



2024 Third Quarter Financial Results

December 4, 2024

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, 2023, our Quarterly Report on Form 10-Q for the quarter ended September 30, 2024, 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 Completes Sale of Terphane to Oben Group

On September 1, 2023, Tredegar entered into an agreement to sell Terphane, its flexible packaging films business headquartered in Brazil, to Oben Group (“Oben”) for net cash-free and debt-free base consideration of \$116 million.

On November 1, 2024, Tredegar Corporation announced that it had completed the sale of Terphane to Oben.

At closing, Tredegar received \$60 million in cash, which is net of Terphane debt assumed by Oben of \$20 million and Terphane cash retained by Oben of \$2 million. Accordingly, on a cash-free and debt-free basis, the enterprise value of the Terphane transaction at closing for Tredegar was \$78 million. Tredegar anticipates receiving an additional \$7 million in cash following the release of certain escrow funds within 120 days of closing. The cash proceeds received by Tredegar at closing are after deducting projected Brazil withholding taxes, net working capital adjustments, escrow funds, U.S. capital gains taxes and transaction expenses. Amounts are based on Terphane’s estimated balance sheet on the closing date, which may change during the Post-Closing Review Period as accounts for the applicable period are finalized.

Unaudited supplemental pro forma financial information for the three and nine months ended September 30, 2024, as if the sale of Terphane had occurred at the beginning of each period presented, is provided on pages 3, 9 and 23.

For additional pro forma financial information, refer to the “[Unaudited Pro Forma Condensed Consolidated Financial Information](#)” available in the Form 8-K filed on November 6, 2024.

Tredegar Corporation

2024 Third Quarter and First Nine Months Results



(in millions)

	3Q 2024	YTD 2024
Pro forma Net Sales¹	\$140.6	\$428.2
Pro forma Consolidated EBITDA from Ongoing Operations¹	\$6.8	\$39.2

John Steitz, Tredegar's president and chief executive officer, said, "Our ongoing operations for the third quarter were disappointingly at the break-even level due to low profitability at Bonnell Aluminum from unfavorable cost events, including manufacturing inefficiencies. On the favorable side, net new orders were up 7% over the second quarter but with margin pressures from imports and excess industry capacity."

Mr. Steitz continued, "Regarding the trade case brought by a coalition of aluminum extruders and the United Steelworkers against 14 countries, we were very disappointed by the split negative vote by the U.S. International Trade Commission and the surprising recusal of one of its members. The USITC decision on October 30 indicated that it believes the industry was not materially injured by reason of the subject imports, despite preliminary determinations by the U.S. Department of Commerce of pricing below fair value and receiving unfair subsidies. The coalition is evaluating next steps for challenging the decision."

Mr. Steitz added, "PE Films performance during the third quarter moderated as expected from an exceptional first half but was better than anticipated."

Mr. Steitz further stated, "We closed on the sale of Terphane on November 1. This completes a strategic goal that we've been working on for well over a year. Net debt-free after-tax proceeds were \$78 million, driving our net leverage ratio down from 2.3x¹ at the end of the third quarter to 1.2x¹ on a pro forma basis. Another \$7 million of cash proceeds is expected from the release of certain escrow funds upon completion of the up to 120-day post-closing adjustment period."

Aluminum Extrusions (Bonnell Aluminum)

2024 Third Quarter and First Nine Months Year Results

Third Quarter Performance				First Nine Months Performance			
(in millions)	3Q 24	3Q 23	▲	(in millions)	2024	2023	▲
Volume (lbs.)	34.6	32.5	7%	Volume (lbs.)	103.3	105.5	(2)%
Net Sales ¹	\$115.7	\$109.4	6%	Net Sales ¹	\$349.4	\$364.6	(4)%
<i>Ongoing Operations:</i>				<i>Ongoing Operations:</i>			
EBITDA	\$6.2	\$5.1	21%	EBITDA	\$31.6	\$30.0	6%
Less: D&A	<u>(4.4)</u>	<u>(4.7)</u>		Less: D&A	<u>(13.4)</u>	<u>(13.3)</u>	
EBIT ²	\$1.8	\$0.4	NM*	EBIT ²	\$18.2	\$16.7	9%

* Not meaningful ("NM")

Third Quarter Financial Highlights

EBITDA from ongoing operations in the third quarter of 2024 increased \$1.1 million versus the third quarter of 2023 primarily due to:

- Higher volume (\$1.8 million), favorable variable manufacturing costs (\$1.7 million), lower labor-related costs (\$0.1 million) and lower freight rates (\$0.2 million), partially offset by unfavorable net pricing after the pass-through of metal cost and changes associated with a shift in mix (\$1.1 million), manufacturing inefficiencies (\$0.8 million), higher maintenance expense (\$0.4 million) and higher selling, general and administrative ("SG&A") expenses, including other employee-related compensation (\$0.8 million); and
- The timing of the flow-through under the first-in first-out ("FIFO") method of aluminum raw material costs, which were previously acquired at higher prices in a quickly changing commodity pricing environment and passed through to customers, resulted in a charge of \$1.0 million in the third quarter of 2024 versus a charge of \$1.2 million in the third quarter of 2023.

