Ranpak

Fourth Quarter and Full Year 2020 Earnings Update

March 4, 2021



Disclaimers

CAUTION ABOUT FORWARD-LOOKING STATEMENTS

This presentation contains “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Our forward-looking statements include, but are not limited to, statements regarding our or our management team’s expectations, hopes, beliefs, intentions or strategies regarding the future. Statements that are not historical facts, including statements about the parties, perspectives and expectations, are forward-looking statements. In addition, any statements that refer to estimates, projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. The words “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “forecast,” “intend,” “may,” “might,” “plan,” “possible,” “potential,” “predict,” “project,” “should,” “would” and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements in this presentation may include, for example, statements about our expectations around the future performance of the business, including our forward-looking guidance.

The forward-looking statements contained in this presentation are based on our current expectations and beliefs concerning future developments and their potential effects on us taking into account information currently available to us. There can be no assurance that future developments affecting us will be those that we have anticipated. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond our control) or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks include, but are not limited to: (1) our inability to secure a sufficient supply of paper to meet our production requirements; (2) the impact of the price of kraft paper on our results of operations; (3) our reliance on third party suppliers; (4) the COVID-19 pandemic and associated response; (5) the high degree of competition in the markets in which we operate; (6) consumer sensitivity to increases in the prices of our products; (7) changes in consumer preferences with respect to paper products generally; (8) continued consolidation in the markets in which we operate; (9) the loss of significant end-users of our products or a large group of such end-users; (10) our failure to develop new products that meet our revenue or margin expectations; (11) our future operating results fluctuating, failing to match performance or to meet expectations; (12) our ability to fulfill our public company obligations; and (13) other risks and uncertainties indicated from time to time in filings made with the SEC.

Should one or more of these risks or uncertainties materialize, they could cause our actual results to differ materially from the forward-looking statements. We are not undertaking any obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise. You should not take any statement regarding past trends or activities as a representation that the trends or activities will continue in the future. Accordingly, you should not put undue reliance on these statements.

USE OF NON-GAAP FINANCIAL MEASURES

This investor presentation includes non-GAAP financial measures including EBITDA, Adjusted EBITDA, pro forma Adjusted EBITDA, pro forma Adjusted EBITDA margin, Adjusted net revenue, net revenue, and gross profit, each on a constant currency basis. Management believes presentation of these non-GAAP measures is useful because they allow management to more effectively evaluate its operating performance and compare the results of its operations from period to period and against its peers without regard to financing methods or capital structure. Management does not consider these non-GAAP measures in isolation or as an alternative to similar financial measures determined in accordance with GAAP. The computations of EBITDA and Adjusted EBITDA may not be comparable to other similarly titled measures of other companies. These non-GAAP financial measures should not be considered as alternatives to, or more meaningful than, measures of financial performance as determined in accordance with GAAP or as indicators of operating performance.

Fourth Quarter 2020 Update

Top-Line Performance

- Strong finish – Net revenue of $90.2mm increased 13.9% on a constant currency basis compared to net revenue of $79.2mm in 4Q19[(1)]
    - Exceptional demand in Europe / APAC
- Machine placement up 12.2% year over year to more than 117,000

Profitability

- Adjusted EBITDA[(2)] increased 14.6% year over year to $33.0mm (36.6% margin) from $28.8mm in 4Q19

Capitalization and Liquidity

- Finished 4Q20 with strong cash position of $48.5mm and full availability on revolver



(1) Constant currency net revenue is a non-GAAP measure, consisting of net revenue presented on a constant currency basis for the periods presented. Refer to the Appendix to this presentation for a description of the basis of presentation and a reconciliation of constant currency net revenue to net revenue, the most directly comparable U.S. GAAP measure. Based on constant currency at € / $ 1.15

(2) Pro forma Adjusted EBITDA is a non-GAAP measure. Refer to the Appendix to this presentation for a reconciliation of Adjusted EBITDA to net income. Adjusted EBITDA is earnings before interest expense, income taxes, depreciation and amortization plus other non-core and non-cash adjustments including recruiting fees and non-recurring professional fees.

