



Third Quarter Earnings Release Materials

October 28, 2025

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Forward Looking Statements

Cautionary Statement Regarding Forward Looking Statements

This presentation of supplemental information contains, in addition to historical information, certain “forward-looking” statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995 as amended, including statements as to: our expectations regarding capturing volume at the Augusta mill; our expectations regarding additional savings from our fixed cost reduction efforts; the Company’s strategic positioning to capitalize on the paperboard industry’s cyclical nature and deliver strong returns; product demand and industry trends; assumptions for Q4 2025 and full year 2025, including operational factors, capital, input costs, lower pricing and inflation; our capital allocation priorities; our strategy, including achieving target leverage ratio and maintaining liquidity; our focus on free cash flow generation through operational efficiencies and demand; our plans to explore avenues for strategic growth opportunities, particularly to expand our own product offerings and broaden such offerings to North American customers; continued investments into our assets to strengthen our competitive advantages and maintain our long-term performance; expectations regarding the paperboard market; inventory management; and our financial flexibility; and repurchases under the existing share buyback authorization. These forward-looking statements are based on management’s current expectations, estimates, assumptions and projections that are subject to change. Our actual results of operations may differ materially from those expressed or implied by the forward-looking statements contained in this presentation. Important factors that could cause or contribute to such differences include the risks and uncertainties described from time to time in the Company’s public filings with the Securities and Exchange Commission, including but not limited to the following: there may be unexpected costs, charges or expenses resulting from the tissue business sale transaction; achievement of anticipated financial results and other benefits of the tissue business sale transaction; potential risks associated with operating without the tissue business, including less diversification in products offered; changes in our capital structure; risks relating to the achievement of anticipated financial results and other benefits of the Augusta, Georgia paperboard manufacturing facility acquisition, including from our integration efforts and the recovery of any losses related to the representation-and-warranty insurance claim; competitive pricing pressures for our products, including as a result of capacity additions, demand reduction and the impact of foreign currency fluctuations on the pricing of products globally; changes in the U.S. and international economies and in general economic conditions in the regions and industries in which we operate; increased regulation of retaliatory trade actions in response to announced or proposed U.S. tariffs, including potential impact on costs, structure, supply chains, or consumer demand; cyclical industry conditions; manufacturing or operating disruptions, including equipment malfunctions and damage to our manufacturing facilities; the loss of, changes in prices in regard to, or reduction in, orders from a significant customer; changes in the cost and availability of wood fiber and wood pulp; changes in energy, chemicals, packaging and transportation costs and disruptions in transportation services impacting our ability to receive inputs or ship products to customers; reliance on a limited number of third-party suppliers, vendors and service providers required for the production of our products and our operations; changes in customer product preferences and competitors’ product offerings; changes in labor contracts, including any related wage adjustments; labor disruptions; cyber-security risks; larger competitors having operational, financial and other advantages; consolidation and vertical integration of converting operations in the paperboard industry; our ability to execute on our growth and expansion strategies; our ability to successfully execute capital projects and other activities to operate our assets, including effective maintenance, implement our operational efficiencies and realize higher throughput or lower costs; IT system disruptions and IT system implementation failures; changes in expenses, required contributions and potential withdrawal costs associated with our pension plans; environmental liabilities or expenditures and climate change; risks and costs associated with new or ongoing environmental litigation, including PFAS related claims or regulatory actions affecting recently acquired facilities; our ability to attract, motivate, train and retain qualified and key personnel; our ability to service’ our debt obligations and restrictions on our business from debt covenants and terms; changes in our banking relations, or in our customer supply chain financing; negative changes in our credit agency ratings; and changes in laws, regulations or industry standards affecting our business. Forward-looking statements contained in this presentation present management’s views only as of the date of this presentation. We undertake no obligation to publicly update forward-looking statements or to retract future revisions of management’s views based on events or circumstances occurring after the date of this presentation.