Aluminum Extrusions (Bonnell Aluminum)

Sales Volume by End-Use Market and Open Orders



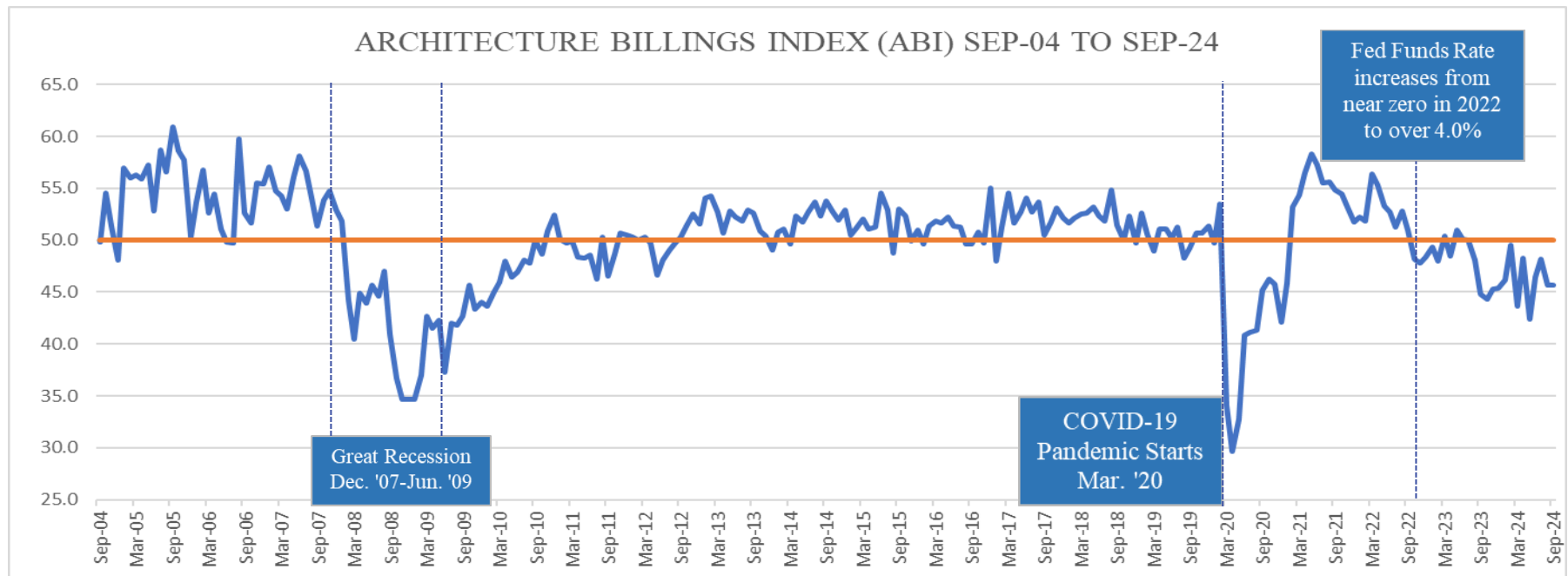
	Three Months Ended September 30,			Three Months Ended June 30,		Nine Months Ended September 30,		
			Favorable/ (Unfavorable)		Favorable/ (Unfavorable)			Favorable/ (Unfavorable)
(In millions of lbs)	2024	2023	% Change	2024	% Change	2024	2023	% Change
Sales volume by end-use market:								
Non-residential B&C	18.7	17.9	4.5%	20.3	(7.9)%	59.1	59.8	(1.2)%
Residential B&C	2.4	1.6	50.0%	2.2	9.1%	6.2	6.2	-- %
Automotive	3.2	3.9	(17.9)%	2.9	10.3%	9.3	10.6	(12.3)%
Specialty products	10.3	9.1	13.2%	9.5	8.4%	28.7	28.9	(0.7)%
Total	34.6	32.5	6.5%	34.9	(0.9)%	103.3	105.5	(2.1)%

- Since January 2021, net new orders for the Company's aluminum extruded products have generally tracked the ISM® Manufacturing PMI®. The Company believes that net new orders continue to be below pre-pandemic levels due to higher interest rates, tighter lending requirements and the increase in remote working, which particularly impacts the non-residential B&C end-use market. In addition, data indicates that aluminum extrusions imports increased significantly in recent years, especially during the pandemic, and some of Bonnell Aluminum's customers have increased their sourcing of aluminum extrusions from producers outside the United States.
- The Company is part of a coalition of members of the Aluminum Extruders Council who have filed a trade case with the U.S. Department of Commerce ("USDOC") and the U.S. International Trade Commission ("USITC") against 15 countries in response to alleged large and increasing volumes of unfairly priced imports of aluminum extrusions since 2019. In November 2023, the USITC found that there is a reasonable indication that the American aluminum extrusions industry is materially injured or threatened with injury due to imports from 14 countries, including China. On September 27, 2024, the USDOC announced its final determinations that aluminum extrusion producers and exporters in 14 countries, including China, sold aluminum extrusions at less-than-fair value in the U.S. The final USITC vote on October 30, 2024, indicated that it believes that the industry was not materially injured by reason of the subject imports, despite USDOC determinations of pricing below fair value and receiving unfair subsidies. The coalition is evaluating next steps for challenging the decision.

Aluminum Extrusions (Bonnell Aluminum)

Open Orders, Net Bookings and ABI Index

- Open orders at the end of the third quarter of 2024 were 15.5 million pounds (versus 14 million pounds at the end of the second quarter of 2024 and 17 million pounds at the end of the third quarter 2023). 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)

2024 Third Quarter and First Nine Months Results

Third Quarter Performance				First Nine Months Performance			
(in millions)	3Q 24	3Q 23	▲	(in millions)	2024	2023	▲
Volume (lbs.)	9.6	7.2	33%	Volume (lbs.)	30.2	20.8	45%
Net Sales ¹	\$24.9	\$19.9	25%	Net Sales ¹	\$78.8	\$56.0	41%
<i>Ongoing Operations:</i>				<i>Ongoing Operations:</i>			
EBITDA	\$5.9	\$4.0	46%	EBITDA	\$22.9	\$6.7	NM*
Less: D&A	<u>(1.3)</u>	<u>(2.1)</u>		Less: D&A	<u>(3.9)</u>	<u>(5.3)</u>	
EBIT ²	\$4.6	\$1.9	NM*	EBIT ²	\$19.0	\$1.4	NM*

* Not meaningful ("NM")

Third Quarter Financial Highlights

EBITDA from ongoing operations in the third quarter of 2024 increased \$1.8 million versus the third quarter of 2023, primarily due to:

- A \$2.4 million increase in Surface Protection primarily due to higher contribution margin associated with higher volume (\$2.0 million) and manufacturing costs savings (\$1.1 million), partially offset by unfavorable pricing (\$0.2 million) and higher SG&A (\$0.1 million);
- A foreign currency transaction loss of \$0.2 million in the third quarter of 2024 versus no gain or loss in the third quarter of 2023;
- The pass-through lag associated with resin costs (a charge of \$0.2 million in the third quarter of 2024 versus a benefit of \$0.1 million in the third quarter of 2023); and
- A \$0.6 million decrease in overwrap films, primarily due to pricing and mix.