US Consumers Favor Sustainable eCommerce Packaging



The survey was conducted online within the United States by The Harris Poll on behalf of Ranpak from January 5-7, 2021 among 2,030 U.S. adults ages 18 and older. The online survey is not based on a probability sample and therefore no estimate of theoretical sampling error can be calculated.

Growth

North America

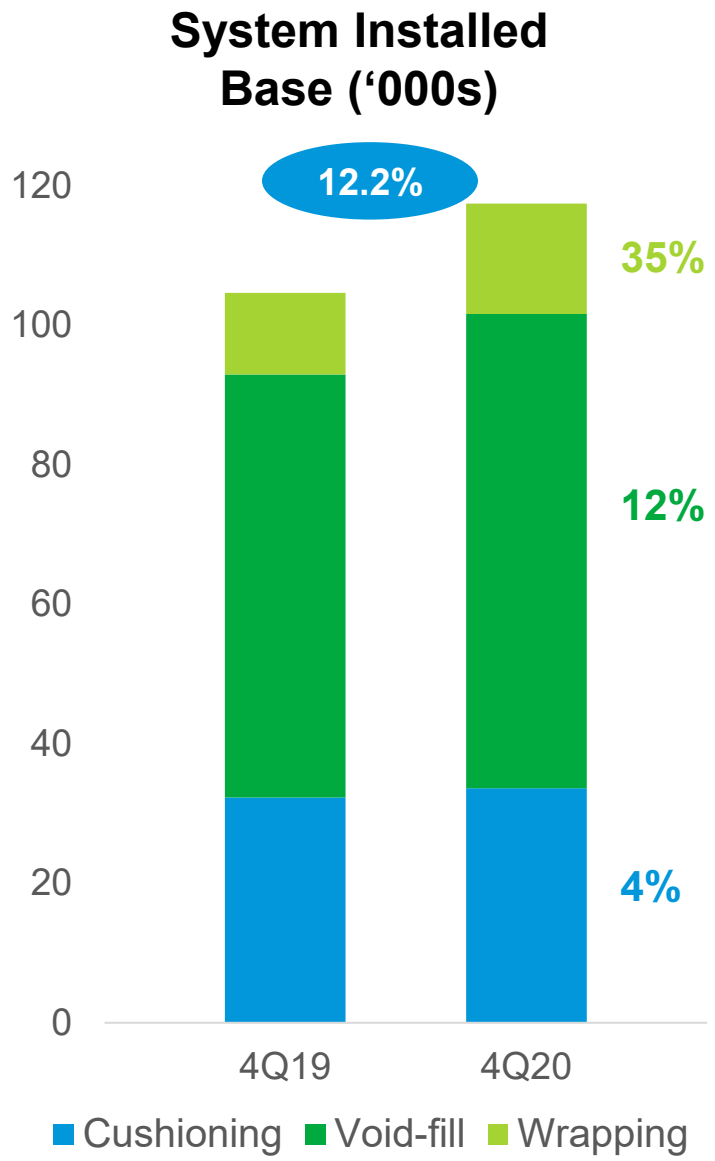
- Wrapping continues to gain traction with strong growth
- Sequential improvement in industrial end markets continues

