant-based feedstock)
 - Health, hygiene and wellbeing
 - Aging population
 - Convenience
- Categories growing at normalized GDP/GDP+ rates:
 - Consumer Wipes ~1-2%
 - Critical Cleaning ~3-4%
 - Health Care ~3-4%
 - Hygiene ~1-2%
- EBITDA growth initiatives include:
 - Operational efficiencies
 - Cost reduction and overhead improvement
- Branded finished goods footprint with diverse product portfolio and global manufacturing
- Innovation-focused to advance sustainability aspirations and deliver growth

Sales Mix



Six-Point Turnaround Strategy

- **Portfolio Optimization**
 - Reviewing non-core assets
- **Margin improvement**
 - Accelerating customers' pricing actions to address input cost inflation
- **Fixed cost reduction**
 - Reducing headcount to yield full year run-rate savings of approximately \$11 million by 2024
 - Evaluating indirect spend for further cost reduction
- **Cash liberation**
 - Improving working capital, managing capital allocation, and suspended dividend
- **Operational effectiveness**
 - Improving waste, uptime efficiency, and asset utilization – targeting ~\$10 million run-rate savings by 2024
 - Investing in key talent to strengthen operations' leadership bench
- **Return Spunlace to profitability**
 - Applying above actions to improve output and meet customer demand
 - Augmenting internal team with expert external resources



Ober-Schmitten Site Update

- Formally announced wind-down of our Ober-Schmitten facility located in Nidda, Germany
 - Electrical & glassine paper production with approximately 180 employees
- Part of turnaround strategy to improve financial performance of the overall business and to exit non-core products and unprofitable operations
 - Decision taken after multiple unsuccessful attempts to sell the site
- Currently negotiating with the works council on the final social plan and related employee separation costs
- Subsequently, all assets will be liquidated as part of the wind-down and closure process
 - Commercial team actively working with customers to fulfill final orders
- Total estimated closure costs dependent on social plan outcome and ancillary shuttering costs, net of asset sale and liquidation proceeds

Recent Leadership/Organization Changes

Senior Leadership:

- Streamlined leadership team by appointing new Chief Operating Officer to replace Chief Commercial Officer and Integrated Global Supply Chain roles
- Goal is to accelerate decision-making and real-time assessment of the business needs for commercial and supply chain functions with single point of accountability

Formation of a new Product Management function:

- Co-led by two senior executives and a team formed using existing bench and external hires to meet skillset and capabilities requirements
- Function to be structured around 6 product categories that include Food & Beverage, Sontara®, Technical Specialties, Wipes, Hygiene and Tabletop/Specialty
- Focus of the product category teams will include overall product management and profitability, rigorous financial analysis and product pricing, assessment of customer needs, product differentiation and market insights



Financial Update



Airlaid Materials

Financial Trends

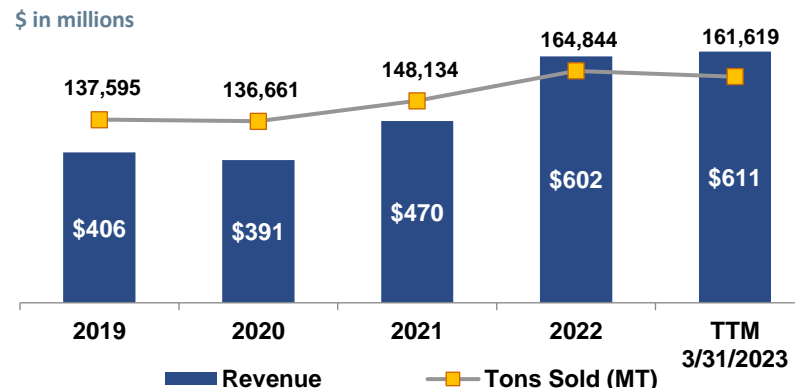
Positioned for volume growth with addition of Mount Holly to the asset portfolio