Non-GAAP Financial Measures

This presentation includes certain financial measures that are not calculated in accordance with GAAP, including Adjusted EBITDA from continuing operations. The Company’s management believes that the presentation of these financial measures provides useful information to investors because these measures are regularly used by management in assessing the Company’s performance. These financial measures should be considered in addition to results prepared in accordance with GAAP but should not be considered substitutes for or superior to GAAP results. In addition, these non-GAAP financial measures may not be comparable to similarly-titled measures utilized by other companies, since such other companies may not calculate such measure in the same manner as we do. A reconciliation of Adjusted EBITDA to the most relevant GAAP measure is available in the appendix of this presentation.



Clearwater is Well Positioned to Deliver Strong Returns Across the Cycle

Paperboard industry is cyclical, driven by supply and demand balance
Currently in downcycle as new capacity is added ahead of demand recovery

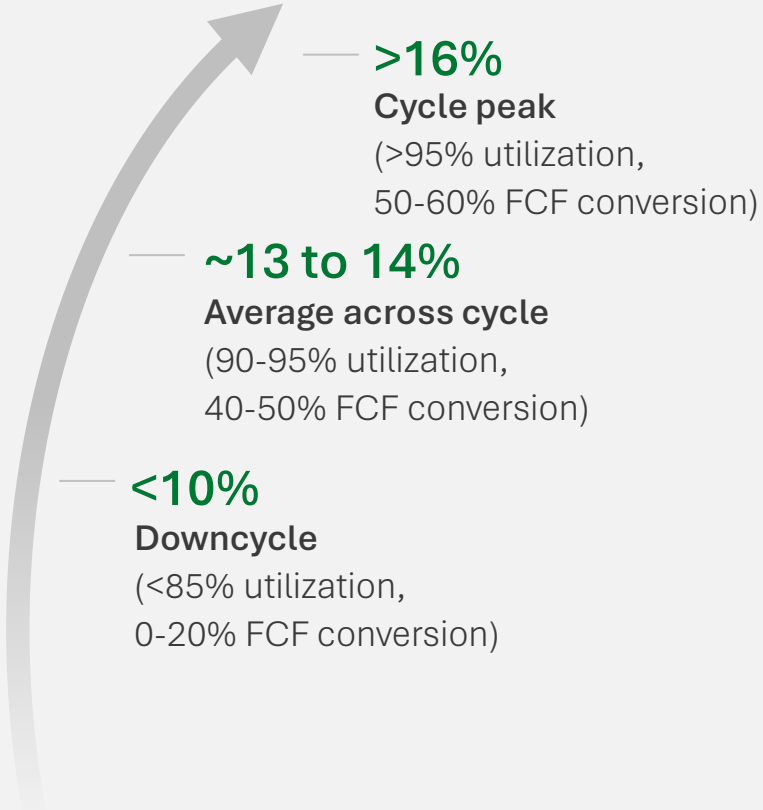
Across the cycle Adjusted EBITDA margins target of 13% to 14%
Delivering a 40-50% Adjusted EBITDA to free cash flow conversion rate¹, or \$100M+ per year

Clearwater is focused on value creation across the cycle

- Near-term focus on reducing fixed cost structure by \$30-40M in 2025; tracking to deliver ~\$50M
- Continued investment in assets to enhance competitiveness
- Exploring growth opportunities to expand product offering through internal investments or acquisitions
- Strong balance sheet to sustain the business and create strategic options across the cycle

TARGETING STRONG CASH FLOW GENERATION ACROSS THE CYCLE

ADJUSTED EBITDA TARGET MARGINS



1. Cash flow from operating activities adjusted for other operating charges less capital, divided by Adjusted EBITDA

Exploring Options to Expand Our Product Offering

Evaluating internal and external options to broaden product offering to North American converter customers

Initiative	Status	Objective
Post consumer recycled content	Developed and in market	Provide options for converter customers to service sustainability driven Consumer Packaged Goods (CPG) and Quick Service Restaurants (QSR) customers
Compostable plate	BPI certified at two locations	Enable our plate converter customers to meet demands of leading domestic retailers
Lightweight folding carton	Developing and expected in market H1 2026	Offer alternatives to Folding Boxboard (FBB) imports with superior performance
Poly-free coatings / barriers	Continuing to develop options in addition to current offering	Meet current and future needs of sustainability driven cup converters looking for a poly-free offering
Unbleached paperboard grade (CUK)	Technical feasibility and market opportunity near completion; decision on hold	Enable independent converters to better compete with large integrated incumbents
Recycled paperboard grade (CRB)	Open to evaluating M&A Options	Provide a more complete paperboard offering to existing Solid Bleached Sulfate (SBS) customers

