



2023 Third Quarter Financial Results

November 28, 2023

Forward-Looking Statements

Certain statements contained in this presentation are forward-looking statements. Pursuant to federal securities regulations, we have set forth cautionary statements relating to those forward-looking statements in our Annual Report on Form 10-K for the year ended December 31, 2022, in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2023, and in other filings with the Securities and Exchange Commission. We urge readers to review and carefully consider these cautionary statements and the other disclosures we make in our filings with the SEC.

This presentation contains non-GAAP financial measures that are not determined in accordance with United States GAAP. These non-GAAP financial measures should not be considered in isolation, as an alternative to, or more meaningful than measures of financial performance determined in accordance with United States GAAP. A reconciliation of those financial measures to United States GAAP financial measures is included under “Supplemental Information” in this presentation and is available on the company’s website at www.tredegar.com under “Investors.”

The report speaks as of the date thereof. Tredegar is not, and should not be deemed to be, updating or reaffirming any information contained therein. We do not undertake, and expressly disclaim any duty, to update any forward-looking statements made in this presentation to reflect any change in management’s expectations or any change in conditions, assumptions or circumstances on which such statements are based.

Tredegar Corporation

2023 Third Quarter and First Nine Months Results



(in millions, except per share data)

	3Q 2023	3Q 2022	YTD 2023	YTD 2022
Net Sales ¹	\$159.5	\$229.0	\$515.5	\$720.8
Net Income (Loss) from Ongoing Operations ²	\$(5.1)	\$4.8	\$(4.6)	\$38.9
Diluted Earnings (Loss) per share from Ongoing Operations ²	\$(0.15)	\$0.14	\$(0.13)	\$1.15

¹ See Note 1 in GAAP to Non-GAAP Reconciliations for more information and a reconciliation of this non-GAAP financial measure.

² See Note 3 in GAAP to Non-GAAP Reconciliations for more information and a reconciliation of this non-GAAP financial measure.

“We recognized another loss for the quarter as our businesses continued to suffer from severe down cycles in their markets that we believe are residual impacts of the pandemic. The timing of a recovery remains uncertain as we move into the seasonally low winter months for Bonnell.”

“Despite the disappointing and challenging business environment in our markets, we made progress in our corporate strategic initiatives by executing an agreement to sell Terphane, which is subject to clearance by competition authorities, settling our pension plan obligation and taking steps to restructure our credit situation in light of our depressed markets and income.” **John Steitz, CEO and President (Third Quarter 2023 Earnings Release)**

Aluminum Extrusions (Bonnell Aluminum)

2023 Third Quarter and First Nine Months Results

Third Quarter Performance				First Nine Months Performance			
(in millions)	3Q 23	3Q 22	▲	(in millions)	2023	2022	▲
Volume (lbs.)	32.5	45.5	(29)%	Volume (lbs.)	105.5	137.4	(23)%
Net Sales ¹	\$109.4	\$161.6	(32)%	Net Sales ¹	\$364.6	\$510.1	(29)%
<i>Ongoing Operations:</i>				<i>Ongoing Operations:</i>			
EBITDA	\$5.1	\$12.1	(58)%	EBITDA	\$30.0	\$57.9	(48)%
Less: D&A	<u>(4.7)</u>	<u>(4.4)</u>		Less: D&A	<u>(13.3)</u>	<u>(12.9)</u>	
EBIT ²	\$0.4	\$7.7	(94)%	EBIT ²	\$16.7	\$45.0	(63)%

Third Quarter Financial Highlights

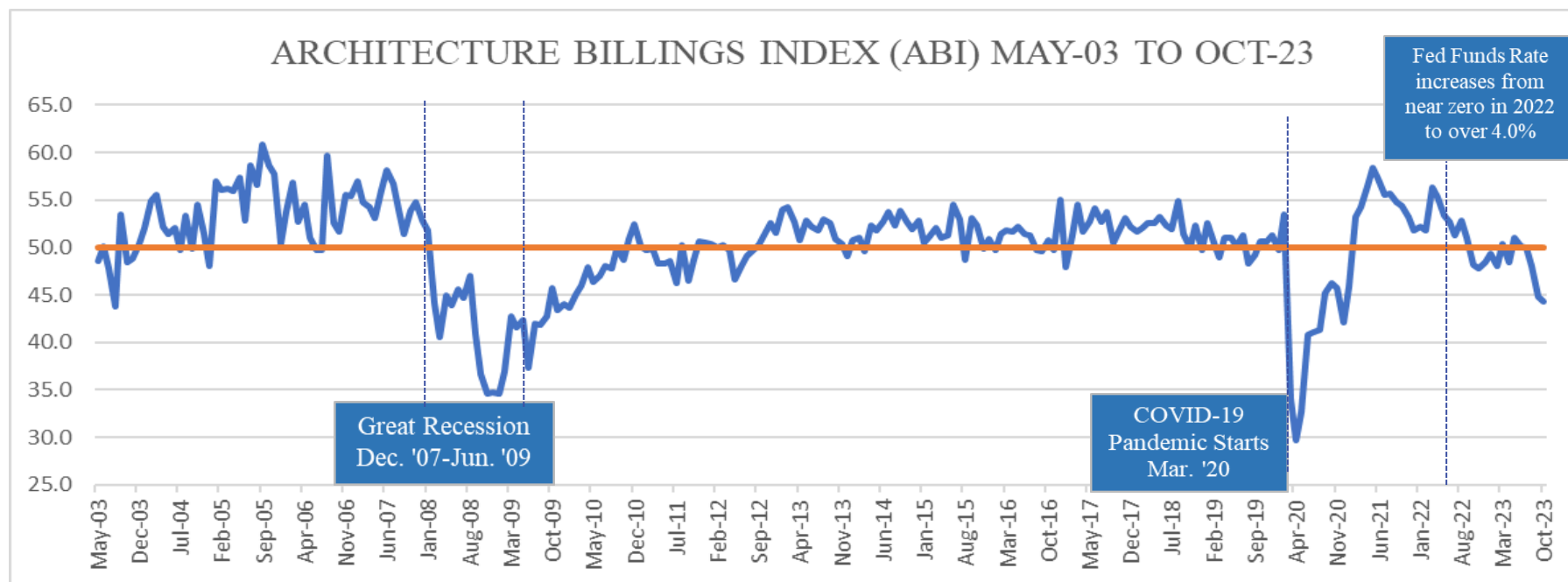
- EBITDA from ongoing operations in the third quarter of 2023 decreased \$7.0 million or 57.6% versus the third quarter of 2022 primarily due to:
- Lower volume (\$9.9 million), higher labor and employee-related costs (\$1.4 million), lower pricing (\$1.0 million), higher supply expense associated with inflationary costs (\$0.1 million), higher selling, general and administrative ("SG&A") expenses (\$0.5 million) and higher freight rates (\$0.4 million), partially offset by lower utility costs (\$1.0 million); and
- The timing of the flow-through under the first-in first-out method of aluminum raw material costs passed through to customers, previously acquired at higher prices in a quickly changing commodity pricing environment, resulted in a charge of \$1.2 million in the third quarter of 2023 versus a charge of \$3.8 million in the third quarter of 2022. In addition, the Company recorded an unfavorable out-of-period adjustment of \$2.5 million related to inventory and accrued labor costs in the third quarter of 2022.
- See *Open Orders and ABI Index* on Page 3.

Aluminum Extrusions (Bonnell Aluminum)

Open Orders and ABI Index



- Open orders at the end of the third quarter of 2023 were 17 million pounds (versus 20 million pounds at the end of the second quarter of 2023 and 59 million pounds at the end of the third quarter 2022). This level is below the quarterly range of 21 to 27 million pounds in 2019 before pandemic-related disruptions that resulted in long lead times, driving a peak in open orders of approximately 100 million pounds during the first quarter of 2022.
- One of the key indicators for non-residential building & construction (B&C) is the Architecture Billings Index (ABI), which leads non-residential B&C activity by 9 to 12 months. Published monthly by the American Institute of Architects, the ABI is a diffusion index. An index score of 50 represents no change in firm billings from the previous month, a score above 50 indicates an increase in firm billings from the previous month, and a score below 50 indicates a decline in firm billings from the previous month.



