

PRESS RELEASE



Cascades Inc.
404 Marie-Victorin Blvd.
Kingsey Falls, Québec J0A 1B0
Canada
www.cascades.com

Telephone: 819-363-5100
Fax: 819-363-5155

Cascades Reports Results for the First Quarter of 2024

Kingsey Falls, Québec, May 9, 2024 - Cascades Inc. (TSX: CAS) reports its unaudited financial results for the three-month period ended March 31, 2024.

Q1 2024 Highlights

- Sales of \$1,109 million (compared with \$1,138 million in Q4 2023 and \$1,134 million in Q1 2023);
- Operating income of \$9 million (compared with operating loss of \$(24) million in Q4 2023 and operating loss of \$(80) million in Q1 2023);
- Net loss per common share of \$(0.20) (compared with \$(0.57) in Q4 2023 and \$(0.75) in Q1 2023);
- Adjusted earnings before interest, taxes, depreciation and amortization (EBITDA (A)¹) of \$103 million (compared with \$122 million in Q4 2023 and \$134 million in Q1 2023);
- Adjusted net earnings (loss) per common share¹ of \$0.00 (compared with adjusted net earnings per common share¹ of \$0.05 in Q4 2023 and adjusted net earnings per common share¹ of \$0.32 in Q1 2023);
- Net debt¹ of \$2,020 million as of March 31, 2024 (compared with \$1,882 million as of December 31, 2023). Net debt to EBITDA (A) ratio¹ of 3.8x, up from 3.4x as of December 31, 2023;
- On April 12, 2024, the Corporation entered into a \$175 million delayed draw unsecured term loan credit facility to manage upcoming maturities;
- Total capital expenditures, net of disposals, of \$41 million in Q1 2024, compared to \$46 million in Q4 2023 and \$137 million in Q1 2023. The Corporation's 2024 forecasted net capital expenditures of approximately \$175 million is unchanged.

Mario Plourde, President and CEO, commented: "First quarter 2024 results met expectations, considering the context of elevated raw material prices, and ongoing inflationary pressure on operational costs. Sequentially, Tissue Papers executed well, with increased average selling prices partially offsetting the impacts from higher maintenance costs and softer seasonal volumes. Results in Containerboard decreased from the previous quarter, as spreads remained under pressure due to cost headwinds, most noticeably in raw materials and energy, and lower selling prices prior to the implementation of published index price increases effective in the second quarter. The softer results similarly reflect costs associated with the Trenton mill, which ceased operations at the end of January prior to its permanent closure at the end of February. Conversely, Specialty Products had a solid quarter, driven by favourable sequential raw material and selling prices, and operational cost benefits reflecting efficiency and productivity initiatives. Lower consolidated profitability levels, higher seasonal working capital requirements and a less favourable exchange rate during the quarter resulted in our leverage ratio¹ increasing to 3.8x from 3.4x at the end of 2023."

Discussing near-term outlook, Mr. Plourde commented, "Consolidated second quarter results are expected to be stronger sequentially, driven by improved performance in our Containerboard segment as index price increases are implemented, and stable results in the Tissue Papers and Specialty Packaging businesses. We are continuing to advance the Bear Island facility ramp-up. It is progressing well, and we are pleased that the mill has achieved production levels above its rated daily capacity on several occasions. Broadly, we are cautiously optimistic for near-term volumes in our packaging businesses given continued economic uncertainty, and remain focused on profitability, efficiency and productivity initiatives and the ramp-up of Bear Island to create value throughout our operations."

¹ Some information represents non-IFRS Accounting Standards Financial measures, other financial measures or non-IFRS Accounting Standards ratios which are not standardized under IFRS Accounting Standards and therefore might not be comparable to similar financial measures disclosed by other corporations. Please refer to the "Supplemental Information on Non-IFRS Accounting Standards Measures and Other Financial Measures" section for a complete reconciliation.