- Volume grew in all product categories except tabletop in 2020, which was negatively impacted by COVID restrictions
- 2021 growth primarily driven by addition of Mount Holly acquisition; Hygiene experienced softer demand as customers continued destocking in the H1'21 but recovered to normalized levels during H2'22
- 2022 reflects tabletop recovery, strong North America demand and full year of Mount Holly *
- Q1'23 volume lower driven by certain hygiene customers slowing order patterns to manage inventory levels and tabletop decline from constrained North American assets in 2022

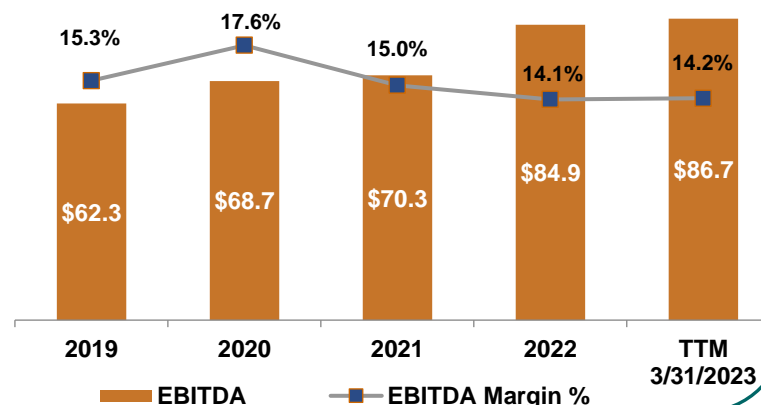
Track Record of Improving Profitability and Margins

- Strong operational excellence and CI programs improving efficiencies
- Pass through of raw material cost changes (on ~70% of revenue) allows for margin preservation during inflationary environments
 - Also successfully increased prices for non pass-through customers
 - Implemented energy surcharges in 2021 and 2022 to offset rising energy costs in Europe
- Profitability improved in 2nd half of 2021 and 2022 due to more normalized demand and addition of Mount Holly *
 - Lower EBITDA margins in 2022 despite higher EBITDA driven by higher revenue as a result of raw material pass through mechanisms in-place and energy surcharges implemented to combat rising inflation
- Q1 2023 profitability improving despite lower volumes driven by pricing actions taken to bring margins closer to historical levels

Revenue & Shipment Trend



EBITDA & EBITDA Margin



Composite Fibers

Financial Trends

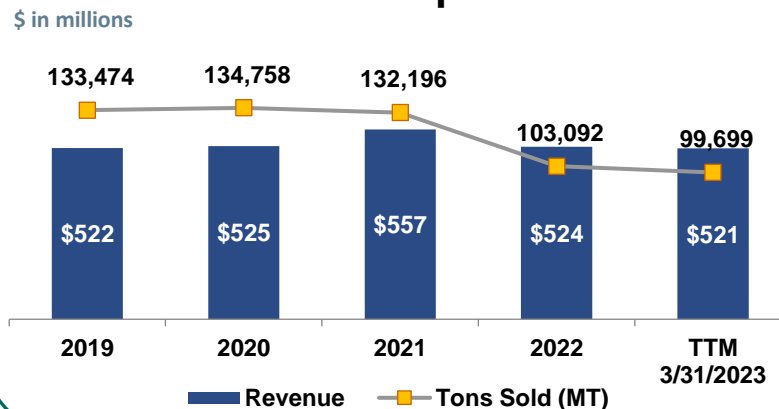
Shipments decline mainly due to Russia/Ukraine conflict and associated sanctions

- Steady growth in coffee category and high demand in composite laminates and technical specialties during pandemic
- Wallcover and tea volume in Russia/Ukraine severely impacted by conflict in Q1 2022 and ensuing sanctions
 - Recorded asset and goodwill impairment charge of ~\$121 million in Q1 2022
- Actively pursuing new customers & products to improve asset utilization in Dresden
- Recorded goodwill and asset impairment charge totaling ~\$31 million in Q4 2022, primarily driven by higher interest rates
- Q1'23 volume lower driven by softening demand from higher prices and challenging market conditions