PE Films (Surface Protection, Polyethylene Overwrap Films & Films for Other Markets)

2023 Third Quarter and First Nine Months Results

Third Quarter Performance				First Nine Months Performance			
(in millions)	3Q 23	3Q 22	▲	(in millions)	2023	2022	▲
Volume (lbs.)	7.2	7.1	2%	Volume (lbs.)	20.8	27.3	(24)%
Net Sales ¹	\$19.9	\$20.1	(1)%	Net Sales ¹	\$56.0	\$82.6	(32)%
<i>Ongoing Operations:</i>				<i>Ongoing Operations:</i>			
EBITDA	\$4.0	\$0.4	837%	EBITDA	\$6.7	\$14.5	(54)%
Less: D&A	<u>(2.1)</u>	<u>(1.6)</u>		Less: D&A	<u>(5.3)</u>	<u>(4.7)</u>	
EBIT ²	\$1.9	\$(1.2)	(268)%	EBIT ²	\$1.4	\$9.8	(86)%

Third Quarter Financial Highlights

- EBITDA from ongoing operations in the third quarter of 2023 increased \$3.6 million versus the third quarter of 2022, primarily due to:
 - A \$1.7 million increase from Surface Protection:
 - Higher contribution margin associated with favorable pricing (\$0.5 million), lower SG&A (\$0.5 million), operating efficiencies (\$0.5 million), and lower fixed costs (\$0.8 million); and
 - No foreign currency transaction gain or loss in the third quarter of 2023 versus a gain of \$0.5 million in the third quarter of 2022.
 - A \$1.9 million increase from overwrap films primarily due to cost improvements.
- The Company previously adopted a plan to close the PE Films technical center in Richmond, VA, and reduce its efforts to develop and sell films supporting the semiconductor market. See “Closure of PE Films Technical Center” in the Management Discussion and Analysis of the Form 10-Q on page 33.

Flexible Packaging Films (Terphane)

2023 Third Quarter and First Nine Month Results

Third Quarter Performance				First Nine Months Performance			
(in millions)	3Q 23	3Q 22	▲	(in millions)	2023	2022	▲
Volume (lbs.)	22.2	28.9	(23)%	Volume (lbs.)	65.7	82.2	(20)%
Net Sales ¹	\$30.1	\$47.3	(36)%	Net Sales ¹	\$94.9	\$128.1	(26)%
<i>Ongoing Operations:</i>				<i>Ongoing Operations:</i>			
EBITDA	\$0.5	\$7.8	(94)%	EBITDA	\$2.1	\$20.5	(90)%
Less: D&A	<u>(0.7)</u>	<u>(0.6)</u>		Less: D&A	<u>(2.1)</u>	<u>(1.7)</u>	
EBIT ²	\$(0.2)	\$7.2	(103)%	EBIT ²	\$0.0	\$18.8	(100)%

Third Quarter Financial Highlights

EBITDA from ongoing operations in the third quarter of 2023 decreased \$7.4 million versus the third quarter of 2022, primarily due to:

- Lower selling prices from the pass-through of lower resin costs and margin pressures (\$6.9 million) and lower sales volume (\$3.7 million), partially offset by lower raw material costs (\$2.3 million), lower fixed costs (\$0.8 million) and lower SG&A expenses (\$0.7 million);
- Foreign currency transaction gains (\$0.2 million) in the third quarter of 2023 compared to foreign currency transaction gains (\$0.1 million) in the third quarter of 2022; and
- Net unfavorable foreign currency translation of Real-denominated operating costs (\$0.6 million).

Corporate Strategic Initiatives

Agreement to Sell Terphane

On September 1, 2023, the Company announced that it had entered into a definitive agreement to sell Terphane to Oben Group (the “Contingent Terphane Sale”). Completion of the sale is contingent upon the satisfaction of customary closing conditions, including the receipt of certain competition filing approvals by authorities in Brazil and Columbia. On October 27, 2023, the Company filed the requisite competition forms with the Administrative Council for Economic Defense (“CADE”) in Brazil. CADE published related materials for public comment on November 6, 2023. CADE’s deadline for completing its review is no later than September 23, 2024.

As of September 30, 2023, the Company has reported results for Terphane as a continuing operation, given the early stage of the approval process by authorities. If the sale transaction is completed, the Company expects to realize after-tax cash proceeds of \$85 million after deducting projected Brazil withholding taxes, escrow funds, U.S. capital gains taxes and transaction costs. Actual after-tax proceeds may differ from estimates due to possible changes in deductions and the Company’s tax situation during the potentially lengthy interim period to the closing date.

Corporate Strategic Initiatives

Pension Plan Termination

On September 27, 2023, the Company borrowed \$30 million under the Credit Agreement in anticipation of the final funding expected for terminating its defined benefit pension plan obligation. On October 31, 2023, the Company used this cash to contribute \$27.7 million to fully fund the pension plan with the amount necessary to allow for the subsequent transfer of the final annuity premium to Massachusetts Mutual Life Insurance Company, the selected insurer for the plan. On November 3, 2023, the pension plan termination and settlement process for the Company was completed, and the relevant pension plan obligation was transferred to Massachusetts Mutual Life Insurance Company. This completed the pension plan termination process that began in February 2022. As of September 30, 2023, the remaining non-cash unrecognized actuarial losses reported in the accumulated other comprehensive income (loss) was \$69.0 million.

Pension expense (all non-cash) under GAAP was \$10.0 million in the first nine months of 2023 consistent with the first nine months of 2022, and is reflected in “Corporate expenses, net” in the accompanying net sales and EBITDA from ongoing operations by segment tables. Beginning in 2022, and consistent with no expected required minimum cash contributions, no pension expense has been included in calculating earnings before interest, taxes, depreciation and amortization as defined in the Credit Agreement (“Credit EBITDA”), which is used to compute certain borrowing ratios and to compute non-GAAP net income (loss) from ongoing operations.

Corporate Strategic Initiatives

Leverage, Debt Covenants and Debt Refinancing

The Company previously disclosed its intent to reduce the risk of a debt covenant violation during a severe cyclical downturn impacting all of its businesses at the same time (like the Company is currently experiencing) by investigating a transition from the existing “cash flow” based revolving credit facility (which uses Credit EBITDA) to an asset based revolving credit facility (“ABL”).

The Company took its first step in the planned migration to ABL financing on October 26, 2023, when Terphane Limitada, the Company’s wholly owned subsidiary in Brazil, borrowed \$20 million secured by certain of its assets (the “Terphane Brazil Loan”). This U.S. Dollar borrowing has a maturity date in five years, with interest payable quarterly at an annual floating interest rate of the Secured Overnight Financing Rate (“SOFR”) plus 5.99%. The SOFR rate was 5.31% as of October 26, 2023. Quarterly principal payments of \$1.7 million begin starting in year 3 of the loan. There are no prepayment penalties. The Company expects that the Terphane Brazil Loan will be repaid (and collateral released) upon a closing of the Contingent Terphane Sale. On October 26, 2023, the Company borrowed \$20 million from Terphane Brazil (the “Intercompany Loan”) at the same interest rate as the Terphane Brazil Loan, thereby transferring the funds to the U.S. to be used, if needed, for working capital purposes. The Company will repay the Intercompany Loan in conjunction with the closing of the Contingent Terphane Sale.

Between the dates of November 4, 2023 and November 7, 2023, the Company oversaw the execution of consent advice letters by a majority of the lending group to the Credit Agreement (collectively, the “Advice Letters”). Pursuant to the Advice Letters, subject only to satisfactory documentation, these lending group members confirmed their agreement to consent to an amendment to the Credit Agreement (the “Credit Agreement Amendment”) that amends the Credit Agreement to implement a senior secured asset-based revolving credit facility (the “ABL Credit Facility”), which would expire on June 30, 2026. The permitted borrowings under the ABL Credit Facility will be based on a portion of eligible receivables, inventories, property, plant and equipment and cash and cash equivalents, as reduced by certain reserves. The Company is targeting the execution of the Credit Agreement Amendment by the end of 2023. The agreement to consent to the Credit Agreement Amendment by the majority of the lender group members expires on December 31, 2023. Refer to Note 13 to the Company’s Consolidated Financial Statements in the Third Quarter Form 10-Q for an explanation of the financial highlights and primary debt covenants.

Tredegar Corporation

2023 Year-to-Date Financial Highlights

(\$ in millions)

Cash Flows provided by Operations	\$44.2
Capital Expenditures	\$22.3
Dividends Paid¹	\$8.9
Net Debt (Cash)²	\$106.4
Net leverage ratio³ (as of 9/30/2023)	3.33x
Net leverage ratio³ (pro forma – pension plan final funding)	4.21x

1. Reflects dividends paid through 9/30/23. The Company suspended its quarterly dividend (which had an annual cash outlay of ~\$17.7 million) on 8/3/2023.

2. As of 9/30/2023. See Note 5 in GAAP to Non-GAAP Reconciliations for more information and a reconciliation of this non-GAAP financial measure.

3. Defined under Tredegar's credit agreement. See Tredegar's Form 10-Q for the quarter ended September 30, 2023 (page 39) for more information on this non-GAAP financial measure. Pro forma for final funding of \$27.7M to terminate pension plan which occurred on 10/31/2023.



