



# Q3 2023

## FINANCIAL RESULTS

### November 9, 2023



***Cascades***

Source of possibilities



# DISCLAIMER

## FORWARD-LOOKING STATEMENT

Certain statements in this presentation, including statements regarding future results and performance, are forward-looking statements within the meaning of securities legislation based on current expectations. The accuracy of such statements is subject to a number of risks, uncertainties and assumptions that may cause actual results to differ materially from those projected, including, but not limited to, the effect of general economic conditions, decreases in demand for Cascades Inc.'s ("Cascades," "CAS," the "Company," the "Corporation," "us" or "we") products, the prices and availability of raw materials, changes in the relative values of certain currencies, fluctuations in selling prices and adverse changes in general market and industry conditions. This presentation may also include price indices as well as variance and sensitivity analyses that are intended to provide the reader with a better understanding of the trends related to our business activities. These items are based on the best estimates available to the Corporation.

## SUPPLEMENTAL INFORMATION ON NON-IFRS MEASURES AND OTHER FINANCIAL MEASURES – SPECIFIC ITEMS

The Corporation incurs some specific items that adversely or positively affect its operating results. We believe it is useful for readers to be aware of these items as they provide additional information to measure performance, compare the Corporation's results between periods, and assess operating results and liquidity, notwithstanding these specific items. Management believes these specific items are not necessarily reflective of the Corporation's underlying business operations in measuring and comparing its performance and analyzing future trends. Our definition of specific items may differ from that of other corporations and some of these items may arise in the future and may reduce the Corporation's available cash.

They include, but are not limited to, charges for (reversals of) impairment of assets, restructuring gains or costs, loss on refinancing and repurchase of long-term debt, some deferred tax asset provisions or reversals, premiums paid on repurchase of long-term debt, gains or losses on the acquisition or sale of a business unit, gains or losses on the share of results of associates and joint ventures, unrealized gains or losses on derivative financial instruments that do not qualify for hedge accounting, unrealized gains or losses on interest rate swaps and option fair value revaluation, foreign exchange gains or losses on long-term debt and financial instruments, fair value revaluation gains or losses on investments, specific items of discontinued operations and other significant items of an unusual, non-cash or non-recurring nature.

## RECONCILIATION AND USES OF NON-IFRS AND OTHER FINANCIAL MEASURES

To provide more information for evaluating the Corporation's performance, the financial information included in this analysis contains certain data that are not performance measures under IFRS ("non-IFRS measures"), which are also calculated on an adjusted basis to exclude specific items. We believe that providing certain key performance and capital measures, as well as non-IFRS measures, is useful to both Management and investors, as they provide additional information to measure the performance and financial position of the Corporation. This also increases the transparency and clarity of the financial information. The following non-IFRS measures and other financial measures are used in our financial disclosures:

### Non-IFRS measures

- Adjusted earnings before interest, taxes, depreciation and amortization or EBITDA (A): represents the operating income before depreciation and amortization excluding specific items. Used to assess recurring operating performance and the contribution of each segment on a comparable basis.
- Adjusted net earnings: Used to assess the Corporation's consolidated financial performance on a comparable basis.
- Adjusted cash flow: Used to assess the Corporation's capacity to generate cash flows to meet financial obligations and/or discretionary items such as share repurchases, dividend increases and strategic investments.
- Free cash flow: Used to measure the excess cash the Corporation generates by subtracting capital expenditures (excluding strategic projects) from the EBITDA (A).
- Working capital: Used to assess the short-term liquidity of the Corporation.

### Other financial measures

- Total debt: Used to calculate all the Corporation's debt, including long-term debt and bank loans. Often put in relation to equity to calculate the debt-to-equity ratio.
- Net debt: Used to calculate the Corporation's total debt less cash and cash equivalents. Often put in relation to EBITDA (A) to calculate net debt to EBITDA (A) ratio.

### Non-IFRS ratios

- Net debt to EBITDA (A) ratio: Ratio used to assess the Corporation's ability to pay its debt and evaluate financial leverage.
- EBITDA (A) margin: Ratio used to assess operating performance and the contribution of each segment on a comparable basis calculated as a percentage of sales.
- Adjusted net earnings per common share: Ratio used to assess the Corporation's consolidated financial performance on a comparable basis.
- Net debt / Net debt + Shareholders' equity: Ratio used to evaluate the Corporation's financial leverage and thus the risk to Shareholders.
- Working capital as a percentage of sales: Ratio used to assess the Corporation's operating liquidity performance.
- Adjusted cash flow per common share: Ratio used to assess the Corporation's financial flexibility.
- Free cash flow ratio: Ratio used to measure the liquidity and efficiency of how much more cash the Corporation generates than it uses to run the business by subtracting capital expenditures (excluding strategic projects) from the EBITDA (A) calculated as a percentage of sales.

Non-IFRS and other financial measures are mainly derived from the consolidated financial statements, but do not have meanings prescribed by IFRS. These measures have limitations as an analytical tool and should not be considered on their own or as a substitute for an analysis of our results as reported under IFRS. In addition, our definitions of non-IFRS and other financial measures may differ from those of other corporations. Any such modification or reformulation may be significant.

All amounts in this presentation are in Canadian dollars unless otherwise indicated.

Please click [here](#) for supplemental information on non-IFRS measures and other financial measures available on pages 28 to 33 of our 2023 Quarterly Report 3, Management Discussion & Analysis, available on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca).



# OVERVIEW OF CONSOLIDATED PROFITABILITY DRIVERS

## Consolidated EBITDA (A)<sup>1</sup>

### Variation

(in millions of Canadian dollars)

Pricing

Freight & Production Costs

Volume & Mix, FX & Others

Raw Materials & Energy

**TOTAL**

Quarter-over-Quarter  
Q3 2023 vs Q2 2023

Year-over-Year  
Q3 2023 vs Q3 2022

Year-to-Date  
2023 vs 2022  
(nine months)

(\$12 million)

(\$39 million)

\$56 million

\$10 million

(\$2 million)

(\$33 million)

\$22 million

\$16 million

\$1 million

—

\$75 million

\$152 million

**\$20 million**

**\$50 million**

**\$176 million**



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# SUMMARY OF QUARTERLY FINANCIAL RESULTS & KPIs

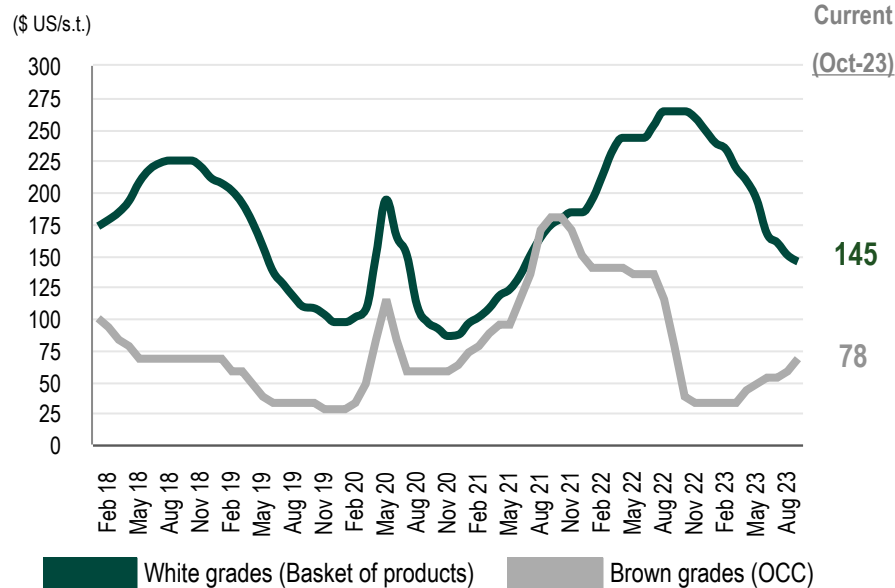
(In millions of CAN\$, except per common share amounts, where noted)	2021					2022					2023				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	YTD <sup>3</sup>	LTM <sup>4</sup>
<b>Financial Results</b>															
<b>Sales</b>	942	956	1,030	1,028	3,956	1,038	1,119	1,174	1,135	4,466	1,134	1,168	1,198	3,500	4,635
Operating income (loss)	44	23	73	(90)	50	(4)	32	25	(20)	33	(80)	64	80	64	44
Adjusted earnings before interest, taxes, depreciation and amortization (EBITDA (A)) <sup>1</sup>	122	98	107	62	389	58	91	111	116	376	134	141	161	436	552
Margin (EBITDA (A) / Sales (%)) <sup>1</sup>	13.0%	10.3%	10.4%	6.0%	9.8%	5.6%	8.1%	9.5%	10.2%	8.4%	11.8%	12.1%	13.4%	12.5%	11.9%
<b>Net earnings (loss)</b>	22	3	32	105	162	(15)	10	(2)	(27)	(34)	(75)	22	34	(19)	(46)
Adjusted net earnings (loss) <sup>1</sup>	29	8	(1)	(9)	27	(15)	10	20	22	37	33	26	45	104	126
<b>Net earnings (loss) per common share</b>	\$0.22	\$0.02	\$0.32	\$1.04	\$1.60	(\$0.15)	\$0.10	(\$0.02)	(\$0.27)	(\$0.34)	(\$0.75)	\$0.22	\$0.34	(\$0.19)	(\$0.46)
Adjusted net earnings (loss) per common share <sup>1</sup>	\$0.29	\$0.07	(\$0.01)	(\$0.09)	\$0.26	(\$0.15)	\$0.10	\$0.20	\$0.22	\$0.37	\$0.32	\$0.27	\$0.44	\$1.03	\$1.25
<b>Key Performance Indicators</b>															
Total Shipments <sup>2</sup> ('000 s.t.)	514	523	525	513	2,075	503	512	525	487	2,027	507	532	563	1,602	2,089
LTM Working Capital (% LTM sales) <sup>1</sup>	8.4%	8.4%	8.5%	8.6%	8.6%	9.3%	9.6%	10.2%	10.5%	10.5%	10.6%	10.6%	10.3%		