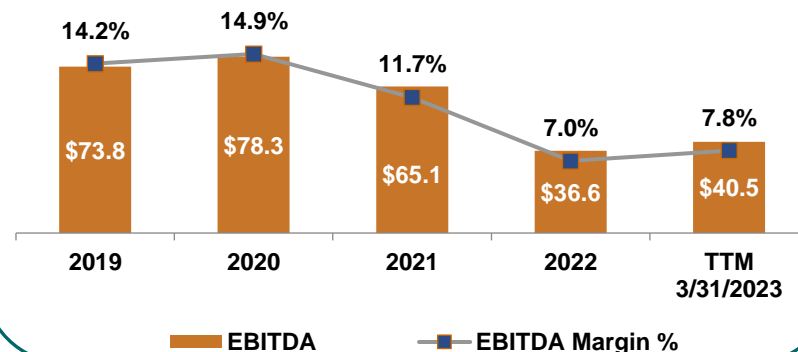
Profitability impacted by inflation, geopolitical conflict and global supply chain disruptions

- Margin profile steadily improving since 2018; 2021 and 2022 severely impacted by inflationary pressures
- Announced price increases in Q1-21 and Q3-21 and energy surcharges in Q4-21 and 2022 to offset rising input costs (wood pulp, energy and logistics)
- Converted ~50% of revenue to dynamic model by end of 2022
- Focused on returning margin profile to 2020 levels through dynamic pass-through provisions as well as price increases for non-floating customers
- Q1 2023 profitability improving despite lower volumes driven by price cost gap improvements

Revenue & Shipment Trend



EBITDA & EBITDA Margin



Spunlace

Financial Trends

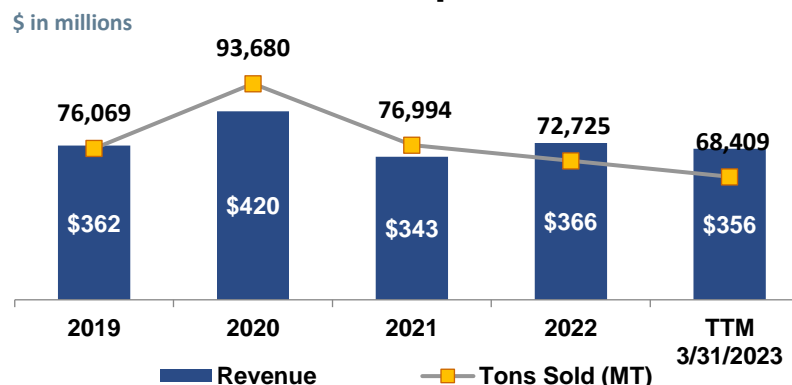
Volume decline due to labor constraints in North America and market softness in European markets

- Peak revenue in 2020 driven by global surge in demand for nonwoven materials arising from COVID
- 2021 volume softness due to supply chain inventory correction starting in mid-2021
- Applications such as Automotive, Aerospace and Hospital Operating Room recovering after slowdown due to COVID
- Recorded goodwill impairment charge of ~\$43 million in Q3 2022 rates
- Q1'23 volume lower driven by lower demand for hygiene and wipes products in European markets and demand erosion in drapes and gowns business post-COVID

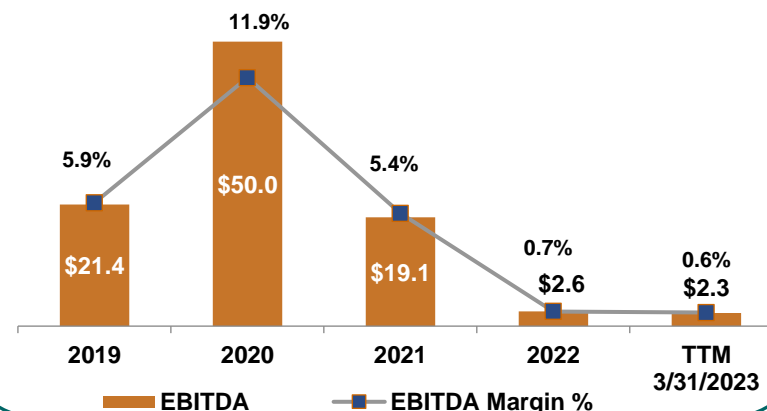
Profitability significantly impacted by inflation, lower shipments and operational inefficiencies