Appendix

Major Product Groups	Primary End Markets	Customers	Competitors
<p>Aluminum Extrusions Custom designed, fabricated and finished aluminum extrusions; value-added service options include fabricating, machining, anodizing, painting and thermal enhancements for key segments of:</p> <ul style="list-style-type: none"> • Building and Construction • Automotive • Specialty Markets (includes consumer durables, machinery and equipment, electrical, distribution) 	<p>Building and Construction: commercial windows & doors, curtain walls, storefronts & entrances, automatic entry doors, walkway covers, ducts, louvers and vents, office wall panels, partitions and interior enclosures, acoustical walls & ceilings, point of purchase displays, pre-engineered structures, residential windows and doors, shower & tub enclosures, railing & support systems, venetian blinds, swimming pools and flooring trims (Futura Transitions by Bonnell Aluminum®)</p> <p>Automotive/Transportation: Automotive and light truck structural components, battery enclosures for electric vehicles, after-market automotive accessories, heavy truck grills, travel trailers and recreation vehicles</p> <p>Specialty Markets: Furniture, appliances, pleasure boats, commercial refrigerators and freezers, sporting goods, material handling equipment, conveyor systems, medical equipment, solar panel brackets, lighting fixtures, electronic apparatus, electrical apparatus, industrial fans and aluminum framing systems (TSLOTS by Bonnell Aluminum®)</p>	<p>Glazing contractors and fabricators</p> <p>Floor covering distributor network (Futura Transitions)</p> <p>Tier I and II suppliers to Automotive OEMs</p> <p>Various industrial manufacturers, OEMs, metal service centers</p>	<p>Hydro Extrusions North America, Kaiser Aluminum, Pennex Aluminum, Magnode (a Shape Corp Company), Sierra Aluminum, Western Extrusions Corp, Keymark Aluminum Corp.</p>
<p>PE Films Surface Protection: Single and multilayer surface protection films for high technology applications during the manufacturing and transportation process</p>	<p>High-value components of flat panel and flexible displays, including liquid crystal display (“LCD”) and Organic Light Emitting Diodes (“OLED”) displays; used in televisions, monitors, notebooks, smartphones, tablets, automotive displays, semiconductors, and digital signage during the manufacturing and transportation process</p>	<p>Major manufacturers of flat panel and flexible display components and materials suppliers for advanced semiconductor packaging</p>	<p>Toray, Sekisui, Hanjin, Ihshin</p>
<p>Flexible Packaging Films Specialized polyester (“PET”) films for use in packaging and industrial applications to provide maximum protection with the least utilization of resources due to extremely lightweight films</p>	<p>Perishable and non-perishable food packaging; personal care, hygiene and cleaning packaging and industrial applications. Film applications that enhance product appeal at point of sale and offer convenience with easy opening, tamper-evident sealing, resealing, anti-fogging and high barrier.</p>	<p>Food and consumer goods packaging producers, packaging converters and industrial producers</p>	<p>OPP (Oben Group), DuPont Teijin Films (Indorama), Toray Plastics America, Mitsubishi Polyester Film, JBF Group, Jindal Poly Films, Uflex Packaging Films</p>

Tredegar's Global Presence



North America - PE Films

Pottsville, PA
Richmond, VA

Bonnell

Carthage, TN
Clearfield, UT
Elkhart, IN
Newnan, GA
Niles, MI

Terphane

Sao Paulo, Brazil
Cabo de Santo Agostinho, Brazil
Bloomfield, NY

Asia - PE Films

Guangzhou, China

Tredegar at a Glance

Business Strengths

Aluminum Extrusions

- Industry-leading position in non-residential building and construction and value-added OEM components in North American extrusions market
- Market-focused manufacturing operations (including aluminum log casting capabilities) and world-class capabilities in extrusion and finishing services (fabrication, painting, anodizing, thermal enhancement) throughout five U.S. facilities

PE Films

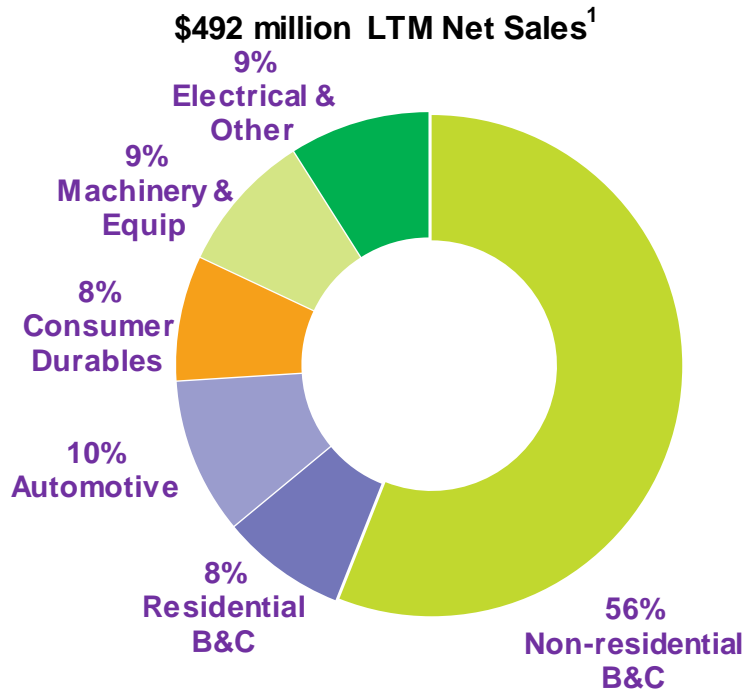
- Global technology and quality leader of highly specialized films which protect extremely sensitive surfaces of critical components of optical displays and engineered surfaces; key component of display industry supply chain
- Positive market trends, including proliferation of “Internet of Things (IOT),” requiring more displays and semiconductors and shifting dynamics of the workforce driving growth in key end-use markets

Flexible Packaging Films

- Industry-leading position in Brazilian and Latin American flexible packaging market with strong long-term relationships with diverse customer base
- Market-focused manufacturing operations in Brazil and U.S. with short lead times and excellent customer service; in Brazil, sole domestic supplier of innovative value-added products

Aluminum Extrusions

Business Profile



Key Market Drivers

- Strong demand for finished products, including anodized, painted products and fabricated components
- Growing aluminum content in vehicles, driven by CAFE (corporate average fuel economy) standards

Customers

- Glazing contractors and fabricators
- Tier I and II suppliers to automotive OEMs
- Consumer durables, machinery and equipment, and electrical OEMs; distributors and metal service centers

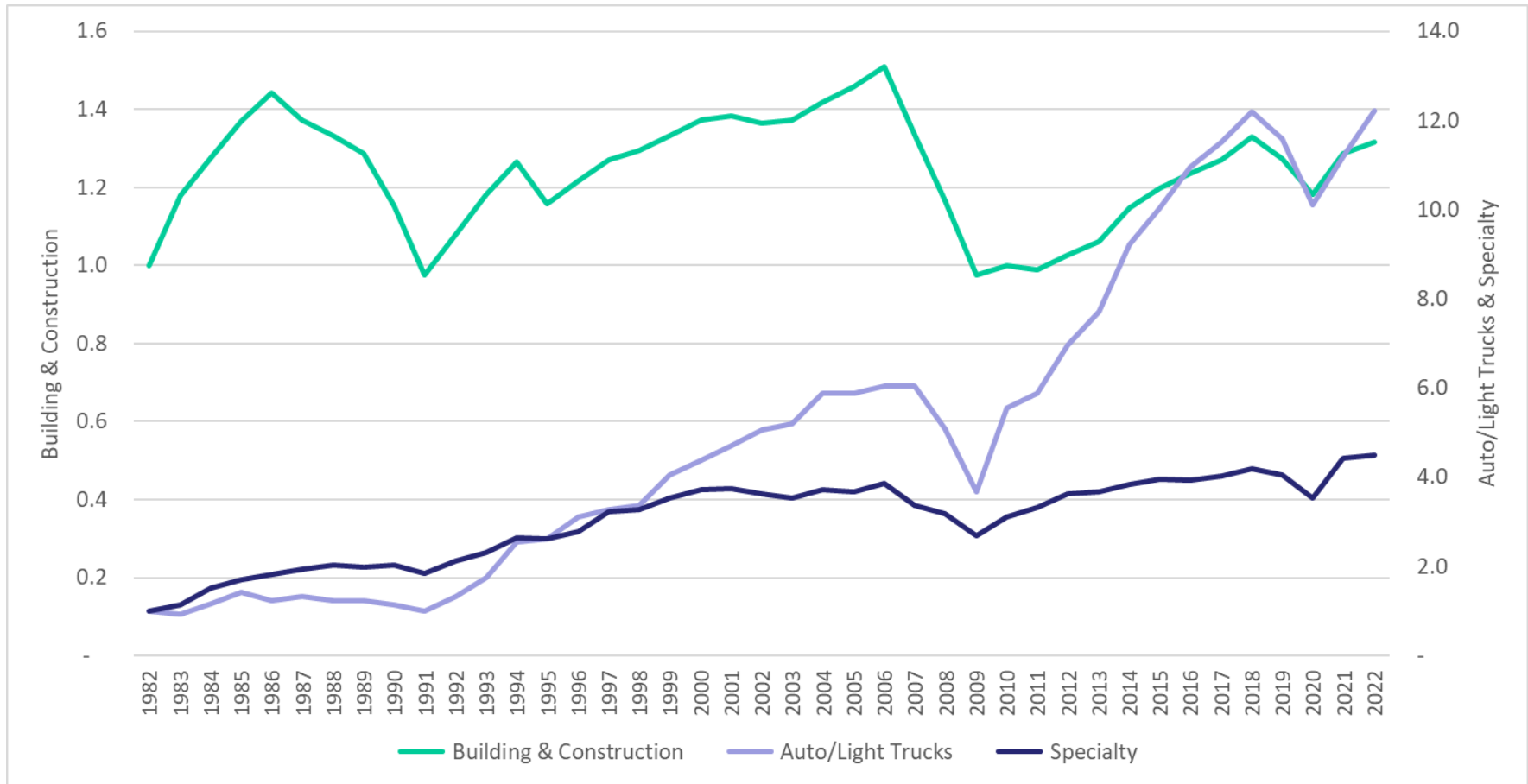
Primary End Use Markets

- Curtain wall, storefronts and entrances, doors, windows, wall panels, flooring trims (Futura Transitions by Bonnell Aluminum®) and other building components
- Automobile and light truck structural components, crash management systems, truck grills
- Furniture, appliances, pleasure craft, medical equipment, solar panel brackets, lighting fixtures, electronic apparatus, modular framing (TSLOTS by Bonnell Aluminum®)

¹ Net sales represents gross sales less freight. The Company uses net sales as its measure of revenues from external customers at the segment level.

