



G L A T F E L T E R

2023 Fourth Quarter Earnings Conference Call

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NYSE: GLT

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.



Highlights – Q4 2023

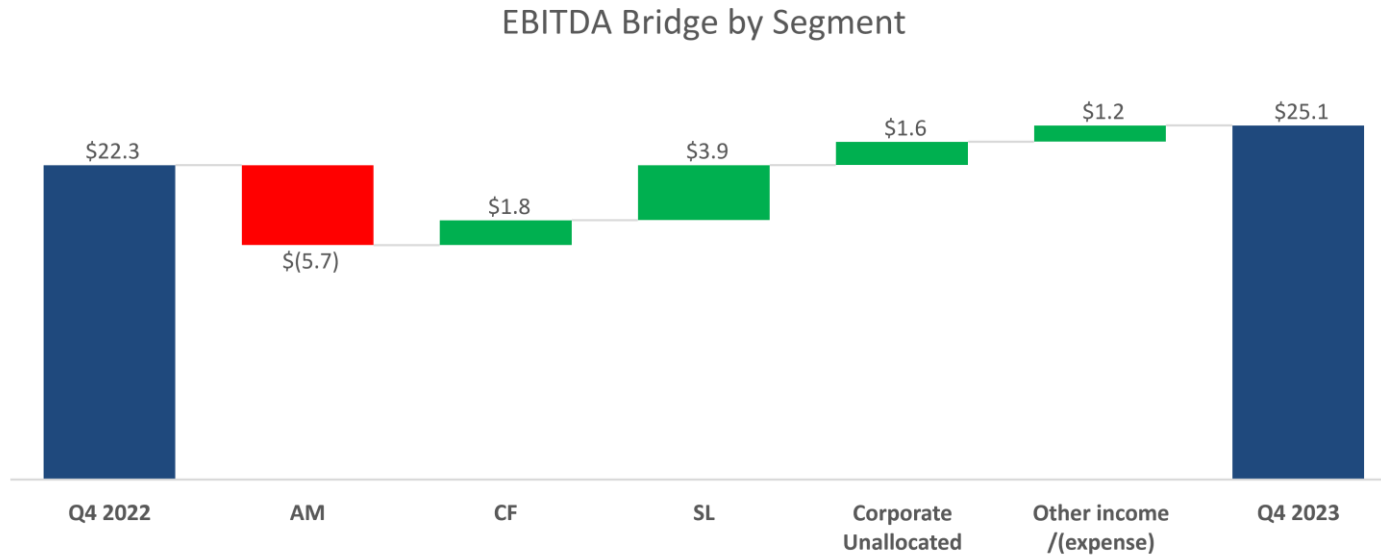
- **Q4 2023 adjusted EBITDA of \$25.1 million in-line with Q3 2023, despite reduced production in the fourth quarter to manage inventory levels**
- **2023 Full year EBITDA of ~\$93 million, within guidance range**
- **Airlaid Materials EBITDA lower by ~\$6 million versus Q4 2022 driven by adverse price-cost gap, lower shipment, and extended planned downtime in Gatineau**
- **Composite Fibers EBITDA higher by ~\$2 million versus Q4 2022 mainly driven by price-cost gap improvements and higher inclined wire production**
- **Spunlace EBITDA higher by ~\$4 million versus Q4 2022 driven by higher volume, price-cost gap improvements, and turnaround strategy actions (cost and operational improvements)**
- **Adjusted free cash flow of ~\$11 million in Q4 2023 driven by lower working capital usage**
- **Leverage, based on covenants in our credit agreement, was 3.4x* at December 31, 2023**
- **On February 7, 2024, Glatfelter and Berry Global announced plans for tax-free spin-off and merger of Berry's Health, Hygiene and Specialties Global Nonwovens and Films business (HHNF) with Glatfelter**

(*) - Debt covenant compliance ratio of 3.4x as of December 31, 2023 versus threshold of 4.25x
For a reconciliation of these measures to U.S. GAAP financial measures, see slides 18 to 23



Financial Summary

On a GAAP basis, net loss from continuing operations for Q4 2023 was \$8.6 million or (\$0.19) per share compared to net loss from continuing operations of \$34.1 million or (\$0.76) per share in Q4 2022