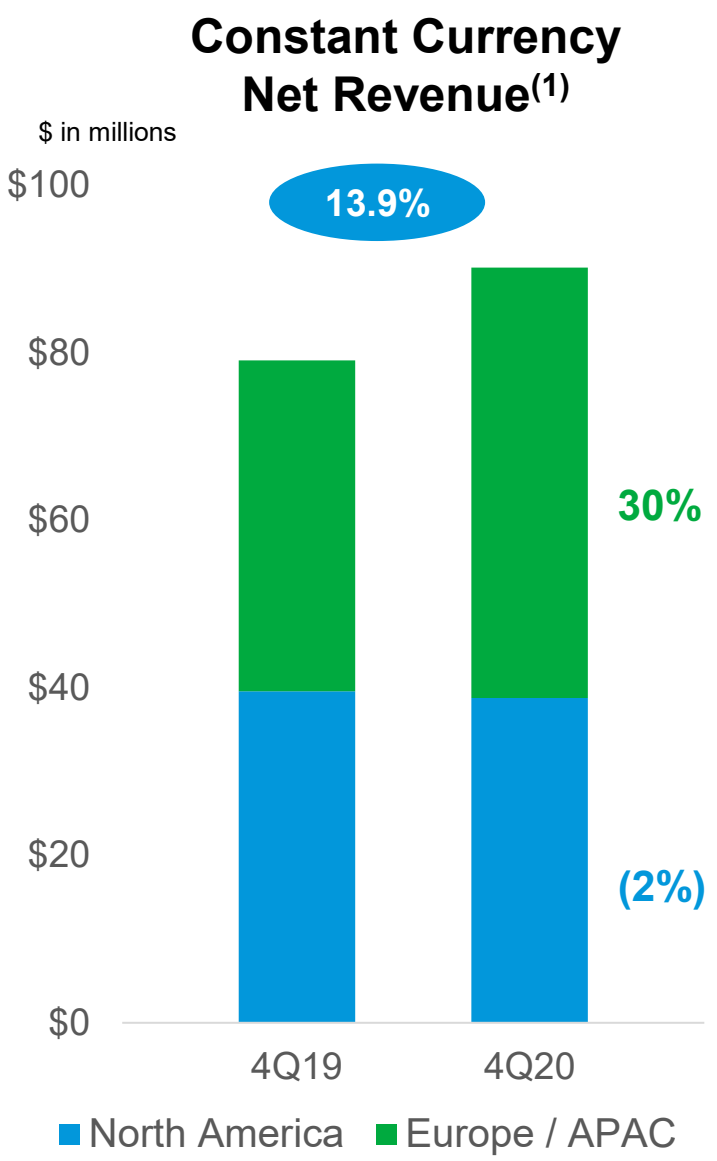
Europe / APAC

- All product lines up meaningfully year over year with void-fill the largest contributor to growth
- Geographic expansion and sustainability tailwinds contributing to growth

Key Takeaways

- Strong momentum in the business going into 2021





Note: Figures based on unaudited internal company financial statements. Based on constant currency at € / $ 1.15.