Aluminum Extrusions

Index of North American Industry Volume for Bonnell's Key Markets



Note: Index computations based on Aluminum Association data (1982=1.0) through 2022. Specialty includes aluminum extrusions sold to consumer durables, electrical and machinery markets.

Aluminum Extrusions

Key Markets - B&C/Automotive/Specialty



Aluminum Extrusions

Automotive Aluminum Extrusion Applications

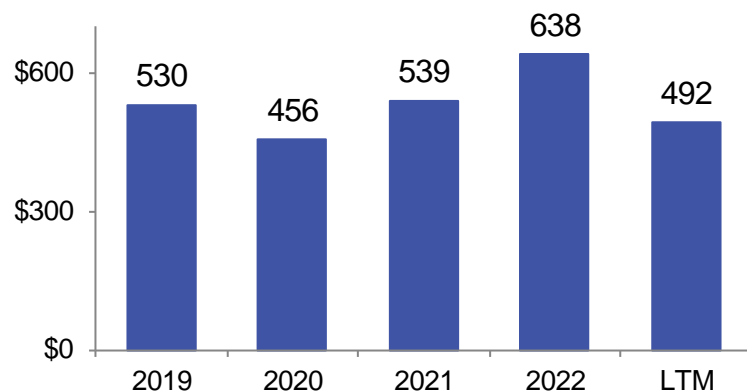
- Crash management systems
– beams and mounting plates, crush cans
- Roof rails
- Electrical battery trays
- Air conditioner tube connectors



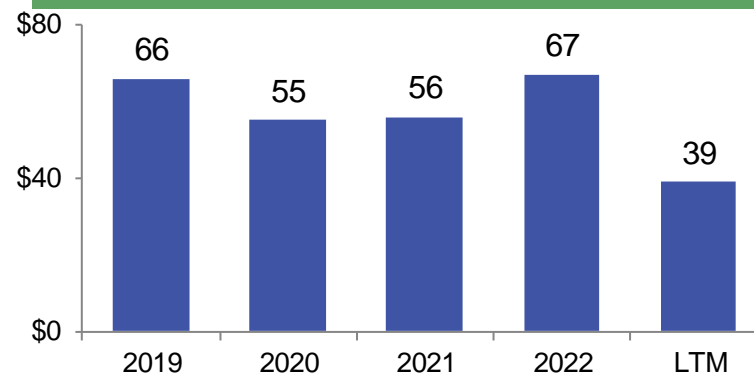
Aluminum Extrusions

Annual Historical Financials

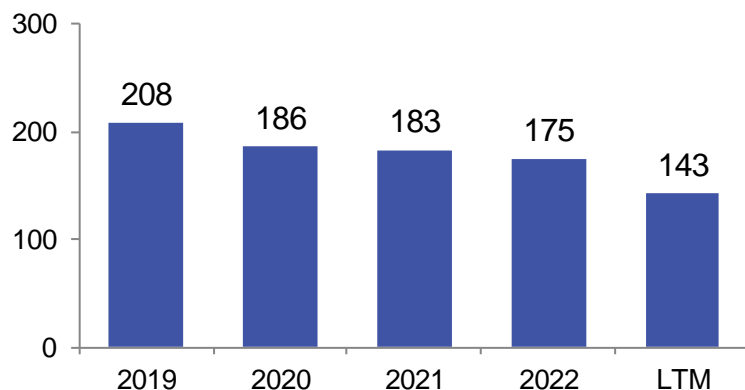
Net Sales¹ (\$ in millions)



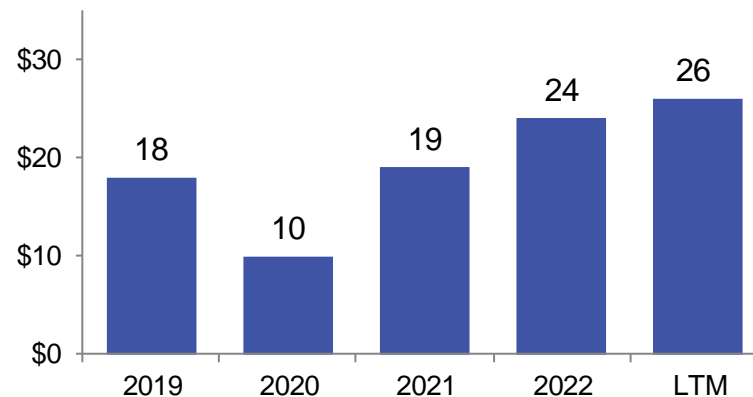
EBITDA from Ongoing Ops (\$ in millions)



Volume (lbs. in millions)



Capital Expenditures (\$ in millions)



¹ Net sales represents gross sales less freight. The Company uses net sales as its measure of revenues from external customers at the segment level.

PE Films

Business Profile

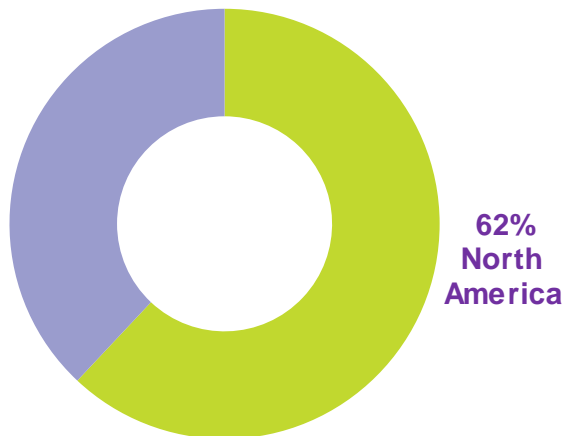
\$71 million LTM Net Sales¹



61%
Surface
Protection

39%
Overwrap
Packaging

38%
Asia



62%
North
America

Key Growth Drivers

- “Internet of Things” leading to greater connectivity and more displays and semiconductors
- Thinner devices with increasing resolution and larger screen size
- Demographic and workplace trends shifting to greater tele-/video communications

Customers

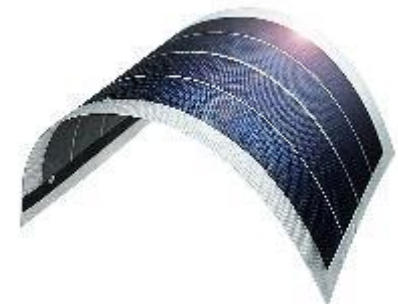
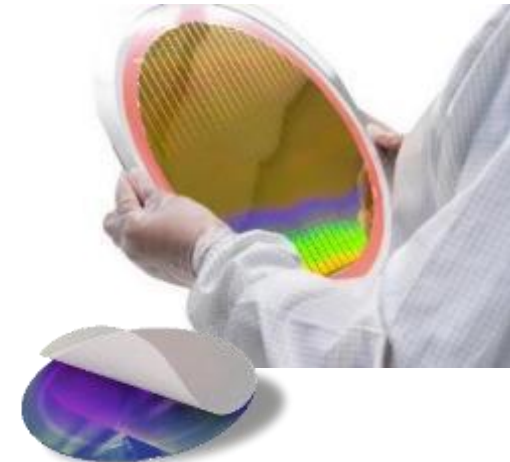
- Major manufacturers of flat panel and flexible display components & specialty plastic substrates and materials suppliers for advanced semiconductor packaging
- Global and regional leaders in LCD, LED, OLED and QLED and display glass-based applications

Primary End Use Markets

- High-value components of flat panel and flexible displays, including LCD and OLED televisions, monitors, notebooks, smartphones, tablets, automotive displays, semiconductors and digital signage
- Overwrap packaging films for paper tissue and towel products; specialty tapes and in-transit automotive paint protection