INDUSTRY TRENDS

EXPECT DEMAND RECOVERY IN 2026

Current SBS oversupply impacting broader paperboard market

Price gap between substrates outside of historical norms

Modest shipment growth expected in 2025²

Demand growth of ~3%² projected for 2026

BLEACHED PAPERBOARD NET EXPORTS ARE EXPECTED TO IMPROVE IN 2025

Imports forecasted to decrease by ~4%² in 2025 vs. 2024

Exports forecasted to decrease by ~2%² in 2025 vs. 2024

Tariffs and other trade actions could impact viability of imports

European imports of FBB are down 10% July YTD vs prior year

INDUSTRY IMPACTED BY SBS CAPACITY ADDITIONS; RISI PROJECTING IMPROVEMENT IN 2026

Industry operating rates¹ at 83% Q2'25 vs. 84% Q2'24

New N.A. industry capacity added in Q2'25²

SBS operating rates expected to decrease in 2H of 2025²

Balanced market will have utilization rates between 90 and 95%²

RISI forecasting a 350K ton net capacity reduction in Q1'26 and an increase in 2026 operating rates to 94%

Q3 2025 Financial Summary

NET SALES FROM
CONTINUING OPERATIONS

\$399M

NET LOSS FROM CONTINUING
OPERATIONS

\$54M*

GROWTH IN PAPERBOARD SALES VOLUMES

+3% increase in Q3'25 vs. Q3'24, +6% vs. Q2'25

Maintaining share in a competitive environment

PARTIALLY OFFSET BY MARKET DRIVEN PRICING

-3% decrease in Q3'25 average pricing vs. Q3'24

Consistent with industry trends

ADJUSTED EBITDA FROM
CONTINUING OPERATIONS

\$18M

ADJUSTED EBITDA MARGIN
FROM CONTINUING
OPERATIONS

4%

ADJUSTED EBITDA TOWARD HIGH END OF GUIDANCE RANGE

Higher volumes, on target execution of Lewiston planned maintenance outage at a cost of \$24 million, and improved cost structure, partly offset by lower pricing

COMBINED WITH A STRONG BALANCE SHEET

Net leverage ratio at 2.7x

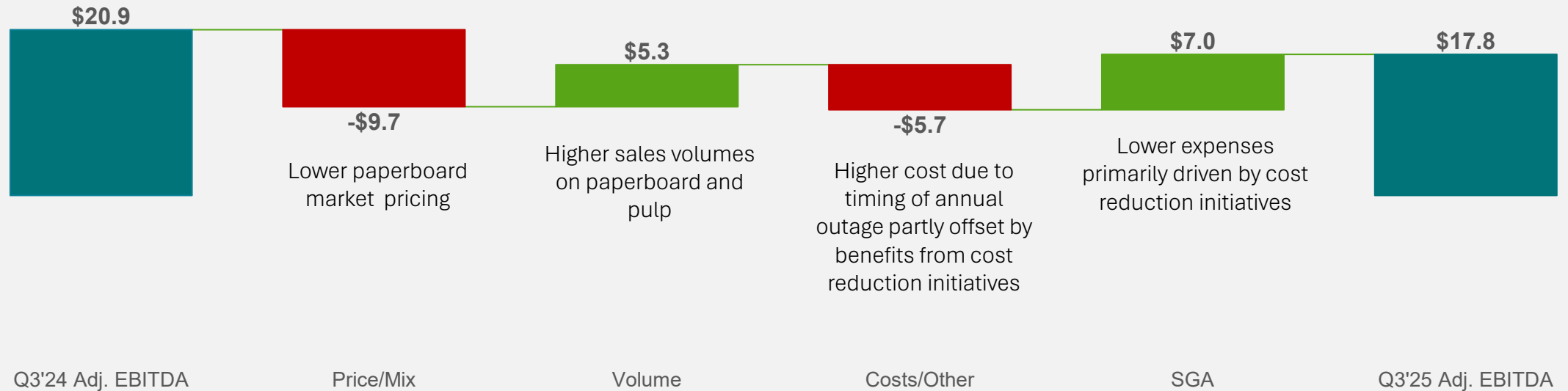
Available liquidity \$455 million

Repurchased \$2M of shares, \$20M since new \$100M authorization in November of 2024