Financial Summary

Selected consolidated information

(in millions of Canadian dollars, except amounts per common share) (unaudited)

	Q1 2024	Q4 2023	Q1 2023
Sales	1,109	1,138	1,134
As Reported			
Operating income (loss)	9	(24)	(80)
Net loss	(20)	(57)	(75)
per common share (basic)	(\$0.20)	(\$0.57)	(\$0.75)
Adjusted¹			
Earnings before interest, taxes, depreciation and amortization (EBITDA (A))	103	122	134
Net earnings (loss)	—	5	33
per common share (basic)	\$—	\$0.05	\$0.32
Margin (EBITDA (A) / Sales)	9.3%	10.7%	11.8%

Segmented sales

(in millions of Canadian dollars) (unaudited)

	Q1 2024	Q4 2023	Q1 2023
Packaging Products			
Containerboard	556	561	561
Specialty Products	160	160	161
Inter-segment sales	(7)	(8)	(7)
	709	713	715
Tissue Papers	367	390	387
Inter-segment sales, Corporate, Recovery and Recycling activities	33	35	32
Sales	1,109	1,138	1,134

Segmented operating income (loss)

(in millions of Canadian dollars) (unaudited)

	Q1 2024	Q4 2023	Q1 2023
Packaging Products			
Containerboard	(7)	(33)	38
Specialty Products	19	13	21
Tissue Papers	31	34	(92)
Corporate, Recovery and Recycling activities	(34)	(38)	(47)
Operating income (loss)	9	(24)	(80)

Segmented EBITDA (A)¹

(in millions of Canadian dollars) (unaudited)

	Q1 2024	Q4 2023	Q1 2023
Packaging Products			
Containerboard	50	67	126
Specialty Products	25	19	27
Tissue Papers	50	61	16
Corporate, Recovery and Recycling activities	(22)	(25)	(35)
EBITDA (A)¹	103	122	134

¹ Please refer to the "Supplemental Information on Non-IFRS Accounting Standards Measures and Other Financial Measures" section for a complete reconciliation.

Analysis of results for the three-month period ended March 31, 2024 (compared to the same period last year)

The first quarter sales of \$1,109 million decreased by \$25 million compared with the same period last year. This decrease was driven by a \$64 million impact from lower selling prices in all of our business segments. This was partially offset by a \$23 million benefit from a more favourable sales mix in the Tissue segment, and a \$16 million benefit from higher volume, the latter of which was a net result of a \$46 million volume benefit in our packaging businesses and a \$30 million negative volume impact in our Tissue business that reflects operational platform changes including closures completed in the past year.

The first quarter EBITDA (A)¹ totaled \$103 million, a decrease of \$31 million, or 23%, from the \$134 million generated in the same period last year. This decrease was largely driven by lower selling prices, primarily in the Containerboard segment, and higher raw material costs in our packaging businesses, the effects of which were partially offset by stronger volumes in these businesses. Production and freight costs were a headwind in Containerboard but were a tailwind for the Tissue Papers business, largely attributable to the optimization of this segment's operational base.

The main specific items, before income taxes, that impacted our first quarter 2024 operating income and/or net loss were:

- \$28 million of impairment charges on assets, restructuring costs and other costs related to the closure of plants in Canada and the USA (operating income and net loss);
- \$1 million unrealized gain on financial instruments (operating income and net loss);
- \$2 million unrealized gain on interest rate swaps (net loss);
- \$1 million foreign exchange loss on long-term debt and financial instruments (net loss);

For the three-month period ended March 31, 2024, the Corporation posted a net loss of \$(20) million, or (\$0.20) per common share, compared to a net loss of \$(75) million, or (\$0.75) per common share, in the same period of 2023. On an adjusted basis¹, the Corporation posted a net loss of less than a million dollars in the first quarter of 2024, or \$0.00 per common share, compared to net earnings of \$33 million, or \$0.32 per common share, in the same period of 2023.

¹ Please refer to the "Supplemental Information on Non-IFRS Accounting Standards Measures and Other Financial Measures" section for a complete reconciliation.

Dividend on common shares and normal course issuer bid

The Board of Directors of Cascades declared a quarterly dividend of \$0.12 per common share to be paid on June 6, 2024 to shareholders of record at the close of business on May 23, 2024. This dividend is an "eligible dividend" as per the Income Tax Act (R.C.S. (1985), Canada). During the first quarter of 2024, Cascades purchased no common shares for cancellation.