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Profitability

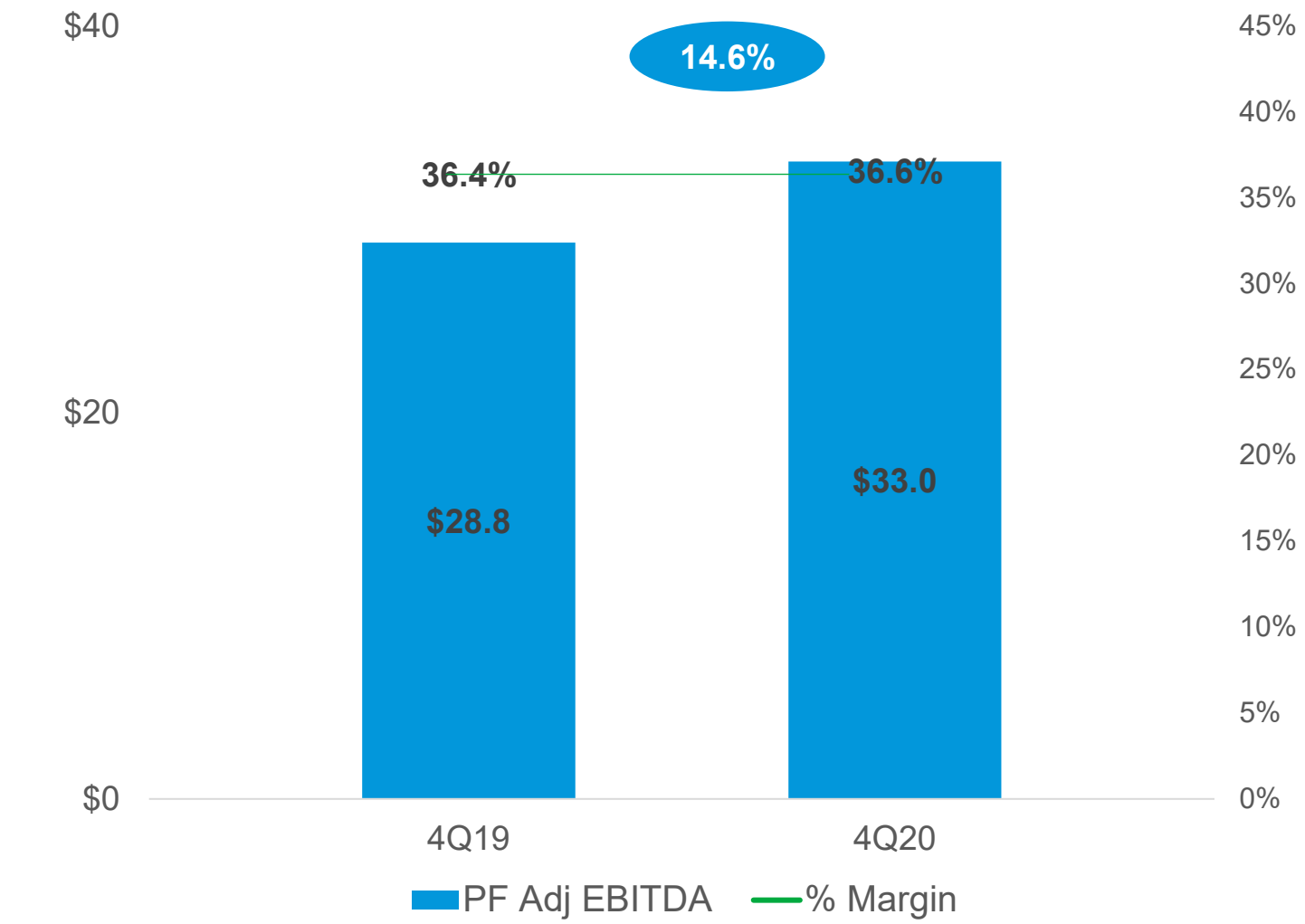
Pro Forma Adj. EBITDA up 14.6% vs 4Q19

- Profitability increase due to higher volumes and favorable input costs vs prior year

Key Takeaways

- Significant volume expansion in the fourth quarter highlights operating leverage of the business

Pro Forma Adjusted EBITDA(1)