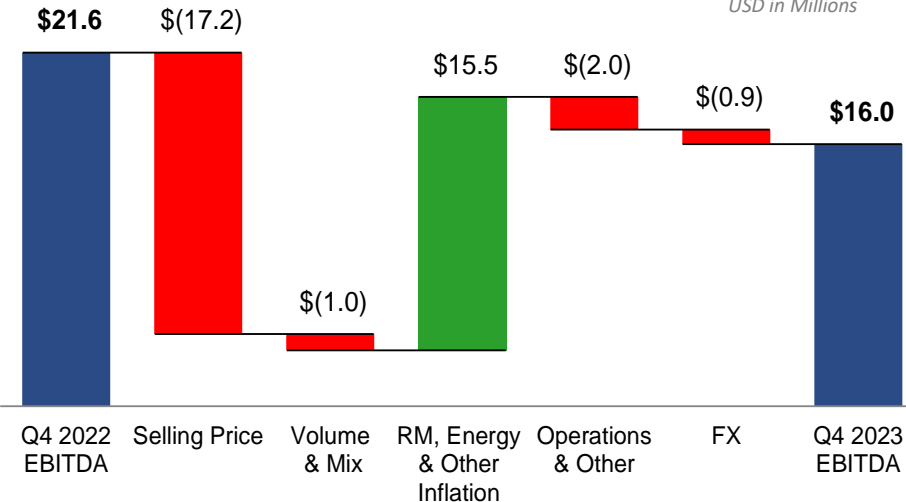
Airlaid Materials Q4 2023 Highlights

USD in Thousands

	Q4 2022	Q3 2023	Q4 2023
Tons Shipped (MT)	39,186	40,076	37,293
Net Sales	153,991	147,014	127,514
Operating Income	14,091	11,196	8,371
EBITDA	21,633	18,749	15,959
EBITDA Margin	14.0%	12.8%	12.5%

- **Revenue down 19% versus Q4 2022 on constant currency**
 - Volume down 5% vs. Q4 2022
 - Wipes up 5%
 - Home Care up 1%
 - Tabletop down 29%
 - Hygiene down 1%
- **Selling price \$17.2 million lower versus Q4 2022 which reflects lower raw materials costs pass-through, selective pricing actions to retain volume, and lower energy surcharges this year**
- **Raw material, energy & other inflation favorable \$15.5 million mainly due to lower raw material and energy costs**
- **Operations unfavorable by \$2.0 million due to planned downtime in Gatineau, higher wage inflation, and higher operational spending**
- **FX, net of currency hedging, was \$0.9 million unfavorable**

USD in Millions

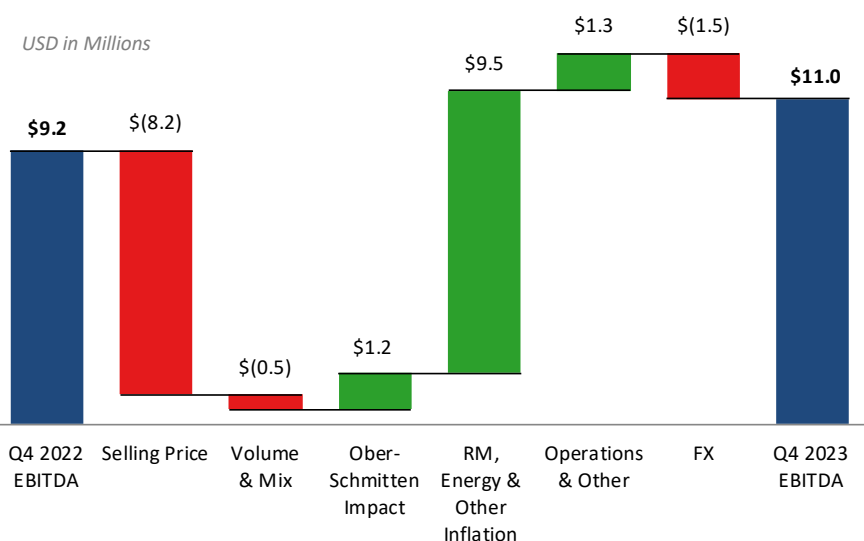


Composite Fibers Q4 2023 Highlights

USD in Thousands

	Q4 2022	Q3 2023	Q4 2023
Tons Shipped (MT)	25,677	22,188	22,770
Net Sales	136,427	109,715	115,486
Operating Income	4,843	7,268	7,054
EBITDA	9,198	11,166	10,959
EBITDA Margin	6.7%	10.2%	9.5%

USD in Millions

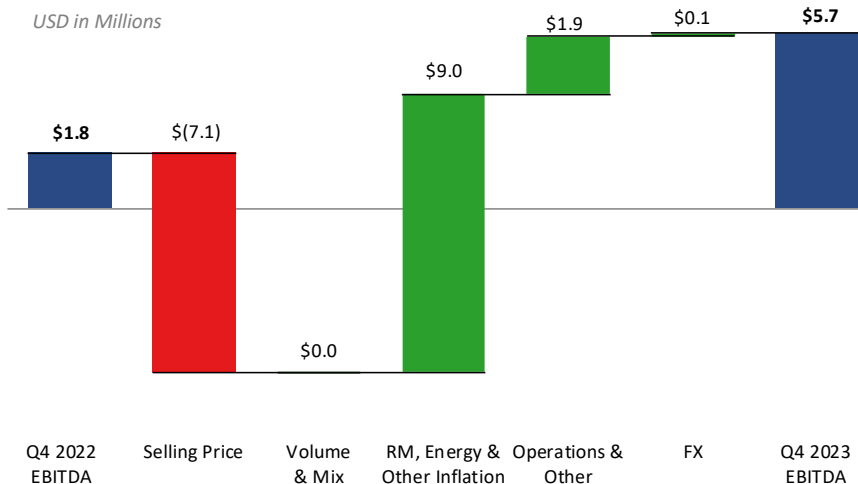


- **Revenue down 18% versus Q4 2022 on constant currency**
 - Volume down 7% vs. Q4 2022 (excluding Ober-Schmitten)
 - Technical Specialties up 20%
 - Composite Laminates up 20%
 - Metallized Products up 4%
 - Wallcover down 22%
 - Food & Beverage down 8%
- **Selling prices were \$8.2 million lower versus Q4 2022 driven by targeted pricing actions to retain volume and lower raw material costs pass-through to floating customers**
- **Ober-Schmitten positively impacted y-o-y results by \$1.2 million – site divested in August 2023**
- **Raw material, energy, and other inflation favorable \$9.5 million mainly due to a decrease in input costs**
- **Operations favorable by \$1.3 million mainly due to higher inclined wire production to meet customer demand**
- **FX, net of currency hedging, was \$1.5 million unfavorable**