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# RECYCLED FIBRE COSTS - INDEX LIST PRICES



## OCC:

- Consistent domestic demand with fibre generation following normal seasonal generation levels, but at a slightly slower pace than recent years
- Increased export volumes to Asia have added pressure on pricing, contributing to index price adjustments
- Good inventories at our mills, material flow has been fair

## SOP:

- Favourable market dynamics and pricing QoQ and YoY
- Pricing expected to continue to mirror virgin pulp pricing movements
- Structural decline in market supply of these high grades papers over the long-term given lower generation

## Recycled Fibre Prices

White grades - Basket of products (Northeast average)<sup>1</sup>

Brown grades - OCC No. 11 (Northeast average)

**Q3 2023**

**Q2 2023**

**Q3 2022**

**Q3/Q3**

**Q3/Q2**

151  
59

193  
47

260  
109

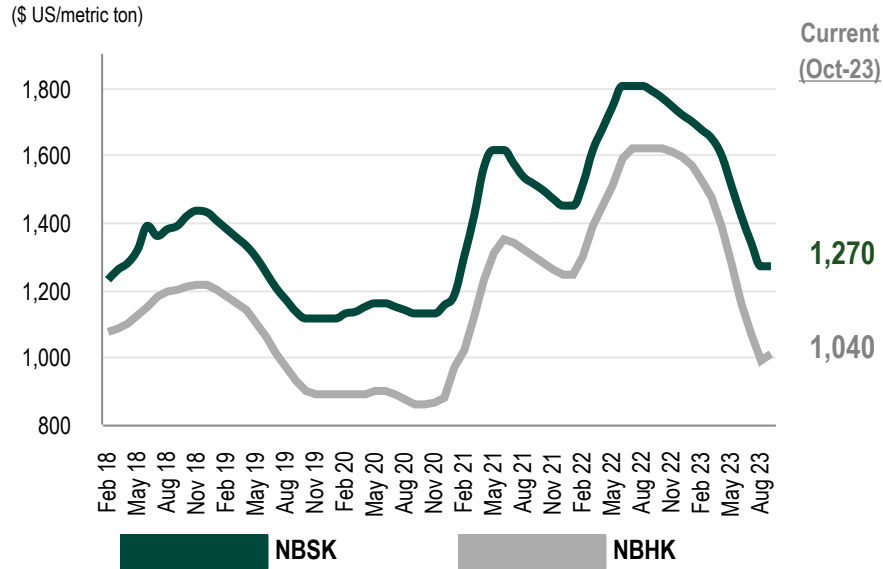
(42)%  
(46)%

(22)%  
26%



Source: RISI. (1) Basket of white recycled paper, including grades such as SOP, Hard White Envelope and Coated Book Stock; Northeast average. Weighted average based on Cascades' consumption of each grade.

# VIRGIN PULP COSTS - INDEX LIST PRICES



## VIRGIN PULP:

- Sequential improvement with price decreases until late Q3; index prices also lower YoY
- Market conditions have started to reverse, however, with rebound in demand from Asia and multiple mill scheduled downtimes and/or permanent closures
- Material has nonetheless been readily available, and our mills are adequately supplied
- New capacity and Asian demand levels over the mid to long-term will influence demand/supply balance

### Virgin Pulp Prices

NBSK (Canadian sources delivered to Eastern US)  
 NBHK (Canada/US sources delivered to Eastern US)

### Q3 2023

1,293  
 1,023

### Q2 2023

1,510  
 1,277

### Q3 2022

1,800  
 1,620

### Q3/Q3

(28)%  
 (37)%

### Q3/Q2

(14)%  
 (20)%



Source: RISI

# PACKAGING PRODUCTS / CONTAINERBOARD

<b>Results</b> Q3 2023	<b>Change vs.</b>	
	Q2 2023	Q3 2022
<b>Shipments ('000 s.t.)</b>		
429	8%	10%
<b>Average selling price</b> (CAN\$/unit)		
1,381	(2)%	(9)%
<b>Sales (M\$)</b>		
593	6%	—%
<b>EBITDA (A)<sup>1</sup> (M\$)</b>		
101	5%	(2)%
% of sales		
17.0%		

## Comments on sequential performance

- ➔ Total shipments increased by 8% sequentially. Shipments of parent rolls increased by 12% and those of converted products increased by 4% compared to the second quarter. The sequential increase in Q3 reflects usual seasonal demand, new volume related to the start-up of the Bear Island facility, and recent investments in our converting platform.
- ➔ The average third quarter selling price decreased by 2% quarter-over-quarter. This reflects a less favourable mix with a higher percentage of parent rolls and a decrease in the average US dollar selling price following index price decreases.
- ➔ Sales increased by 6% sequentially. This was driven by higher volumes, the benefits of which were partially offset by the impact from lower average selling prices following decreases in index pricing, and a less favourable sales mix.
- ➔ Q3 EBITDA (A)<sup>1</sup> increased by 5% on a sequential basis, reflecting the net positive impact of higher volume and less favorable sales mix (+\$15 M) and lower operating costs (+\$9 M). These tailwinds were partially offset by the impacts related to lower selling prices (-\$5 M), higher raw material costs (-\$12 M) and higher transportation costs (-\$2 M).

## Maintenance and capital investment downtime (in s.t.)\*

Q1 2023	Q2 2023	Q3 2023	Q4 2023 F**	2023 F
10,500	17,800	10,500	~19,000	~57,800

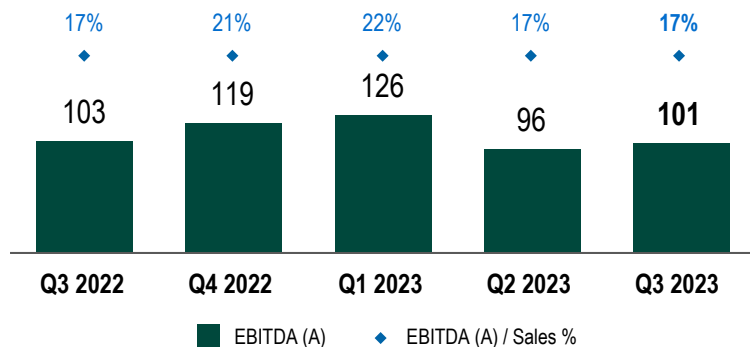
\*An additional ~28,000 s.t. of medium production downtime was taken on machine #2 at the Niagara Falls facility in 2023 prior to its permanent closure at the beginning of May.

\*\*A total of ~28,000 s.t. of additional production downtime related to inventory management is planned in Q4 2023 (compared to 31,000 s.t. in Q4 2022), and is not included in figures above.

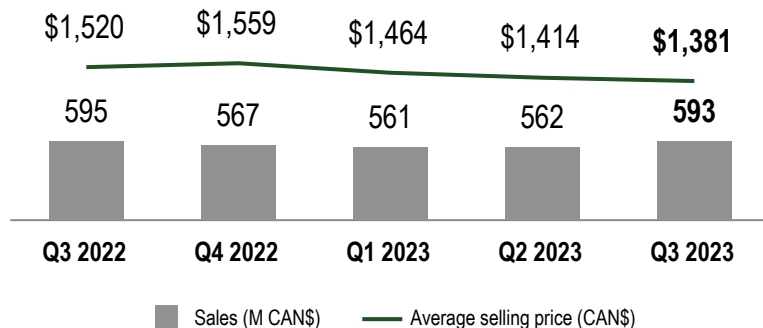


# PACKAGING PRODUCTS / CONTAINERBOARD

## Quarterly EBITDA (A)<sup>1</sup> (M CAN\$)

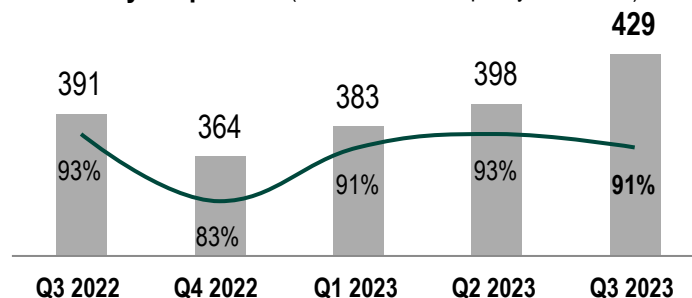


## Quarterly Sales and Average Selling Price



- Sequential Q3 shipments of converted products:  
**Canada +4.3%** (vs. market +0.4%); **US +1.0%** (vs. market +0.4%)
- Year-over-year Q3 shipments of converted products:  
**Canada +5.7%** (vs. market +0.8%); **US +9.5%** (vs. market -4.0%)
- Production costs remain higher year-over-year, but eased sequentially, while the opposite is true for both freight and raw material costs; average selling prices decreased both year-over-year and sequentially, in alignment with published index pricing.
- First full quarter of production at Bear Island; Ramp-up progressing as expected.