- Pass-through of raw material inflation in place with larger consumers and medical accounts; majority of Sontara business historically on annual pricing
 - Commercial leadership actively working to increase frequency of pricing updates and reduce cost pass-through lag
- Implemented price increases and temporary energy surcharges in Q4'21 (EMEA only) and 2022 (global) to offset rising input costs
- Enhanced integration efforts to address near term challenges and accelerate profit turnaround
- Key focus areas include improving production capabilities to meet customer demand, particularly in North America, and reducing costs

Revenue & Shipment Trend



EBITDA* & EBITDA Margin



Cash Flow

- **Q1 2023 Adjusted Free Cash Flow from continuing operations ~ \$47 million higher versus Q1 2022**

- Adjusted EBITDA higher by ~\$2 million
- Lower working capital usage of ~\$35 million mainly driven by hurt in Q1 2022 from higher A/R as selling prices were increased significantly to combat raw material and energy inflation
- Interest paid increased by ~\$3 million related to higher interest rates
- Lower cash taxes of \$6.5 million due to higher Canadian income tax and withholding tax in Q1 2022 and UK income tax refund in Q1 2023
- Lower capital expenditures of ~\$3 million

(in millions)	Q1 2022	Q1 2023
Adjusted EBITDA	\$23.0	\$24.8
Change in working capital (*)	(69.2)	(34.3)
Taxes paid	(8.2)	(1.7)
Interest paid	(1.5)	(5.0)
Other	(10.3)	(14.5)
Cash Flow from continuing Operations	(\$66.2)	(\$30.6)
Less: Capital expenditures	(12.3)	(9.5)
Free Cash Flow	(\$78.6)	(\$40.1)
Less: Adjustments to Free Cash Flow ⁽¹⁾	3.2	11.9
Adjusted Free Cash Flow	(\$75.4)	(\$28.2)

(*) - Working capital is defined as accounts receivable plus inventories less accounts payable

Notes:

(1) – Appendix includes the details for the Adjustments to Free Cash Flow in page 29

Balance Sheet and Liquidity

- Completed transactions to refinance February 2024 debt maturity with a new 6-year term loan
 - Closed 6-year €250 million senior secured term loan facility from Angelo Gordon
 - Repaid €220 million term loan that was maturing in February 2024
 - Amended existing revolving credit facility to provide additional covenant flexibility
- Leverage, as calculated in accordance with the covenants of our new bank credit agreement is 3.0x* at March 31, 2023
- Liquidity of approximately \$230 million with recent refinancing

(in millions)	31-Dec-21	31-Dec-22	31-Mar-23
Cash	\$138.4	\$110.7	\$88.6
Debt			
Current portion of long term debt	26.4	40.4	4.0
Short term debt	22.8	11.4	8.2
\$500 million 4.75% bond	500.0	500.0	500.0
Term Loans 1.3% - 2.4% due 2022 - 2025	239.5	185.1	-
11.25% Term Loan, due 2029	-	-	266.4
Revolving credit agreement	10.0	118.7	104.4
Unamortized deferred financing costs	(11.4)	(10.5)	(18.7)
Total Debt	\$787.4	\$845.1	\$864.3
Net Debt	\$648.9	\$734.4	\$775.6
Shareholders' Equity	\$542.8	\$318.0	\$312.6
TTM Adj. EBITDA	\$119.6	\$98.9	\$100.6
Available Liquidity	\$258.0	\$87.4	\$229.4

Notes:

(*) - Debt covenant compliance ratio of 3.0x as of Mar 31, 2023 includes additional add backs permitted under credit agreement (max of 4.25x)
 The sum of individual amounts set forth above may not agree to the column totals due to rounding.



