

Sale of Boxboard Europe Business Segment*

* 57.6% equity ownership in Reno de Medici S.p.A.

July 5, 2021



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 – SPECIFIC ITEMS

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

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 assets provisions or reversals, premiums paid on long-term debt refinancing, 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, foreign exchange gains or losses on long-term debt, specific items of discontinued operations and other significant items of an unusual, non-cash or non-recurring nature.

RECONCILIATION OF NON-IFRS 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 measures and 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. It also increases the transparency and clarity of the financial information. The following non-IFRS measures are used in our financial disclosures:

- Operating income before depreciation and amortization (OIBD): Used to assess operating performance and contribution of each segment when excluding depreciation & amortization. OIBD is widely used by investors as a measure of a corporation ability to incur and service debt and as an evaluation metric.
- Adjusted OIBD: Used to assess operating performance and contribution of each segment on a comparable basis.
- Adjusted operating income: Used to assess operating performance of each segment on a comparable basis.
- Adjusted net earnings: Used to assess the Corporation's consolidated financial performance on a comparable basis.
- Adjusted free cash flow: Used to assess the Corporation's capacity to generate cash flows to meet financial obligation and/or discretionary items such as share repurchase, dividend increase and strategic investments.
- Net debt to adjusted OIBD ratio: Used to measure the Corporation's credit performance and evaluate the financial leverage.
- Net debt to adjusted OIBD ratio on a pro forma basis: Used to measure the Corporation's credit performance and evaluate the financial leverage on a comparable basis including significant business acquisitions and excluding significant business disposals, if any.

Non-IFRS 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 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.

STRATEGIC RATIONALE

- ✓ Monetizes value from European strategy set in motion in 2007
- ✓ Aligns operational, strategic & capital allocation focus on core North American packaging and tissue businesses
- ✓ Supports long-term value creation for the Company and our shareholders
- ✓ Streamlines investment thesis, simplifies communication with financial markets and investors
- ✓ Improves liquidity, leverage ratio and balance sheet flexibility
- ✓ Improves OIBD¹ margin and net book value of equity by \$2+/share

¹ Please click [here](#) for supplemental information on non-IFRS measures.

TRANSACTION OVERVIEW

TRANSACTION DETAILS

Price per share	€ 1.45
Shares sold (57.6% of shares outstanding)	217.5 M
Implied equity value of our investment and multiple to Q1-2021 LTM adjusted OIBD ¹	€315 million / 6.9x
Proceeds to Cascades, net of fees	CAN\$ 461 million No tax payment resulting from the transaction

NEAR-TERM USE OF PROCEEDS

- Debt management opportunities
- Continue development of our North American packaging & tissue paper businesses
- Potential additional shareholder return

DEBT SCHEDULE INFORMATION

Debt	Term	Amount	Call date
Term Loan	2025	US\$165	None
5.125% Notes	2025	CAD\$175	Jan. 2022
5.125% Notes	2026	US\$350	Jan. 2023
5.375% Notes	2028	US\$600	Jan. 2023

¹ Please click [here](#) for supplemental information on non-IFRS measures.

RENO DE MEDICI - OVERVIEW

Geographic Positioning²



● Reno de Medici mills

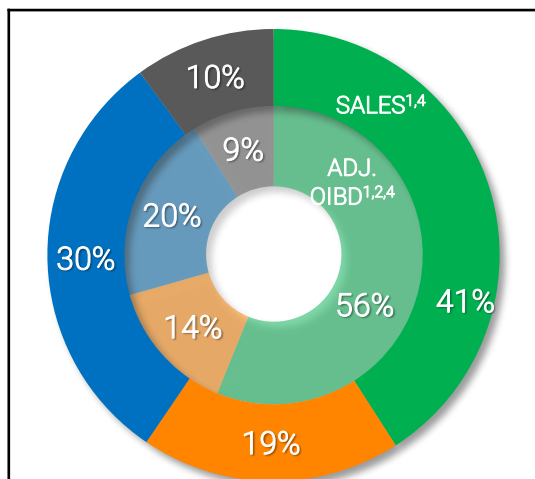
Q1 2021 LTM Operational Snapshot¹

Production	1.095 M tonnes annually
Operations	6 recycled boxboard mills 2 sheeting facilities
Employees	1,466
Shipments	1.156 M s.t.
Sales (CAN\$)	\$892 M
Adj. OIBD ¹ (CAN\$)	\$106 M (11.9%)
Adj. OIBD ¹ less capital expenditures (CAN\$)	\$83 M
Cash & cash equivalents (Q1-2021)	€ 70 M / CAN\$103 M
Total Debt (Q1-2021)	€57M / CAN\$84 M

¹ Adjusted for discontinued operations. Please click [here](#) for supplemental information on non-IFRS measures.