## Quarterly Shipments ('000 s.t. and % capacity utilization<sup>2</sup>)



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# PACKAGING PRODUCTS / SPECIALTY PRODUCTS

<b>Results</b>	<b>Change vs.</b>		
	Q3 2023	Q2 2023	Q3 2022
<b>Sales (M\$)</b>			
157	(4)%	(7)%	
<b>EBITDA (A)<sup>1</sup> (M\$)</b>			
21	(13)%	(16)%	
% of sales			
13.4%			

## Comments on sequential performance

- ➔ Sales decreased by 4% sequentially. This reflects lower volume in our Cardboard and Moulded Pulp sub-segments.
- ➔ EBITDA (A)<sup>1</sup> of \$21 M, decreased by \$3 M sequentially. This reflects lower realized spreads in some sub-segments due to product mix (-\$2 M) and lower volume (-\$1 M). Sequentially, our overall operating costs remains stable.

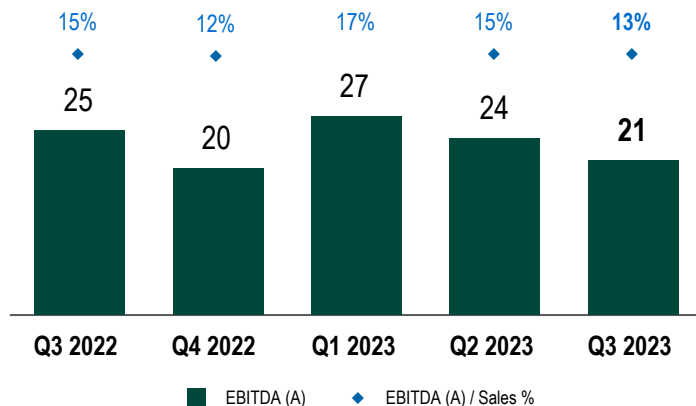


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# PACKAGING PRODUCTS / SPECIALTY PRODUCTS

## Quarterly EBITDA (A)<sup>1</sup> (M CAN\$)

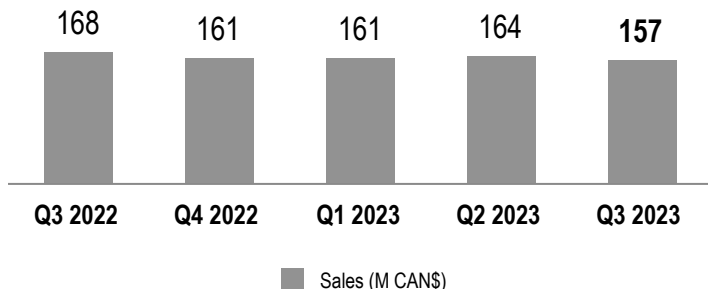


→ **Cardboard:** results remained stable sequentially with the impacts of lower volume and higher raw material costs being mitigated by lower maintenance and operation sequentially.

→ **Moulded pulp:** weaker sequential results following maintenance shutdowns in our US facilities during the quarter. Despite strong demand, these operational challenges and labour challenges limited shipments in the quarter. Energy and production costs were also headwinds in the quarter sequentially.

→ **Rigid and flexible plastics:** slightly softer sequential results reflected the impact that a less favourable sales mix had on spread. These effects were partially offset by higher volumes and lower maintenance costs sequentially.

## Quarterly Sales



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# TISSUE PAPERS

<b>Results</b>	<b>Change vs.</b>		
	Q3 2023	Q2 2023	Q3 2022
<b>Shipments ('000 s.t.)</b>			
134	—%	—%	
<b>Average selling price</b>			
(CAN\$/unit)			
3,138	1%	10%	
<b>Sales (M\$)</b>			
422	1%	10%	
<b>EBITDA (A)<sup>1</sup> (M\$)</b>			
61	39%	1,425%	
% of sales			
14.5%			

## Comments on sequential performance

- ➔ Shipments were stable on a sequential basis. This reflects the combined impact of a 5% increase converted products shipments, and lower parent rolls shipments (-24%), the latter of which reflects the previously announced closure of the St. Helens, OR mill. Given this, the integration rate increased 4% to 87%. Away-from-Home converted product shipments increased by 4% sequentially, while those of retail products increased by 6%.
- ➔ The average selling price increased by 1% sequentially, with the positive impact of a lower proportion of parent rolls in the sales mix partially offset by a less favourable sales mix of converted products, and slightly lower average selling price of converted products due to pricing model agreements with key customers.
- ➔ All in all, sales increased by 1% on a sequential basis.
- ➔ EBITDA (A)<sup>1</sup> increased by \$17 M sequentially. This is a reflection of lower raw material costs (+\$15 M), a decrease of fixed costs related to plant closures (+\$6 M), better sales mix (+\$3 M) and lower freight costs (+\$1 M). These benefits were partially offset by lower average selling prices (-\$7 M) and higher energy costs (-\$1 M).

## Cases Sold (millions)

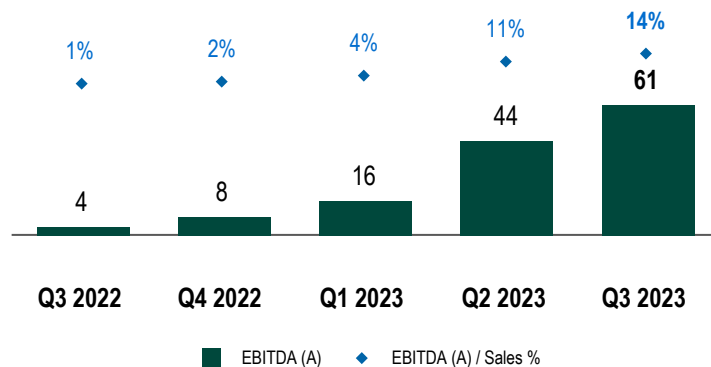
Q1 2022	Q2 2022	Q3 2022	Q4 2022	2022	Q1 2023	Q2 2023	Q3 2023	LTM Q3 2023
13.8	14.7	15.5	14.8	58.8	14.5	15.6	16.5	61.3



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# TISSUE PAPERS

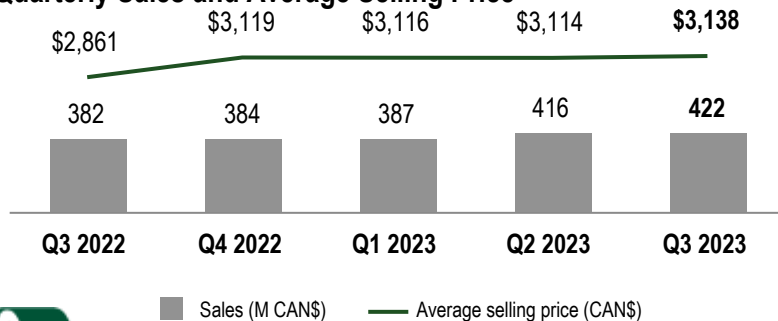
## Quarterly EBITDA (A)<sup>1</sup> (M CAN\$)



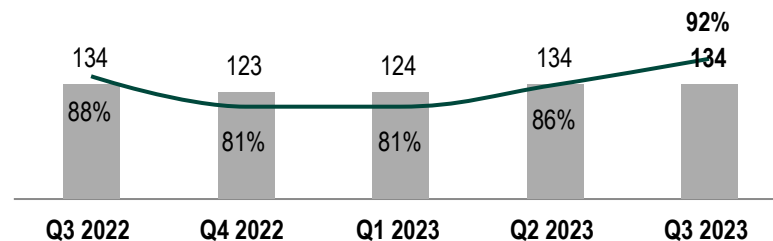
→ Good demand for Retail tissue products (shipments +8.6% YoY, +6.2% QoQ), while demand levels for Away-from-Home tissue products improved sequentially but were below last year (shipments -2.3% YoY, +3.9% QoQ).

→ Repositioning of this segments' operating platform to strengthen its operational, financial and environmental performance, announced in April 2023, is progressing well. The Company is very pleased with the benefits being realized from these wide-ranging measures in recent months, which included the closure of underperforming assets and other profitability, efficiency and productivity initiatives.