2023 EBITDA & Cash Flow Guidance

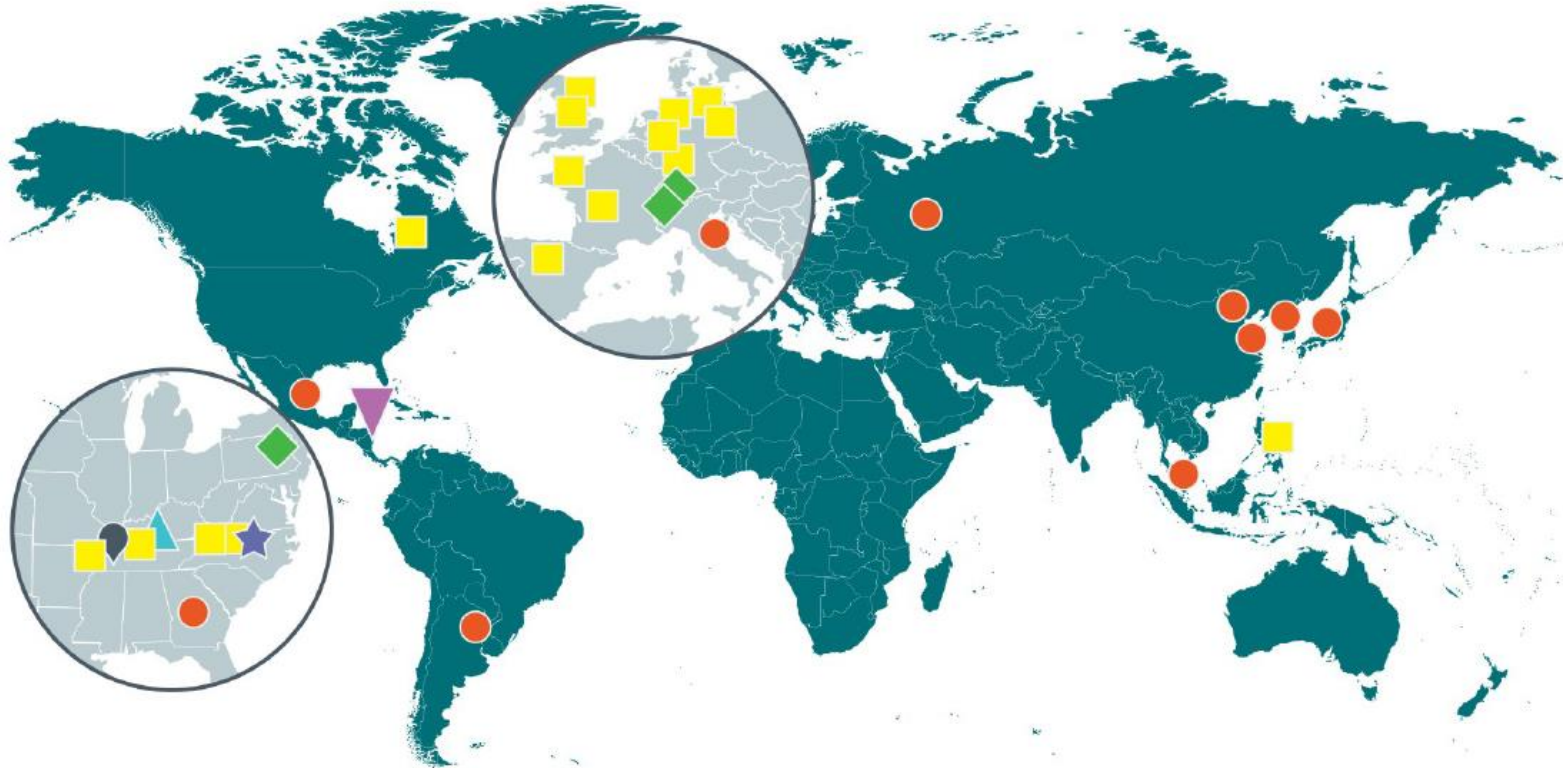
- Expect full year 2023 EBITDA to be between \$110 million and \$120 million
- Cash Interest estimated to be approximately \$60 million, reflecting the latest refinancing completed in Q1 2023
- Capital expenditures to be in the range of \$35 million to \$40 million
- Expect working capital cash usage and turnaround strategy implementation costs to be between \$20 million and \$30 million
- Cash taxes to be between \$20 million and \$25 million



Appendix



Glatfelter Locations (~3,200 PEOPLE)



Corporate Headquarters
Charlotte, NC



3 Global Centers



10 Sales and Distribution Centers



16 Manufacturing Sites

USA
Fort Smith, AR; Old Hickory, TN;
Mt. Holly, NC; Asheville, NC
Germany
Gernsbach, Falkenhagen, Dresden,
Ober-Schmitten, Steinfurt
Canada
Gatineau, QC