2024 First Quarter Results Conference Call Details

Management will discuss the 2024 first quarter financial results during a conference call today at 9:00 a.m. ET. The call can be accessed by dialing 1-888-390-0620 (international 1-416-764-8651). The conference call, including the investor presentation, will be broadcast live on the Cascades website (www.cascades.com) under the "Investors" section. A replay of the call will be available on the Cascades website and may also be accessed by phone until June 9, 2024 by dialing 1-888-390-0541 (international 1-416-764-8677), access code 655937.

Founded in 1964, Cascades offers sustainable, innovative and value-added packaging, hygiene and recovery solutions. The company employs approximately 9,800 women and men across a network of close to 70 facilities in North America. Driven by its participative management, half a century of experience in recycling, and continuous research and development efforts, Cascades continues to provide innovative products that customers have come to rely on, while contributing to the well-being of people, communities and the entire planet. Cascades' shares trade on the Toronto Stock Exchange under the ticker symbol CAS. Certain statements in this release, including statements regarding future results and performance, are forward-looking statements 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 the Corporation's products, increases in raw material costs, fluctuations in selling prices and adverse changes in general market and industry conditions and other factors.

CONSOLIDATED BALANCE SHEETS

(in millions of Canadian dollars) (unaudited)	March 31, 2024	December 31, 2023
Assets		
Current assets		
Cash and cash equivalents	31	54
Accounts receivable	469	453
Current income tax assets	11	12
Inventories	645	568
Current portion of financial assets	—	1
	1,156	1,088
Long-term assets		
Investments in associates and joint ventures	98	94
Property, plant and equipment	2,770	2,808
Intangible assets with finite useful life	51	55
Financial assets	1	—
Other assets	83	78
Deferred income tax assets	169	167
Goodwill and other intangible assets with indefinite useful life	488	482
	4,816	4,772
Liabilities and Equity		
Current liabilities		
Bank loans and advances	2	—
Trade and other payables	654	703
Current income tax liabilities	3	6
Current portion of Unsecured senior notes of \$175 million to be refinanced	175	—
Current portion of long-term debt	58	67
Current portion of provisions for contingencies and charges	22	14
Current portion of financial liabilities and other liabilities	27	29
	941	819
Long-term liabilities		
Long-term debt	1,816	1,869
Provisions for contingencies and charges	63	61
Financial liabilities	2	5
Other liabilities	91	94
Deferred income tax liabilities	134	143
	3,047	2,991
Equity		
Capital stock	613	613
Contributed surplus	16	15
Retained earnings	1,067	1,096
Accumulated other comprehensive income	31	15
Equity attributable to Shareholders	1,727	1,739
Non-controlling interests	42	42
Total equity	1,769	1,781
	4,816	4,772

CONSOLIDATED STATEMENTS OF EARNINGS (LOSS)

For the 3-month periods
ended March 31,

(in millions of Canadian dollars, except per common share amounts and number of common shares) (unaudited)	2024	2023
Sales	1,109	1,134
Supply chain and logistic	668	663
Wages and employee benefits expenses	267	273
Depreciation and amortization	67	62
Maintenance and repair	62	58
Other operational costs	9	6
Impairment charges	2	152
Other loss (gain)	3	(2)
Restructuring costs	23	1
Unrealized loss (gain) on derivative financial instruments	(1)	1
Operating income (loss)	9	(80)
Financing expense	35	23
Share of results of associates and joint ventures	(3)	(12)
Loss before income taxes	(23)	(91)
Recovery of income taxes	(6)	(24)
Net loss including non-controlling interests for the period	(17)	(67)
Net earnings attributable to non-controlling interests	3	8
Net loss attributable to Shareholders for the period	(20)	(75)
Net loss per common share		
Basic	(\$0.20)	(\$0.75)
Diluted	(\$0.20)	(\$0.75)
Weighted average basic number of common shares outstanding	100,703,177	100,361,627
Weighted average number of diluted common shares	101,216,020	100,701,239