## Quarterly Sales and Average Selling Price

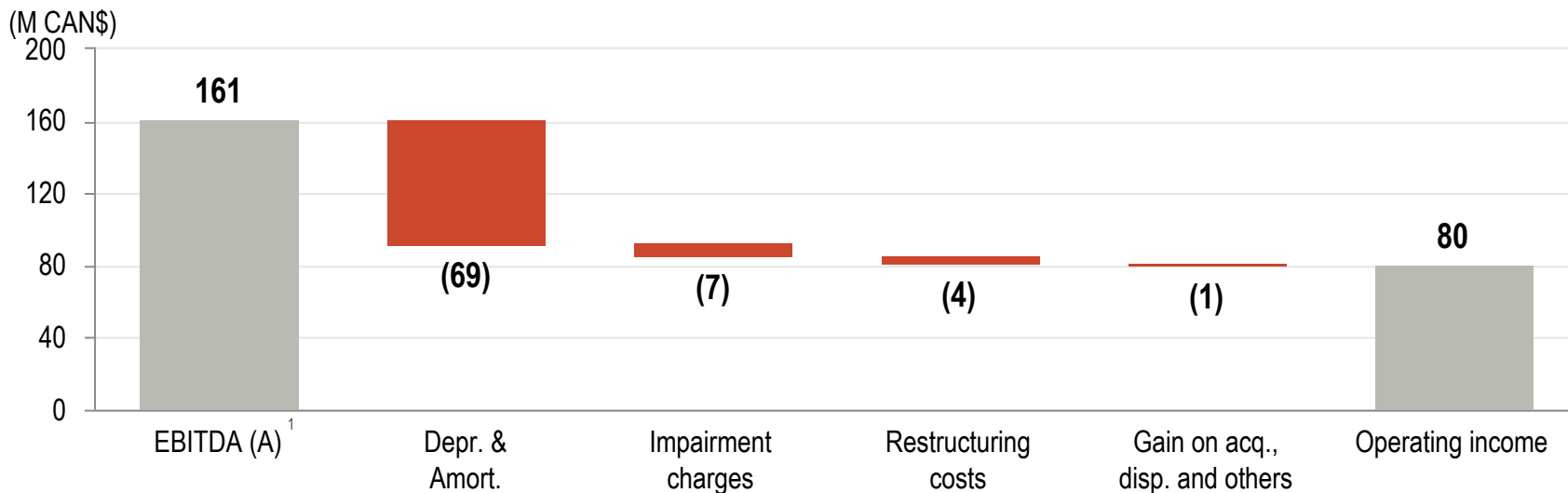


## Quarterly Shipments ('000 s.t. and % capacity utilization<sup>2</sup>)



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# Q3 2023 EBITDA (A)<sup>1</sup> TO OPERATING INCOME RECONCILIATION



(M CAN\$)	Container-board	Specialty Products	Tissue Papers	Corporate, Recovery and Recycling activities	Total
<b>Operating income (loss)</b>	<b>61</b>	<b>13</b>	<b>38</b>	<b>(32)</b>	<b>80</b>
Depreciation and amortization	38	6	15	10	69
Impairment charges	2	—	5	—	7
Gain on acquisitions, disposals and others	—	1	—	—	1
Restructuring costs	—	1	3	—	4
<b>EBITDA (A)<sup>1</sup></b>	<b>101</b>	<b>21</b>	<b>61</b>	<b>(22)</b>	<b>161</b>

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# NET EARNINGS - As reported vs adjusted<sup>2</sup>

	NET EARNINGS	NET EARNINGS PER COMMON SHARE <sup>1</sup>
(In millions of Canadian dollars, except per common share amounts)	Q3 2023	Q3 2023
<b>As reported</b>	<b>34</b>	<b>\$0.34</b>
Specific items:		
Impairment charges	7	\$0.05
Gain on acquisitions, disposals and others	1	—
Restructuring costs	4	\$0.03
Foreign exchange loss on long-term debt & financial instruments	2	\$0.02
Tax effect on specific items, other tax adjustments and attributable to non-controlling interests <sup>1</sup>	(3)	—
	<b>11</b>	<b>\$0.10</b>
<b>Adjusted<sup>2</sup></b>	<b>45</b>	<b>\$0.44</b>

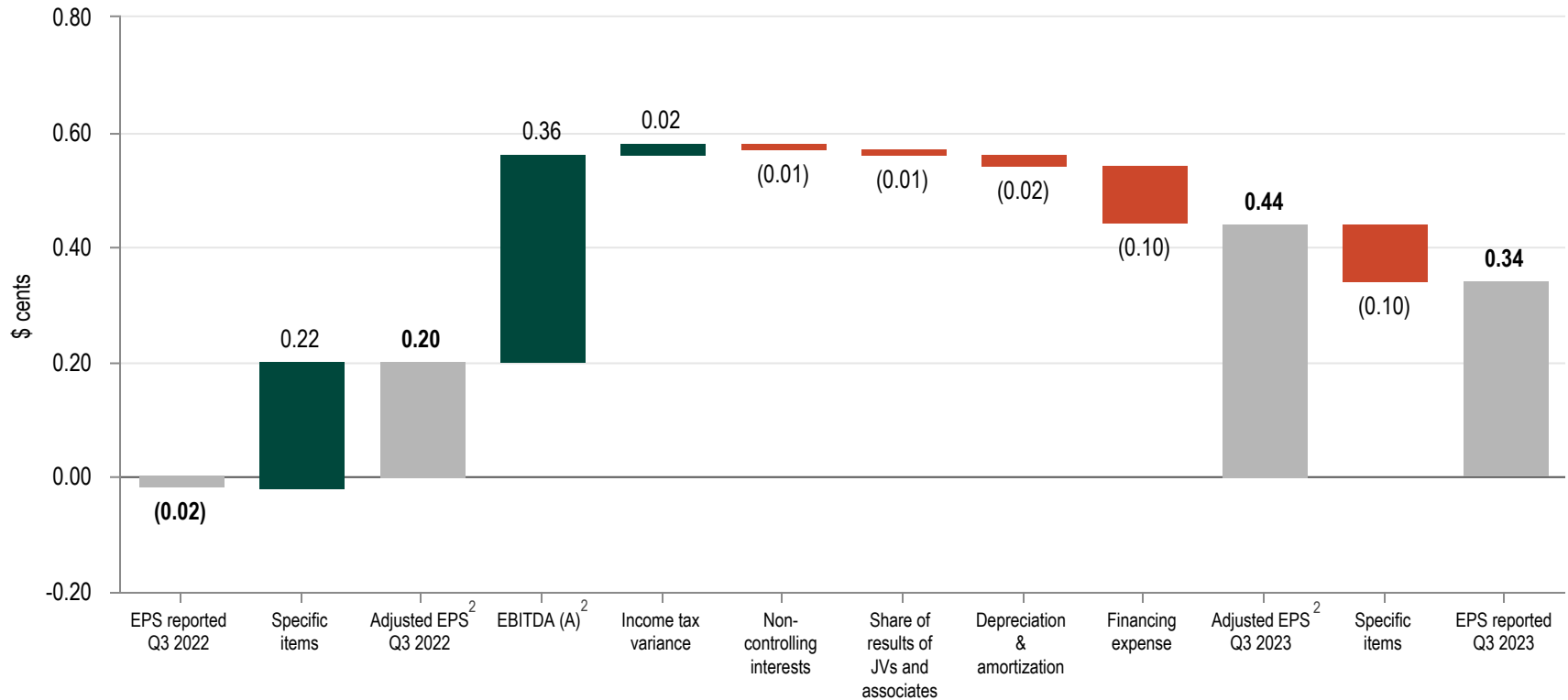


(1) Specific amounts per share are calculated on an after-tax basis and are net of the portion attributable to non-controlling interest.

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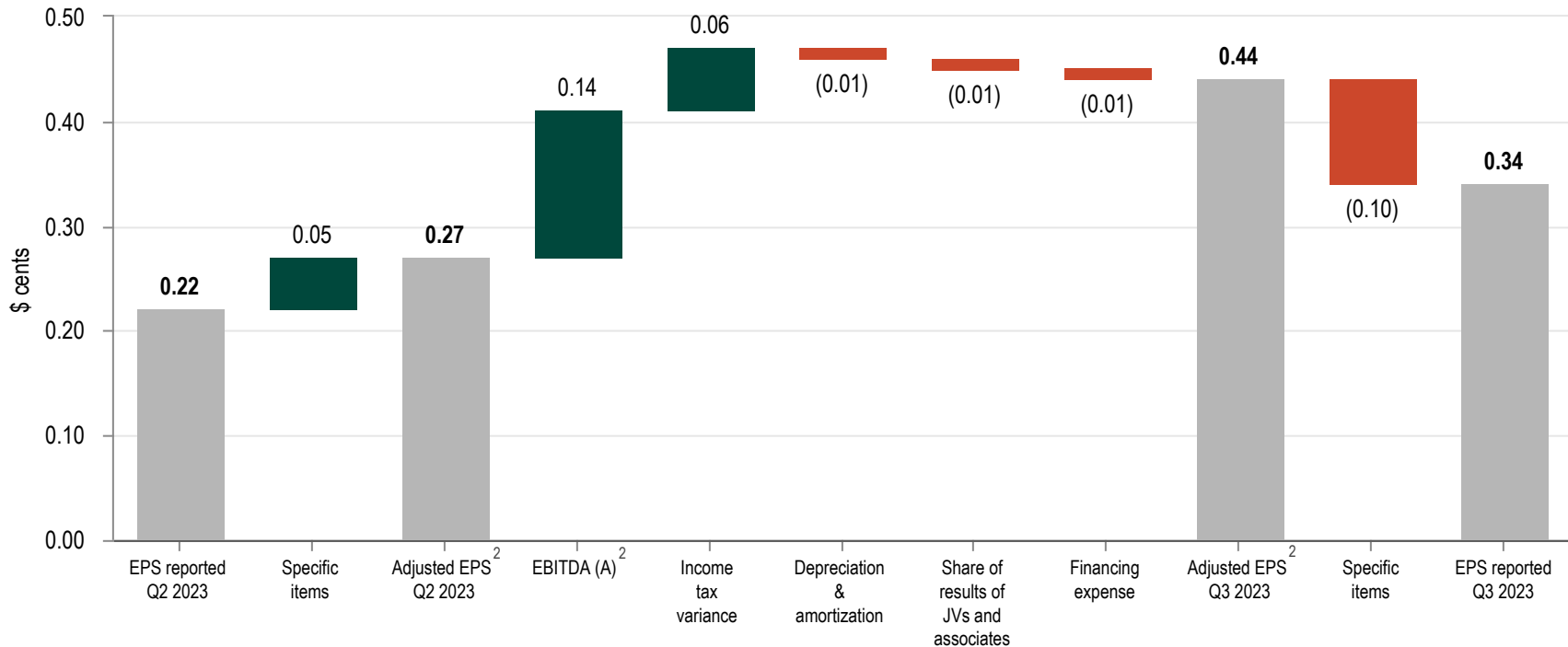
# QUARTERLY YEAR-OVER-YEAR ADJUSTED EPS VARIANCE<sup>1,2</sup>



(1) After-tax variance normalized at 26% tax rate, except for Income tax variance column.