Spunlace Q4 2023 Highlights

USD in Thousands	Q4 2022	Q3 2023	Q4 2023
Tons Shipped (MT)	14,957	14,436	15,571
Net Sales	83,485	73,791	77,982
Operating Income / (Loss)	(1,238)	(1,053)	2,322
EBITDA	1,799	2,236	5,710
EBITDA Margin	2.2%	3.0%	7.3%



- **Revenue down 7% versus Q4 2022 on constant currency**
 - Volume up 3% vs. Q4 2022 but unfavorable mix
 - Consumer Wipes up 13%
 - Hygiene down 28%
 - Critical Cleaning up 8%
 - Healthcare down 21%
- **Selling prices were \$7.1 million lower versus Q4 2022 reflecting lower cost of raw materials pass-through and energy surcharges**
- **Raw material, energy, and other inflation favorable \$9.0 million mainly driven by lower input costs**
- **Operations favorable by \$1.9 million due to higher production, improved operational spending, and turnaround actions taken over last 18 months**
- **Spunlace Tennessee converting operations impacted by tornado; \$5 million insurance deductible expense excluded from adjusted earnings; minimal customer disruption**

Corporate Costs and Other Financial Items

Details of Other and Unallocated

The following sets forth details of 'Other and Unallocated' amounts presented in the Company's Segment Financial Information included in total operating income in the earnings release.

USD in Millions	Q4 2022	Q4 2023	2022	2023
Goodwill and other asset impairment charges	\$ (30.7)	\$ -	\$ (190.6)	\$ -
Cost optimization actions	-	-	(0.9)	-
CEO transition costs	(0.2)	-	(1.7)	0.1
Timberland sales and related costs	-	-	3.0	1.3
Russia/Ukraine conflict charges	0.7	1.4	(3.2)	1.4
Strategic initiatives	(0.9)	(1.1)	(5.6)	(3.2)
Corporate headquarters relocation	-	-	(0.4)	-
Turnaround strategy costs	(8.0)	(1.7)	(8.0)	(8.8)
Ober-Schmitt divestiture costs	-	-	-	(18.8)
Debt refinancing	-	-	-	(0.1)
COVID-19 incremental expense	7.3	-	7.3	-
Tornado insurance deductible costs	-	(5.0)	-	(5.0)
Special items excluded from adjusted earnings	(31.8)	(6.4)	(200.1)	(33.0)
Corporate costs excluding depreciation and amortization*	(7.5)	(6.0)	(21.2)	(22.8)
Depreciation and amortization costs	(1.3)	(1.0)	(5.1)	(3.9)
Total corporate costs	(8.8)	(6.9)	(26.3)	(26.7)
Total corporate costs & other financial items	(40.6)	(13.3)	(226.4)	(59.8)

- **Q4 2023 Corporate expenses \$1.9 million lower versus Q4 2022**
 - Q4 2022 includes \$3.1 million and Q4 2023 includes \$0.3 million cost for a customer claim on a supplier's raw material defect
 - Higher incentive accruals in 2023
- **2023 full year Corporate expenses in line with 2022**

Notes:

(*) Corporate costs are primarily comprised of employee costs, legal fees, and professional services fees. The sum of individual amounts set forth above may not agree to the column totals due to rounding.



Cash Flow

- **2023 Adjusted Free Cash Flow higher by ~\$30 million versus last year**

- Working capital improved by ~\$32 million driven by raw material price declines and working capital management
- Interest paid increased by ~\$26 million related to higher interest rates and debt refinancing
- Taxes paid lower by ~\$15 million driven by changes in jurisdictional income and timing of payments carried over to 2024
- CAPEX lower by ~\$4 million

(in millions)	Q4 2022	Q4 2023	2022	2023
Adjusted EBITDA	\$22.3	\$25.1	\$98.9	\$92.6
Change in working capital (*)	32.7	8.8	(63.3)	(31.4)
Taxes paid	(5.4)	(2.6)	(24.4)	(9.4)
Interest paid	(15.3)	(22.2)	(33.2)	(59.2)
Other	(10.8)	7.2	(18.8)	(18.2)
Cash Flow from continuing Operations	\$23.5	\$16.3	(\$40.8)	(\$25.6)
Less: Capital expenditures	(7.7)	(8.5)	(37.7)	(33.8)
Free Cash Flow	\$15.9	\$7.8	(\$78.6)	(\$59.4)
Less: Adjustments to Free Cash Flow ⁽¹⁾	2.1	2.8	8.5	19.1
Adjusted Free Cash Flow	\$18.0	\$10.6	(\$70.0)	(\$40.3)

