

# Tredegar Corporation

## Five-year Summary

(In Thousands, Except Per-Share Data)

(Presented on a continuing operations basis - unaudited)

	Year Ended December 31				
	2021	2020	2019	2018	2017
<b>Results of Operations:</b>					
Sales	\$ 826,455	\$ 755,290	\$ 826,324	\$ 851,834	\$ 725,867
Other income (expense), net (e)	20,376 (a)	(67,294) (b)	28,371 (b)	30,455 (b)	51,718 (c)
Total	846,831	687,996	854,695	882,289	777,585
Costs of goods sold (f)	649,690 (a)	558,967 (b)	641,140 (b)	679,665 (b)	579,545 (c)
Freight	28,232	25,686	28,980	27,170	22,273
Selling, general & administrative (f)	74,964 (a)	84,246 (b)	76,598 (b)	67,929 (b)	65,189 (c)
Research and development	6,347	8,398	7,893	6,672	6,189
Amortization of identifiable intangibles (q)(j)	1,704	3,017	13,601	3,976	6,198
Pension and postretirement benefits (f)	14,160	14,720	9,642	10,406	10,193
Interest expense	3,386	2,587	4,051	5,702	6,170
Asset impairments and costs associated with exit and disposal activities, net of adjustments	1,127 (a)	1,725 (b)	784 (b)	398 (b)	102,114 (c)
Goodwill impairment	-	13,696 (d)	-	-	-
Total	779,610	713,042	782,689	801,918	797,871
Income (loss) from continuing operations income taxes	67,221	(25,046)	72,006	80,371	(20,286)
Income tax expense (benefits)	9,284	(8,213)	13,545	18,807	(57,753)
Income (loss) from continuing operations	57,937	(16,833)	58,461	61,564	37,467
Income (loss) from discontinued operations, net of tax	(111)	(58,611)	(10,202)	(36,722)	784
Net income (loss)	\$ 57,826	\$ (75,444)	\$ 48,259	\$ 24,842	\$ 38,251
Diluted earnings (loss) per share:					
Continuing operations	\$ 1.72	\$ (0.51)	\$ 1.76	\$ 1.86	\$ 1.14
Discontinued operations	-	(1.75)	(0.31)	(1.11)	0.02
Diluted earnings (loss) per share	1.72	(2.26)	1.45	0.75	1.16

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	Year Ended December 31				
	2021	2020	2019	2018	2017
<b>Share Data:</b>					
Equity per share (m)	\$ 5.48	\$ 3.26	\$ 11.29	\$ 10.70	\$ 10.41
Cash dividends declared per share (n)	\$ 0.48	\$ 6.45	\$ 0.46	\$ 0.44	\$ 0.44
Weighted average common shares outstanding during the period	33,563	33,402	33,236	33,068	32,946
Shares used to compute diluted earnings (loss) per share during the period	33,670	33,402	33,258	33,092	32,951
Shares outstanding during the period	33,737	33,457	33,365	33,176	33,017
Closing market price per share:					
High	\$ 18.32	\$ 22.32	\$ 23.31	\$ 26.25	\$ 25.00
Low	\$ 10.99	\$ 11.32	\$ 15.59	\$ 15.00	\$ 14.85
End of year	\$ 11.82	\$ 16.70	\$ 22.35	\$ 15.86	\$ 19.20
Total return to shareholders (o)(n)	-26.3%	3.6%	43.8%	-15.1%	-18.2%

	Year Ended December 31				
	2021	2020	2019	2018	2017
<b>Financial Position:</b>					
Total assets	\$ 523,584	\$ 514,870	\$ 712,668	\$ 707,373	\$ 755,743
Cash and cash equivalents	\$ 30,521	\$ 11,846	\$ 31,422	\$ 34,397	\$ 36,491
Debt	\$ 73,000	\$ 134,000	\$ 42,000	\$ 101,500	\$ 152,000
Shareholders' equity	\$ 184,722	\$ 109,055	\$ 376,749	\$ 354,857	\$ 343,780
Equity market capitalization (p)	\$ 398,767	\$ 558,735	\$ 745,709	\$ 526,172	\$ 633,935

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(In Thousands, Except Per-Share Data)

(Presented on a continuing operations basis - unaudited)

	Year Ended December 31				
	2021	2020	2019	2018	2017
<b>Net sales (g):</b>					
Aluminum Extrusions	\$ 539,325	\$ 455,711	\$ 529,602	\$ 573,126	\$ 466,833
PE Films	118,920	139,288	133,807	127,708	128,406
Flexible Packaging Films	139,978	134,605	133,935	123,830	108,355
Total net sales	798,223	729,604	797,344	824,664	703,594
Add back freight	28,232	25,686	28,980	27,170	22,273
Sales as shown in Consolidated Statements of Income	\$ 826,455	\$ 755,290	\$ 826,324	\$ 851,834	\$ 725,867