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# QUARTERLY SEQUENTIAL ADJUSTED EPS VARIANCE<sup>1,2</sup>



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# CASH FLOW OVERVIEW

(In millions of CAN\$, except per common share amounts)	2021					2022					2023				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	YTD <sup>4</sup>	LTM <sup>5</sup>
Cash flow from operations	82	87	58	20	247	19	81	60	100	260	89	117	109	315	415
Specific items <sup>1</sup>	4	2	12	31	49	7	—	2	3	12	1	5	6	12	15
Adjusted cash flow from operations <sup>2</sup>	86	89	70	51	296	26	81	62	103	272	90	122	115	327	430
<i>Including: Net financing expense paid</i>	(40)	(4)	(41)	(11)	(96)	(30)	(4)	(38)	(15)	(87)	(44)	(18)	(47)	(109)	(124)
Payments for property, plant and equipment & other assets, lease obligations payments, net of disposals	(87)	(83)	(19)	(106)	(295)	(110)	(131)	(135)	(166)	(542)	(153)	(118)	(71)	(342)	(508)
Dividends <sup>3</sup>	(12)	(11)	(16)	(16)	(55)	(16)	(14)	(15)	(16)	(61)	(15)	(18)	(36)	(69)	(85)
Adjusted cash flow generated (used) <sup>2</sup>	(13)	(5)	35	(71)	(54)	(100)	(64)	(88)	(79)	(331)	(78)	(14)	8	(84)	(163)
Adjusted cash flow generated (used) per common share <sup>2</sup>	(\$0.13)	(\$0.05)	\$0.34	(\$0.70)	(\$0.53)	(\$0.99)	(\$0.64)	(\$0.87)	(\$0.79)	(\$3.29)	(\$0.78)	(\$0.14)	\$0.08	(\$0.84)	(\$1.62)

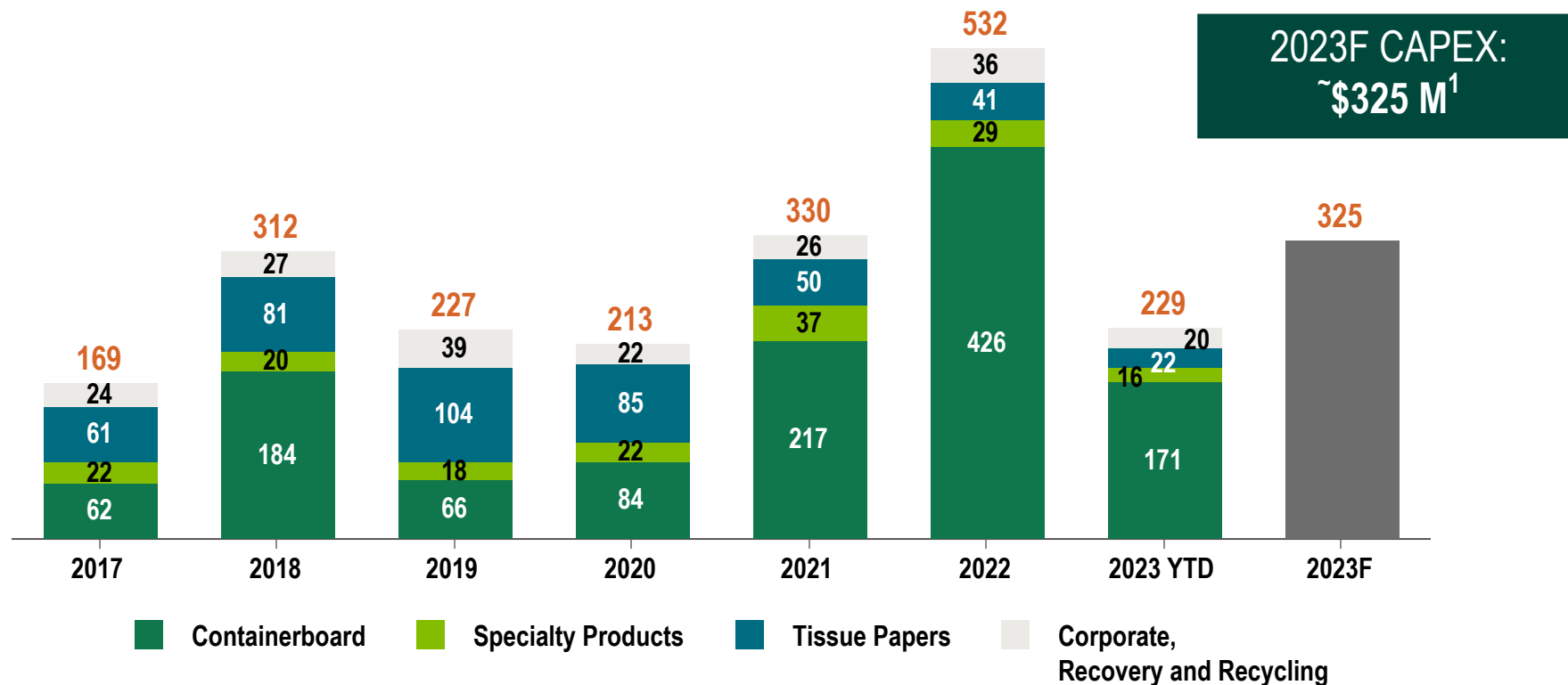
**The year-over-year increase in Adjusted Cash Flow<sup>2</sup> was driven by improved profitability levels, offset by higher interest paid in the current period.**

(1) Specific items: premiums paid on the repurchase of long-term debt and restructuring costs. (2) Please click [here](#) for supplemental information on non-IFRS measures and other financial measures available on pages 28 to 33 of our 2023 Quarterly Report 3, Management Discussion & Analysis, available on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca). (3) Paid to our shareholders and to non-controlling interests. (4) YTD : Year-to-date. (5) LTM : Last twelve months.



# NEW CAPITAL INVESTMENTS

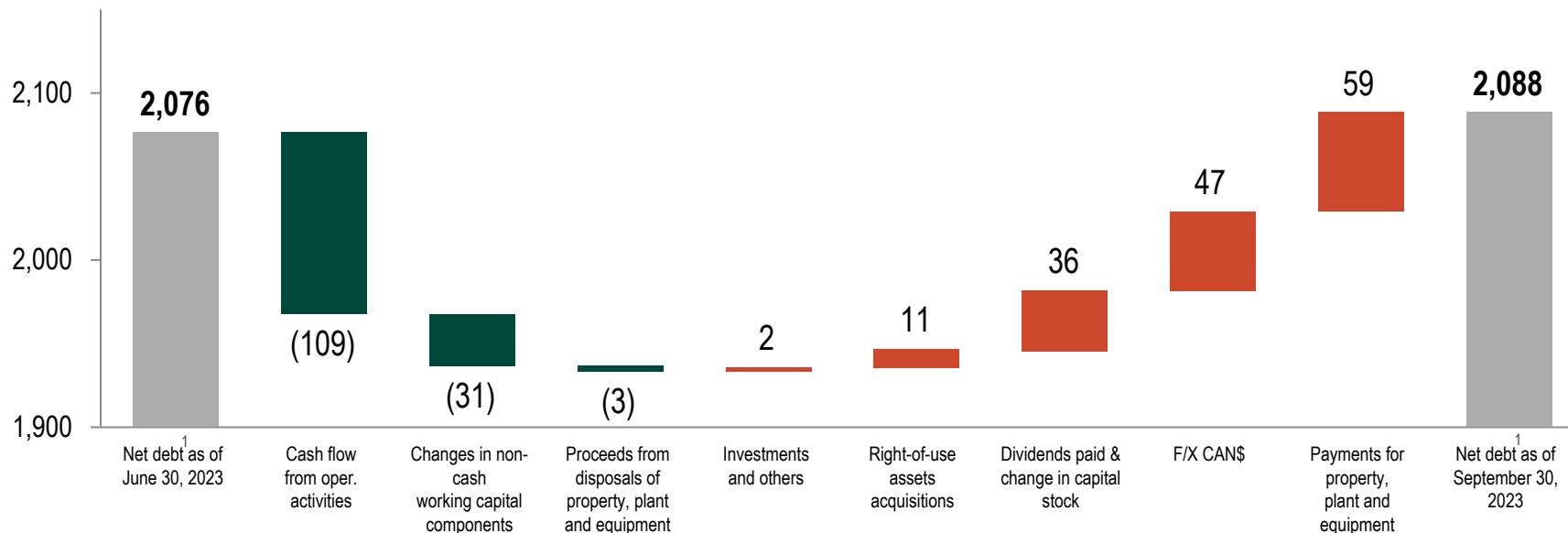
(in millions of Canadian dollars, excluding new leases, disposal of assets and accounts payable variation)



(1) Amount is subject to change depending on business and/or economic conditions.