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(in millions of Canadian dollars) (unaudited)	For the 3-month periods ended March 31,	
	2024	2023
Net loss including non-controlling interests for the period	(17)	(67)
Other comprehensive income (loss)		
Items that may be reclassified subsequently to earnings		
Translation adjustments		
Change in foreign currency translation of foreign subsidiaries	26	(2)
Change in foreign currency translation related to net investment hedging activities	(10)	1
Cash flow hedges		
Change in fair value of commodity derivative financial instruments	—	(6)
Recovery of income taxes	1	1
	17	(6)
Items that are not released to earnings		
Actuarial gain on employee future benefits	7	1
Provision for income taxes	(2)	—
	5	1
Other comprehensive income (loss)	22	(5)
Comprehensive income (loss) including non-controlling interests for the period	5	(72)
Comprehensive income attributable to non-controlling interests for the period	4	8
Comprehensive income (loss) attributable to Shareholders for the period	1	(80)

CONSOLIDATED STATEMENTS OF EQUITY

For the 3-month period ended March 31, 2024

(in millions of Canadian dollars) (unaudited)	CAPITAL STOCK	CONTRIBUTED SURPLUS	RETAINED EARNINGS	ACCUMULATED OTHER COMPREHENSIVE INCOME	TOTAL EQUITY ATTRIBUTABLE TO SHAREHOLDERS	NON- CONTROLLING INTERESTS	TOTAL EQUITY
Balance - Beginning of period	613	15	1,096	15	1,739	42	1,781
Comprehensive income (loss)							
Net earnings (loss)	—	—	(20)	—	(20)	3	(17)
Other comprehensive income	—	—	5	16	21	1	22
	—	—	(15)	16	1	4	5
Dividends	—	—	(12)	—	(12)	(3)	(15)
Stock options expense	—	1	—	—	1	—	1
Acquisition of non-controlling interests	—	—	(2)	—	(2)	(1)	(3)
Balance - End of period	613	16	1,067	31	1,727	42	1,769

For the 3-month period ended March 31, 2023

(in millions of Canadian dollars) (unaudited)	CAPITAL STOCK	CONTRIBUTED SURPLUS	RETAINED EARNINGS	ACCUMULATED OTHER COMPREHENSIVE INCOME	TOTAL EQUITY ATTRIBUTABLE TO SHAREHOLDERS	NON- CONTROLLING INTERESTS	TOTAL EQUITY
Balance - Beginning of period	611	14	1,212	34	1,871	57	1,928
Comprehensive income (loss)							
Net earnings (loss)	—	—	(75)	—	(75)	8	(67)
Other comprehensive income (loss)	—	—	1	(6)	(5)	—	(5)
	—	—	(74)	(6)	(80)	8	(72)
Dividends	—	—	(12)	—	(12)	(3)	(15)
Stock options expense	—	1	—	—	1	—	1
Balance - End of period	611	15	1,126	28	1,780	62	1,842

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the 3-month periods
ended March 31,

(in millions of Canadian dollars) (unaudited)	2024	2023
Operating activities		
Net loss attributable to Shareholders for the period	(20)	(75)
Adjustments for:		
Financing expense	35	23
Depreciation and amortization	67	62
Impairment charges	2	152
Other loss (gain)	3	(2)
Restructuring costs	23	1
Unrealized loss (gain) on derivative financial instruments	(1)	1
Recovery of income taxes	(6)	(24)
Share of results of associates and joint ventures	(3)	(12)
Net earnings attributable to non-controlling interests	3	8
Net financing expense paid	(47)	(44)
Net income taxes paid	(5)	(2)
Dividends received	1	1
Provisions for contingencies and charges and other liabilities	(20)	—
	32	89
Changes in non-cash working capital components	(70)	(46)
	(38)	43
Investing activities		
Disposals in associates and joint ventures	—	10
Payments for property, plant and equipment	(41)	(140)
Proceeds from disposals of property, plant and equipment	—	3
Change in intangible and other assets	—	(2)
	(41)	(129)
Financing activities		
Bank loans and advances	2	(1)
Change in credit facilities	77	122
Change in credit facilities without recourse to the Corporation	15	—
Payments of other long-term debt, including lease obligations (2024 - \$20 million for the 3-month period; 2023 - \$14 million for the 3-month period)	(21)	(57)
Dividends paid to non-controlling interests	(3)	(3)
Acquisition of non-controlling interests	(3)	—
Dividends paid to the Corporation's Shareholders	(12)	(12)
	55	49
Net change in cash and cash equivalents during the period	(24)	(37)
Currency translation on cash and cash equivalents	1	(1)
Cash and cash equivalents - Beginning of the period	54	102
Cash and cash equivalents - End of the period	31	64

SEGMENTED INFORMATION

The Corporation's operations are managed in three segments: Containerboard and Specialty Products (which constitutes the Corporation's Packaging Products) and Tissue Papers. The accounting policies of the reportable segments are the same as the Corporation's accounting policies described in Note 2.