(*) - 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 22



Balance Sheet and Liquidity

- Leverage, as calculated in accordance with the covenants of our credit agreement is 3.4x* on December 31, 2023
- Available liquidity of approximately \$135 million

(in millions)	31-Dec-21	31-Dec-22	31-Dec-23
Cash	\$138.4	\$110.7	\$50.3
Debt			
Current portion of long term debt	26.4	40.4	1.0
Short term debt	22.8	11.4	6.1
\$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	-	-	271.2
Revolving credit agreement	10.0	118.7	99.5
Unamortized deferred financing costs	(11.4)	(10.5)	(17.5)
Total Debt	\$787.4	\$845.1	\$860.3
Net Debt	\$648.9	\$734.4	\$810.1
Shareholders' Equity	\$542.8	\$318.0	\$256.9
TTM Adj. EBITDA	\$119.6	\$98.8	\$92.6
Available Liquidity	\$258.0	\$87.4	\$135.3

Notes:

(*) - Debt covenant compliance ratio of 3.4x as of December 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.



2024 EBITDA and Cash Flow Guidance

- Full-year 2024 EBITDA to be between \$110 million and \$120 million
- Cash Interest is estimated to be approximately \$70 million
- Capital expenditures estimated to be in the range of \$35 million to \$40 million
- Cash taxes estimated to be between \$15 million and \$20 million
- Working capital cash usage projected to be favorable by ~\$10 million
- Non-operating cash costs (merger integration planning, tornado insurance deductible, turnaround strategy and other one-time items) expected to be ~\$25 million



Appendix



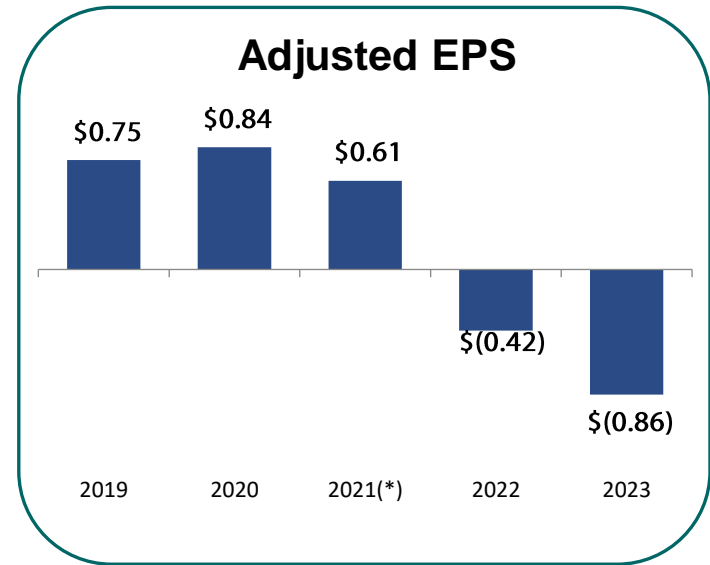
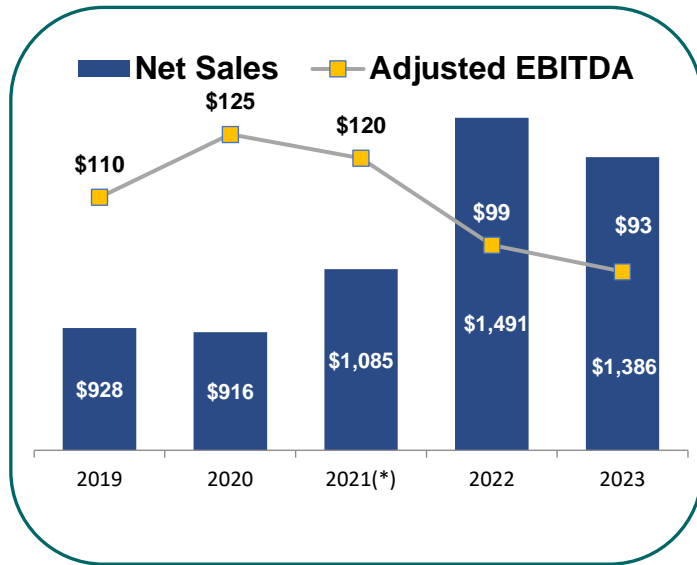
Financial Overview

<i>USD in Millions</i>	Q4 2022	Q4 2023
Net Sales	\$373.9	\$320.4
Adjusted operating income	\$8.9	\$10.8
Adjusted EBITDA	\$22.3	\$25.1
Free Cash Flow	\$15.9	\$7.8
Adjusted Free Cash Flow	\$18.0	\$10.6

<i>USD in Millions</i>	Dec 31 2022	Dec 31 2023
Net Debt	\$734.4	\$810.1
Cash	\$110.7	\$50.3



