



G L A T F E L T E R

2024 Second 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 – Q2 2024

- Q2 2024 adjusted EBITDA of \$25.6 million, higher by \$8.3 million* compared to Q2 2023
- Composite Fibers EBITDA higher by ~\$5 million versus Q2 2023 mainly driven by higher shipments, price-cost gap improvements and increased production
- Spunlace EBITDA higher by ~\$3 million versus Q2 2023 primarily driven by price-cost gap improvements, stronger shipments and higher production
- Airlaid Materials EBITDA lower by ~\$2 million versus Q2 2023 driven by softer shipments coupled with lower production to manage inventory levels
- Q2 2024 Adjusted free cash flow higher by ~\$43 million versus Q2 2023 mainly driven by lower working capital usage
- Leverage, based on covenants in our credit agreement, was 3.5x** on June 30, 2024
- Received required anti-trust regulatory approvals and IRS private letter ruling for announced merger

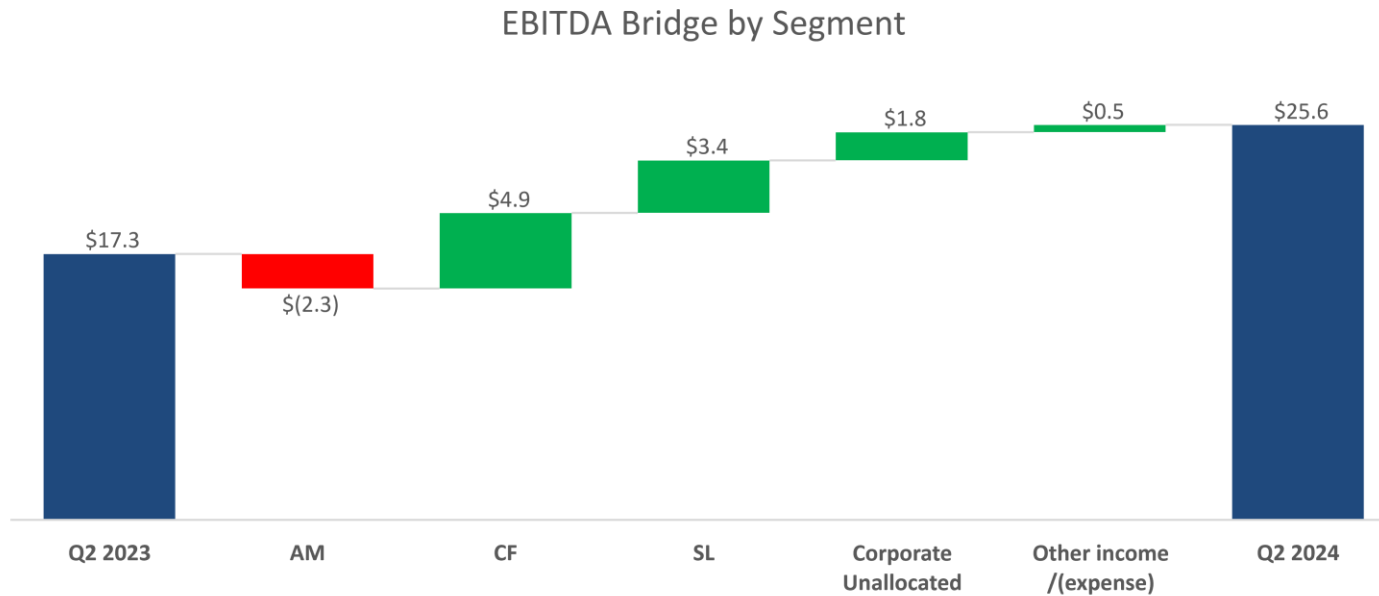
(*) In addition to improved overall segment profitability, higher Q2 2024 EBITDA includes impact of lower corporate costs of ~\$2 million (details in slide 8)

(**) - Debt covenant compliance ratio of 3.5x as of June 30, 2024 versus threshold of 4.25x; for reconciliation of measures to U.S. GAAP financial measures, see slides 18 to 23