# NET DEBT<sup>1</sup> RECONCILIATION - Q3 2023

(M CAN\$)



**Q2 2023**

\$502 million  
4.1x

LTM EBITDA (A)<sup>1</sup>  
Net debt / LTM EBITDA (A) ratio<sup>1</sup>

**Q3 2023**

\$552 million  
3.8x

**Lower leverage reflects stronger cash flow from operations and working capital improvement, offset by exchange rate and investments for Bear Island.**

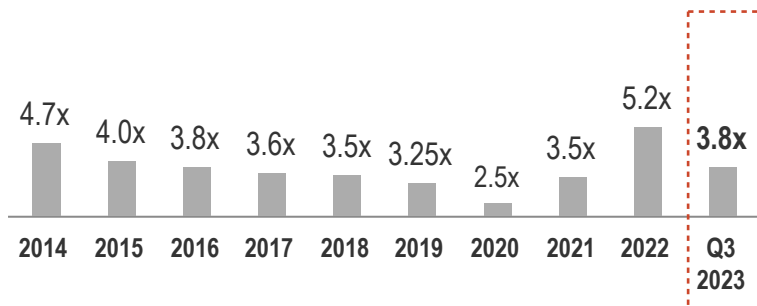


(1) Please click [here](#) for supplemental information on non-IFRS measures and other financial measures available on pages 28 to 33 of our 2023 Quarterly Report 3, Management Discussion & Analysis, available on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca).

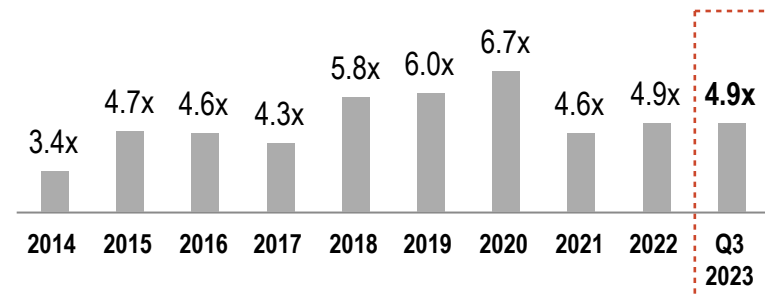


# CONSOLIDATED FINANCIAL RATIOS & DEBT MATURITIES

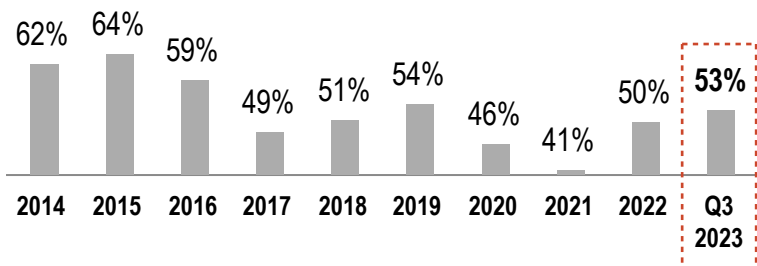
## Net Debt / EBITDA (A)<sup>1,3</sup>



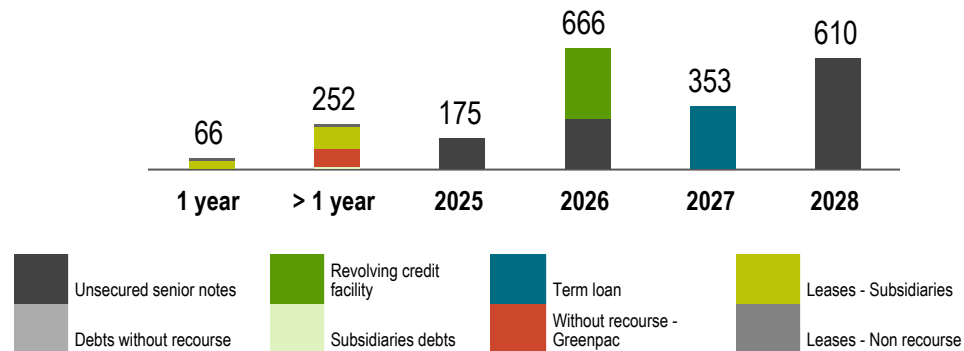
## Interest Coverage Ratio<sup>2,3</sup>



## Net Debt / Net Debt + Total Equity<sup>1</sup>



## Long-Term Debt Maturities (as of September 30, 2023)

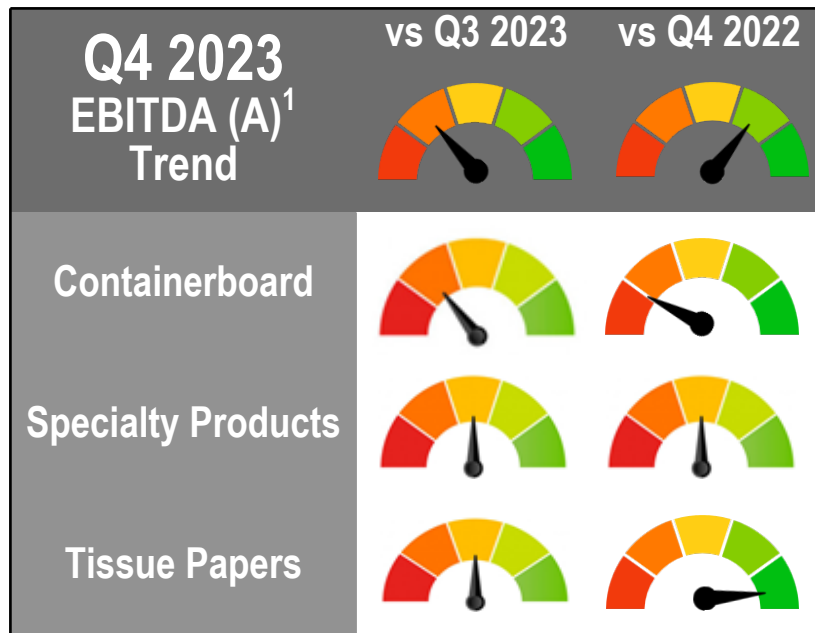


Bank debt financial covenant ratios: Net funded debt to capitalization < 65% (currently at 49.55%), interest coverage ratio > 2.25x (currently at 4.55x).

(1) Please click [here](#) for supplemental information on non-IFRS measures and other financial measures available on pages 28 to 33 of our 2023 Quarterly Report 3, Management Discussion & Analysis, available on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca). (2) EBITDA (A)<sup>1</sup> to financing expense. (3) Pro-forma up to 2018 to include business acquisitions on a LTM basis, if applicable.



# NEAR TERM FACTORS



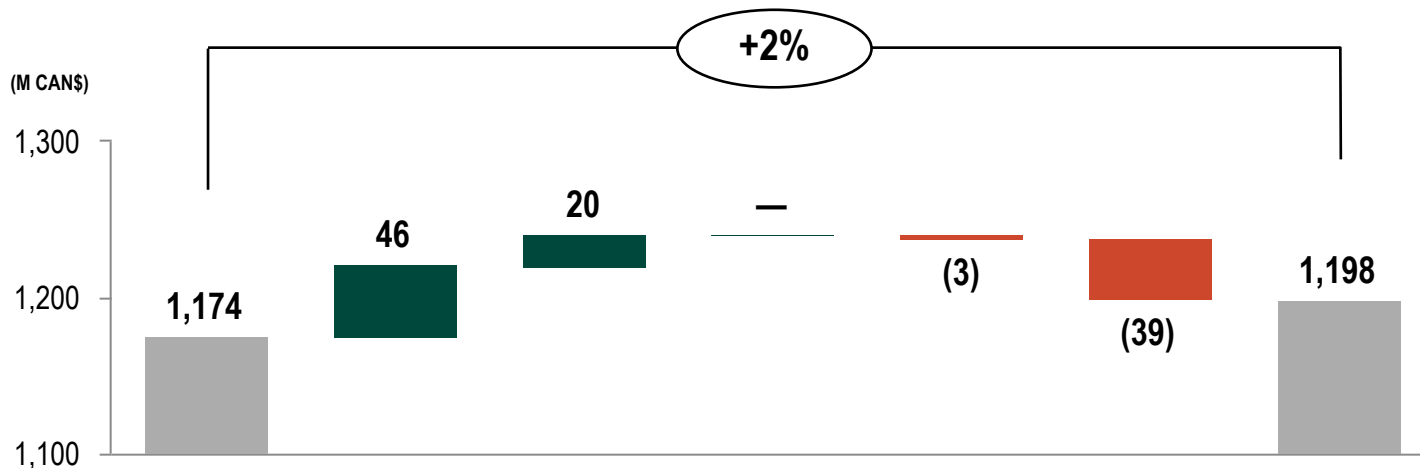
- **Containerboard:** Sequential performance forecast to decrease, reflecting higher raw material costs, lower average selling price and usual seasonal softer volume; YoY results also expected to decrease due to higher raw material costs, lower average selling prices and cost inflation impact.
- **Specialty Products:** QoQ results expected to be stable reflecting usual seasonal volumes, largely stable selling prices and raw material costs, and improved production capacity and efficiency in several sub-segments; YoY results expected to be stable.
- **Tissue:** Q4 results expected to be stable QoQ, supported by profitability initiatives, stable volume and lower raw material and energy costs; Stronger results expected YoY, reflecting price increases and other productivity optimization initiatives and lower raw material costs.
- **Corporate, Recovery and Recycling activities:** Stable QoQ, and improvement YoY.