	Year Ended December 31				
	2021	2020	2019	2018	2017
<b>Identifiable Assets</b>					
Aluminum Extrusions	\$ 280,521	\$ 244,560	\$ 265,027	\$ 281,372	\$ 268,127
PE Films	113,613	119,013	124,269	118,496	123,507
Flexible Packaging Films	75,269	66,453	74,016	58,964	49,915
Subtotal	469,403	430,026	463,312	458,832	441,549
General corporate	23,482	71,508	109,655	99,570	109,882
Cash and cash equivalents	30,521	11,846	31,422	34,397	36,491
Discontinued operations	178	1,490	108,279	114,574	167,821
Total	\$ 523,584	\$ 514,870	\$ 712,668	\$ 707,373	\$ 755,743

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## Five-year Summary

(In Thousands, Except Per-Share Data)

(Presented on a continuing operations basis - unaudited)

	Year Ended December 31				
	2021	2020	2019	2018	2017
<b>EBITDA from ongoing operations: (h)</b>					
Aluminum Extrusions:					
Ongoing operations:					
EBITDA	\$ 55,948	\$ 55,137	\$ 65,683	\$ 65,479	\$ 58,524
Depreciation and amortization (j)	(16,272) (q)	(17,403)	(16,719)	(16,866)	(15,070)
EBIT (i)	39,676	37,734	48,964	48,613	43,454
Plant shutdowns, asset impairments, restructurings and other	3,237 (a)	(3,506) (b)	(561) (b)	(505) (b)	321 (c)
Goodwill Impairment charge	-	(13,696) (d)	-	-	-
Trade name accelerated amortization	-	-	(10,040) (j)	-	-
PE Films:					
Ongoing operations:					
EBITDA	27,694	45,107	41,133	32,404	37,029
Depreciation and amortization	(6,263)	(6,762)	(5,860)	(6,201)	(6,117)
EBIT (i)	21,431	38,345	35,273	26,203	30,912
Plant shutdowns, asset impairments, restructurings and other	(371) (a)	(1,974) (b)	(733) (b)	(186) (b)	(157) (c)
Flexible Packaging Films:					
Ongoing operations:					
EBITDA	31,684	30,645	14,737	11,154	7,817
Depreciation and amortization	(1,988)	(1,761)	(1,517)	(1,262)	(10,443)
EBIT (i)	29,696	28,884	13,220	9,892	(2,626)
Plant shutdowns, asset impairments, restructurings and other	8,439 (a)	(18) (b)	- (b)	(45) (b)	(89,398) (c)
Total	102,108	85,769	86,123	83,972	(17,494)
Interest income	73	44	66	146	54
Interest expense	3,386	2,587	4,051	5,702	6,170
Gain (loss) on investment in kaléo (e)	12,780	(60,900)	28,482	30,600	33,800
Loss on sale of Bright view (k)	-	(2,299)	-	-	-
Loss on sale of investment property	-	-	-	(38)	-
Unrealized loss on investment property	-	-	-	(186)	-
Stock option-based compensation expense	2,495	2,161	4,132	1,156	245
Corporate expenses, net (l)	41,859 (a)	42,912 (b)	34,482 (b)	27,265 (b)	30,231 (c)
Income (loss) from continuing operations before income taxes	67,221	(25,046)	72,006	80,371	(20,286)
Income taxes (benefit)	9,284	(8,213)	13,545	18,807	(57,753)
Income (loss) from continuing operations	57,937	(16,833)	58,461	61,564	37,467
Income (loss) from discontinued operations	(111)	(58,611)	(10,202)	(36,722)	784
Net income (loss)	\$ 57,826	\$ (75,444)	\$ 48,259	\$ 24,842	\$ 38,251

## Tredegar Corporation

### Five-year Summary

(In Thousands, Except Per-Share Data)

(Presented on a continuing operations basis - unaudited)

	Year Ended December 31				
	2021	2020	2019	2018	2017
<b>Depreciation and Amortization:</b>					
Aluminum Extrusions	\$ 15,326 (q)	\$ 17,403	\$ 26,759	\$ 16,866	\$ 15,070
PE Films	6,263	6,762	5,860	6,201	6,117
Flexible Packaging Films	1,988	1,761	1,517	1,262	10,443
Subtotal	23,577	25,926	34,136	24,329	31,630
General corporate (l)	207	520	186	163	155
Discontinued operations	-	5,511	9,962	9,312	8,492
Total	\$ 23,784	\$ 31,957	\$ 44,284	\$ 33,804	\$ 40,277