Financial Summary

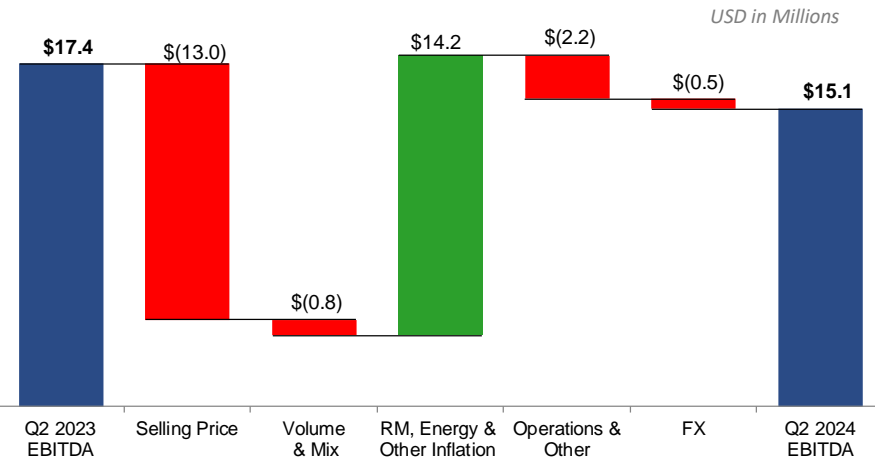
On a GAAP basis, net loss from continuing operations for Q2 2024 was \$15.8 million or (\$0.35) per share compared to net loss from continuing operations of \$36.6 million or (\$0.82) per share in Q2 2023



Airlaid Materials Q2 2024 Highlights

<i>USD in Thousands</i>	Q2 2023	Q1 2024	Q2 2024
Tons Shipped (MT)	39,246	38,341	37,795
Net Sales	152,511	131,529	130,584
Operating Income	9,726	4,958	7,505
EBITDA	17,363	12,622	15,107
EBITDA Margin	11.4%	9.6%	11.6%

- **Revenue down 14% versus Q2 2023 on constant currency**
 - Volume down 4% vs. Q2 2023
 - Wipes down 7%
 - Hygiene down 3%
 - Tabletop down 1%
- **Selling price \$13.0 million lower versus Q2 2023 which reflects lower raw material costs pass-through and selective pricing actions to regain volume**
- **Raw material, energy & other inflation favorable \$14.2 million mainly due to lower raw material costs of \$13.6 million and lower energy & freight costs of \$0.6 million**
- **Operations unfavorable by \$2.2 million mainly due to lower production**
- **FX, net of currency hedging, was \$0.5 million unfavorable**
- **EBITDA margin improved by 20 bps versus Q2 2023**



Composite Fibers Q2 2024 Highlights

USD in Thousands

	Q2 2023	Q1 2024	Q2 2024
Tons Shipped (MT)	24,966	25,002	25,735
Net Sales	125,725	116,150	117,215
Operating Income	898	8,259	6,031
EBITDA	4,795	12,023	9,695
EBITDA Margin	3.8%	10.4%	8.3%

USD in Millions



- **Revenue down 6% versus Q2 2023 on constant currency**

- Volume up 3% vs. Q2 2023*
 - Composite Laminates up 44%
 - Metallized Products up 15%
 - Technical Specialties up 14% (excludes Ober-Schmitt)
 - Food & Beverage up 8%
 - Wallcover down 7%

- **Selling prices were \$7.5 million lower versus Q2 2023 driven by lower raw material costs pass-through to floating customers and specific pricing actions taken to retain volume**

- **Raw material, energy, and other inflation favorable \$8.4 million driven by lower raw materials & other costs of \$7.0 million and lower energy costs of \$1.4 million**

- **Operations favorable by \$1.7 million mainly due to higher inclined wire production**

- **FX, net of currency hedging, was slightly favorable**

- **EBITDA margin improved by 450 bps versus Q2 2023**

* - does not exclude 1,000 MT of Ober-Schmitt volume that we exited in Q3 2023

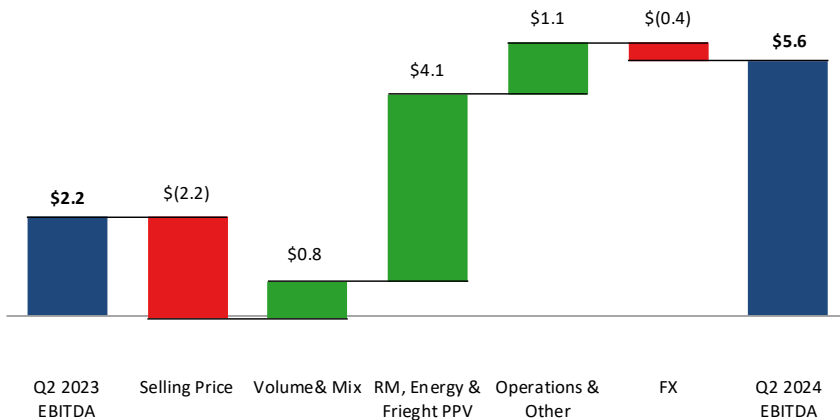


Spunlace Q2 2024 Highlights

USD in Thousands

	Q2 2023	Q1 2024	Q2 2024
Tons Shipped (MT)	15,191	16,091	15,937
Net Sales	79,420	80,130	82,197
Operating Income / (Loss)	(1,314)	2,764	2,260
EBITDA	2,162	6,137	5,587
EBITDA Margin	2.7%	7.7%	6.8%