United Kingdom
Lydney, Caerphilly
France
Scaer, Soultz
Spain
Asturias
Philippines
Lanao del Norte



R&D Center
Memphis, TN



Converting Site
Madison, TN



Abaca Processing Site
Costa Rica

Glatfelter Airlaid Materials Sites



Falkenhagen, Germany



~380 employees



3 Airlaid Lines

- Latex-bonded
- Multi-bonded
- 55 – 600 g/sqm

3 Slitters

3 Single-Lane Festooner Lines



Fort Smith, Arkansas, USA



~80 employees



1 Airlaid Line

- Thermo-bonded
- Multi-bonded
- 50 – 55 g/sqm (specialized for thin product)



Gatineau, Quebec, Canada



~230 employees



2 Airlaid Lines

- Thermo-bonded
- Multi-bonded
- 50 – 600 g/sqm

2 Single-Lane Festooner Lines



Mount Holly, NC, USA



~120 employees



2 Airlaid Lines

- Latex-bonded
- Multi-bonded
- Thermal Bonded
- 45 – 300 g/sqm



Steinfurt, Germany



~190 employees



2 Airlaid Lines

- Latex-bonded
- Multi-bonded
- 50 – 300 g/sqm

3 Slitters

3 Single-Lane Festooner Lines



Note: Headcount data as of Mar'23

Glatfelter Composite Fibers Sites



Caerphilly, United Kingdom



~50 employees



- 3 Laquering Machines
- 2 Metallizers



Dresden, Germany



~110 employees



- 1 Duplex-Fourdrinier
- 65 – 175 g/sqm
- 3.40 mm
- Synthetic fiber preparation and dosing technologies



Gernsbach, Germany



~540 employees



- 5 Inclined-Wire Machines
- 9 Slitters
- 1 Embossing Calendar
- 8 – 100 g/sam



Lydney, United Kingdom



~230 employees



- 3 Inclined-Wire Machines
- 12.3 – 60 g/sqm
- 2.20 – 4.20 m deckles



Note: Headcount data as of Mar'23

Glatfelter Composite Fibers Sites (continued)



Ober-Schmitten, Germany*



~180 employees



- 4 Fourdriniers
- 1.50 – 1.70 m for glassine paper
- 1.90 – 2.10 m for capacitor paper



Scaer, France



~100 employees



- 2 Inclined-Wire Machines
- 9 – 60 g/sqm
- 1.60 – 1.80 m deckles



Newtech Pulp - Philippines



~130 employees



- Dedicated Abaca Pulp site
- Produces a variety of specialty pulps for F&B
- Main supplier of GLT Abaca pulp for all production sites