Earnings Trends



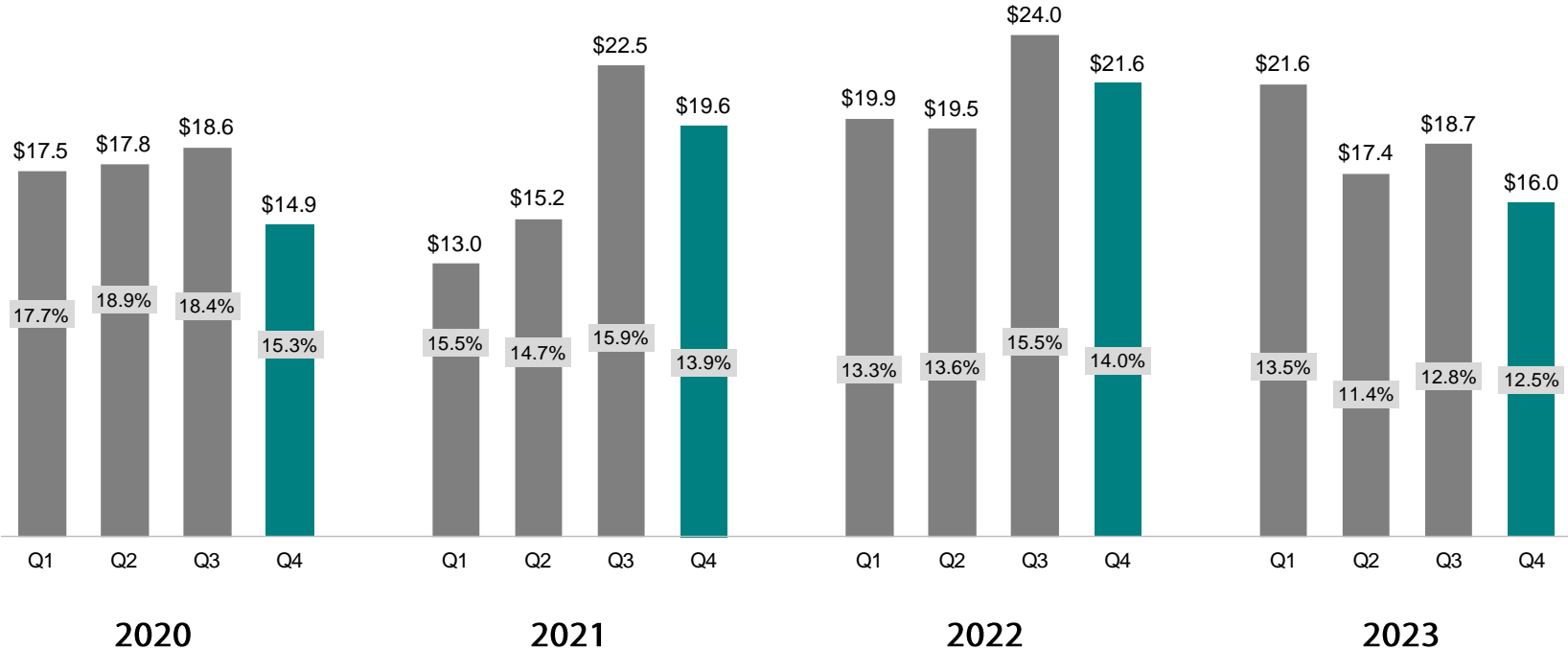
Notes:

- (*) -2021 includes Mount Holly prospectively from May 13, 2021 acquisition date; 2021 includes Spunlace segment from its October 29, 2021 acquisition date.