Total Debt, Financial Leverage and Debt Covenants

Total debt was \$143.4 million at September 30, 2024 and \$146.3 million at December 31, 2023. Cash, cash equivalents and restricted cash was \$6.6 million at September 30, 2024 and \$13.5 million at December 31, 2023. Net debt was \$136.8¹ million at September 30, 2024 and \$132.8¹ million at December 31, 2023.

Total debt decreased \$2.9 million and net debt increased \$4.0 million in the first nine months of 2024 versus the end of 2023 primarily due to higher net working capital from low levels at the end of last year and to support the recovery the Company believes is underway in its businesses and seasonal fluctuations, which were nearly fully offset by net cash flow from operations after capital expenditures. The Company has been focused on stringent management of net working capital, capital expenditures and costs since a slowdown in business began in 2023. The sale of Terphane resulted in a reduction of consolidated total debt and net debt of \$78 million, with an additional reduction of \$7 million expected from the release of escrow funds by March 1, 2025.

As of September 30, 2024, the Company was in compliance with all covenants under its \$180 million asset-based credit agreement, which matures June 30, 2026 (the "ABL Facility"). Availability for borrowings under the ABL Facility is governed by a borrowing base, determined by the application of specified advance rates against eligible assets, including trade accounts receivable, inventory, owned real properties and owned machinery and equipment.

As of September 30, 2024, funds available to borrow under the ABL Facility were approximately \$30 million and \$38 million on a pro forma basis after giving effect to the completion of the sale of Terphane and the use of the related proceeds. The median daily liquidity under the ABL Facility during the third quarter of 2024 was favorable at \$30 million compared with a median of \$27 million during the second quarter of 2024. Upon the sale of Terphane, the \$180 million ABL Facility was reduced to \$125 million. On a pro forma basis after giving effect to the completion of the sale of Terphane and the use of the related proceeds, the Company determined it was in compliance with the applicable financial covenant. *Refer to Note 10 in the Company's Condensed Consolidated Financial Statements in the Third Quarter Form 10-Q for additional details on the primary debt covenants.*

Tredegar Corporation

2024 Year-to-Date Financial Highlights

(\$ in millions)

Cash Flows provided by operations	\$6.1
Capital Expenditures (pro forma)¹	\$5.6
Dividends Paid²	\$0.0
Net Debt (pro forma)³	\$58.8
ABL Facility availability (pro forma)	\$38.0

¹ Pro forma capital expenditures through September 30, 2024. See slide 23 for additional information.

² The Company suspended its quarterly dividend (which had an annual cash outlay of ~\$17.7 million) on 8/3/2023.

³ See Note 1 in GAAP to Non-GAAP Reconciliations for more information and a reconciliation of this non-GAAP financial measure.



Appendix

Major Product Groups	Primary End Markets	Customers	Competitors
<p><u>Aluminum Extrusions</u> 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><u>PE Films</u> 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, Ihlshin</p>

Tredegar Locations



Tredegar at a Glance

Business Strengths

Aluminum Extrusions

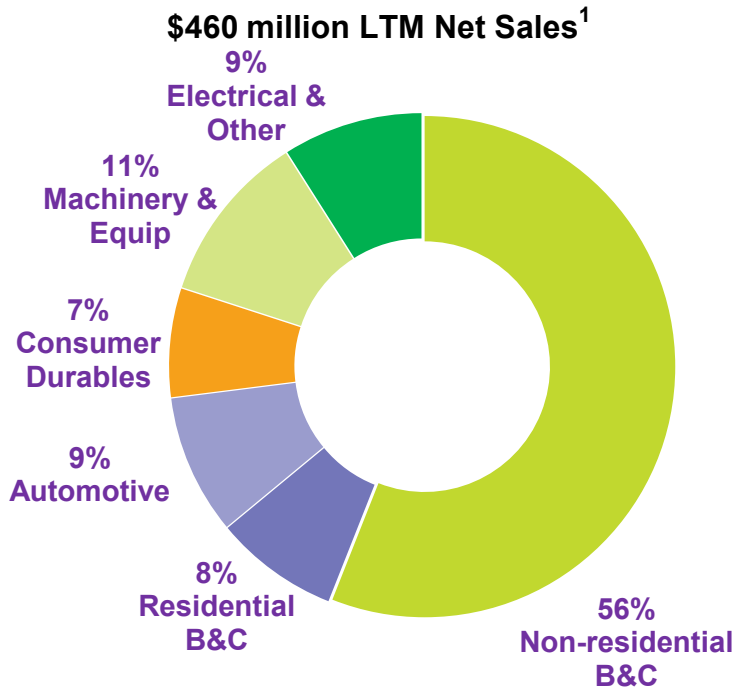
- Industry-leading position in non-residential building and construction and value-added OEM components in North American extrusions market
- Market-focused manufacturing operations (including aluminum log casting capabilities) and world-class capabilities in extrusion and finishing services (fabrication, 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