# APPENDIX



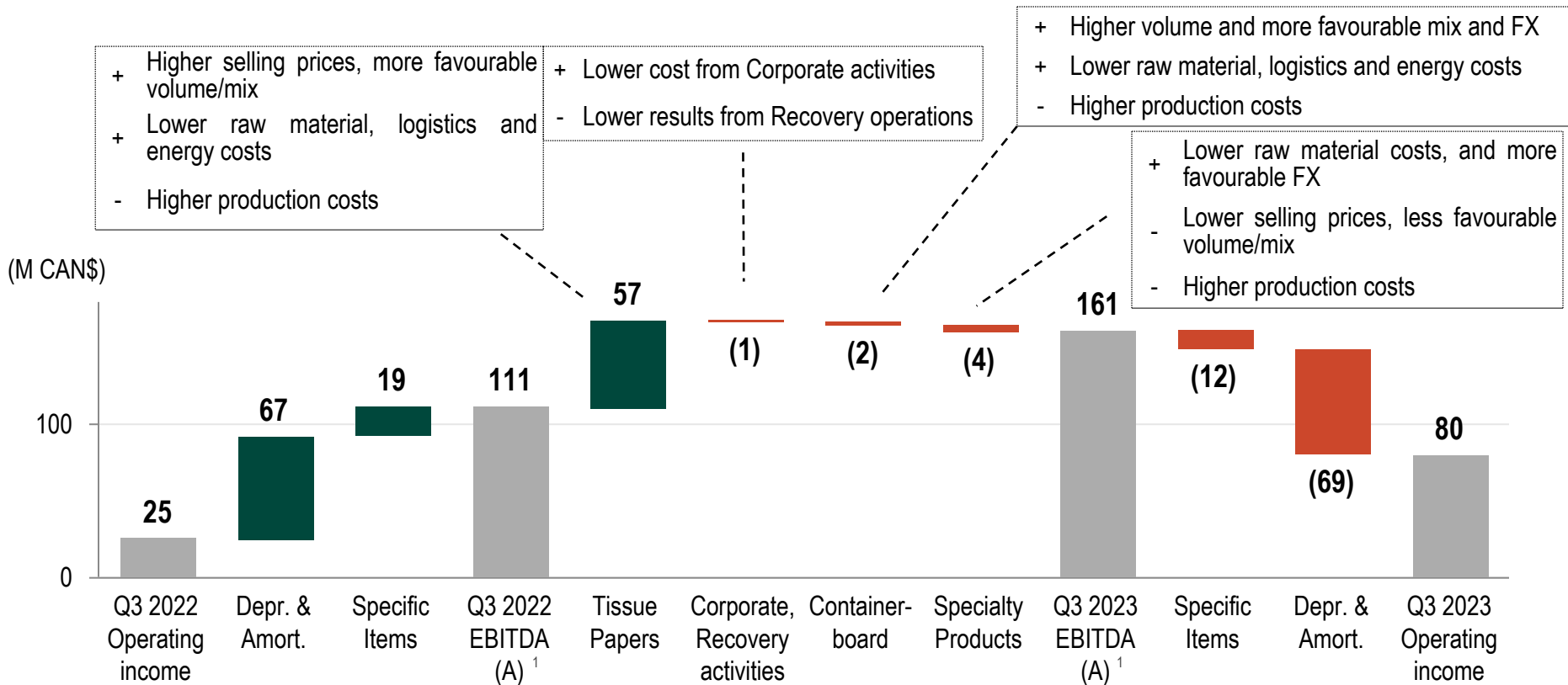
# YEAR-OVER-YEAR SALES RECONCILIATION



(M CAN\$)	Sales Q3 2022	Volume	F/X CAN\$	Mix	Recovery & Recycling & Other items	Price	Sales Q3 2023
Containerboard	595	58	10	(9)	—	(61)	593
Specialty Products	168	(12)	3	—	—	(2)	157
Tissue Papers	382	—	7	9	—	24	422
Corporate, Recovery and Recycling activities & Elim.	29	—	—	—	(3)	—	26
<b>Total</b>	<b>1,174</b>	<b>46</b>	<b>20</b>	<b>—</b>	<b>(3)</b>	<b>(39)</b>	<b>1,198</b>

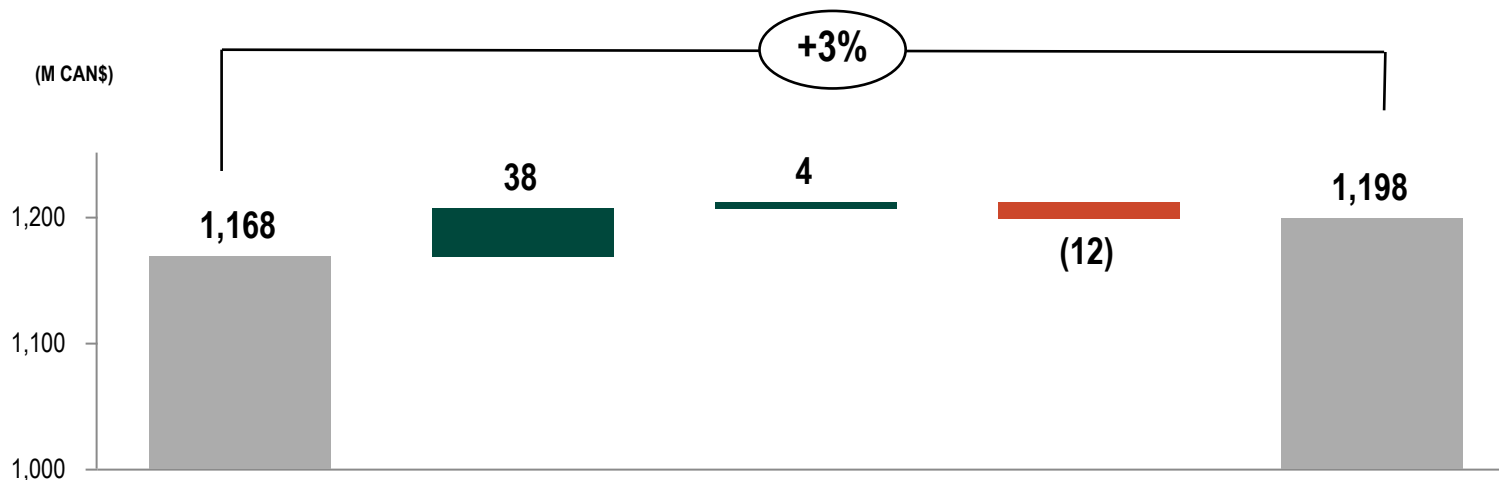


# YEAR-OVER-YEAR EBITDA (A)<sup>1</sup> RECONCILIATION



(1) Please click [here](#) for supplemental information on non-IFRS measures and other financial measures available on pages 28 to 33 of our 2023 Quarterly Report 3, Management Discussion & Analysis, available on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca).

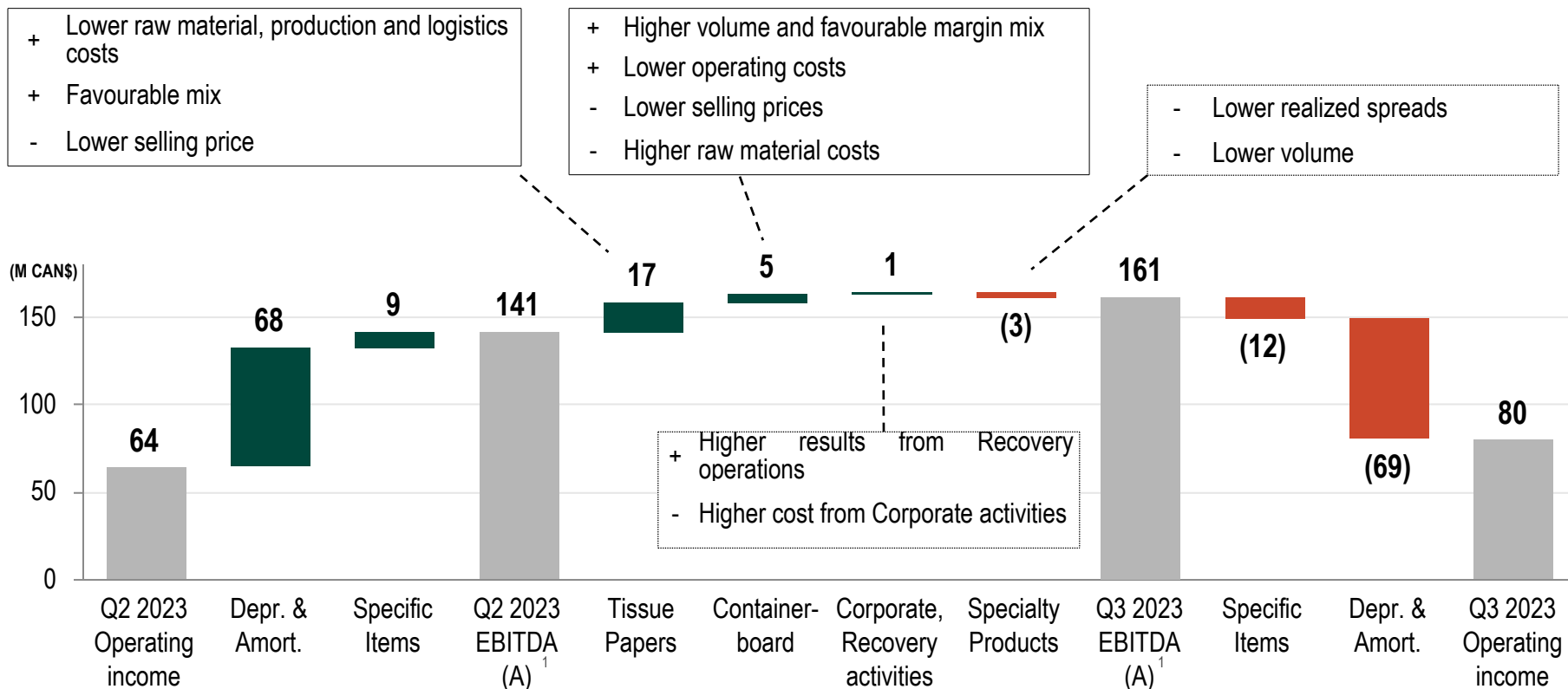
# SEQUENTIAL SALES RECONCILIATION



(M CAN\$)	Sales Q2 2023	Volume	Mix	Price	Sales Q3 2023
Containerboard	562	45	(9)	(5)	593
Specialty Products	164	(7)	—	—	157
Tissue Papers	416	—	13	(7)	422
Corporate, Recovery and Recycling activities & Elim.	26	—	—	—	26
<b>Total</b>	<b>1,168</b>	<b>38</b>	<b>4</b>	<b>(12)</b>	<b>1,198</b>