The Corporation's operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The Chief Executive Officer has authority for resource allocation and management of the Corporation's performance and is therefore the CODM. The CODM assesses the performance of each reportable segment based on sales and earnings before interest, taxes, depreciation and amortization, adjusted to exclude specific items (EBITDA (A)). The CODM considers EBITDA (A) to be the best performance measure of the Corporation's activities.

Sales for each segment are prepared on the same basis as those of the Corporation. Inter-segment operations are recorded on the same basis as sales to third parties, which are at fair market value.

EBITDA (A) does not have a standardized meaning under IFRS Accounting Standards; accordingly, it may not be comparable to similarly named measures used by other companies. Investors should not view EBITDA (A) as an alternative measure to, for example, net earnings, or as a measure of operating results, which are IFRS Accounting Standards measures.

Sales by country by business segment are presented in the following table:

(in millions of Canadian dollars) (unaudited)	SALES TO							
	For the 3-month periods ended March 31,							
	Canada		United States		Other countries		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
Packaging Products								
Containerboard	322	329	232	231	2	1	556	561
Specialty Products	60	56	100	104	—	1	160	161
Inter-segment sales	(3)	(4)	(4)	(3)	—	—	(7)	(7)
	379	381	328	332	2	2	709	715
Tissue Papers	135	126	232	261	—	—	367	387
Inter-segment sale, Corporate, Recovery and Recycling activities	26	25	7	6	—	1	33	32
	540	532	567	599	2	3	1,109	1,134

EBITDA (A) by business segment is reconciled to IFRS Accounting Standards measure, namely operating income (loss), and is presented in the following table:

	For the 3-month period ended March 31, 2024				
(in millions of Canadian dollars) (unaudited)	Containerboard	Specialty Products	Tissue Papers	Corporate, Recovery and Recycling activities	Consolidated
Operating income (loss)	(7)	19	31	(34)	9
Depreciation and amortization	37	6	13	11	67
Impairment charges	2	—	—	—	2
Other loss	3	—	—	—	3
Restructuring costs	16	—	6	1	23
Unrealized gain on derivative financial instruments	(1)	—	—	—	(1)
EBITDA (A)	50	25	50	(22)	103

	For the 3-month period ended March 31, 2023				
(in millions of Canadian dollars) (unaudited)	Containerboard	Specialty Products	Tissue Papers	Corporate, Recovery and Recycling activities	Consolidated
Operating income (loss)	38	21	(92)	(47)	(80)
Depreciation and amortization	30	5	17	10	62
Impairment charges	59	1	92	—	152
Other gain	—	—	(2)	—	(2)
Restructuring costs	—	—	1	—	1
Unrealized loss (gain) on derivative financial instruments	(1)	—	—	2	1
EBITDA (A)	126	27	16	(35)	134

Payments for property, plant and equipment by business segment are presented in the following table:

	PAYMENTS FOR PROPERTY, PLANT AND EQUIPMENT	
	For the 3-month periods ended March 31,	
(in millions of Canadian dollars) (unaudited)	2024	2023
Packaging Products		
Containerboard	11	89
Specialty Products	3	4
	14	93
Tissue Papers	8	9
Corporate, Recovery and Recycling activities	6	3
Total acquisitions	28	105
Right-of-use assets acquisitions (non-cash)	(3)	(8)
	25	97
Acquisitions for property, plant and equipment included in "Trade and other payables"		
Beginning of the period	45	106
End of the period	(29)	(63)
Payments for property, plant and equipment	41	140
Proceeds from disposals of property, plant and equipment	—	(3)
Payments for property, plant and equipment net of proceeds from disposals	41	137