	Year Ended December 31				
	2021	2020	2019	2018	2017
<b>Capital Expenditures</b>					
Aluminum Extrusions	\$ 18,914	\$ 10,260	\$ 17,855	\$ 12,966	\$ 25,653
PE Films	2,997	6,024	8,567	2,523	4,648
Flexible Packaging Films	5,603	4,959	8,866	5,423	3,619
Subtotal	27,514	21,243	35,288	20,912	33,920
General corporate	(153)	200	223	427	61
Discontinued operations	-	1,912	15,353	19,475	10,381
Total	\$ 27,361	\$ 23,355	\$ 50,864	\$ 40,814	\$ 44,362

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## Five-year Summary

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(Presented on a continuing operations basis - unaudited)

- (a) For a description of plant shutdowns, asset impairments, restructurings and other changes for 2021, see the plant shutdowns, asset impairments, restructurings and other tables in *Results of Operations* in Item 7 of the Company's Annual Report on Form 10-K for the year ended December 31, 2021.
- (b) For a description of plant shutdowns, asset impairments, restructurings and other changes for 2020, 2019, and 2018, see the plant shutdowns, asset impairments, restructurings and other tables for the respective periods in *Results of Operations* in Item 7 of the Company's Annual Report on Form 10-K for the year ended December 31, 2020.
- (c) For a description of plant shutdowns, asset impairments, restructurings and other changes for 2017, see Item 6. "Selected Financial Data" of the Company's Annual Report on Form 10-K for the year ended December 31, 2018.
- (d) Results for 2020 included a goodwill impairment charge of \$13.7 million (\$10.5 million after taxes) recognized in Bonnell Aluminum in the first quarter of 2020 upon completion of an impairment analysis performed as of March 31, 2020.
- (e) The gains and losses on the Company's investment in kaléo are included in "Other income (expense), net" in the consolidated statements of income. See Note 16 to the Consolidated Financial Statements in Item 15 of the 2021 Form 10-K for more details.
- (f) For the year ended December 31, 2017, the pension and postretirement benefit expenses recorded in Cost of goods sold and Selling, general and administrative expenses were reclassified to a new line item, Pension and postretirement benefits, on the consolidated statements of income, due to the retrospective adoption of Accounting Standards Update 2017-07.
- (g) Net sales represents gross sales less freight. The Company uses net sales as its measure of revenues from external customers at the segment level.
- (h) In the fourth quarter of 2019, the Company changed its segment measure of profit and loss from operating profit from ongoing operations to EBITDA (earnings before interest, taxes, depreciation and amortization) from ongoing operations. EBITDA from ongoing operations is the key profitability metric used by the Company's chief operating decision maker to assess segment financial performance. See Note 13 to the Consolidated Financial Statements in Item 15 of the Company's Annual Report on Form 10-K for the year ended December 31, 2021 for more information.
- (i) 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 as defined by GAAP. Tredegar 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, EBITDA from ongoing operations, provides useful information to those investors that primarily utilize EBIT to analyze the Company's core operations.
- (j) Depreciation and Amortization in 2019 for Aluminum Extrusions excludes \$10.0 million for accelerated amortization of trade names as a result of a rebranding initiative.
- (k) In December 2020, the Company entered into a definitive agreement and completed the share Bright View Technologies. See Note 15 to the consolidated Financial Statements in Item 15 of the 2021 Form 10-K for more details.
- (l) Corporate depreciation and amortization is included in Corporate expenses, net, on the EBITDA from ongoing operations table above.
- (m) Equity per share is computed by dividing shareholders' equity at year end by the shares outstanding at year end.

## **Tredegar Corporation**

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- (n) On December 1, 2020, the Board of Directors declared a special cash dividend of \$200 million or \$5.97 per share on the Company's common stock. The special cash dividend was payable on December 18, 2020 to shareholders of record at the close of business on December 11, 2020.
- (o) Total return to shareholders is defined as the change in stock price during the year plus dividends per share, divided by the stock price at the beginning of the year.
- (p) Equity market capitalization is the closing market price per share for the period multiplied by the shares outstanding at the end of the period.
- (q) During the fourth quarter of 2021, the Company recorded an out-of-period adjustment in connection with the original valuation of intangible assets and goodwill related to the acquisition of Futura in February 2017. This adjustment resulted in a reclassification of \$2.9 million from acquired customer relationship intangible assets to goodwill and a \$0.9 million decrease to accumulated amortization and amortization expense as of and for the year ended December 31, 2021.