PE Films

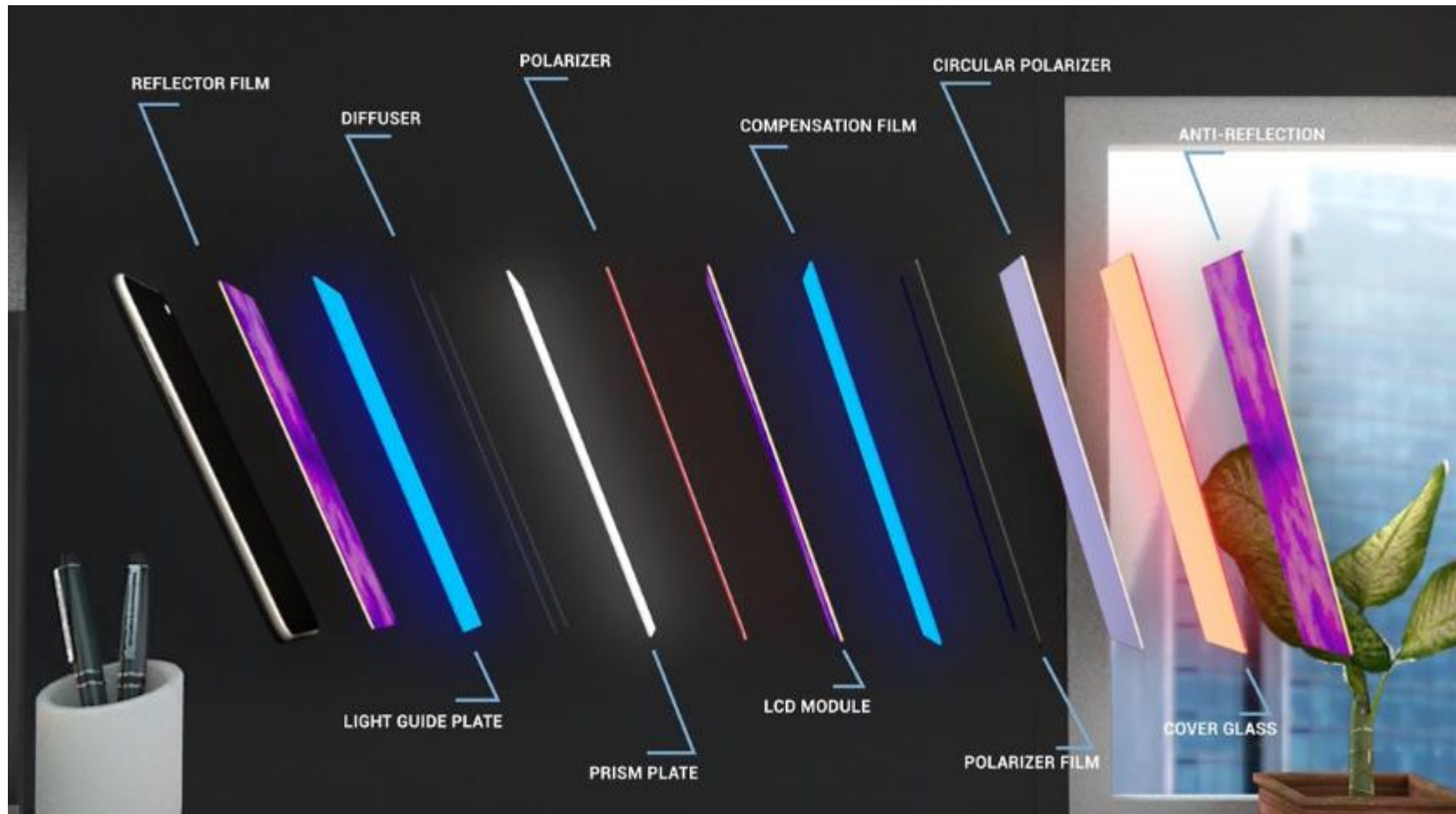
End-Use Markets for Surface Protection Products



PE Films

Surface Protection Overview

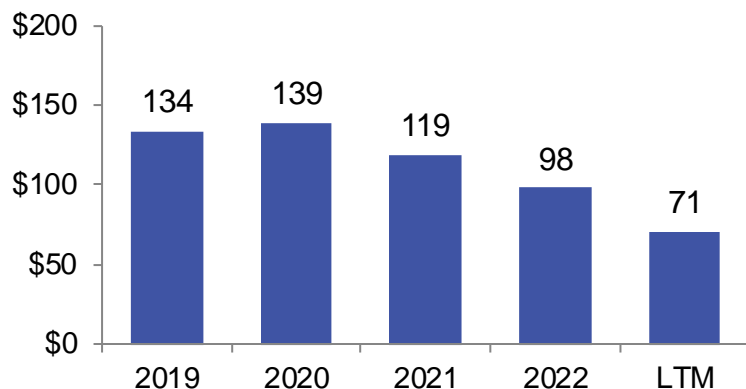
Typical LCD Optical Stack (examples: TVs, Smartphones)



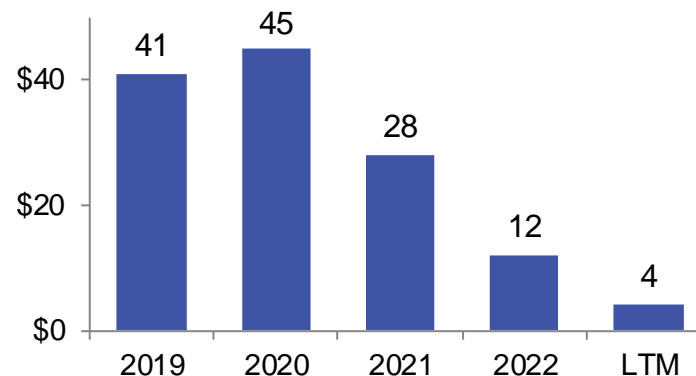
PE Films

Annual Historical Financials

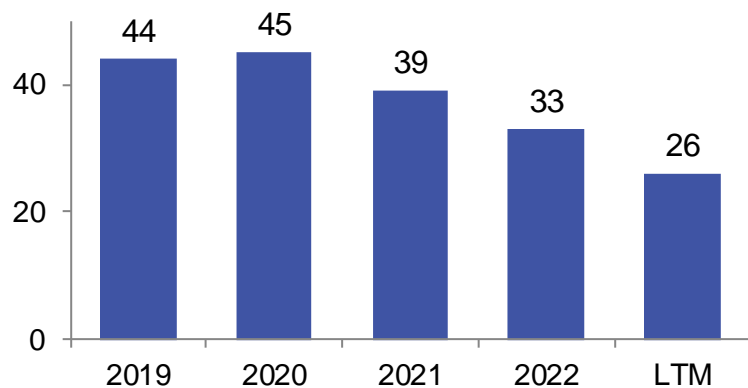
Net Sales¹ (\$ in millions)



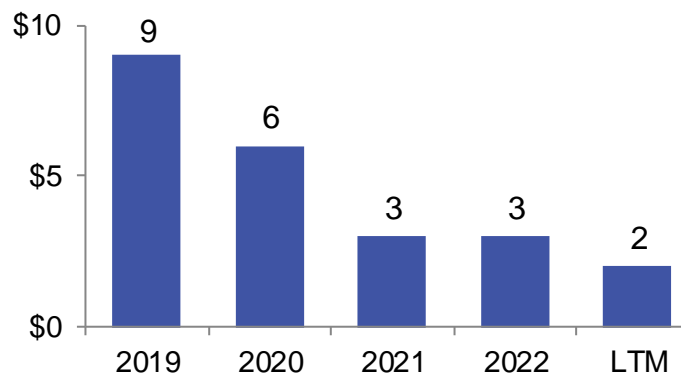
EBITDA from Ongoing Ops (\$ in millions)



Volume (lbs. in millions)



Capital Expenditures (\$ in millions)

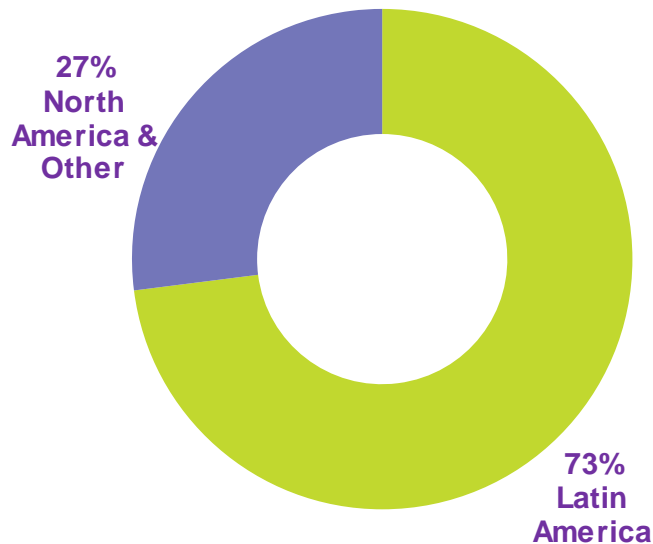


¹ Net sales represents gross sales less freight. The Company uses net sales as its measure of revenues from external customers at the segment level.