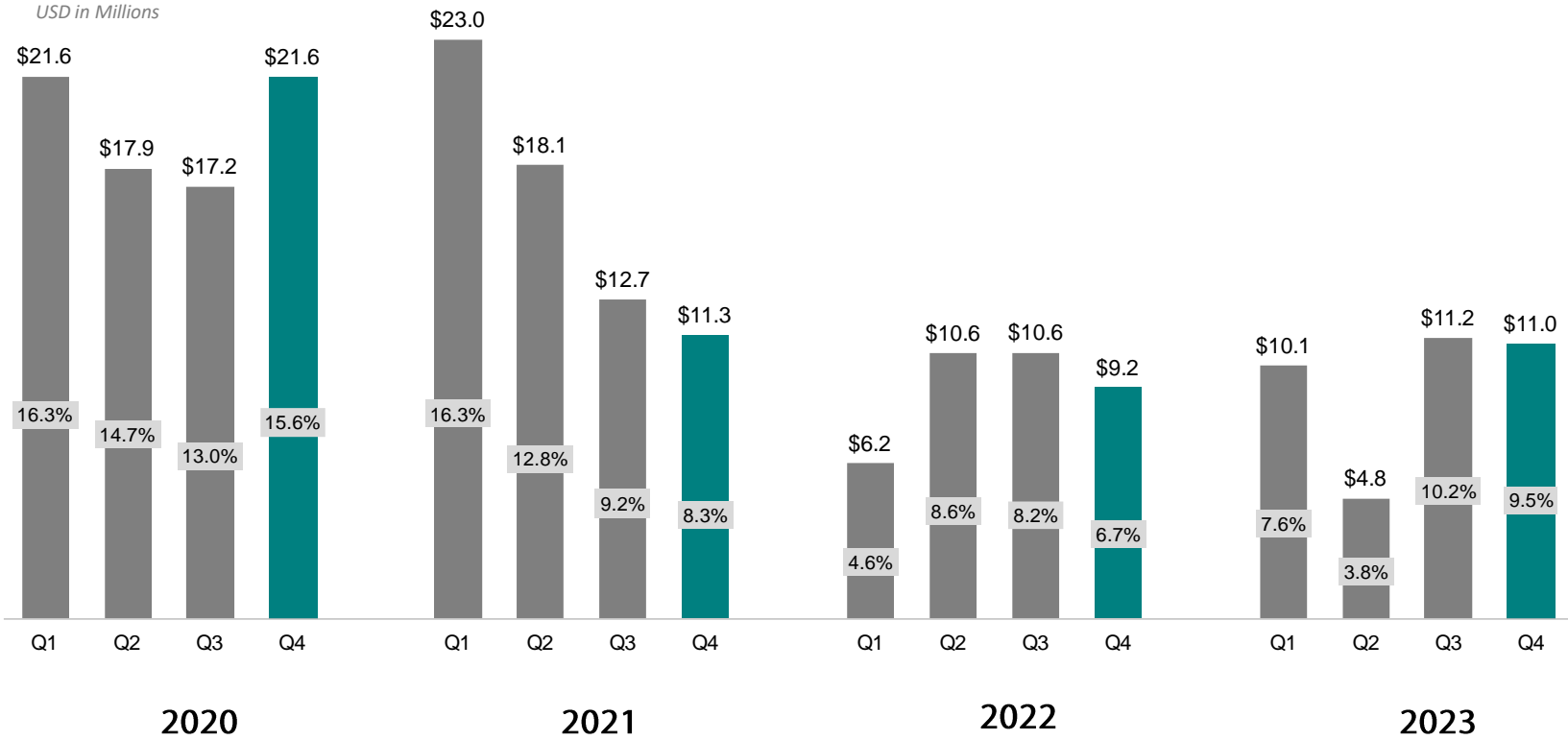


Airlaid Materials EBITDA and EBITDA Margin

USD in Millions

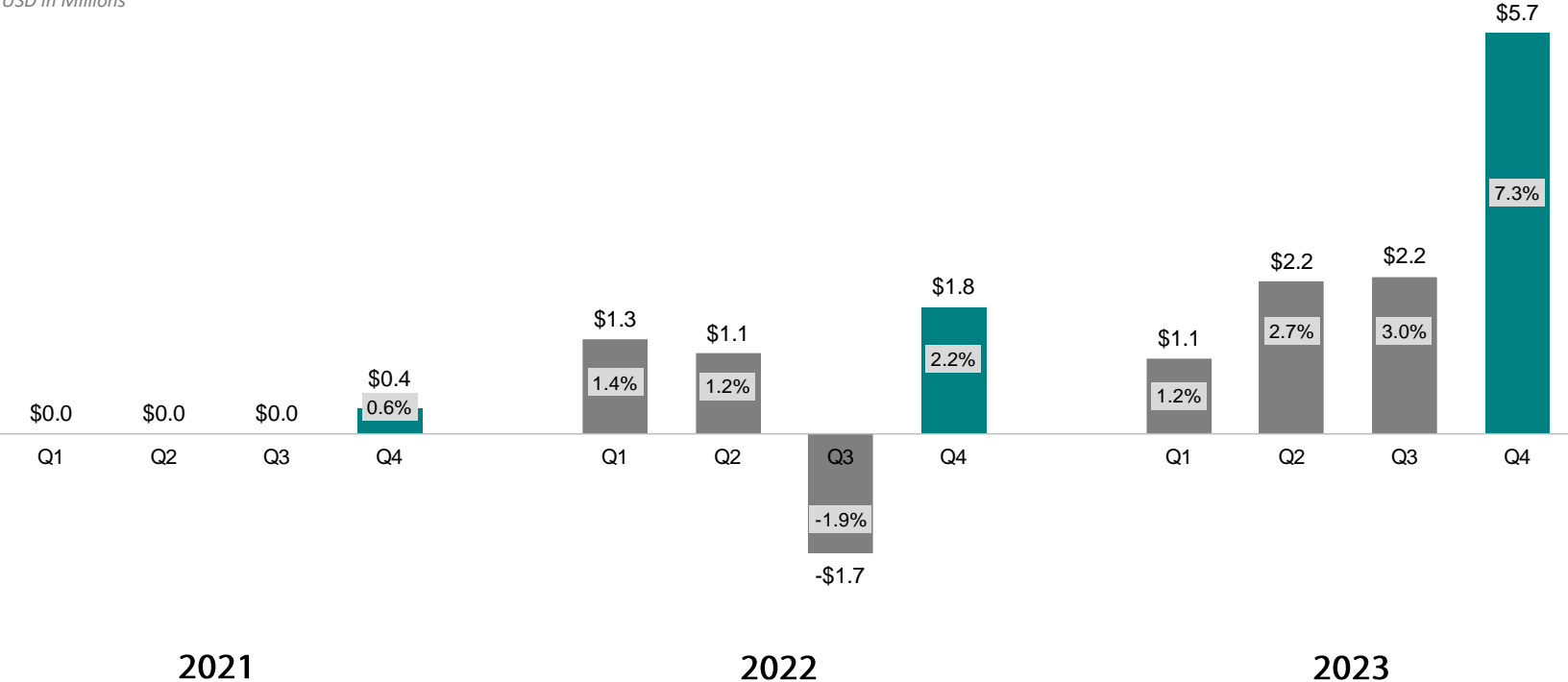


Composite Fibers EBITDA and EBITDA Margin



Spunlace EBITDA and EBITDA Margin

USD in Millions



Reconciliation of Non-GAAP measures

Adjusted EPS from continuing operations

<i>In millions</i>	2019	2020	2021	2022	2023
Net Income (loss)	\$ (21.5)	\$ 21.3	\$ 6.9	\$ (194.2)	\$ (79.1)
Adjust: Discontinued ops, net of tax	(3.7)	(0.5)	(0.2)	0.1	0.9
Income (loss) from continuing operations	(25.2)	20.8	6.7	(194.1)	(78.1)
<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)	(1.3)
Goodwill and other asset impairment charges	-	0.9	-	190.6	-
Russia / Ukraine conflict charges / (recovery)	-	-	-	3.2	(1.4)
CEO transition costs	-	-	-	1.7	0.6
COVID-19 incremental costs/(ERC recovery)	-	2.7	-	(7.3)	(0.2)
Debt refinancing fees	1.0	-	-	-	1.9
Tornado insurance deductible costs	-	-	-	-	5.0
Turnaround strategy costs	-	-	-	8.0	8.8
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	3.2
Ober-Schmitt divestiture costs	-	-	-	-	18.8
Fox River environmental matter	(2.5)	-	-	-	-
Corporate headquarters relocation	-	1.1	0.6	0.4	-
Income Tax impact and other adjustments	(23.7)	(11.5)	(6.3)	(25.1)	4.1
Total adjustments	58.4	16.6	20.9	175.1	39.5
Adjusted income (loss) from continuing operations	33.2	37.4	27.6	(19.0)	(38.7)
Adjusted EPS for continuing operations	\$ 0.75	\$ 0.84	\$ 0.61	\$ (0.42)	\$ (0.86)

Reconciliation of Non-GAAP measures

Adjusted EPS from continuing operations

<i>USD In millions</i>	Q4 2022	Q4 2023	2022	2023
Net loss	\$ (34.3)	\$ (8.7)	\$ (194.2)	\$ (79.1)
Adjust: Discontinued ops, net of tax	0.2	0.1	0.1	0.9
Net loss from continuing operations	\$ (34.1)	\$ (8.6)	\$ (194.1)	\$ (78.1)
<u>Adjustments / Exclusions:</u>				
Goodwill and other asset impairment charges	30.7	-	190.6	-
Turnaround strategy costs	8.0	1.7	8.0	8.8
Russia / Ukraine conflict charges	(0.7)	(1.4)	3.2	(1.4)