# SEQUENTIAL EBITDA (A)<sup>1</sup> RECONCILIATION



(1) Please click [here](#) for supplemental information on non-IFRS measures and other financial measures available on pages 28 to 33 of our 2023 Quarterly Report 3, Management Discussion & Analysis, available on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca).

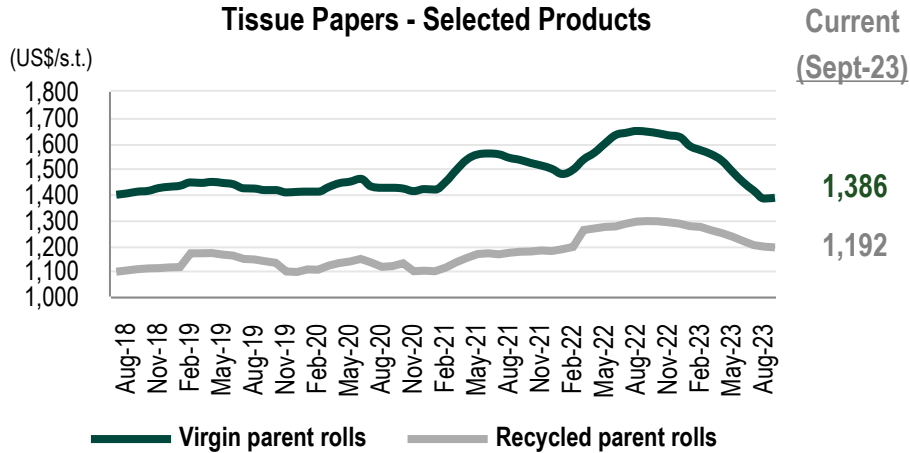
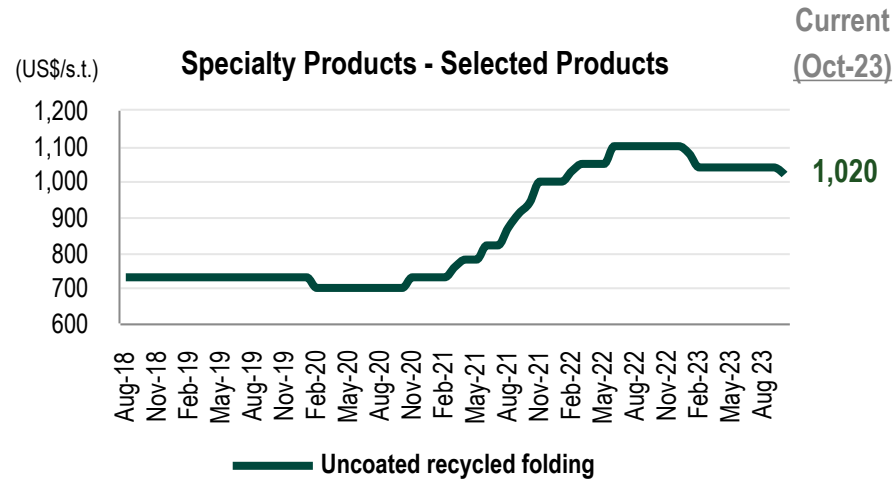
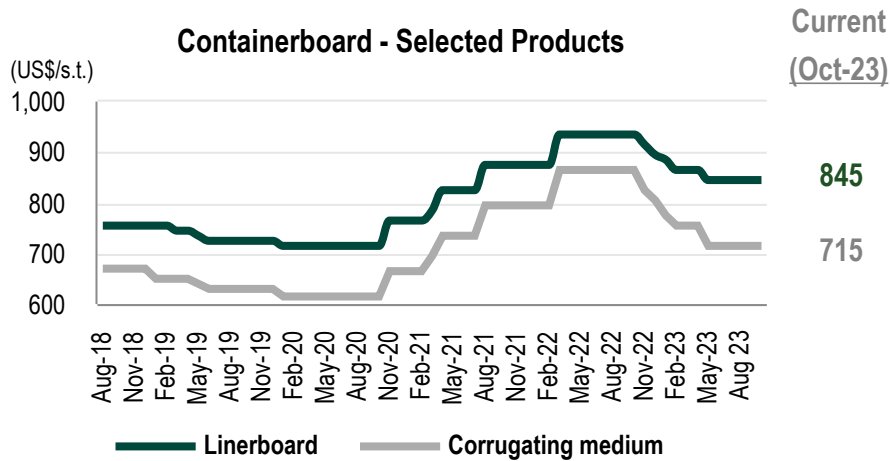
# COST OF SALES SELLING AND ADMINISTRATIVE EXPENSES

(In millions of Canadian dollars)	Q3 2023	Q2 2023	Q3 2022
<b>Cost of sales</b>			
Raw materials	419	396	440
Wages and benefits	192	194	171
Energy	57	58	65
Delivery	135	131	149
Other	151	162	150
Depreciation and amortization	69	68	67
	<b>1,023</b>	<b>1,009</b>	<b>1,042</b>
<b>Selling and administrative expenses</b>			
Wages and benefits	74	76	74
Information technology, publicity, marketing and other	9	10	14
	<b>83</b>	<b>86</b>	<b>88</b>





# SELECTED REFERENCE PRICES



Source: RSI

# SELECTED REFERENCE PRICES AND FIBRE COSTS

	2021					2022					2023			Q3 2023 vs. Q3 2022		Q3 2023 vs. Q2 2023	
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	(units)	(%)	(units)	(%)
These indexes should only be used as an indicator of trends and they may be different than our actual selling prices or purchasing costs.																	
<b>Selling Prices (average)</b>																	
<b>PACKAGING PRODUCTS</b>																	
<b>Containerboard (US\$/short ton)</b>																	
Linerboard 42-lb. unbleached kraft, Eastern US (open market)	772	825	858	875	833	895	935	935	915	920	872	852	845	(90)	(10%)	(7)	(1%)
Corrugating medium 26-lb. semichemical, Eastern US (open market)	675	735	775	795	745	818	865	865	832	845	762	728	715	(150)	(17%)	(13)	(2%)
<b>Specialty Products (US\$/short ton)</b>																	
Uncoated recycled boxboard - bending chip, 20-pt. (series B)	740	793	867	980	845	1,027	1,067	1,100	1,100	1,073	1,053	1,040	1,040	(60)	(5%)	—	—%
<b>TISSUE PAPERS (US\$/short ton)</b>																	
Parent rolls, recycled fibres (transaction)	1,115	1,159	1,170	1,178	1,156	1,213	1,271	1,291	1,290	1,266	1,269	1,233	1,196	(95)	(7%)	(37)	(3%)
Parent rolls, virgin fibres (transaction)	1,453	1,550	1,544	1,511	1,515	1,504	1,597	1,644	1,631	1,594	1,572	1,489	1,394	(250)	(15%)	(95)	(6%)
<b>Raw Material Prices (average)</b>																	
<b>RECYCLED PAPER</b>																	
<b>North America (US\$/short ton)</b>																	
Sorted residential papers, No. 56 (SRP - Northeast average)	44	59	108	108	80	98	107	98	23	81	18	18	28	(70)	(71%)	10	56%
Old corrugated containers, No. 11 (OCC - Northeast average)	79	102	162	167	127	140	137	109	35	105	33	47	59	(50)	(46%)	12	26%
Sorted office papers, No. 37 (SOP - Northeast average)	94	117	153	173	134	205	235	252	248	235	222	183	142	(110)	(44%)	(41)	(22%)
<b>VIRGIN PULP (US\$/metric ton)</b>																	
Northern bleached softwood kraft, Canada	1,302	1,598	1,542	1,472	1,478	1,527	1,743	1,800	1,745	1,704	1,675	1,510	1,293	(507)	(28%)	(217)	(14%)
Bleached hardwood kraft, mixed, Canada/US	1,037	1,297	1,320	1,262	1,229	1,312	1,517	1,620	1,608	1,514	1,523	1,277	1,023	(597)	(37%)	(254)	(20%)



Source: RISI



**For more information:**

[www.cascades.com/investors](http://www.cascades.com/investors)

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