² Excluding acquisitions of Paprinsa (closed on July 1st, 2021) and of the Eska Group, that has not yet closed.

CASCADES: CURRENT vs PRO-FORMA⁶



CURRENT⁴

3.304 M s.t.

\$4.898 billion

\$643 M / 13.1%

84 / 11,412

\$1.654 B

2.5x⁴

\$328 M

- Containerboard
- Boxboard Europe
- Tissue
- Specialty Products

Annual production (shipments)

LTM sales

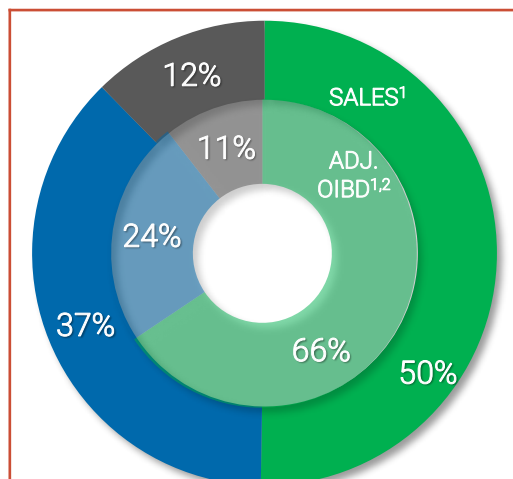
LTM adjusted OIBD^{1,2} (CAN\$) / margin

Facilities³ / Employees

Net debt⁵

Net debt⁵ / adjusted OIBD^{1,2}

Cash & cash equivalents



PRO-FORMA

2.148 M s.t.

\$4.006 billion

\$537 M / 13.4%

78 / 9,946

\$ 1.212 B

2.26x

\$686 M

¹ Before inter-segment sales and corporate activities. ² Please click [here](#) for supplemental information on non-IFRS measures.

³ Including associates and joint ventures. ⁴ Adjusted for discontinued operations. ⁵ As of March 31, 2021. ⁶ Current and Pro-Forma based on LTM Q1 2021

TRANSACTION SUPPORTS STRATEGIC PLAN FOCUSED ON UNLOCKING LONG-TERM VALUE

“Strategically, exiting our Boxboard Europe segment is aligned with our plan to focus on strengthening the competitive positioning of our core North American packaging and tissue papers business operations.”

- Mario Plourde



STRATEGIC FOCUS: MODERNIZE

FOCUS

Modernize our platforms

Integration & Sustainability

Geographic positioning

STRATEGY

- ✓ Optimization of recent investments in Tissue
- ✓ Construction and start-up of Bear Island
- ✓ Increase downstream converting integration in Containerboard
- ✓ Capacity additions in our sustainable packaging solutions activities
- ✓ Align location of equipment & facilities with customer needs & targeted growth areas
- ✓ Optimize in-bound and out-bound transportation efficiency



STRATEGIC FOCUS: CREATE VALUE

FOCUS

Margin expansion

Leverage ratio 2.5x – 3.0x during Bear Island project

Return value to shareholders

STRATEGY

- ✓ Ongoing initiatives expected to generate 1% annual margin improvement in 2021 & 2022¹
- ✓ Target EBITDA² margin : 15%
- ✓ Disciplined balance sheet management
- ✓ Strong cash flow expected to meet all capital requirement needs
- ✓ Share buy-backs (NCIB)
- ✓ Dividend yield aligned with industry average



STRATEGIC FOCUS: INNOVATION

FOCUS

STRATEGY

Product development

- ✓ Prioritize development of sustainable, innovative & industry-leading products

Sustainable solution provider

- ✓ Establish market positioning as the “go-to” provider of sustainable packaging & tissue paper solutions

Customer experience

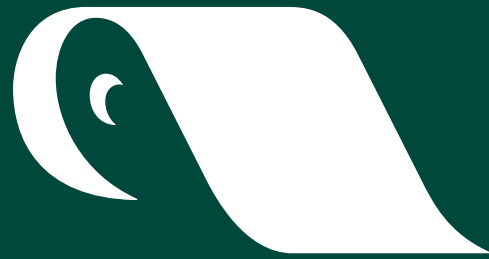
- ✓ Partner with customers to develop products and solutions that meet their unique requirements
- ✓ Multi-disciplinary approach to provide customers with superior service including e-commerce platform



17th

**100 Most Sustainable Corporations in the World
(Corporate Knights)**





Cascades

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