Note: Headcount data as of Mar'23

* Site closure announced May 2023

Glatfelter Spunlace Sites



Old Hickory, TN, USA

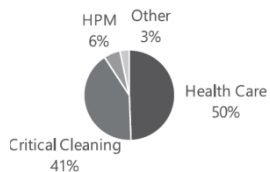


~160 employees



3 Spunlace Lines

- 640m sqm Capacity



Madison, TN, USA



~80 employees



Converting



Asturias, Spain

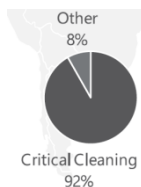


~100 employees



1 Spunlace Line

- 160m sqm



Soultz, France

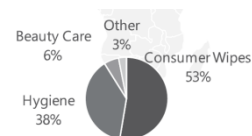


~120 employees



2 Spunlace Lines

- 505m sqm



Ashville, NC, USA

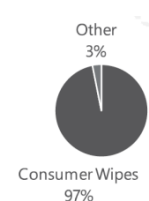


~150 employees



2 Spunlace Lines

- 470m sqm



Note: Headcount data as of Mar'23

Reconciliation of Non-GAAP measures

Adjusted EPS from continuing operations

<i>In millions</i>	2019	2020	2021	2022	TTM 3/31/2023
Net Income (loss)	\$ (21.5)	\$ 21.3	\$ 6.9	\$ (194.2)	\$ (99.5)
Adjust: Discontinued ops, net of tax	(3.7)	(0.5)	(0.2)	0.1	0.5
Income (loss) from continuing operations	(25.2)	20.8	6.7	(194.1)	(99.0)
<u>Adjustments / Exclusions:</u>					
Pension settlement expenses, net	75.3	6.2	-	-	-
Gains on Timberland Sales and Transaction Related Costs	(1.6)	(1.4)	(5.2)	(3.0)	(0.6)
Goodwill and other asset impairment charges	-	0.9	-	190.6	73.2
Russia / Ukraine conflict charges / (recovery)	-	-	-	3.2	(0.7)
CEO transition costs	-	-	-	1.7	2.4
COVID-19 incremental costs/(ERC recovery)	-	2.7	-	(7.3)	(7.3)
Debt refinancing fees	1.0	-	-	-	1.9
Turnaround strategy costs	-	-	-	8.0	12.5
Cost optimization actions	8.6	6.0	0.9	0.9	-
Restructuring charge - Metallized operations	-	11.1	-	-	-
Strategic initiatives	1.3	1.6	30.9	5.6	4.5
Fox River environmental matter	(2.5)	-	-	-	-
Corporate headquarters relocation	-	1.1	0.6	0.4	0.3
Income Tax impact and other adjustments	(23.7)	(11.5)	(6.3)	(25.1)	(5.8)
Total adjustments	58.4	16.6	20.9	175.1	80.3
Adjusted income (loss) from continuing operations	33.2	37.4	27.6	(19.0)	(18.7)
Adjusted EPS for continuing operations	\$ 0.75	\$ 0.84	\$ 0.61	\$ (0.42)	\$ (0.42)



Reconciliation of Non-GAAP measures

Adjusted EPS from continuing operations

<i>USD In millions</i>	Q1 2022	Q1 2023
Net loss	\$ (108.3)	\$ (13.6)
Adjust: Discontinued ops, net of tax	-	0.4
Net loss from continuing operations	(108.3)	(13.2)
<u>Adjustments / Exclusions:</u>		
Debt Refinancing	-	1.9
Gains on Timberland Sales and Transaction Related Costs	(3.0)	(0.6)
Goodwill and other asset impairment charges	117.3	-
Russia / Ukraine conflict charges	3.9	-
CEO transition costs	-	0.6
Corporate headquarters relocation	0.1	-
Cost optimization actions	0.9	-
Turnaround strategy costs	-	4.5
Strategic initiatives	1.8	0.7
Income Tax impacts and other adjustments	(19.1)	0.2
Total adjustments	102.1	7.3
Adjusted income from continuing operations	\$ (6.2)	\$ (5.9)
Adjusted EPS for continuing operations	\$ (0.14)	\$ (0.13)

Reconciliation of Non-GAAP measures

Adjusted EBITDA from continuing operations

<i>In millions</i>	Q1 2022	Q1 2023
Net loss	\$ (108.3)	\$ (13.6)
Adjust: Discontinued ops	-	0.4
Add: Taxes	(16.8)	3.7
Add: Depreciation and Amortization	18.5	15.7
Add: Net Interest Expense	7.8	12.3
EBITDA	(98.7)	18.5
<u>Adjustments / Exclusions:</u>		
Share-based compensation	0.9	0.9
Gains on Timberland Sales and Transaction Related Costs	(3.0)	(0.6)
Debt refinancing costs	-	0.1
Turnaround strategy costs	-	4.5
Cost optimization actions	0.6	-
Goodwill and other asset impairment charges	117.3	-
Russia / Ukraine conflict charges / (recovery)	3.9	-
CEO transition costs	-	0.6
Strategic initiatives	1.8	0.7
Corporate headquarters relocation	0.1	-
Adjusted EBITDA from continuing operations	\$ 23.0	\$ 24.8
Depreciation and Amortization	(18.1)	(15.7)
Other Expense	1.3	2.6
Share-based compensation	(0.9)	(0.9)
Adjusted Operating Income from continuing operations	\$ 5.3	\$ 10.7