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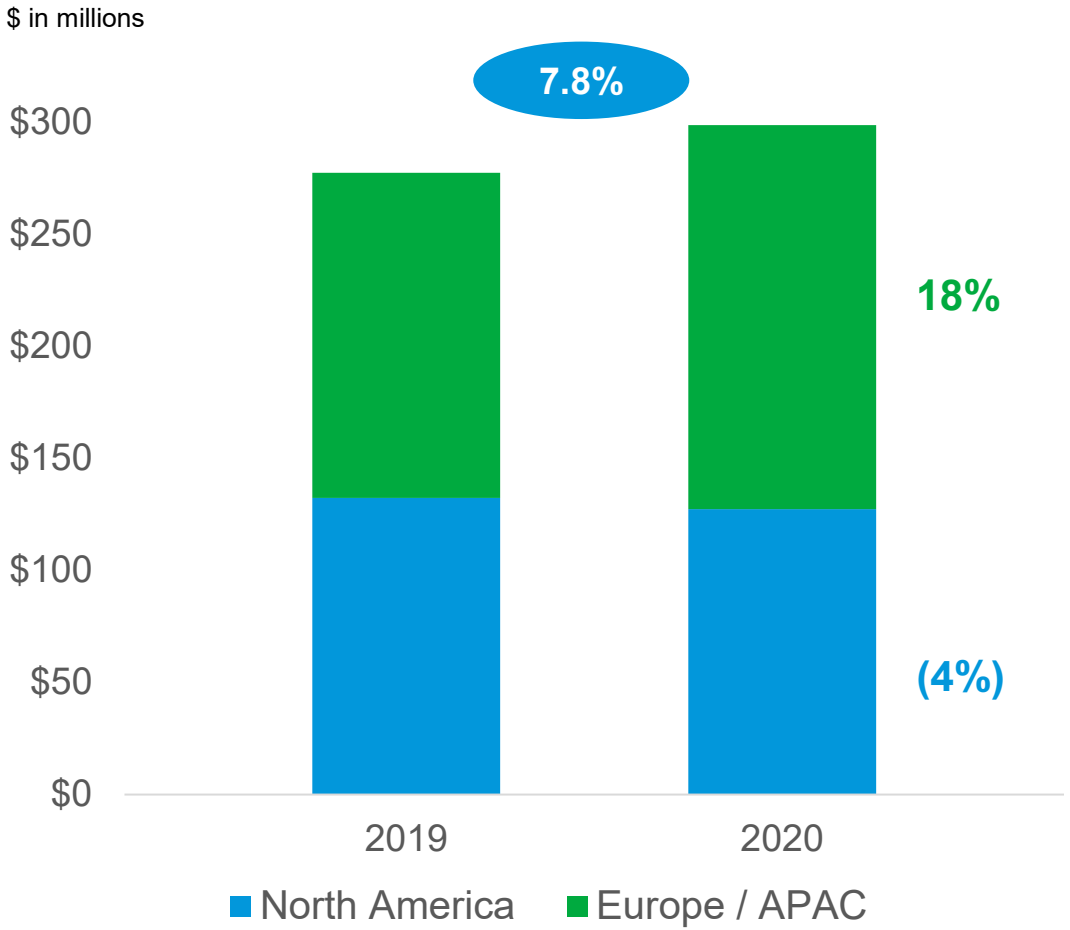
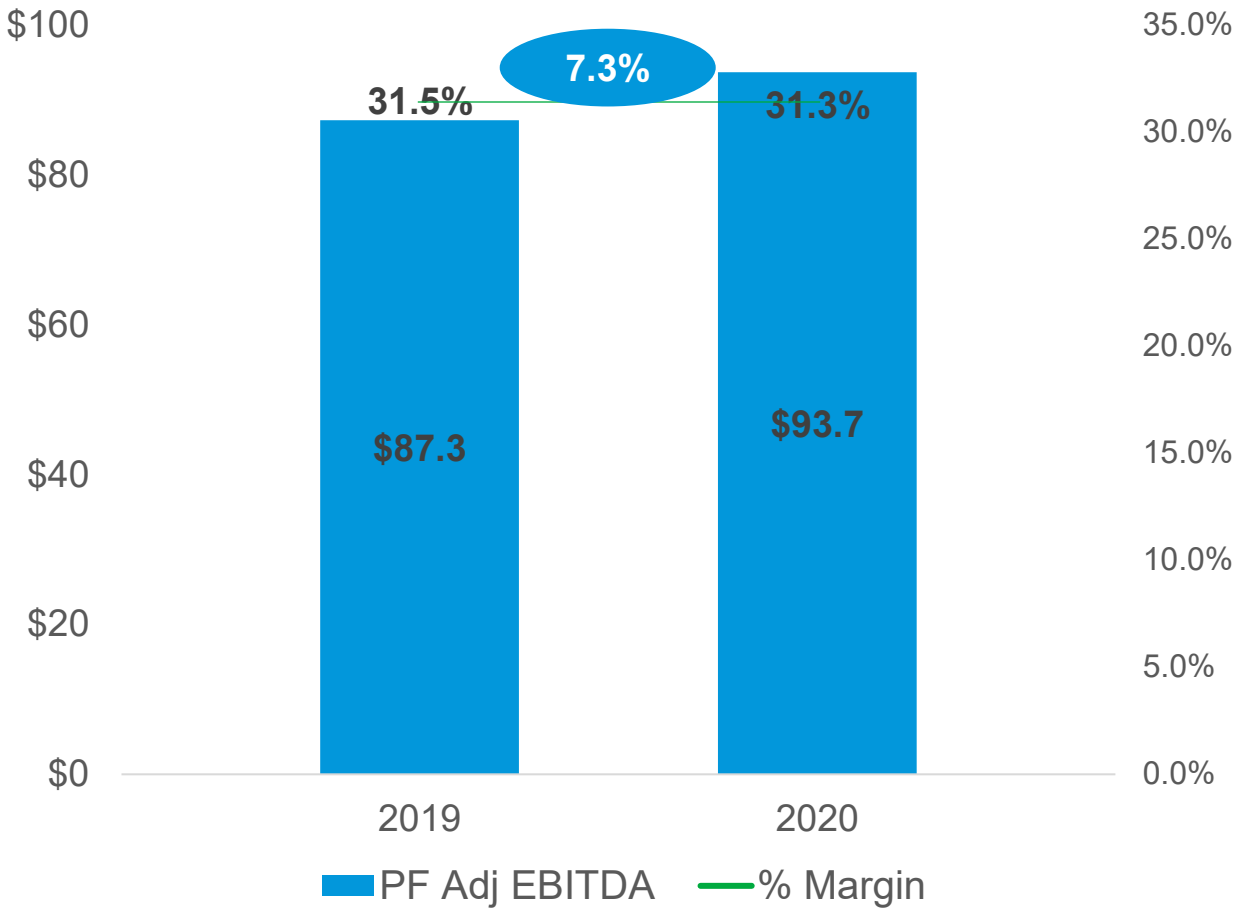
Year to Date Performance