USD in Millions



- **Revenue up 4% versus Q2 2023 on constant currency**
 - Volume up 5% vs. Q2 2023
 - Critical Cleaning up 37%
 - Hygiene up 4%
 - Consumer Wipes flat
 - Healthcare down 13%
- **Selling prices were \$2.2 million lower versus Q2 2023 reflecting lower cost pass-through arrangements**
- **Raw material, energy, and other inflation favorable \$4.1 million mainly driven by lower raw material costs of \$3.8 million**
- **Operations favorable by \$1.1 million mainly due to higher production**
- **FX, net of currency hedging, was \$0.4 million unfavorable**
- **EBITDA margin improved by 410 bps versus Q2 2023**

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	Q2 2023	Q2 2024	YTD 2023	YTD 2024
Timberland sales and related costs	\$ -	\$ -	\$ 0.6	\$ -
Strategic initiatives	(0.9)	(4.1)	(1.6)	(15.0)
Turnaround strategy costs	(2.2)	(0.4)	(6.7)	(0.4)
Ober-Schmitt divestiture costs	(10.8)	-	(10.8)	-
Special items excluded from adjusted earnings	(13.9)	(4.5)	(18.5)	(15.5)
Corporate costs excluding depreciation and amortization*	(4.9)	(3.1)	(11.2)	(8.7)
Depreciation and amortization costs	(1.0)	(0.9)	(1.9)	(1.9)
Total corporate costs	(5.9)	(4.0)	(13.2)	(10.6)
Total corporate costs & other financial items	(\$19.8)	(\$8.5)	(\$31.7)	(\$26.0)

- **Q2 2024 Corporate expenses lower \$1.9 million versus Q2 2023**
 - Includes ~\$2 million related to loss recovery settlement with a supplier for faulty material supplied to Glatfelter in 2022 (impact previously recorded at Corporate)
- **Strategic initiatives costs higher \$3.2 million versus Q2 2023**
 - Driven mainly by professional services fees related to announced merger with Berry Global's 'HHNF' business

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

- **Q2 2024 Adjusted Free Cash Flow higher by ~\$43 million versus Q2 2023**
 - Adjusted EBITDA higher ~\$8 million
 - Lower working capital usage of ~\$40 million mainly driven by accounts payable
 - CAPEX lower ~\$2 million
 - Other operating items lower by ~\$7 million mainly driven by fewer vendor rebates in Q2 2024 versus last year

(in millions)	Q2 2023	Q2 2024	H1'23	H1'24
Adjusted EBITDA	\$17.3	\$25.6	\$42.0	\$49.4
Change in working capital (*)	(21.3)	18.4	(55.6)	(18.0)
Taxes paid	(2.4)	(2.3)	(4.1)	(5.1)
Interest paid	(22.0)	(22.7)	(27.0)	(33.1)
Other	6.1	(6.1)	(8.3)	(13.8)
Cash Flow from continuing Operations	(\$22.4)	\$12.9	(\$53.0)	(\$20.6)
Less: Capital expenditures	(8.0)	(5.7)	(17.5)	(13.2)
Free Cash Flow	(\$30.3)	\$7.2	(\$70.5)	(\$33.7)
Less: Adjustments to Free Cash Flow ⁽¹⁾	0.2	5.6	12.0	9.8
Adjusted Free Cash Flow	(\$30.2)	\$12.9	(\$58.4)	(\$24.0)

(*) - 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 21



Balance Sheet and Liquidity

- Leverage, as calculated in accordance with the covenants of our credit agreement, is 3.5x* on June 30, 2024
- Available liquidity of approximately \$112 million

(in millions)	31-Dec-22	31-Dec-23	30-Jun-24
Cash	\$110.7	\$50.3	\$33.9
Debt			
Current portion of long term debt	40.4	1.0	-
Short term debt	11.4	6.1	8.5
\$500 million 4.75% bond	500.0	500.0	500.0
Term Loans 1.3% - 2.4% due 2022 - 2025	185.1	-	-
11.25% Term Loan, due 2029	-	271.2	263.1
Revolving credit agreement	118.7	99.5	114.3
Unamortized deferred financing costs	(10.5)	(17.5)	(15.5)
Total Debt	\$845.1	\$860.3	\$870.3
Net Debt	\$734.4	\$810.1	\$836.4
Shareholders' Equity	\$318.0	\$256.9	\$205.5
TTM Adj. EBITDA	\$98.8	\$92.6	\$100.0
Available Liquidity	\$87.4	\$135.3	\$112.1

Notes:

(*) - Debt covenant compliance ratio of 3.5x as of June, 2024 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.