Flexible Packaging Films

Business Profile

\$135 million LTM Net Sales¹



Key Growth Drivers

- Growing end-user demand for convenience foods, lighter packaging and branded consumer products
- Packaging innovation driving demand for flexible packaging

Customers

- Global and regional food and consumer goods packaging producers, converters and industrial producers

Primary End Use Markets

- Perishable and non-perishable food packaging
- Non-food packaging, including personal care, hygiene and cleaning packaging and industrial applications

¹ Net sales represents gross sales less freight. The Company uses net sales as its measure of revenues from external customers at the segment level.

Flexible Packaging Films

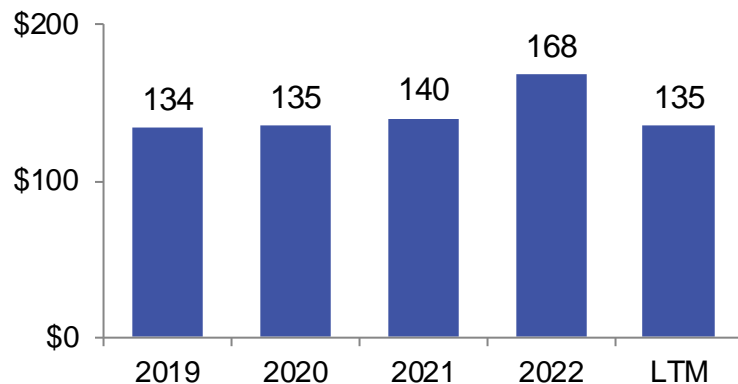
End-Use and Value-Add Products



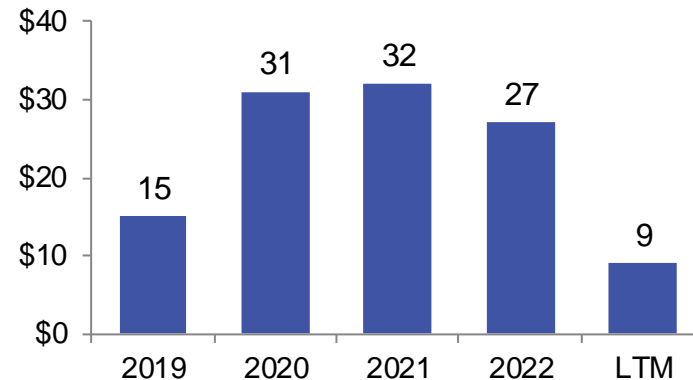
Flexible Packaging Films

Annual Historical Financials

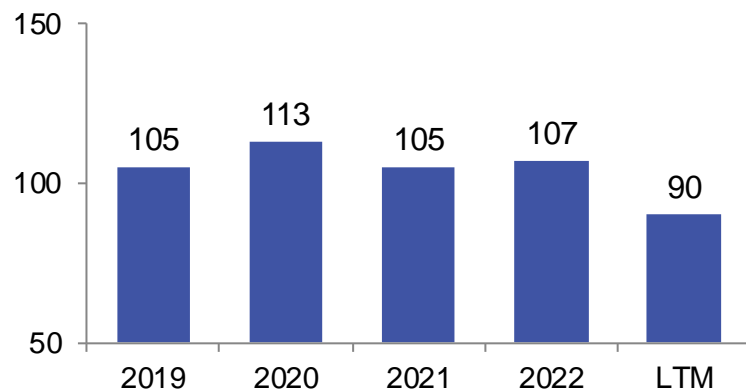
Net Sales¹ (\$ in millions)



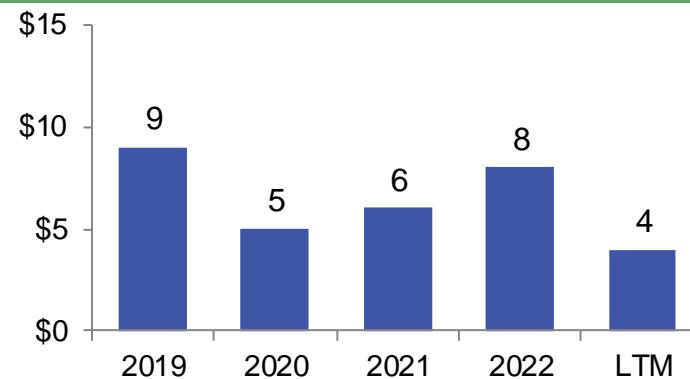
EBITDA from Ongoing Ops (\$ in millions)



Volume (lbs. in millions)



Capital Expenditures (\$ in millions)



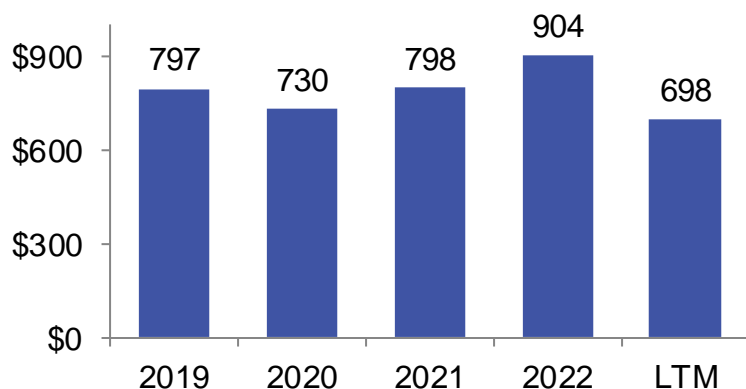
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Tredegar Corporation

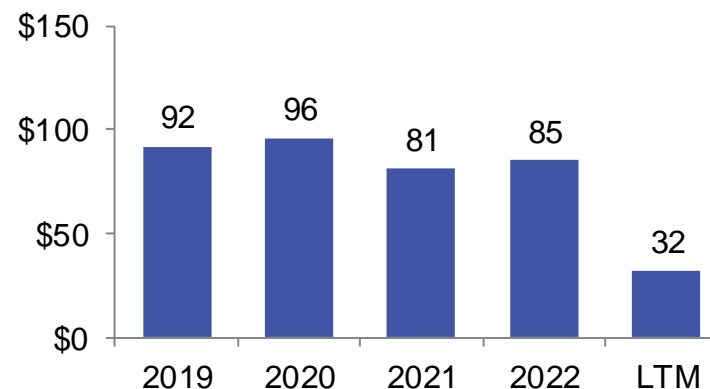
Annual Historical Financials



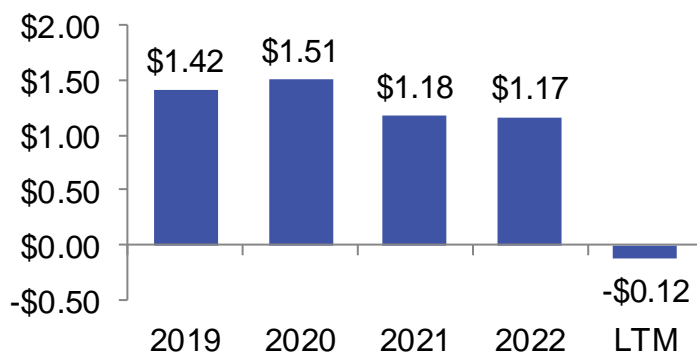
Net Sales¹ (\$ in millions)



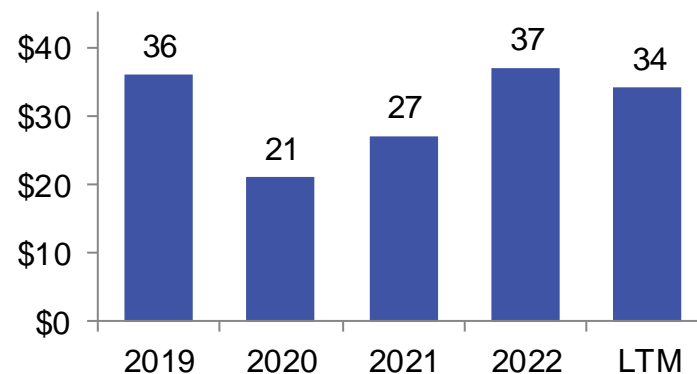
Consolidated EBITDA from Ongoing Ops² (\$ in millions)



Earnings (Loss) Per Share from Ongoing Ops³



Capital Expenditures (\$ in millions)



¹ See Note 1 in GAAP to Non-GAAP Reconciliations for more information on this non-GAAP financial measure.

² See Note 2 in GAAP to Non-GAAP Reconciliations for more information on this non-GAAP financial measure.

³ Diluted earnings (loss) per share from ongoing operations. See Note 4 in GAAP to Non-GAAP Reconciliations for more information on this non-GAAP financial measure.