SUPPLEMENTAL INFORMATION ON NON-IFRS ACCOUNTING STANDARDS 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 ACCOUNTING STANDARDS MEASURES 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 Accounting Standards ("non-IFRS Accounting Standards 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 Accounting Standards 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 Accounting Standards measures and other financial measures are used in our financial disclosures:

Non-IFRS Accounting Standards measures

- Adjusted earnings before interest, taxes, depreciation and amortization or EBITDA (A): represents the operating income (as published in Consolidated Statement of Earnings (Loss) of the Consolidated Financial Statements) 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 Accounting Standards 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 Accounting Standards measures and other financial measures are mainly derived from the consolidated financial statements, but do not have meanings prescribed by IFRS Accounting Standards. 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 Accounting Standards. In addition, our definitions of non-IFRS Accounting Standards measures and other financial measures may differ from those of other corporations. Any such modification or reformulation may be significant.

The CODM assesses the performance of each reportable segment based on sales and earnings before interest, taxes, depreciation and amortization, adjusted to exclude specific items (EBITDA (A)¹). The CODM considers EBITDA (A)¹ to be the best performance measure of the Corporation's activities.

EBITDA (A)¹ by business segment is reconciled to IFRS Accounting Standards measure, namely operating income (loss), and is presented in the following table:

	Q1 2024				
(in millions of Canadian dollars) (unaudited)	Containerboard	Specialty Products	Tissue Papers	Corporate, Recovery and Recycling activities	Consolidated
Operating income (loss)	(7)	19	31	(34)	9
Depreciation and amortization	37	6	13	11	67
Impairment charges	2	—	—	—	2
Other loss	3	—	—	—	3
Restructuring costs	16	—	6	1	23
Unrealized gain on derivative financial instruments	(1)	—	—	—	(1)
EBITDA (A)¹	50	25	50	(22)	103

	Q4 2023				
(in millions of Canadian dollars) (unaudited)	Containerboard	Specialty Products	Tissue Papers	Corporate, Recovery and Recycling activities	Consolidated
Operating income (loss)	(33)	13	34	(38)	(24)
Depreciation and amortization	39	5	17	12	73
Impairment charges	43	1	4	—	48
Other loss (gain)	18	(1)	(4)	—	13
Restructuring costs	1	1	10	—	12
Unrealized loss (gain) on derivative financial instruments	(1)	—	—	1	—
EBITDA (A)¹	67	19	61	(25)	122

	Q1 2023				
(in millions of Canadian dollars) (unaudited)	Containerboard	Specialty Products	Tissue Papers	Corporate, Recovery and Recycling activities	Consolidated
Operating income (loss)	38	21	(92)	(47)	(80)
Depreciation and amortization	30	5	17	10	62
Impairment charges	59	1	92	—	152
Other gain	—	—	(2)	—	(2)
Restructuring costs	—	—	1	—	1
Unrealized loss (gain) on derivative financial instruments	(1)	—	—	2	1
EBITDA (A)¹	126	27	16	(35)	134

¹ Please refer to the "Supplemental Information on Non-IFRS Accounting Standards Measures and Other Financial Measures" section for a complete reconciliation.

The following table reconciles net loss and net loss per common share, as reported, with adjusted net earnings (loss)¹ and adjusted net earnings (loss) per common share¹:

(in millions of Canadian dollars, except per common share amounts and number of common shares) (unaudited)	NET EARNINGS (LOSS)			NET EARNINGS (LOSS) PER COMMON SHARE ²		
	Q1 2024	Q4 2023	Q1 2023	Q1 2024	Q4 2023	Q1 2023
As reported	(20)	(57)	(75)	(\$0.20)	(\$0.57)	(\$0.75)
Specific items:						
Impairment charges	2	48	152	\$0.01	\$0.35	\$1.14
Other loss (gain)	3	13	(2)	\$0.02	\$0.10	(\$0.01)
Restructuring costs	23	12	1	\$0.18	\$0.10	\$0.01
Unrealized loss (gain) on derivative financial instruments	(1)	—	1	(\$0.01)	—	—
Unrealized loss (gain) on interest rate swaps	(2)	1	—	(\$0.01)	\$0.01	—
Foreign exchange loss (gain) on long-term debt and financial instruments	1	1	—	\$0.01	—	—
Share of results of associates and joint ventures	—	(1)	(9)	—	(\$0.01)	(\$0.07)
Tax effect on specific items, other tax adjustments and attributable to non-controlling interest ²	(6)	(12)	(35)	—	\$0.07	—
	20	62	108	\$0.20	\$0.62	\$1.07
Adjusted¹	—	5	33	—	\$0.05	\$0.32
Weighted average basic number of common shares outstanding				100,703,177	100,685,574	100,361,627