Pro Forma Constant Currency Net Revenue(1)



Pro Forma Adjusted EBITDA(2)



Note: Figures based on unaudited internal company financial statements. Based on constant currency at € / $ 1.15.

(1) Pro forma constant currency net revenue is a non-GAAP measure, consisting of net revenue presented on a constant currency basis for the periods presented pro forma for impact of fair-value purchase accounting adjustment related to deferred revenue for user fees of $2.7 million and $1.3 million in Automation Revenue Recognition adjustments in 2019. Refer to the Appendix to this presentation for a description of the basis of presentation and a reconciliation of pro forma constant currency net revenue to net revenue, the most directly comparable US GAAP measure.

(2) Pro forma Adjusted EBITDA is a non-GAAP measure. Refer to the Appendix to this presentation for a reconciliation of Adjusted EBITDA to net income. Adjusted EBITDA is earnings before interest expense, income taxes, depreciation and amortization plus other non-core and non-cash adjustments including recruiting fees and non-recurring professional fees. Pro forma Adjusted EBITDA is pro forma for estimated public company costs prior to June 3, 2019 (date of business combination), additional management hires and the acquisition of e3neo.

Liquidity and Capitalization

- Ranpak completed 4Q20 in a strong liquidity position, including a cash balance of $48.5 million and full availability of its $45 million Revolving Credit Facility

- As of December 31, 2020 the Company had First Lien Term Loan facilities outstanding consisting of two term loan loans
  - $271 million U.S. dollar denominated *- $0 principal payments required until 2026 maturity*
  - €138.3 million Euro denominated - *€1.4 million annual principal payments required through 2026 maturity*

- 12/31/20 Financial Leverage Ratio of 3.9x Net Debt / Bank Adjusted EBITDA(1) –
  - Deleveraging below 4.25x Net Debt / Bank Adjusted EBITDA results in Ranpak paying one-time Exit Fee to lender in amount of $8.2 million in 1Q21

(1) Bank Adjusted EBITDA is a non-GAAP metric. Bank Adjusted EBITDA is earnings before interest expense, income taxes, depreciation and amortization plus other non-core and non-cash adjustments as defined in credit agreement

2021 Guidance

- **Continue to execute on our strategic vision:** ***Drive growth while investing in the business***
  - Enhance existing capabilities
  - Invest further in Automation
  - Expand the portfolio

2021 Guidance

Constant Currency Adjusted Net Revenue: $329 - $338 million (+10% - 13%)

Adjusted EBITDA: $101 - $103 million (+8% - 10%)

Note: Adjusted EBITDA is a non-GAAP metric. Adjusted EBITDA is earnings before interest expense, income taxes, depreciation and amortization plus other non-core and non-cash adjustments including recruiting fees and non-recurring professional fees. Based on constant currency at € / $ 1.15.