Appendix



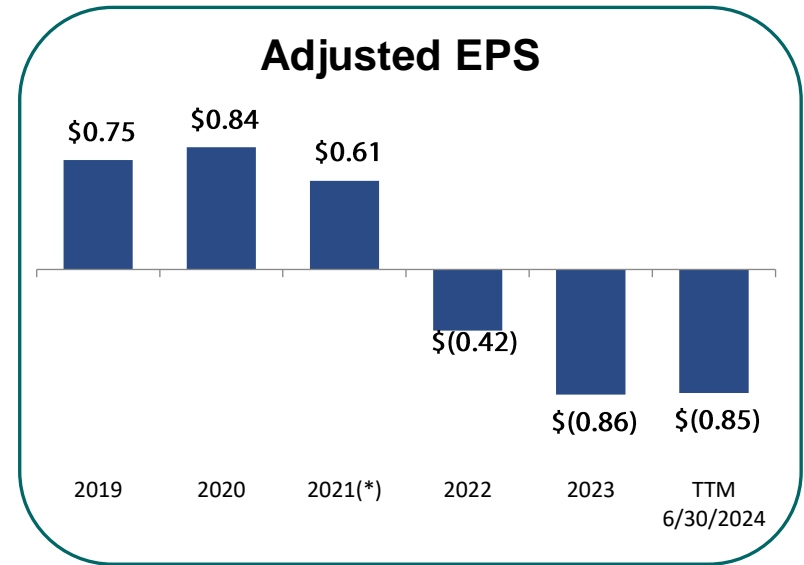
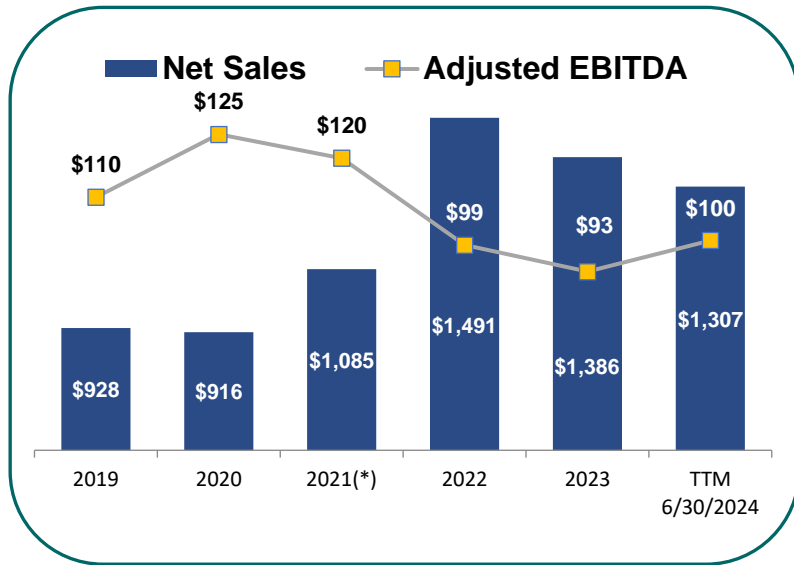
Financial Overview

<i>USD in Millions</i>	Q2 2023	Q2 2024
Net Sales	\$357.0	\$329.4
Adjusted operating income	\$3.4	\$11.7
Adjusted EBITDA	\$17.3	\$25.6
Free Cash Flow	(\$30.3)	\$7.2
Adjusted Free Cash Flow	(\$30.2)	\$12.9

<i>USD in Millions</i>	Dec 31 2023	Jun 30 2024
Net Debt	\$810.1	\$836.4
Cash	\$50.3	\$33.9