Tredegar Corporation

Capital Expenditures – History & Projections

(\$ in millions)					
	2019	2020	2021	2022	2023 Projection ²
Aluminum Extrusions	\$17.9	\$10.3	\$18.9	\$23.7	\$19
PE Films ¹	8.6	6.0	3.0	3.3	2
Flexible Packaging	8.9	5.0	5.6	8.2	4
Corporate	0.2	0.2	(0.1)	1.7	0
Total	\$35.6	\$21.5	\$27.4	\$36.9	\$25

2023 Capital Expenditures Projections include:

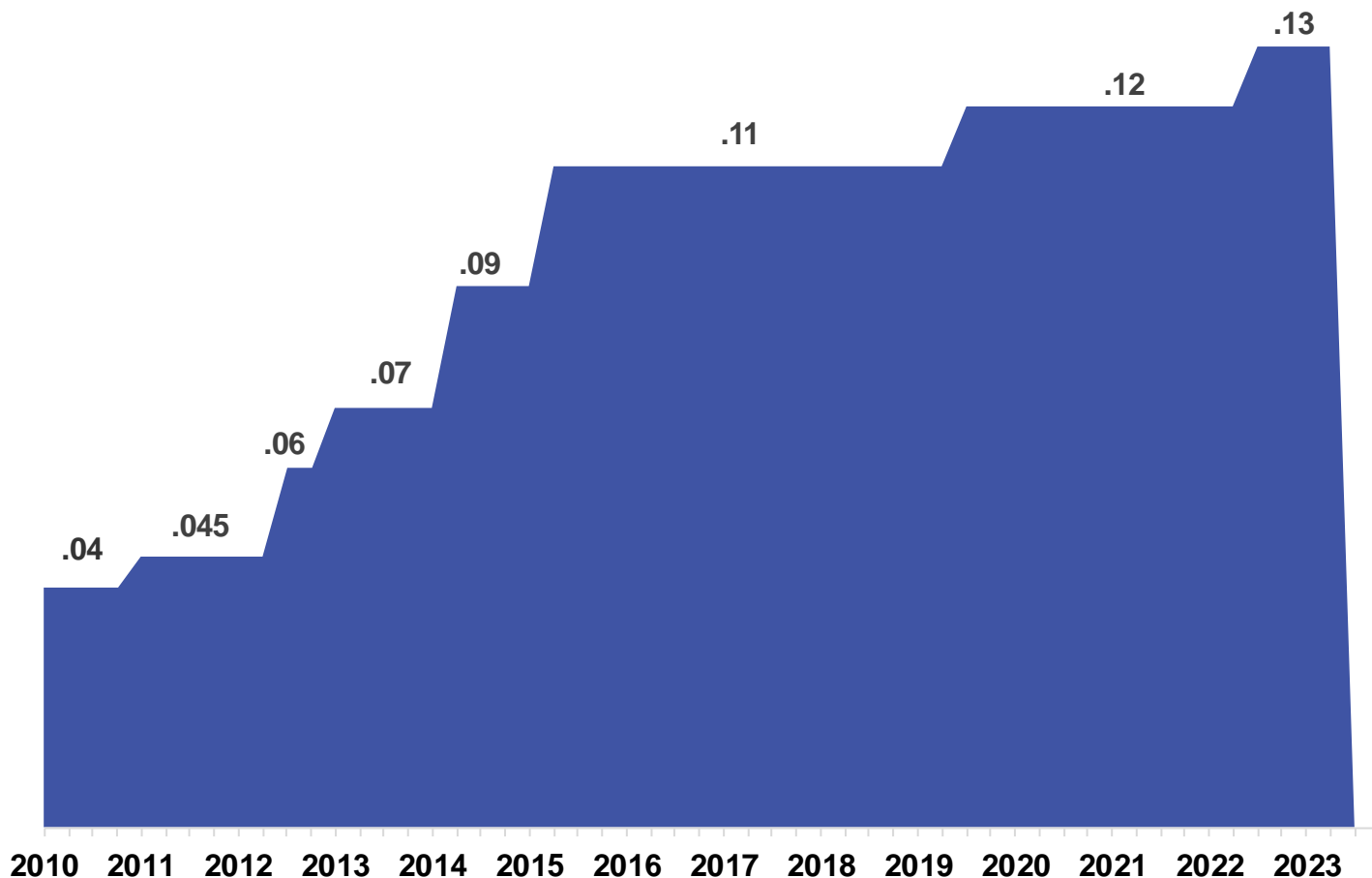
- For Aluminum Extrusions: \$14M for first half of 2023. Stringent spending measures have reduced capital spending to ~ \$5M for the second half of 2023. The multi-year implementation of a new enterprise resource planning and manufacturing execution systems has been extended, with earliest “go live” date in 2025 (total spending to date ~ \$21M)²
- For PE Films: \$1M for productivity projects
- For Flexible Packaging Films: \$1M for new capacity for value-add products and productivity projects
- Capital expenditures to support continuity of current operations planned at approximately \$5M for Aluminum Extrusions, \$1M for PE Films, and \$3M for Flexible Packaging Films.

¹ Capital Expenditures for PE Films are presented on a continuing operations basis, and therefore exclude spend activity related to the divested Personal Care business.

² Represents management’s current expectation, which is subject to change. For additional details, see “Projected Capital Expenditures and Depreciation & Amortization in the Management Discussion and Analysis of Tredegar’s Form 10-Q (page 32)”

Tredegar Corporation

Quarterly Cash Dividend (\$)



Tredegar suspended its quarterly dividend on 8/3/2023.

A special dividend of \$5.97 per share was paid in 2020 and \$0.75 per share was paid in 2012



GAAP to Non-GAAP Reconciliations

GAAP to Non-GAAP Reconciliations



On October 30, 2020, the Company completed the sale of its personal care films business ("Personal Care Films"), which was part of its PE Films segment. The transaction excluded the packaging film lines and related operations located at the Pottsville, Pennsylvania manufacturing site, which are now being reported within the Surface Protection component of PE Films. All historical results for Personal Care Films have been presented as discontinued operations.

On December 31, 2020, the Company completed the sale of Bright View Technologies, which was part of its PE Films segment. The sale did not represent a strategic shift nor did it have a major effect on the Company's historical and ongoing operations, thus all financial information for Bright View Technologies has been presented in continuing operations.

Due to rounding, numbers presented throughout this presentation may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Notes:

- Net sales represent sales less freight. The Company uses net sales as its measure of revenues from external customers at the segment level. Net sales on a consolidated basis is a financial measure that is not calculated in accordance with U.S. generally accepted accounting principles (U.S. GAAP), and it is not intended to represent sales as defined by U.S. GAAP. A reconciliation of net sales on a consolidated basis to sales is shown below:

(In millions)	QTD Q3 2022	QTD Q4 2022	QTD Q1 2023	QTD Q2 2023	QTD Q3 2023
Aluminum Extrusions	\$161.6	\$127.8	\$133.4	\$121.9	\$109.4
PE Films	20.1	15.0	20.2	15.9	19.9
Flexible Packaging Films	47.3	40.0	31.5	33.2	30.1
Net sales on a consolidated basis	229.0	182.8	185.1	171.0	159.4
Add back freight	9.5	6.4	6.0	7.2	6.7
Sales as shown in consolidated statements of income	\$238.5	\$189.2	\$191.1	\$178.2	\$166.1

(In millions)	2019	2020	2021	2022	LTM 2023
Aluminum Extrusions	\$529.6	\$455.7	\$539.3	\$637.9	\$492.4
PE Films	133.8	139.3	118.9	97.6	71.0
Flexible Packaging Films	133.9	134.6	140.0	168.1	134.9
Net sales on a consolidated basis	797.3	729.6	798.2	903.6	698.3
Add back freight	29.0	25.7	28.2	35.0	26.3
Sales as shown in consolidated statements of income	\$826.3	\$755.3	\$826.4	\$938.6	\$724.6

GAAP to Non-GAAP Reconciliations

2. Summary Financial Information

(in millions)	Year Ended December 31,				LTM
	2019	2020	2021	2022	2023
Income and expense relating to ongoing operations:					
Total EBITDA for segments (a)	\$ 121.5	\$ 130.8	\$ 115.3	\$ 106.2	\$ 52.0
Pension expense (c)	(9.6)	(14.6)	(14.1)	-	-
Corporate expenses	(20.2)	(20.4)	(19.9)	(21.7)	(19.6)
Consolidated EBITDA from ongoing operations ("Consolidated EBITDA") (b)	91.7	95.8	81.3	84.5	32.4
Depreciation and amortization	(24.3)	(26.4)	(24.7)	(26.4)	(27.8)
Stock option-based compensation costs	(2.8)	(2.1)	(2.5)	(1.4)	(0.5)
Interest income	0.1	-	-	-	0.2
Interest expense	(4.1)	(2.6)	(3.4)	(5.0)	(9.6)
Income taxes	(13.0)	(13.9)	(11.1)	(12.3)	1.3
Net income (loss) from ongoing operations (b)	47.6	50.8	39.6	39.4	(4.0)
After-tax effects of special items:					
Losses associated with plant shutdowns, assets impairments & restructuring	(0.6)	(1.2)	(0.5)	(0.5)	(3.8)
Gain (loss) on investment in kaléo	8.5	(47.6)	9.7	1.1	0.2
Cash dividend received from investment in kaléo	14.9	-	0.3	-	-
Tax benefit from new U.S. tax regulations related to foreign tax credits	-	-	-	3.8	-
One-time tax credit in Brazil for unemployment/social security insurance non-income taxes	-	-	6.6	-	-
Goodwill impairment charge (2020 & 2023) and accelerated trade name amortization (2019)	(7.8)	(10.5)	-	-	(27.0)
Loss on sale of Bright View Technologies	-	(1.8)	-	-	-
Tax valuation allowance release primarily due to sale of kaléo	-	-	5.4	-	-
Pension settlement loss (d)	-	-	-	-	(20.0)
Net periodic benefit cost for the frozen pension plan in process of termination (c)	-	-	-	(11.3)	(10.8)
Other	(4.1)	(6.5)	(3.2)	(4.1)	(8.8)
Net income (loss) from continuing operations as reported under GAAP	\$ 58.5	\$ (16.8)	\$ 57.9	\$ 28.4	\$ (74.2)

See footnotes on the next page.