Our Constant Currency Net Revenue outlook was built on a U.S. GAAP basis, but we are unable to provide U.S. GAAP Net revenue outlook primarily because we are unable to forecast with reasonable certainty the currency impact. For clarity, our outlook is consolidated on a constant currency basis. A reconciliation of our full year 2021 outlook Pro forma Adjusted EBITDA to U.S. GAAP net income cannot be provided because we are unable to forecast with reasonable certainty many of the items necessary to calculate such comparable GAAP measure, including asset impairments, integration related expenses, reorganizations and discontinued operations related expenses, legal settlement costs, as well as other unusual or non-recurring gains or losses. These items are uncertain, depend on various factors, and could be material to our results computed in accordance with U.S. GAAP. We believe the inherent uncertainties in reconciling a Non-GAAP measure for current or projected periods to the most comparable GAAP measure would make the forecasted comparable U.S. GAAP measure nearly impossible to predict with reasonable certainty and therefore inherently unreliable.

Unaudited GAAP Income Statement Data

$ in millions except per share values

Ranpak Holdings Corp.
Unaudited Condensed Consolidated Statements of Operations and Comprehensive Income (Loss)
(in millions, except share and per share data)

	Successor		Predecessor	
	Year Ended December 31, 2020	June 3, 2019 – December 31, 2019	January 1, 2019 – June 2, 2019	Year Ended December 31, 2018
Paper revenue	$ 250.7	$ 136.5	$ 88.8	$ 218.1
Machine lease revenue	39.6	22.5	14.4	38.7
Other revenue	7.9	4.1	3.2	11.1
Net revenue	**298.2**	**163.1**	**106.4**	**267.9**
Cost of goods sold	175.6	97.4	61.2	153.3
Gross profit	**122.6**	**65.7**	**45.2**	**114.6**
Selling, general and administrative expenses	72.5	37.7	23.8	53.2
Transaction costs	2.2	0.3	7.4	3.3
Depreciation and amortization expense	31.5	17.2	17.7	43.2
Other operating expense, net	4.7	2.4	2.2	3.9
Income (loss) from operations	**11.7**	**8.1**	**(5.9)**	**11.0**
Interest expense	30.2	27.3	20.2	30.9
Foreign currency (gain) loss	6.1	0.7	(2.2)	(4.2)
Loss before income tax benefit	**(24.6)**	**(19.9)**	**(23.9)**	**(15.7)**
Income tax benefit	(1.2)	(2.7)	(4.9)	(7.1)
Net loss	**$ (23.4)**	**$ (17.2)**	**$ (19.0)**	**$ (8.6)**
Loss per share	—	—	$ (19,195.40)	$ (8,697.61)
Weighted average number of shares outstanding	—	—	995	995
Two-class method				
Loss per share				
Basic	$ (0.32)	$ (0.31)	—	—
Diluted	$ (0.32)	$ (0.31)	—	—
Weighted average number of shares outstanding - Class A and C				
Basic	72,434,802	55,392,201	—	—
Diluted	72,434,802	55,392,201	—	—
Other comprehensive income (loss), before tax				
Foreign currency translation adjustments	$ 16.2	$ 1.7	$ (4.0)	$ (7.4)
Interest rate swap adjustments	(11.3)	1.4	-	-
Total other comprehensive income (loss), before tax	**4.9**	**3.1**	**(4.0)**	**(7.4)**
Benefit from income taxes related to other comprehensive income (loss)	(2.4)	(0.3)	-	-
Total other comprehensive income (loss), net of tax	**7.3**	**3.4**	**(4.0)**	**(7.4)**
Comprehensive loss, net of tax	**$ (16.1)**	**$ (13.8)**	**$ (23.0)**	**$ (16.0)**

Reconciliation of Non-GAAP metrics

$ in millions except per share values

The results of operations data contained in this press release are based on our preliminary, unaudited results of operations for the year ended December 31, 2020. Such preliminary data should not be viewed as a comprehensive statement of our financial results for the year ended December 31, 2020. When filed with our Form 10-K, our audited income statement for such period may differ from the preliminary, unaudited data presented here.