Earnings Trends



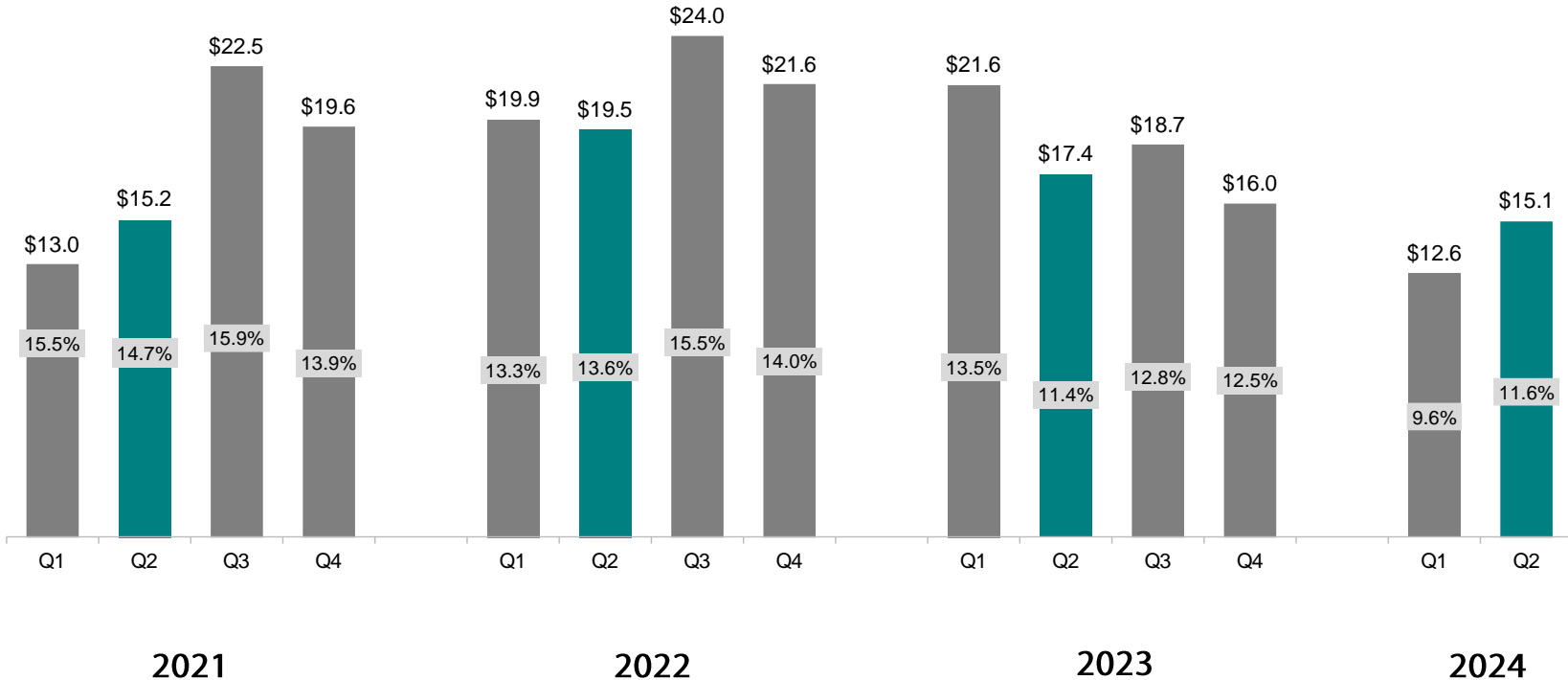
Notes:

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

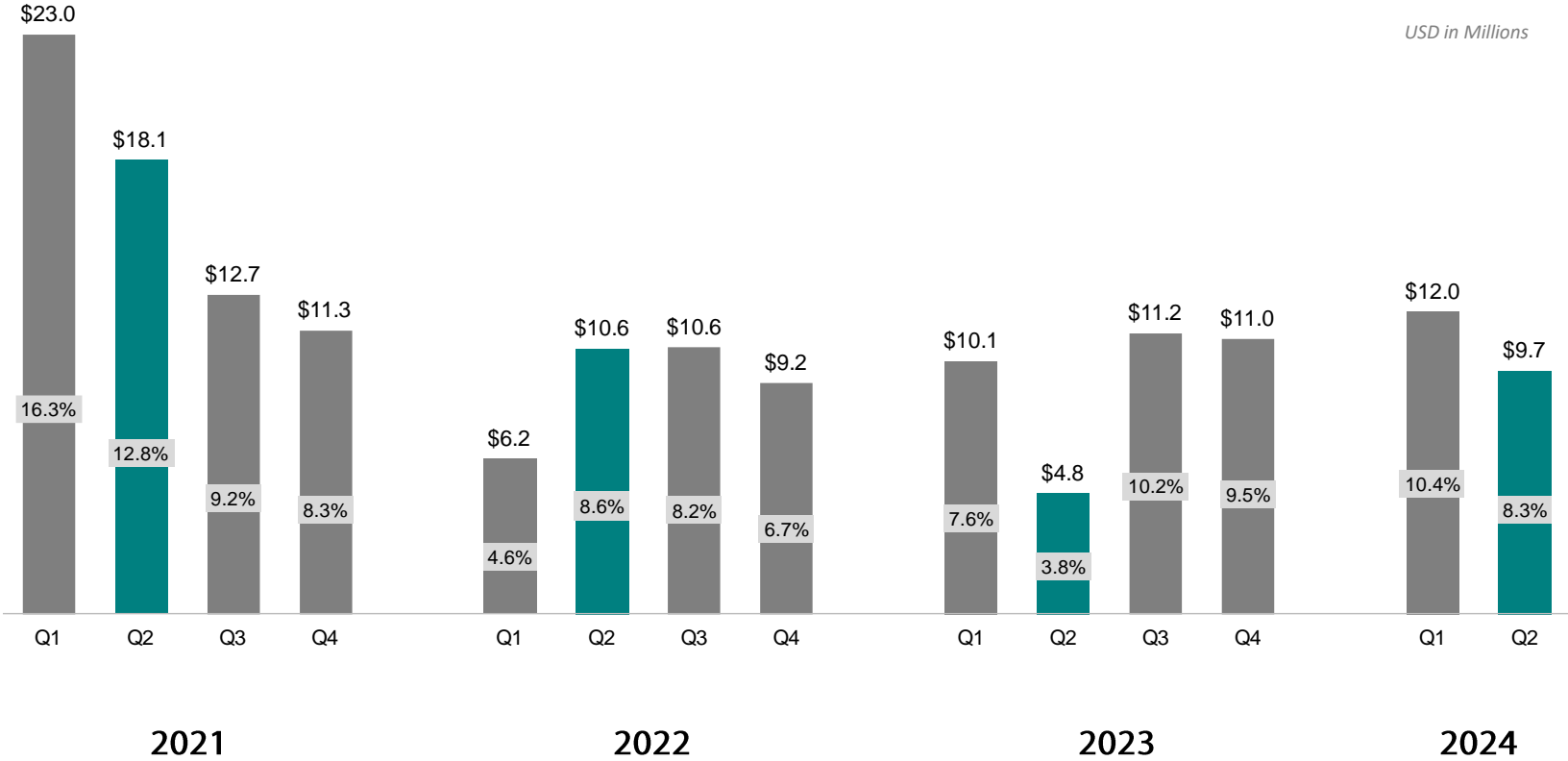


Airlaid Materials EBITDA and EBITDA Margin

USD in Millions

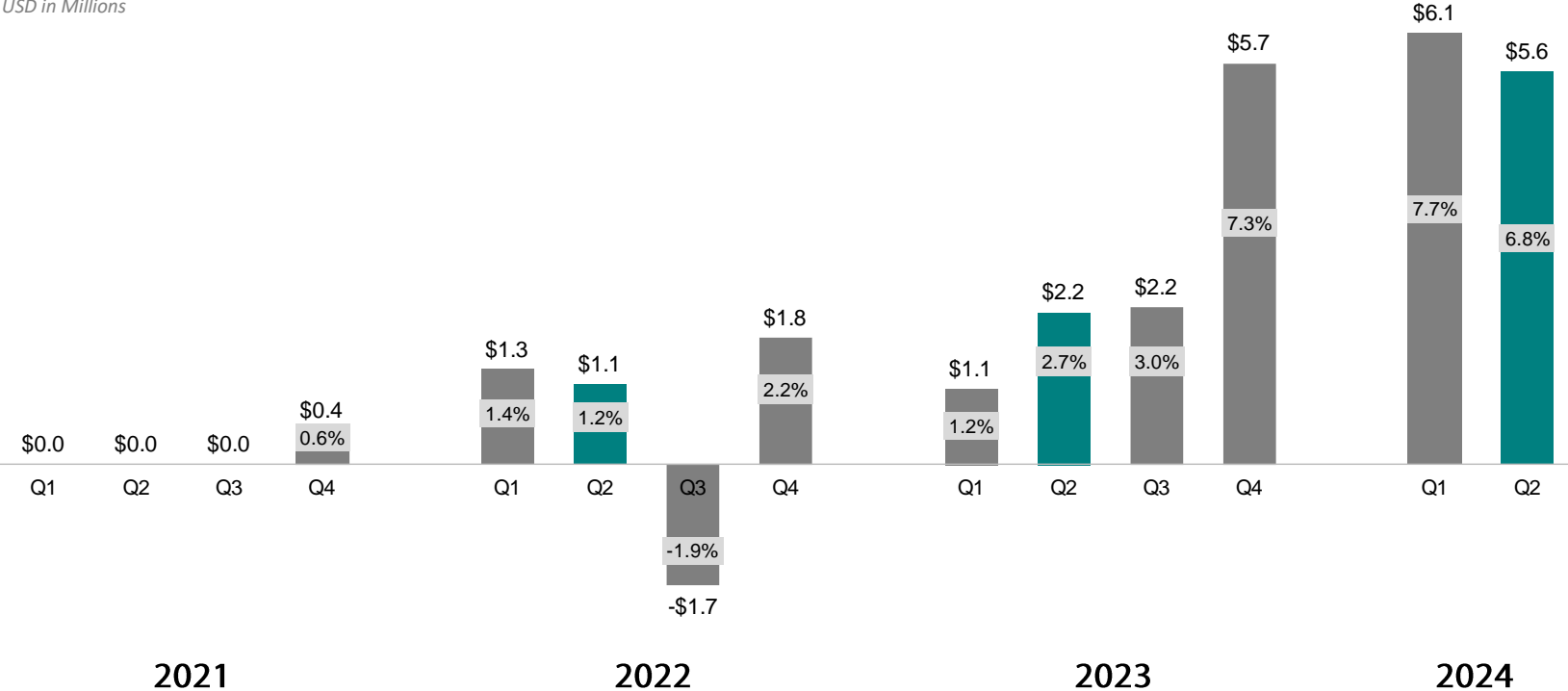


Composite Fibers EBITDA and EBITDA Margin



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	TTM 6/30/2024
Net Income (loss)	\$ (21.5)	\$ 21.3	\$ 6.9	\$ (194.2)	\$ (79.1)	\$ (71.2)
Adjust: Discontinued ops, net of tax	(3.7)	(0.5)	(0.2)	0.1	0.9	0.9
Income (loss) from continuing operations	(25.2)	20.8	6.7	(194.1)	(78.1)	(70.2)
<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)	(0.7)
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	(0.1)
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	2.5
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	3.2	16.6
Ober-Schmitt divestiture costs	-	-	-	-	18.8	8.1
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	1.7
Total adjustments	58.4	16.6	20.9	175.1	39.5	28.1
Adjusted income (loss) from continuing operations	33.2	37.4	27.6	(19.0)	(38.7)	(42.1)
Adjusted EPS for continuing operations	\$ 0.75	\$ 0.84	\$ 0.61	\$ (0.42)	\$ (0.86)	\$ (0.85)

Reconciliation of Non-GAAP measures

Adjusted EPS from continuing operations

<i>USD In millions</i>	Q2 2023	Q2 2024	H1'23	H1'24
Net loss	\$ (36.9)	\$ (16.3)	\$ (50.5)	\$ (42.6)
Adjust: Discontinued ops, net of tax	\$ 0.3	0.5	0.7	0.7
Net loss from continuing operations	\$ (36.6)	\$ (15.8)	\$ (49.8)	\$ (41.9)
<u>Adjustments / Exclusions:</u>				
Turnaround strategy costs	2.2	0.4	6.7	0.4