** Includes a non-cash goodwill impairment of \$45M (tax adjusted)*

Q3'25 VS Q3'24 Adjusted EBITDA Results from Continuing Operations

(\$ in millions)



Outlook and Assumptions for Q4 and Initial 2026

Q4 2025: \$13 to \$23M of Adjusted EBITDA¹

Slightly lower paperboard shipments vs. Q3 2025 due to seasonality

3-4% lower production volumes driving less cost absorption vs. Q3 2025

Continued benefits from fixed cost reduction efforts, other input costs stable

~\$16M of major maintenance outage cost at Augusta, GA mill completed in October

FY 2026 Initial Assumptions

Revenue of \$1.45-1.55B, with capacity utilization rate in the mid 80% range

Carryover impact of 2025 market driven pricing

Productivity and cost reduction efforts offsetting 2-3% input cost inflation

Targeted working capital improvements of \$20M, primarily in inventory

Capital expenditures of \$65 – 75M



Optimized Capital Allocation Approach Supports Value Creation

PRIORITIZING CAPITAL ALLOCATION TO CREATE SHAREHOLDER VALUE

Investing to maintain the long-term performance of our assets

\$70-80M

EXPECTED ANNUAL
MAINTENANCE CAPEX,
EXCLUDING LARGE
REPLACEMENT PROJECTS

Utilizing free cash flow (FCF) to deleverage our balance sheet

1-2x

TARGET LEVERAGE RATIO

Evaluating capital investments to diversify product portfolio

Opportunistic M&A to support strategic priorities

Return capital to shareholders through share buybacks

Optimistic About Long-Term Value Creation

Sharp focus on improving and growing our paperboard business

- De-levered balance sheet with proceeds from tissue sale
- Focus on growing our position as a premier independent paperboard packaging supplier to North American converters

Well invested asset base to support future growth

- High quality paperboard assets well positioned across the U.S. to efficiently service North American converters
- Strong legacy of prioritizing sustainability
- Focused on expanding product portfolio through internal investment and opportunistic M&A

Focused on optimizing business to deliver free cash flows

- Driving improvement in operational performance
- Consistently investing to maintain competitiveness of our assets
- Strategically deploy capital to create long-term shareholder value

Appendix



Financial Performance

(\$ IN MILLIONS, UNAUDITED)

	Quarter Ended		
	September 30, 2025	June 30, 2025	September 30, 2024
Net sales	\$ 399.0	\$ 391.8	\$ 393.3
Costs and expenses:			
Cost of sales	380.3	348.8	363.2
Selling, general and administrative expenses	24.7	26.1	31.6
Other operating charges, net	1.5	7.1	(0.3)
Goodwill impairment	48.0	-	-
Total operating costs and expenses	454.5	382.1	394.5
Total income (loss) from operations	(55.4)	9.8	(1.2)
Total non-operating expense	(5.0)	(4.2)	(12.8)
Total income (loss) from operations before income taxes	(60.4)	5.5	(14.0)
Income tax provision (benefit)	(6.5)	1.9	(3.3)
Total income (loss) from operations	(53.9)	3.6	(10.7)
Income from discontinued operations, net of tax	0.6	(0.9)	16.6
Net income	\$ (53.3)	\$ 2.7	\$ 5.8