	Quarterly								Year to Date December 31,	
	1Q19[1]	1Q20[1]	2Q19[1]	2Q20[1]	3Q19[1]	3Q20[1]	4Q19[1]	4Q20[1]	2019[1]	2020[1]
Net sales										
Reported net sales	66.1	63.4	56.6	66.1	69.1	76.8	77.8	91.9	269.6	298.2
Constant currency adjustment	0.5	1.4	0.7	1.7	1.2	(0.7)	1.5	(1.7)	3.8	0.7
Constant currency net sales[2]	**66.6**	**64.8**	**57.3**	**67.8**	**70.3**	**76.1**	**79.2**	**90.2**	**273.4**	**298.9**
Automation revenue recognition	1.3	-	-	-	-	-		-	1.3	-
Purchase accounting	-	-	2.6	-	0.1	-	0.0	-	2.8	-
Pro forma net sales[2]	**67.9**	**64.8**	**59.9**	**67.8**	**70.4**	**76.1**	**79.2**	**90.2**	**277.5**	**298.9**
Pro forma Adjusted EBITDA										
Net income (loss)	**(3.4)**	**(3.6)**	**(28.2)**	**(8.5)**	**(1.6)**	**(6.2)**	**(5.2)**	**(5.0)**	(38.4)	(23.4)
Depreciation & amortization	16.1	14.6	15.2	15.1	15.4	15.7	11.6	17.3	58.3	62.7
Interest expense	8.1	6.2	20.1	5.5	9.5	4.9	9.7	13.5	47.5	30.1
Income tax benefit (loss)	(0.6)	(1.7)	(6.7)	(0.5)	(3.7)	0.8	2.9	(0.1)	(8.1)	(1.5)
Unrealized (gain) / loss on translation	(2.1)	(1.5)	1.5	1.3	(3.2)	3.3	4.9	2.8	1.1	5.9
Purchase accounting	-	-	-		1.1	-		-	1.1	-
Constant currency adjustment at 1.15	0.1	0.1	-	0.4	0.4	(0.2)	2.2	(0.7)	2.7	(0.3)
Non-cash impairment losses	0.2	0.2	0.8	0.6	0.2	0.7	1.2	1.0	2.3	2.5
M&A, restructuring and severance	0.8	1.3	8.4	2.3	1.7	1.2	2.9	1.1	13.8	5.9
PE sponsor costs	0.5	-	0.5	-	0.4	-	-	-	1.4	-
RSU	-	2.2	0.2	2.0	1.6	1.7	(0.1)	1.3	1.7	7.2
Contingent liability adjustment	-	-		-	-	-	(1.2)	-	(1.2)	-
Other non-core and non-cash adjustments	0.3	0.3	0.5	0.8	0.2	1.8	(0.6)	1.8	0.3	4.6
Adjusted EBITDA[2]	**20.0**	**18.1**	**12.3**	**19.0**	**22.0**	**23.7**	**28.5**	**33.0**	**82.6**	**93.7**
Pro forma Automation	0.4	-	5.0	-	-	-		-	5.4	-
Pro forma public company costs	(0.7)	-	(0.5)	-	-	-	0.3	-	(0.9)	-
Pro forma Adjusted EBITDA[2]	**19.7**	**18.1**	**16.8**	**19.0**	**22.0**	**23.7**	**28.8**	**33.0**	**87.1**	**93.7**
% margin	29.0%	27.9%	28.1%	28.1%	31.3%	31.1%	36.4%	36.6%	31.4%	31.3%

(1) Represent unaudited financials. Due to the predecessor and successor accounting periods relating to the closing of the business combination, for the convenience of readers, we have presented the twelve month period ended December 31, 2019 on a combined basis (reflecting simple arithmetic combination of the GAAP predecessor and successor periods without further adjustment) in order to present a meaningful comparison against the corresponding period twelve months ended December 31, 2020.

(2) Financial metrics of the Company presented on a constant currency basis, including net revenue, gross profits, and Adjusted EBITDA on a constant currency basis. The average foreign exchange rate used by the Company for the three and twelve months ended December 31, 2020 and 2019 was $1.15:€1.00.

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