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

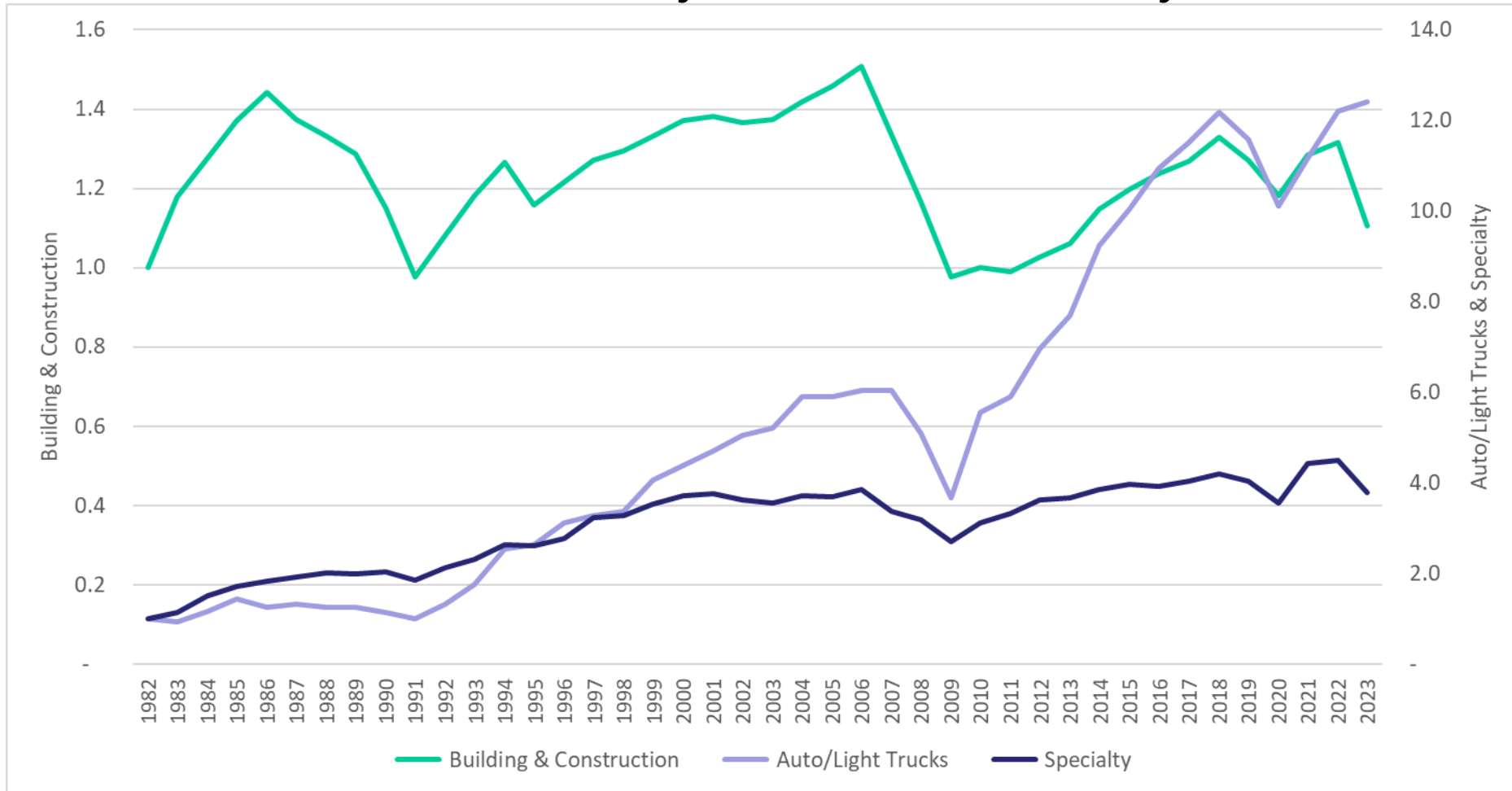
Primary End Use Markets

- 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). 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

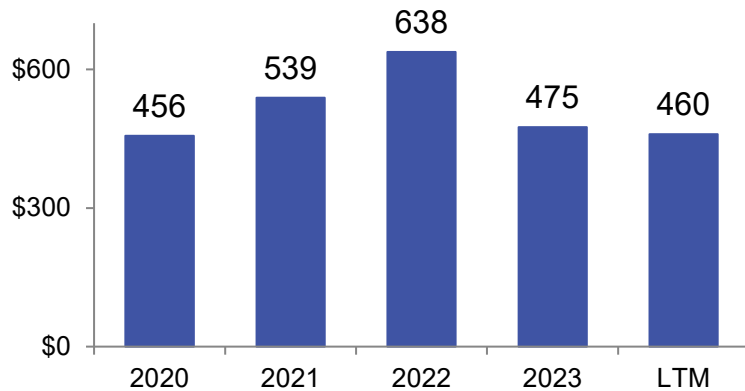
- Crash management systems
– beams and mounting plates, crush cans
- Roof rails
- Electrical battery trays
- Air conditioner tube connectors



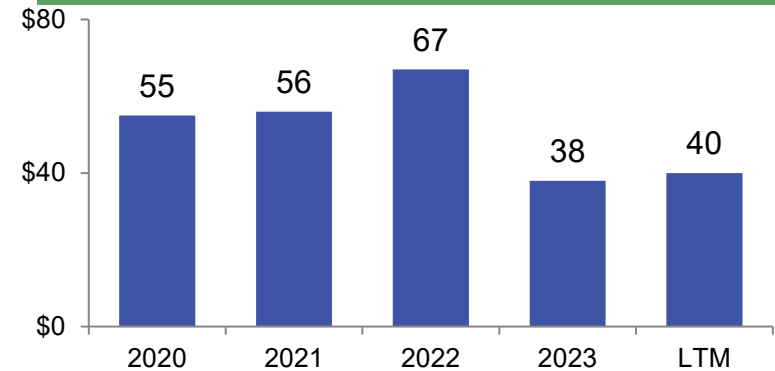
Aluminum Extrusions

Annual Historical Financials

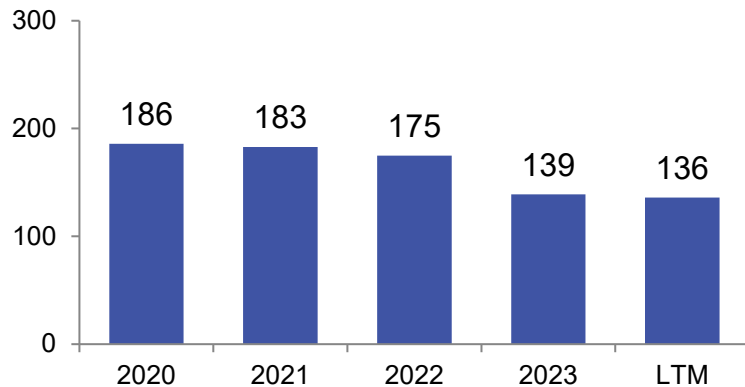
Net Sales¹ (\$ in millions)