GAAP to Non-GAAP Reconciliations

2. Summary Financial Information (continued)

Notes:

- (a) Tredegar's presentation of segment earnings before interest, taxes, depreciation and amortization from ongoing operations ("EBITDA") from ongoing operations aligns with key metrics used by the Chief Operating Decision Maker under Accounting Standards Codification 280. For additional information, refer to Note 13, Business Segments, of the Notes to Financial Statements in Tredegar's Annual Report on Form 10-K for the year ended December 31, 2022.
- (b) Tredegar's presentation of Consolidated EBITDA from ongoing operations and net income (loss) from ongoing operations are non-GAAP financial measures that exclude the effects of gains or losses associated with plant shutdowns, asset impairments and restructurings, gains or losses from the sale of assets, goodwill impairment charges, net periodic benefit cost for the frozen defined benefit pension plan and other items (which includes gains and losses for an investment accounted for under the fair value method). Consolidated EBITDA from ongoing operations also excludes depreciation & amortization, stock option-based compensation costs, interest income, interest expense and income taxes.

Consolidated EBITDA from ongoing operations and net income (loss) from ongoing operations are key financial and analytical measures used by management to gauge the operating performance of Tredegar's ongoing operations, its borrowing capacity and its estimated enterprise value. They are not intended to represent the stand-alone results for Tredegar's ongoing operations under GAAP and should not be considered as an alternative to net income (loss) from continuing operations as defined by GAAP. A reconciliation is provided above of these ongoing non-GAAP measures to net income (loss) from continuing operations as reported under GAAP.

- (c) On February 10, 2022, Tredegar announced the initiation of a process to terminate and settle its frozen defined benefit pension plan, which could take up to 24 months to complete. Beginning in 2022, and consistent with no expected required minimum cash contributions, no pension expense is included in calculating Consolidated EBITDA from ongoing operations. On November 3, 2023, the pension plan termination and settlement process for the Company was completed, and the relevant pension plan obligation was transferred to Massachusetts Mutual Life Insurance Company.
- (d) During the third quarter of 2023, the Company remeasured the pension plan, which resulted in a pre-tax pension settlement loss in the condensed consolidated results of operation of \$25.6 million. The remeasurement of the pension benefit obligation and plan assets was triggered by \$64.5 million of lump sum distributions from the pension plan assets which exceeded the pension plan's service and interest cost.

3. EBIT (earnings before interest and taxes) from ongoing operations is a non-GAAP financial measure included in the reconciliation of segment financial information to consolidated results for the Company. It is not intended to represent the stand-alone results for Tredegar's ongoing operations under GAAP and should not be considered as an alternative to net income (loss) from continuing operations as defined by GAAP. The Company believes that EBIT is a widely understood and utilized metric that is meaningful to certain investors and that including this financial metric in the reconciliation of management's performance metric, as shown on page 73 of the 2022 Form 10-K, EBITDA from ongoing operations, provides useful information to those investors that primarily utilize EBIT to analyze the Company's core operations.

GAAP to Non-GAAP Reconciliations

4. The after-tax effects of losses associated with plant shutdowns, asset impairments and restructurings, gains or losses from the sale of assets, goodwill impairment charges, net periodic benefit cost for the frozen defined benefit pension plan and other items (which includes unrealized gains and losses for an investment accounted for under the fair value earnings method) have been presented separately and removed from net income (loss) and (loss) per share from continuing operations as reported under U.S. GAAP to determine Tredegar's presentation of net income (loss) and earnings per share from ongoing operations. Net income (loss) and earnings per share from ongoing operations are key financial and analytical measures used by Tredegar to gauge the financial performance of its ongoing operations. They are not intended to represent the stand-alone results for Tredegar's ongoing operations under GAAP and should not be considered as an alternative to net income or earnings per share from continuing operations as defined by U.S. GAAP. They exclude items that we believe do not relate to Tredegar's ongoing operations. A reconciliation is shown below:

(in millions, except per share data)

	2019	2020	2021	2022	LTM 2023
Net income (loss) from continuing operations as reported under U.S. GAAP	\$ 58.5	\$ (16.8)	\$ 57.9	\$ 28.4	\$ (74.2)
After tax effects of:					
Losses associated with plant shutdowns, asset impairments and restructurings	0.6	1.2	0.5	0.5	3.8
(Gains) losses from sale of assets and other	(19.3)	55.9	(6.8)	(0.8)	8.6
One-time tax credit in Brazil for unemployment/social security insurance non-income taxes	-	-	(6.6)	-	-
Goodwill impairment charge (2020 & 2023) and accelerated trade name amortization (2019)	7.8	10.5	-	-	27.0
Tax valuation allowance release primarily due to sale of Kaléo	-	-	(5.4)	-	-
Pension settlement loss	-	-	-	-	20.0
Net periodic benefit cost for the frozen pension plan in process of termination	-	-	-	11.3	10.8
Net income (loss) from ongoing operations	\$ 47.6	\$ 50.8	\$ 39.6	\$ 39.4	\$ (4.0)
Earnings (loss) per share from continuing operations under GAAP (diluted)	\$ 1.76	\$ (0.51)	\$ 1.72	\$ 0.84	\$ (2.17)
After tax effects of:					
Losses associated with plant shutdowns, asset impairments and restructurings	0.02	0.04	0.02	0.01	0.11
(Gains) losses from sale of assets and other	(0.59)	1.66	(0.20)	(0.01)	0.25
One-time tax credit in Brazil for unemployment/social security insurance non-income taxes	-	-	(0.20)	-	-
Goodwill impairment charge (2020 & 2023) and accelerated trade name amortization (2019)	0.23	0.32	-	-	0.79
Tax valuation allowance primarily due to sale of Kaléo	-	-	(0.16)	-	-
Pension Settlement loss	-	-	-	-	0.58
Net periodic benefit cost for the frozen pension plan in process of termination	-	-	-	0.33	0.32
Earnings (loss) per share from ongoing operations (diluted)	\$ 1.42	\$ 1.51	\$ 1.18	\$ 1.17	\$ (0.12)
	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Net income (loss) from continuing operations as reported under U.S. GAAP	\$ 1.0	\$ (3.9)	\$ (1.0)	\$ (18.9)	\$ (50.4)
After tax effects of:					
Losses (gains) associated with plant shutdowns, asset impairments and restructurings	0.4	-	0.1	-	3.7
(Gains) losses from sale of assets and other	0.7	1.2	0.8	2.4	4.1
Pension settlement loss	-	-	-	-	20.0
Net periodic benefit cost for the frozen pension plan in process of termination	2.7	3.2	2.6	2.6	2.4
Goodwill impairment	-	-	-	11.9	15.1
Net income (loss) from ongoing operations	\$ 4.8	\$ 0.5	\$ 2.5	\$ (2.0)	\$ (5.1)
Earnings (loss) per share under GAAP (diluted)	\$ 0.03	\$ (0.11)	\$ (0.03)	\$ (0.56)	\$ (1.47)
After tax effects of:					
Losses (gains) associated with plant shutdowns, asset impairments and restructurings	0.01	-	-	-	0.11
(Gains) losses from sale of assets and other	0.02	0.04	0.02	0.07	0.12
Pension settlement loss	-	-	-	-	0.58
Net periodic benefit cost for the frozen pension plan in process of termination	0.08	0.09	0.08	0.08	0.07
Goodwill impairment	-	-	-	0.35	0.44
Earnings (loss) per share from ongoing operations (diluted)	\$ 0.14	\$ 0.02	\$ 0.07	\$ (0.06)	\$ (0.15)

GAAP to Non-GAAP Reconciliations

5. Net debt is a non-GAAP financial measure that is not intended to represent debt as defined by GAAP, but is utilized by management in evaluating financial leverage and equity valuation. A calculation of net debt is shown below:

(In millions)	September 30, 2023	December 31, 2022
Debt	\$ 155.0	\$ 137.0
Less: Cash and cash equivalents	48.6	19.2
Net debt	<u>\$ 106.4</u>	<u>\$ 117.8</u>