The following table reconciles cash flow from operating activities with EBITDA (A)¹:

(in millions of Canadian dollars) (unaudited)	Q1 2024	Q4 2023	Q1 2023
Cash flow from operating activities	(38)	240	43
Changes in non-cash working capital components	70	(149)	46
Net income taxes paid	5	—	2
Net financing expense paid	47	20	44
Provisions for contingencies and charges and other liabilities, net of dividends received	19	11	(1)
EBITDA (A)¹	103	122	134

The following table reconciles cash flow from operating activities with cash flow from operating activities (excluding changes in non-cash working capital components) and adjusted cash flow from operating activities¹. It also reconciles adjusted cash flow from operating activities¹ to adjusted cash flow generated (used)¹, which is also calculated on a per common share basis:

(in millions of Canadian dollars, except per common share amounts or otherwise noted) (unaudited)	Q1 2024	Q4 2023	Q1 2023
Cash flow from operating activities	(38)	240	43
Changes in non-cash working capital components	70	(149)	46
Cash flow from operating activities (excluding changes in non-cash working capital components)	32	91	89
Restructuring costs paid	14	12	1
Adjusted cash flow from operating activities¹	46	103	90
Payments for property, plant and equipment	(41)	(47)	(140)
Change in intangible and other assets	—	—	(2)
Lease obligation payments	(20)	(15)	(14)
Proceeds from disposals of property, plant and equipment	—	1	3
	(15)	42	(63)
Dividends paid to non-controlling interests	(3)	(3)	(3)
Dividends paid to the Corporation's Shareholders and to non-controlling interests	(12)	(12)	(12)
Adjusted cash flow generated (used)¹	(30)	27	(78)
Adjusted cash flow generated (used) per common share¹ (in Canadian dollars)	(\$0.30)	\$0.27	(\$0.78)
Weighted average basic number of common shares outstanding	100,703,177	100,685,574	100,361,627

¹ Please refer to the "Supplemental Information on Non-IFRS Accounting Standards Measures and Other Financial Measures" section for a complete reconciliation.

² Specific amounts per common share are calculated on an after-tax basis and are net of the portion attributable to non-controlling interests. Per share amounts in line item "Tax effect on specific items, other tax adjustments and attributable to non-controlling interests" only include the effect of tax adjustments. Please refer to "Recovery of income taxes" section for more details.

The following table reconciles total debt¹ and net debt¹ with the ratio of net debt to adjusted earnings before interest, taxes, depreciation and amortization (EBITDA (A))¹:

(in millions of Canadian dollars) (unaudited)	March 31, 2024	December 31, 2023	March 31, 2023
Long-term debt	1,816	1,869	2,044
Current portion of Unsecured senior notes of \$175 million to be refinanced	175	—	—
Current portion of long-term debt	58	67	88
Bank loans and advances	2	—	2
Total debt¹	2,051	1,936	2,134
Less: Cash and cash equivalents	(31)	(54)	(64)
Net debt¹ as reported	2,020	1,882	2,070
Last twelve months EBITDA (A) ¹	527	558	452
Net debt / EBITDA (A) ratio¹	3.8x	3.4x	4.6x

¹ Please refer to the "Supplemental Information on Non-IFRS Accounting Standards Measures and Other Financial Measures" section for a complete reconciliation.

Media

Hugo D'Amours
Vice-President, Communications, Public Affairs and
Sustainable Development
Cascades Inc.
819-363-5164
hugo_damours@cascades.com

Investors

Jennifer Aitken, MBA
Director, Investor Relations
Cascades Inc.
514-282-2697
jennifer_aitken@cascades.com

Source

Allan Hogg
Vice-President and Chief Financial Officer
Cascades Inc.