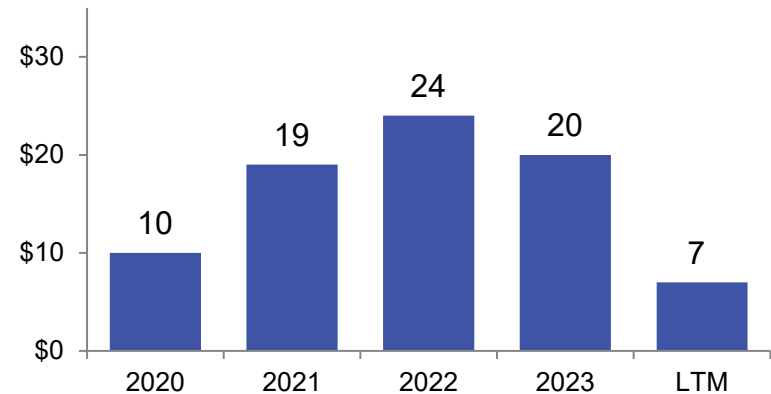
EBITDA from Ongoing Ops (\$ in millions)



Volume (lbs. in millions)



Capital Expenditures (\$ in millions)



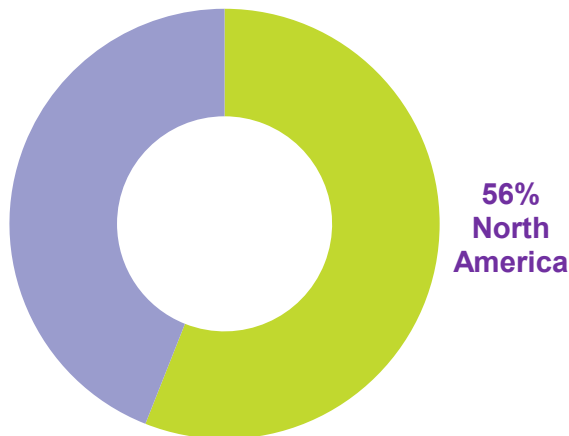
PE Films

Business Profile

\$100 million LTM Net Sales¹



44%
Asia



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

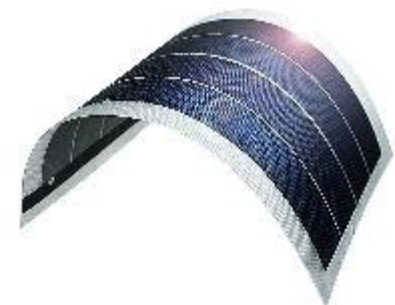
- Major manufacturers of flat panel and flexible display components & specialty plastic substrates and materials suppliers for advanced semiconductor packaging
- Global and regional leaders in LCD, LED, OLED and QLED and display glass-based applications

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

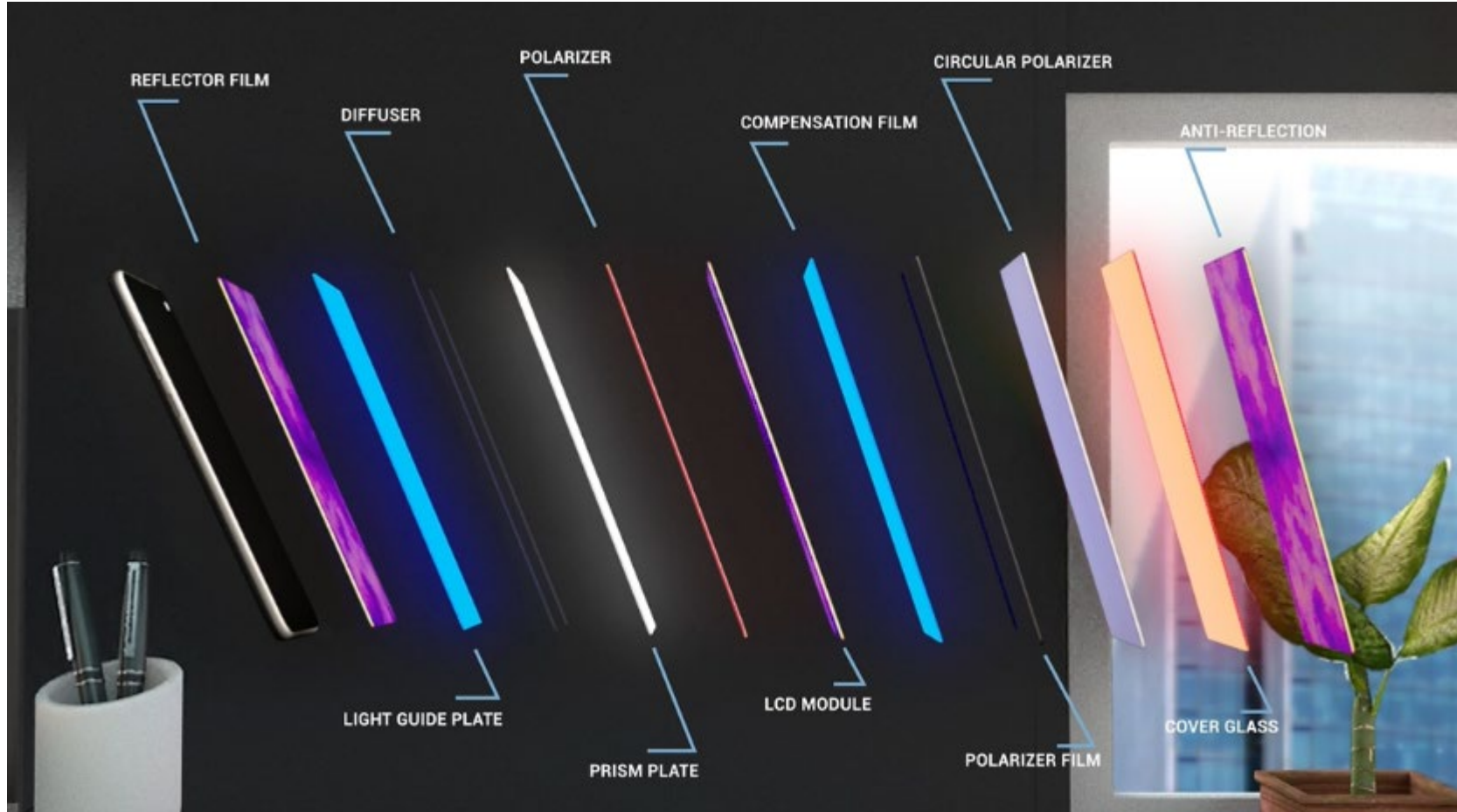
End-Use Markets for Surface Protection Products