Strategic initiatives	0.9	4.1	1.7	15.0
Ober-Schmitt divestiture costs	10.8	-	10.7	-
Debt Refinancing	-	-	1.9	-
CEO transition costs	-	-	0.6	-
COVID-19 ERC recovery	(0.2)	-	(0.2)	-
Gains on Timberland Sales and Transaction Related Costs	-	-	(0.6)	-
Income Tax impacts and other adjustments	2.5	0.1	2.7	0.3
Total adjustments	16.2	4.5	23.5	15.8
Adjusted income from continuing operations	\$ (20.5)	\$ (11.3)	\$ (26.3)	\$ (26.2)
Adjusted EPS for continuing operations	\$ (0.45)	\$ (0.25)	\$ (0.58)	\$ (0.58)



Reconciliation of Non-GAAP measures

Adjusted EBITDA from continuing operations

<i>In millions</i>	Q2 2023	Q2 2024	H1'23	H1'24
Net loss	\$ (36.9)	\$ (16.3)	\$ (50.5)	\$ (42.6)
Adjust: Discontinued ops	0.3	0.5	0.7	0.7
Add: Taxes	6.4	3.0	10.1	8.1
Add: Depreciation and Amortization	16.0	15.5	31.7	31.3
Add: Net Interest Expense	16.7	17.6	29.0	35.1
EBITDA	2.4	20.3	21.0	32.5
<u>Adjustments / Exclusions:</u>				
Turnaround strategy costs	2.7	0.4	7.2	0.4
Strategic initiatives	0.9	4.1	1.7	15.0
Ober-Schmitt divestiture costs	10.8	-	10.7	-
Debt refinancing costs	-	-	0.1	-
CEO transition costs	-	-	0.6	-
Share-based compensation	0.4	0.8	1.3	1.5
Gains on Timberland Sales and Transaction Related Costs	-	-	(0.6)	-
Adjusted EBITDA from continuing operations	\$ 17.3	\$ 25.6	\$ 42.0	\$ 49.4
Depreciation and Amortization	(16.0)	(15.5)	(31.7)	(31.3)
Other Expense	3.0	2.5	5.6	4.5
Share-based compensation	(0.9)	(0.8)	(1.8)	(1.5)
Adjusted Operating Income from continuing operations	\$ 3.4	\$ 11.7	\$ 14.1	\$ 21.2