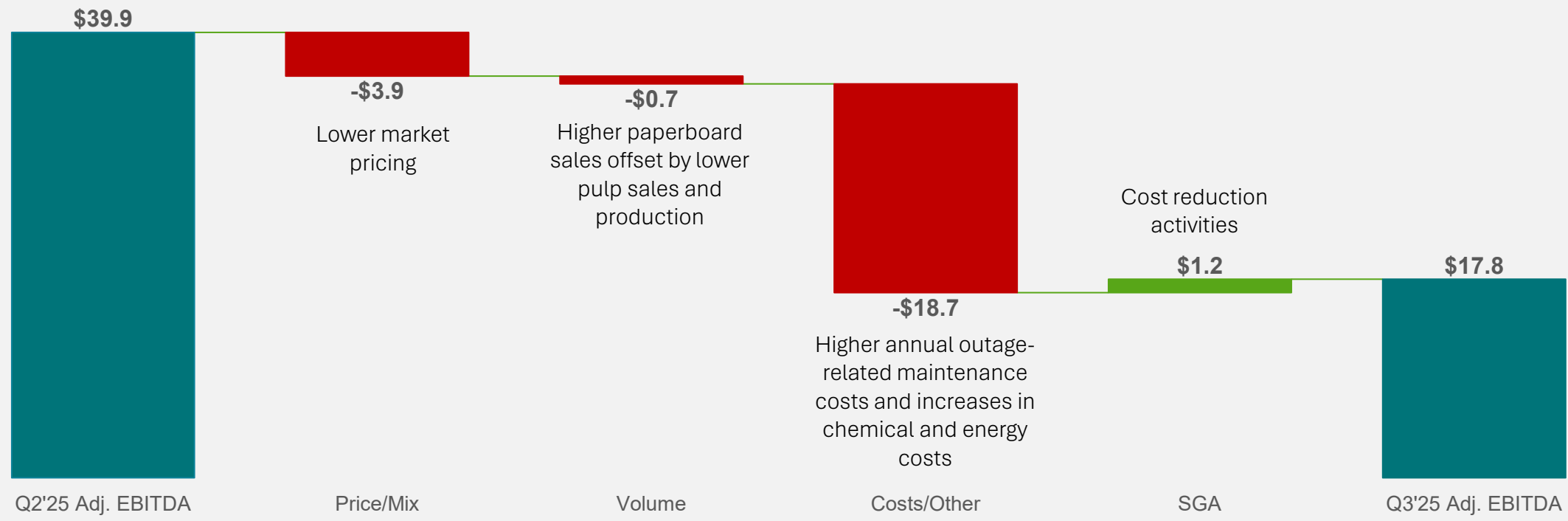
Reconciliation of Adjusted EBITDA

(\$ IN MILLIONS, UNAUDITED)

	Quarter Ended		
	September 30, 2025	June 30, 2025	September 30, 2024
Net income (loss)	\$ (53.3)	\$ 2.7	\$ 5.8
Add (deduct):			
Less: Income from discontinued operations, net of tax	0.6	(0.9)	16.6
Income from continuing operations	(53.9)	3.6	(10.7)
Income tax provision (benefit)	(6.5)	1.9	(3.3)
Interest expense, net	4.7	3.9	13.1
Depreciation and amortization expense	23.8	23.0	22.4
Goodwill impairment	48.0	-	-
Other operating charges, net	1.5	7.1	(0.3)
Other non-operating expense (income)	0.3	0.3	(0.3)
Adjusted EBITDA from continuing operations	17.8	39.9	20.9
Adjusted EBITDA Margin	4.5%	10.2%	5.3%

Q2'25 VS Q3'25 Adjusted EBITDA Results from Continuing Operations

(\$ in millions)



Key Metrics

	Quarter Ended		
	September 30, 2025	June 30, 2025	September 30, 2024
Food service	\$ 182.0	\$ 166.1	\$ 142.1
Folding carton	143.0	147.6	182.1
Sheeting & distribution	37.9	39.9	41.6
Pulp and other	36.1	38.2	27.5
Net sales	<u>399.0</u>	<u>391.8</u>	<u>\$ 393.3</u>
Input cost (raw materials & energy)	\$ 173.5	\$ 174.5	\$ 177.2
Labor and overhead	142.1	128.0	129.4
Supply chain costs (principally freight)	40.6	39.0	39.5
Depreciation	22.8	21.8	21.2
Other	1.2	(14.5)	(4.1)
Cost of sales	<u>\$ 380.2</u>	<u>\$ 348.8</u>	<u>\$ 363.2</u>
Paperboard sale volumes	324,198	304,713	314,320
Paperboard production volumes	319,615	323,489	321,904
Net sales price per ton	\$ 1,160	\$ 1,182	\$ 1,192