PE Films

Surface Protection Overview

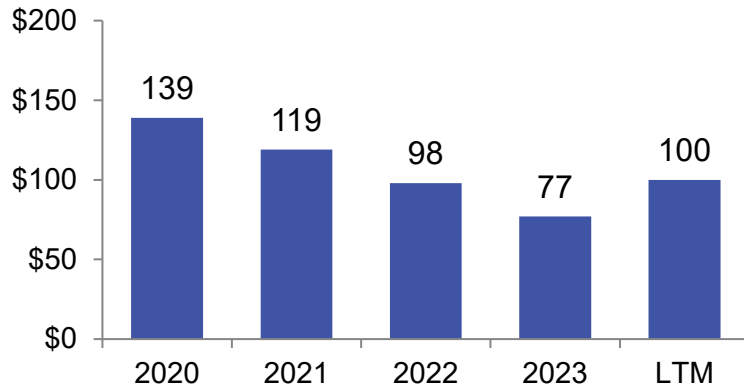
Typical LCD Optical Stack (examples: TVs, Smartphones)



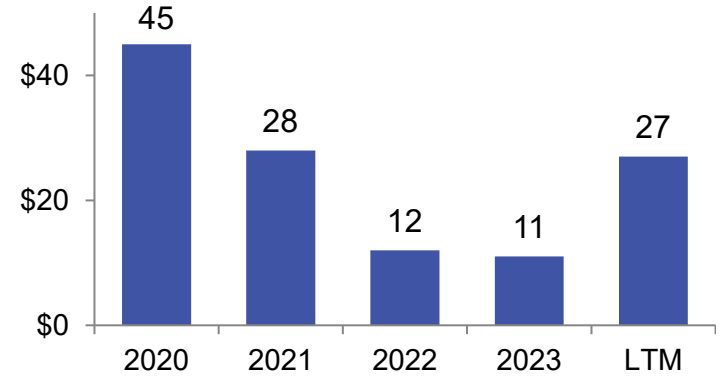
PE Films

Annual Historical Financials

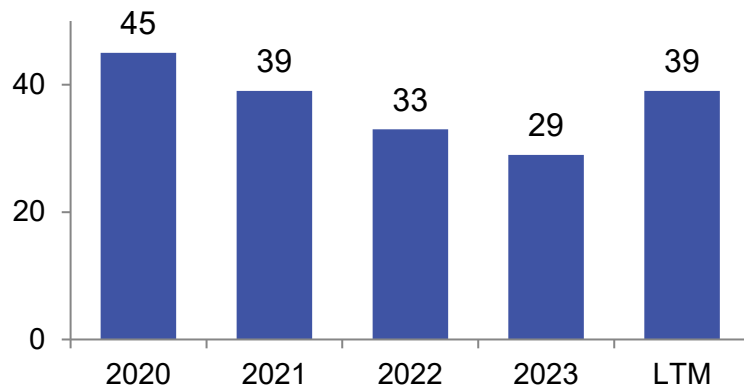
Net Sales¹ (\$ in millions)



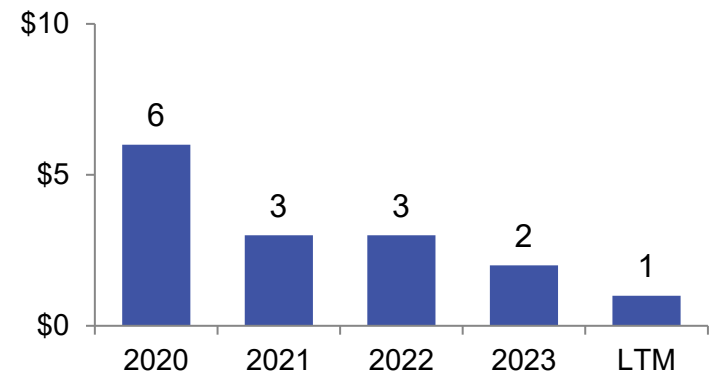
EBITDA from Ongoing Ops (\$ in millions)



Volume (lbs. in millions)



Capital Expenditures (\$ in millions)



Tredegar Corporation

Capital Expenditures – History & Projections

(\$ in millions)						
	2020	2021	2022	2023	2024 YTD	2024 Projection ²
Aluminum Extrusions	\$10.3	\$18.9	\$23.7	\$20.3	\$4.5	\$8
PE Films ¹	6.0	3.0	3.3	1.8	1.1	2
Corporate	0.2	(0.1)	1.7	0.0	0.0	0
Total pro forma capital expenditures	\$16.5	\$21.9	\$28.7	\$22.1	\$5.6	\$10
Flexible Packaging ³	5.0	5.6	8.2	4.3	2.1	0
Total	\$21.5	\$27.4	\$36.9	\$26.4	\$7.7	\$10

2024 Capital Expenditures Projections include:

- For Aluminum Extrusions: Projection reflects stringent spending measures that the Company has implemented to control its financial leverage. \$4M for productivity projects. The multi-year implementation of a new enterprise resource planning and manufacturing execution systems has been reorganized with the timing for the go-live date being uncertain (total spending to date ~ \$21M) ²
- For PE Films: \$1M for productivity projects
- Capital expenditures to support continuity of current operations planned at approximately \$4M for Aluminum Extrusions and \$1M for PE Films.