Strategic initiatives	0.9	1.1	5.6	3.2
Ober-Schmitt divestiture costs	-	-	-	18.8
Debt Refinancing	-	-	-	1.9
Tornado insurance deductible costs	-	5.0	-	5.0
CEO transition costs	0.2	-	1.7	0.6
Corporate headquarters relocation	-	-	0.4	-
Cost optimization actions	-	-	0.9	-
COVID-19 ERC recovery	(7.3)	-	(7.3)	(0.2)
Gains on Timberland Sales and Transaction Related Costs	-	-	(3.0)	(1.3)
Income Tax impacts and other adjustments	(4.7)	0.2	(25.1)	4.1
Total adjustments	27.1	6.6	175.1	39.5
Adjusted income from continuing operations	\$ (7.0)	\$ (2.0)	\$ (19.0)	\$ (38.7)
Adjusted EPS for continuing operations	\$ (0.16)	\$ (0.04)	\$ (0.42)	\$ (0.86)



Reconciliation of Non-GAAP measures

Adjusted EBITDA from continuing operations

<i>In millions</i>	Q4 2022	Q4 2023	2022	2023
Net loss	\$ (34.3)	\$ (8.7)	\$ (194.2)	\$ (79.1)
Adjust: Discontinued ops	0.2	0.1	0.1	0.9
Add: Taxes	(1.7)	(6.4)	(10.3)	7.0
Add: Depreciation and Amortization	16.2	15.9	66.7	63.2
Add: Net Interest Expense	9.3	17.2	32.8	63.3
EBITDA	(10.3)	18.0	(104.9)	55.4
<u>Adjustments / Exclusions:</u>				
Goodwill and other asset impairment charges	30.7	-	190.6	-
Turnaround strategy costs	8.0	1.8	8.0	9.4
Russia / Ukraine conflict charges / (recovery)	(0.7)	(1.4)	3.2	(1.4)
Strategic initiatives	0.9	1.1	5.6	3.2
Ober-Schmitten divestiture costs	-	-	-	18.8
Debt refinancing costs	-	-	-	0.1
Tornado insurance deductible costs	-	5.0	-	5.0
CEO transition costs	0.2	-	4.8	0.6
Corporate headquarters relocation	-	-	0.4	-
Share-based compensation	0.8	0.6	0.8	2.8
Cost optimization actions	-	-	0.6	-
COVID-19 ERC recovery	(7.3)	-	(7.3)	-
Gains on Timberland Sales and Transaction Related Costs	-	-	(3.0)	(1.3)
Adjusted EBITDA from continuing operations	\$ 22.3	\$ 25.1	\$ 98.9	\$ 92.6
Depreciation and Amortization	(16.2)	(15.9)	(66.7)	(63.2)
Other Expense	3.6	2.3	7.6	9.9
Share-based compensation	(0.8)	(0.7)	(0.8)	(3.4)
Adjusted Operating Income from continuing operations	\$ 8.9	\$ 10.8	\$ 36.2	\$ 35.8