Reconciliation of Non-GAAP measures

Adjusted EBITDA from continuing operations

<i>In millions</i>	2019	2020	2021	2022	TTM 3/31/2023
Net Income (loss)	\$ (21.5)	\$ 21.3	\$ 6.9	\$ (194.2)	\$ (99.5)
Exclude: Loss (Income) from discontinued operations, net of tax	(3.7)	(0.5)	(0.2)	0.1	0.5
Add: Taxes from continuing operations	(9.2)	11.6	7.0	(10.3)	10.2
Add: Depreciation and Amortization	50.8	56.6	61.4	66.4	64.0
Add: Net Interest Expense	9.3	6.6	12.3	32.8	35.5
EBITDA from continuing operations	\$ 25.7	\$ 95.6	\$ 87.4	\$ (105.2)	\$ 10.6
<u>Adjustments / Exclusions:</u>					
Share-based compensation	3.6	5.7	5.1	0.8	0.9
Pension settlement expenses, net	75.3	6.2	-	-	-
Gains on Timberland Sales and Transaction Related Costs	(1.6)	(1.4)	(5.2)	(3.0)	(0.6)
Goodwill and other asset impairment charges	-	0.9	-	190.6	73.2
Russia / Ukraine conflict charges / (recovery)	-	-	-	3.2	(0.7)
Debt refinancing costs	-	-	-	-	1.9
Restructuring charge - Metallized operations (net of accelerated depreciation)	-	7.2	-	-	-
CEO transition costs	-	-	-	4.8	5.5
Cost optimization actions	8.6	6.0	0.9	0.9	-
COVID-19 incremental costs/(ERC recovery)	-	2.7	-	(7.3)	(7.3)
Corporate headquarters relocation (net of asset write off)	-	0.9	0.6	0.4	0.3
Strategic initiatives	1.3	1.6	30.9	5.6	4.5
Turnaround strategy costs	-	-	-	8.0	12.5
Fox River environmental matter	(2.5)	-	-	-	-
Adjusted EBITDA from continuing operations	\$ 110.3	\$ 125.3	\$ 119.6	\$ 98.9	\$ 100.6



Reconciliation of Non-GAAP measures

Adjusted Free Cash Flow from Continuing Operations

In millions	Q1 2022	Q1 2023
Adjusted EBITDA	\$23.0	\$24.8
Accounts receivable	(\$53.3)	(\$2.3)
Inventories	(\$17.7)	(\$8.8)
Accounts payable	\$1.8	(\$23.1)
Change in working capital	(69.2)	(34.3)
Taxes paid	(8.2)	(1.7)
Interest paid	(1.5)	(5.0)
Other	(10.3)	(14.5)
Cash Flow from continuing Operations	(\$66.2)	(\$30.6)
Less: Capital expenditures	(12.3)	(9.5)
Free Cash Flow	(\$78.6)	(\$40.1)
Fox River Payments	1.3	0.2
Turnround strategy costs	-	5.3
Strategic Initiatives	1.4	0.2
CEO transition costs	-	7.1
Cost Optimization	0.6	-
HQ Relocation	(0.6)	-
Tax payments (refunds) on adjusting items	0.6	(0.8)
Less: Adjustments to Free Cash Flow	3.2	11.9
Adjusted Free Cash Flow	(\$75.4)	(\$28.2)



Reconciliation of Non-GAAP measures

Adjusted EBITDA from continuing operations

<i>USD in Thousands</i>	Q1 2022	Q4 2022	Q1 2023
Airlaid Materials Operating Profit	\$12,221	\$14,091	\$13,914
Addback: Depreciation & Amortization	7,629	7,543	7,686
Airlaid Materials EBITDA	\$19,850	\$21,634	\$21,600
Composite Fibers Operating Profit (loss)	(\$335)	\$4,843	\$6,127
Addback: Depreciation & Amortization	6,519	4,356	3,965
Composite Fibers EBITDA	\$6,184	\$9,214	\$10,092
Spunlace Operating Loss	(\$1,572)	(\$1,238)	(\$2,023)
Addback: Depreciation & Amortization	2,914	3,036	3,092
Spunlace EBITDA	\$1,342	\$1,802	\$1,069