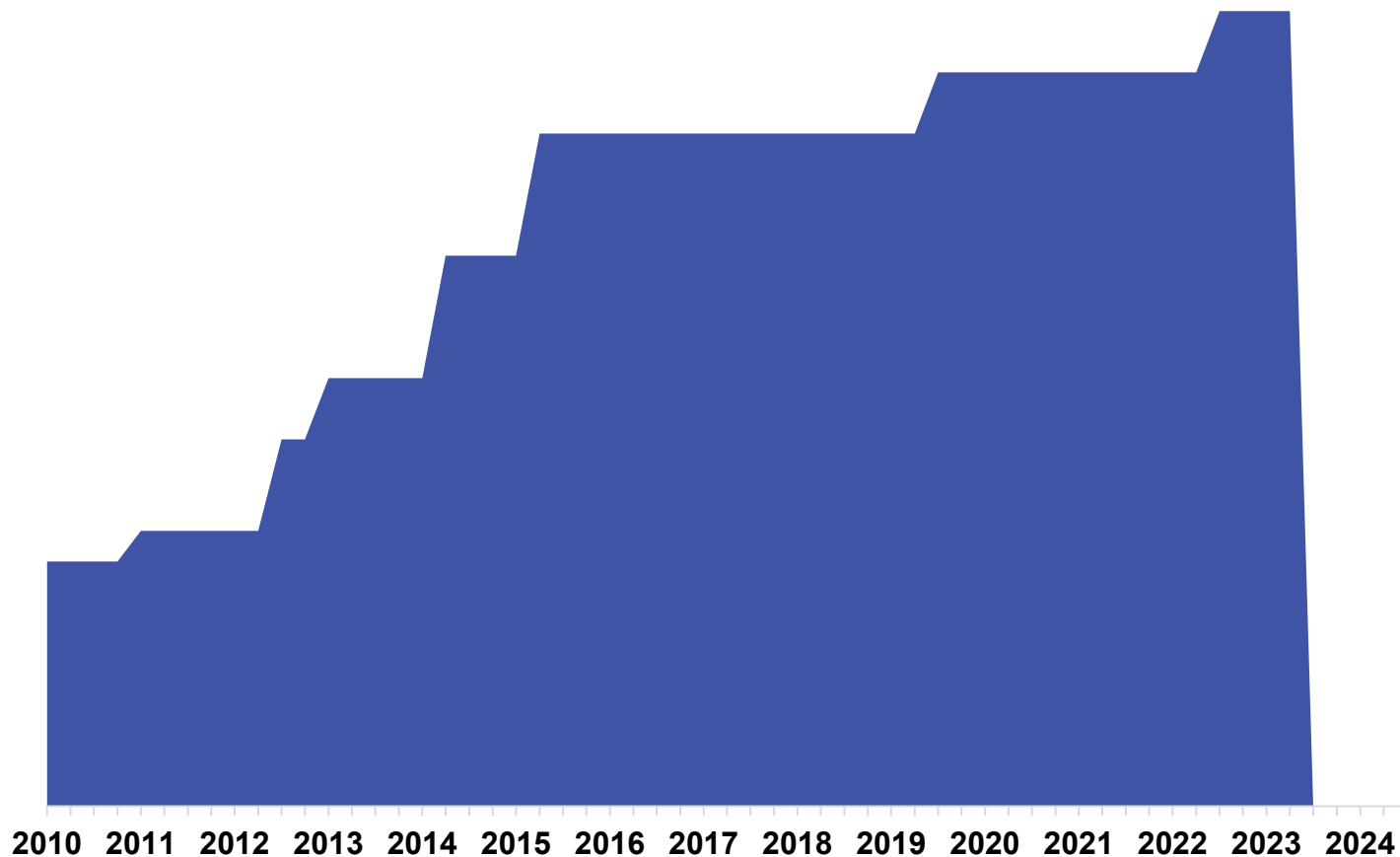
1. Capital Expenditures for PE Films are presented on a continuing operations basis and exclude spend activity related to the divested Personal Care business.

2. Represents management's current expectation as of 9/30/2024, which is subject to change.

3. Reflects the expenditures of the Terphane business prepared in accordance with discontinued operations guidance set forth in Accounting Standards Codification ("ASC") 205 *Presentation of Financial Statements*.

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



Notes:

- The following tables represent unaudited supplemental pro forma consolidated net sales and Consolidated EBITDA from ongoing operations for the three and nine months ended September 30, 2024, as if the sale of Terphane had occurred at the beginning of each period presented. In addition, unaudited supplemental pro forma earnings before interest, taxes, depreciation and amortization as defined in the ABL Facility ("Credit EBITDA") for the twelve months ended September 30, 2024 and a pro forma net leverage ratio as of September 30, 2024 has been provided below. The pro forma financial information is for comparative purposes only and is based on certain factually supported estimates and assumptions, which the Company believes to be reasonable, but not necessarily indicative of future operating results or financial position or the results that would have been reported if the sale had been completed at the beginning of each period presented. These results were not used as part of management's analysis of the financial results and performance of the Company as of and for the period ended September 30, 2024 since the Company reported the results for Terphane as a continuing operation as of September 30, 2024, due to the uncertainty related to the Brazilian merger review process.

(\$ in thousands)	Three Months Ended September 30, 2024	Nine Months Ended September 30, 2024
Pro forma net sales		
Aluminum Extrusions	\$ 115,717	\$ 349,353
PE Films	24,879	78,811
Total pro forma net sales	140,596	428,164
Add back freight	7,085	20,833
Add back pro forma discontinued operation net sales ¹	34,370	99,205
Sales as shown in the condensed consolidated statements of income	\$ 182,051	\$ 548,202

1. Reflects the Company's current best estimate of pre-tax revenue and expenses of the Terphane business prepared in accordance with discontinued operations guidance set forth in Accounting Standards Codification ("ASC") 205 *Presentation of Financial Statements*.