Reconciliation of Non-GAAP measures

Adjusted EBITDA from continuing operations

<i>In millions</i>	2019	2020	2021	2022	2023	TTM 6/30/2024
Net Income (loss)	\$ (21.5)	\$ 21.3	\$ 6.9	\$ (194.2)	\$ (79.1)	\$ (71.2)
Exclude: Loss (Income) from discontinued operations, net of tax	(3.7)	(0.5)	(0.2)	0.1	0.9	0.9
Add: Taxes from continuing operations	(9.2)	11.6	7.0	(10.3)	7.0	5.0
Add: Depreciation and Amortization	50.8	56.6	61.4	66.7	63.2	62.8
Add: Net Interest Expense	9.3	6.6	12.3	32.8	63.3	69.3
EBITDA from continuing operations	\$ 25.7	\$ 95.6	\$ 87.4	\$ (104.9)	\$ 55.4	\$ 66.9
<u>Adjustments / Exclusions:</u>						
Share-based compensation	3.6	5.7	5.1	0.8	2.8	3.0
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)	(0.7)
Goodwill and other asset impairment charges	-	0.9	-	190.6	-	-
Russia / Ukraine conflict charges / (recovery)	-	-	-	3.2	(1.4)	(1.4)
Debt refinancing costs	-	-	-	-	0.1	-
Restructuring charge - Metallized operations (net of accelerated depreciation)	-	7.2	-	-	-	-
Tornado insurance deductible costs	-	-	-	-	5.0	5.0
CEO transition costs	-	-	-	4.8	0.6	(0.1)
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	16.6
Turnaround strategy costs	-	-	-	8.0	9.4	2.7
Ober-Schmitt divestiture costs	-	-	-	-	18.8	8.1
Adjusted EBITDA from continuing operations	\$ 110.3	\$ 125.3	\$ 119.6	\$ 98.9	\$ 92.6	\$ 100.0



Reconciliation of Non-GAAP measures

Adjusted Free Cash Flow from Continuing Operations

In millions	Q2 2023	Q2 2024	H1'23	H1'24
Adjusted EBITDA	\$17.3	\$25.6	\$42.0	\$49.4
Accounts receivable	6.5	\$2.7	\$4.2	(\$7.4)
Inventories	7.2	(\$7.2)	(\$1.7)	(\$12.3)
Accounts payable	(35.0)	\$22.9	(\$58.1)	\$1.7
Change in working capital	(21.3)	\$18.4	(\$55.6)	(\$18.0)
Taxes paid	(2.4)	(\$2.3)	(\$4.1)	(\$5.1)
Interest paid	(22.0)	(22.7)	(27.0)	(33.1)
Other	6.1	(6.1)	(8.3)	(13.8)
Cash Flow from continuing Operations	(\$22.4)	\$12.9	(\$53.0)	(\$20.6)
Less: Capital expenditures	(\$8.0)	(5.7)	(17.5)	(13.2)
Free Cash Flow	(\$30.3)	\$7.2	(\$70.5)	(\$33.7)
Fox River Payments	\$0.2	-	0.4	1.6
Turnround strategy costs	\$4.3	0.8	9.6	2.1
Strategic Initiatives	\$1.2	4.3	1.3	4.9
CEO transition costs	\$0.5	0.5	7.6	1.1
Cost Optimization	\$0.1	-	0.1	-
Ober-Schmitt divestiture costs	\$0.4	-	0.4	-
COVID-19 ERC recovery	(\$6.6)	-	(6.6)	-
Tax payments (refunds) on adjusting items	(\$0.1)	-	(0.9)	-
Less: Adjustments to Free Cash Flow	\$0.2	5.6	12.0	9.8
Adjusted Free Cash Flow	(\$30.2)	\$12.9	(\$58.4)	(\$24.0)



Reconciliation of Non-GAAP measures

Adjusted EBITDA from continuing operations

<i>USD in Thousands</i>	Q2 2023	Q1 2024	Q2 2024
Airlaid Materials Operating Profit	\$9,726	\$4,958	\$7,505
Addback: Depreciation & Amortization	7,637	7,664	7,602
Airlaid Materials EBITDA	\$17,363	\$12,622	\$15,107
Composite Fibers Operating Profit	\$898	\$8,259	\$6,031
Addback: Depreciation & Amortization	3,897	3,764	3,664
Composite Fibers EBITDA	\$4,795	\$12,023	\$9,695
Spunlace Operating Profit / (Loss)	(\$1,314)	\$2,764	\$2,260
Addback: Depreciation & Amortization	3,476	3,373	3,327
Spunlace EBITDA	\$2,162	\$6,137	\$5,587

