

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

January 5, 2021

Glatfelter Corporation

(Exact name of registrant as specified in its charter)

Pennsylvania

001-03560

23-0628360

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

4350 Congress Street, Suite 600,
Charlotte, North Carolina

28209

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

704 885-2555

(N/A)

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	GLT	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.

On January 5, 2021, Glatfelter Corporation (the “Company”) entered into a Share Purchase Agreement (the “Purchase Agreement”) with GPPC Equity Holdings LLC (the “Seller”) pursuant to which the Company agreed to purchase all of the outstanding equity interests in Georgia-Pacific Mt. Holly LLC (the “Acquired Company”) from the Seller (the “Acquisition”). The Acquired Company operates Georgia-Pacific’s U.S. nonwovens business and has a manufacturing facility in Mount Holly, North Carolina and an R&D pilot line for nonwovens product development that is part of Georgia-Pacific’s facility in Memphis, Tennessee. Pursuant to the terms of the Purchase Agreement, the Company has agreed to pay a purchase price of \$175,000,000, subject to customary adjustments at closing for cash, working capital and indebtedness of the Acquired Company.

The Purchase Agreement contains customary representations and warranties made by each party. In addition, the parties have agreed to various customary covenants, including, among others, covenants by the Seller with respect to the conduct of the business of the Acquired Company following the execution of the Purchase Agreement and prior to the consummation of the Acquisition, as well as a covenant that Georgia-Pacific LLC and its subsidiaries shall not compete with the business of the Acquired Company in the three-year period following the consummation of the Acquisition, subject to certain exceptions. The parties have also agreed to certain indemnification provisions, including mutual indemnification provisions for breaches of each parties’ representations, warranties or covenants, and the Seller has agreed to indemnify the Company for certain matters related to the bankruptcy of Bestwall LLC, an affiliate of the Seller that owns the land on which the Mount Holly manufacturing facility sits, and for certain matters related to products sold by the Acquired Company prior to the closing of the Acquisition.

The completion of the Acquisition is subject to the satisfaction or waiver of customary closing conditions, including regulatory clearance under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (“HSR Approval”). Either party may terminate the Purchase Agreement in the event the Acquisition has not closed by the date that is nine months following the date of the Purchase Agreement, which date will automatically be extended to twelve months if HSR Approval has not been obtained and the other closing conditions are satisfied or are capable of being satisfied. In the event (i) the Purchase Agreement is terminated, and at the time of such termination, HSR Approval has not been obtained and the other closing conditions have been (or would be) satisfied or (ii) the Purchase Agreement is terminated because the Company has breached its covenants regarding HSR Approval, the Company will be obligated to pay the Seller a termination fee of \$9,000,000.

In connection with the execution of the Purchase Agreement, Georgia-Pacific LLC has delivered a parent guarantee to the Company for the payment and performance of all obligations of the Seller under the Purchase Agreement and the Seller or any of its affiliates under certain ancillary agreements to be entered into in connection with the Acquisition.

The Company intends to finance the Acquisition with a combination of cash on hand and borrowings under its revolving credit facility.

Certain affiliates of Georgia-Pacific LLC supply on an ongoing basis, in the ordinary course of business, certain products to the Company and its subsidiaries.

The foregoing description of the Purchase Agreement does not purport to be a complete description and is qualified in its entirety by reference to the full text of the Purchase Agreement. A copy of the Purchase Agreement will be filed with the Company’s Annual Report on Form 10-K for the period ended December 31, 2020.

Item 8.01 Other Event.

On January 6, 2021, the Company issued a press release announcing the Acquisition. A copy of the press release is attached as Exhibit 99.1 and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

The following exhibits are filed herewith:

99.1 [Press release issued on January 6, 2021.](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Glatfelter Corporation

January 6, 2021

By: /s/ Jill L. Urey

Name: Jill L. Urey

Title: Vice President, Deputy General Counsel and
Corporate Secretary



NEWS RELEASE

Corporate Headquarters

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For Immediate Release

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GLATFELTER TO ACQUIRE GEORGIA-PACIFIC'S U.S. NONWOVENS BUSINESS FOR \$175 MILLION

Charlotte, North Carolina – January 6, 2021 – Glatfelter Corporation (NYSE: GLT), a leading global supplier of engineered materials, today announced the signing of a definitive agreement to purchase Georgia-Pacific's U.S. nonwovens business for \$175 million, subject to customary post-closing purchase price adjustments.

Glatfelter will acquire Georgia-Pacific's Mount Holly, North Carolina, airlaid manufacturing business and an R&D pilot line for nonwovens product development in Memphis, Tennessee, which collectively employ approximately 150 people. The Mount Holly facility has a capacity of 37,000 metric tons and produces high-quality airlaid products focused on wipes and tabletop materials. The R&D pilot line and additional technical resources will enhance ongoing innovation efforts.

"The agreement to acquire Georgia-Pacific's U.S. nonwovens business further reinforces our commitment to invest in growth opportunities as part of Glatfelter's ongoing transformation while also expanding our operating footprint in the United States," said Dante C. Parrini, Chairman and Chief Executive Officer of Glatfelter. "Our airlaid business has delivered strong results throughout an unprecedented 2020. The Mount Holly facility, along with the R&D pilot line, will allow us to continue to build on this success and better serve our customers."

Georgia-Pacific's U.S. nonwovens business generates annual net sales and adjusted EBITDA of approximately \$100 million and \$20 million, respectively. Glatfelter expects to realize annual cost synergies of approximately \$4 million to \$6 million within three years and incur one-time costs of approximately \$10 million for transaction fees and integration.

Glatfelter plans to finance the acquisition through a combination of cash on hand and borrowing under its existing revolving credit facility.

The transaction is subject to customary closing conditions, including receipt of required regulatory clearances. Credit Suisse acted as Glatfelter's financial advisor in connection with the transaction, and Shearman & Sterling LLP as its legal advisor.

Caution Concerning Forward-Looking Statements

Any statements included in this press release 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 including, but not limited to, the impacts of the COVID-19 pandemic, changes in industry, business, market, and economic conditions, demand for or pricing of its products, market growth rates and currency exchange rates. In light of these risks, uncertainties and other factors, the forward-looking matters discussed in this press release 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 press

release and Glatfelter undertakes no obligation, and does not intend, to update these forward-looking statements to reflect events or circumstances occurring after the date of this press release. More information about these factors is contained in Glatfelter's filings with the U.S. Securities and Exchange Commission, which are available at www.glatfelter.com.

About Glatfelter

Glatfelter is a leading global supplier of engineered materials. The Company's high-quality, innovative and customizable solutions are found in tea and single-serve coffee filtration, personal hygiene and packaging products as well as home improvement and industrial applications. Headquartered in Charlotte, NC, the Company's annualized net sales approximate \$925 million with customers in over 100 countries and approximately 2,500 employees worldwide. Operations include eleven manufacturing facilities located in the United States, Canada, Germany, France, the United Kingdom and the Philippines. Additional information about Glatfelter may be found at www.glatfelter.com.