GAAP to Non-GAAP Reconciliations



Notes (continued):

(\$ in millions)	Three Months Ended September 30, 2024	Nine Months Ended September 30, 2024
Pro forma consolidated EBITDA from ongoing operations		
Net income (loss) as reported under GAAP	\$ (3.9)	\$ 8.1
Income tax expense (benefit)	0.9	3.6
Income (loss) before income taxes as shown in the condensed consolidated statements of income	(3.0)	11.7
Discontinued operations before taxes ¹		
EBIT from ongoing operations	(3.0)	(6.7)
Interest expense	1.8	5.5
Plant shutdowns, asset impairments, restructurings and other	0.1	0.1
Corporate expenses, net	1.1	(0.4)
Pro forma income (loss) from continuing operations before income tax	(3.0)	10.2
Pre-tax effects of:		
(Gains) losses associated with plant shutdowns, asset impairments and restructurings	-	0.6
Gain associated with the investment in kaléo	-	(0.1)
(Gains) losses from sale of assets and other	2.4	6.1
Pro forma net income (loss) from ongoing operations before income tax	(0.6)	16.8
Depreciation and amortization	5.8	17.6
Interest expense	1.6	4.8
Pro forma consolidated EBITDA from ongoing operations	\$ 6.8	\$ 39.2

1. Reflects the Company's current best estimate of pre-tax revenue and expenses of the Terphane business prepared in accordance with discontinued operations guidance set forth in ASC 205 *Presentation of Financial Statements*.

GAAP to Non-GAAP Reconciliations



Notes (continued):

(\$ in millions)	As of or for Twelve Months Ended September 30, 2024 ⁽⁵⁾	
Net leverage ratio		
Net debt ⁽¹⁾	\$	136.8
Credit EBITDA ⁽²⁾	\$	59.1
Net leverage ratio		2.3
Pro forma net debt		
Net debt ⁽¹⁾	\$	136.8
Debt reduction associated with the sale of Terphane ⁽³⁾		(78.0)
Pro forma net debt	\$	58.8
Pro forma Credit EBITDA		
Credit EBITDA ⁽²⁾	\$	59.1
Discontinued operations EBITDA from ongoing operations ⁽⁴⁾		(11.2)
Discontinued operations corporate expenses, net ⁽⁴⁾		(0.8)
Pro forma Credit EBITDA	\$	47.1
Pro forma net leverage ratio		
Pro forma net debt	\$	58.8
Pro forma Credit EBITDA	\$	47.1
Pro forma net leverage ratio		1.2

1. For more information, see Note 2.

2. For more information, refer to the "Liquidity and Capital Resources" section in the Company's Quarterly Report on Form 10-Q for the period ended September 30, 2024.

3. On November 1, 2024, Tredegar received \$60 million in cash, which is net of Terphane's debt assumed by Oben Group of \$20 million and Terphane's cash retained by Oben Group of \$2 million. Accordingly, on a cash-free and debt-free basis, the enterprise value of the Terphane transaction at closing for Tredegar was \$78 million.

4. Reflects the Company's current best estimate of pre-tax revenue and expenses of the Terphane business prepared in accordance with discontinued operations guidance set forth in ASC 205 *Presentation of Financial Statements*.

5. Actual and pro forma Credit EBITDA amounts are for the twelve months ended September 30, 2024, and actual or pro forma net debt amounts are as of September 30, 2024.

GAAP to Non-GAAP Reconciliations



Notes (continued):

2. 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, 2024	December 31, 2023
Short-term debt	\$ 1.4	\$ -
ABL revolving facility (matures on June 30, 2026)	122.0	126.3
Long-term debt	20.0	20.0
Total debt	143.4	146.3
Less: Cash and cash equivalents	2.7	9.7
Less: Restricted cash	3.9	3.8
Net debt	\$ 136.8	\$ 132.8

GAAP to Non-GAAP Reconciliations



Notes (continued):

3. Earnings before interest and taxes ("EBIT") 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 as defined by GAAP. We believe 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, EBITDA from ongoing operations, provides useful information to those investors that primarily utilize EBIT to analyze the Company's core operations. The following table presents EBITDA from ongoing operations by segment for the three and nine months ended September 30, 2024 and 2023:

(In thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
EBITDA from Ongoing Operations				
Aluminum Extrusions:				
Ongoing operations:				
EBITDA	\$6,177	\$5,113	\$31,624	\$29,968
Depreciation & amortization	(4,404)	(4,683)	(13,392)	(13,252)
EBIT	1,773	430	18,232	16,716
Plant shutdowns, asset impairments, restructurings and other	(2,170)	(1,483)	(4,986)	(1,821)
PE Films:				
Ongoing operations:				
EBITDA	5,876	4,037	22,913	6,700
Depreciation & amortization	(1,299)	(2,111)	(3,944)	(5,305)
EBIT	4,577	1,926	18,969	1,395
Plant shutdowns, asset impairments, restructurings and other	—	(4,566)	(584)	(4,565)
Goodwill impairment	—	(19,478)	—	(34,891)
Flexible Packaging Films:				
Ongoing operations:				
EBITDA	3,749	477	8,915	2,076
Depreciation & amortization	(708)	(704)	(2,191)	(2,115)
EBIT	3,041	(227)	6,724	(39)
Plant shutdowns, asset impairments, restructurings and other	(103)	—	(103)	(79)
Total	7,118	(23,398)	38,252	(23,284)
Interest income	8	62	36	135
Interest expense	3,480	3,106	10,314	7,791
Gain on investment in kaleo, Inc.	—	—	144	262
Stock option-based compensation costs	—	—	—	231
Pension settlement loss	—	25,612	—	25,612
Corporate expenses, net	6,644	11,633	16,411	30,100
Income (loss) before income taxes	(2,998)	(63,687)	11,707	(86,621)
Income tax expense (benefit)	948	(13,307)	3,573	(16,307)
Net income (loss)	\$ (3,946)	\$ (50,380)	\$ 8,134	\$ (70,314)