Reconciliation of Non-GAAP measures

Adjusted EBITDA from continuing operations

<i>In millions</i>	2019	2020	2021	2022	2023
Net Income (loss)	\$ (21.5)	\$ 21.3	\$ 6.9	\$ (194.2)	\$ (79.1)
Exclude: Loss (Income) from discontinued operations, net of tax	(3.7)	(0.5)	(0.2)	0.1	0.9
Add: Taxes from continuing operations	(9.2)	11.6	7.0	(10.3)	7.0
Add: Depreciation and Amortization	50.8	56.6	61.4	66.7	63.2
Add: Net Interest Expense	9.3	6.6	12.3	32.8	63.3
EBITDA from continuing operations	\$ 25.7	\$ 95.6	\$ 87.4	\$ (104.9)	\$ 55.4
<u>Adjustments / Exclusions:</u>					
Share-based compensation	3.6	5.7	5.1	0.8	2.8
Pension settlement expenses, net	75.3	6.2	-	-	-
Gains on Timberland Sales and Transaction Related Costs	(1.6)	(1.4)	(5.2)	(3.0)	(1.3)
Goodwill and other asset impairment charges	-	0.9	-	190.6	-
Russia / Ukraine conflict charges / (recovery)	-	-	-	3.2	(1.4)
Debt refinancing costs	-	-	-	-	0.1
Restructuring charge - Metallized operations (net of accelerated depreciation)	-	7.2	-	-	-
Tornado insurance deductible costs	-	-	-	-	5.0
CEO transition costs	-	-	-	4.8	0.6
Cost optimization actions	8.6	6.0	0.9	0.6	-
COVID-19 incremental costs/(ERC recovery)	-	2.7	-	(7.3)	-
Corporate headquarters relocation (net of asset write off)	-	0.9	0.6	0.4	-
Strategic initiatives	1.3	1.6	30.9	5.6	3.2
Turnaround strategy costs	-	-	-	8.0	9.4
Ober-Schmitt divestiture costs	-	-	-	-	18.8
Fox River environmental matter	(2.5)	-	-	-	-
Adjusted EBITDA from continuing operations	\$ 110.3	\$ 125.3	\$ 119.6	\$ 98.9	\$ 92.6

Reconciliation of Non-GAAP measures

Adjusted Free Cash Flow from Continuing Operations

In millions	Q4 2022	Q4 2023	2022	2023
Adjusted EBITDA	\$22.3	\$25.1	\$98.9	\$92.6
Accounts receivable	7.6	3.0	(35.3)	21.6
Inventories	26.4	8.5	(44.4)	9.6
Accounts payable	(1.3)	(2.6)	16.4	(62.7)
Change in working capital	32.7	8.8	(63.3)	(31.4)
Taxes paid	(5.4)	(2.6)	(24.4)	(9.4)
Interest paid	(15.3)	(22.2)	(33.2)	(59.2)
Other	(10.8)	7.2	(18.8)	(18.2)
Cash Flow from continuing Operations	\$23.5	\$16.3	(\$40.8)	(\$25.6)
Less: Capital expenditures	(7.7)	(8.5)	(37.7)	(33.8)
Free Cash Flow	\$15.9	\$7.8	(\$78.6)	(\$59.4)
Fox River Payments	0.3	0.3	1.8	0.9
Turnround strategy costs	1.1	0.1	1.1	12.9
Strategic Initiatives	0.2	0.6	1.4	2.1
CEO transition costs	0.4	0.5	0.7	8.7
Cost Optimization	0.2	0.1	1.3	0.3
HQ Relocation	-	-	(0.3)	-
Oberschmitt divestiture costs	-	2.1	-	2.7
COVID-19 ERC recovery	-	(1.0)	-	(7.6)
Tax payments (refunds) on adjusting items	(0.1)	-	2.5	(0.9)
Less: Adjustments to Free Cash Flow	2.1	2.8	8.5	19.1
Adjusted Free Cash Flow	\$18.0	\$10.6	(\$70.0)	(\$40.3)



Reconciliation of Non-GAAP measures

Adjusted EBITDA from continuing operations

<i>USD in Thousands</i>	Q4 2022	Q3 2023	Q4 2023
Airlaid Materials Operating Profit	\$14,091	\$11,196	\$8,371
Addback: Depreciation & Amortization	7,542	7,553	7,588
Airlaid Materials EBITDA	\$21,633	\$18,749	\$15,959
Composite Fibers Operating Profit	\$4,843	\$7,268	\$7,054
Addback: Depreciation & Amortization	4,355	3,898	3,905
Composite Fibers EBITDA	\$9,198	\$11,166	\$10,959
Spunlace Operating Profit / (Loss)	(\$1,238)	(\$1,053)	\$2,322
Addback: Depreciation & Amortization	3,037	3,289	3,388
Spunlace EBITDA	\$1,799	\$2,236	\$5,710

