Ranpak

First Quarter 2021 Earnings Update

May 6, 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.

First Quarter 2021 Update

Top-Line Performance

- Off to a strong start in 2021 – Net revenue of $85.0mm increased 31.2% on a constant currency basis compared to net revenue of $64.8mm in 1Q20[(1)]
  - Exceptional demand in Europe / APAC
  - Industrial activity improving globally
- Machine placement up 12.9% year over year to more than 120,000

Profitability

- Adjusted EBITDA[(2)] increased 54.7% year over year to $28.0mm (32.9% margin) from $18.1mm in 1Q20

Capitalization and Liquidity

- Finished 1Q21 with strong cash position of $40.5mm and full availability on revolver



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(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) Constant Currency 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.

PadPak® Auto-Coiler
Launched March 17th



Sustainability
With heavy to extreme cushioning ability, the Auto-Coiler can displace environmentally harmful foam and plastic alternatives

Customization
With 5 different operation modes, 5 different basis weight options, and new density control, you can produce the optimal paper product for the end-user's product requirements

Cost Efficiency
Not only is the crimp-loss advantageous against competitive paper options, but compared to FIP alternatives, there are even greater cost and yield advantages and improved distributor margin

The Power of Paper
Paper is a proven shock absorber, that is versatile in design and molds arounds products. In many instances paper reduces damage rate on products vs. foam

Package Engineering
Access to cushioning curves, customized pack designs and certified testing

Growth

North America

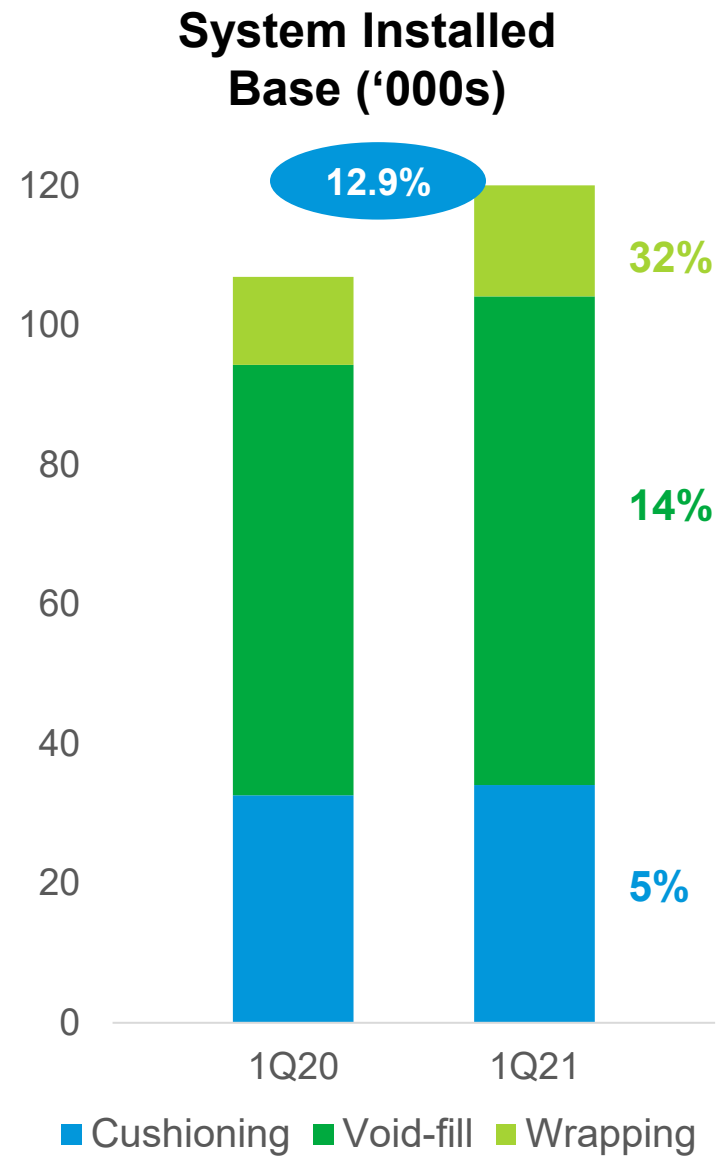
- Wrapping continues to gain traction with strong growth
- Sequential improvement in industrial end markets continues

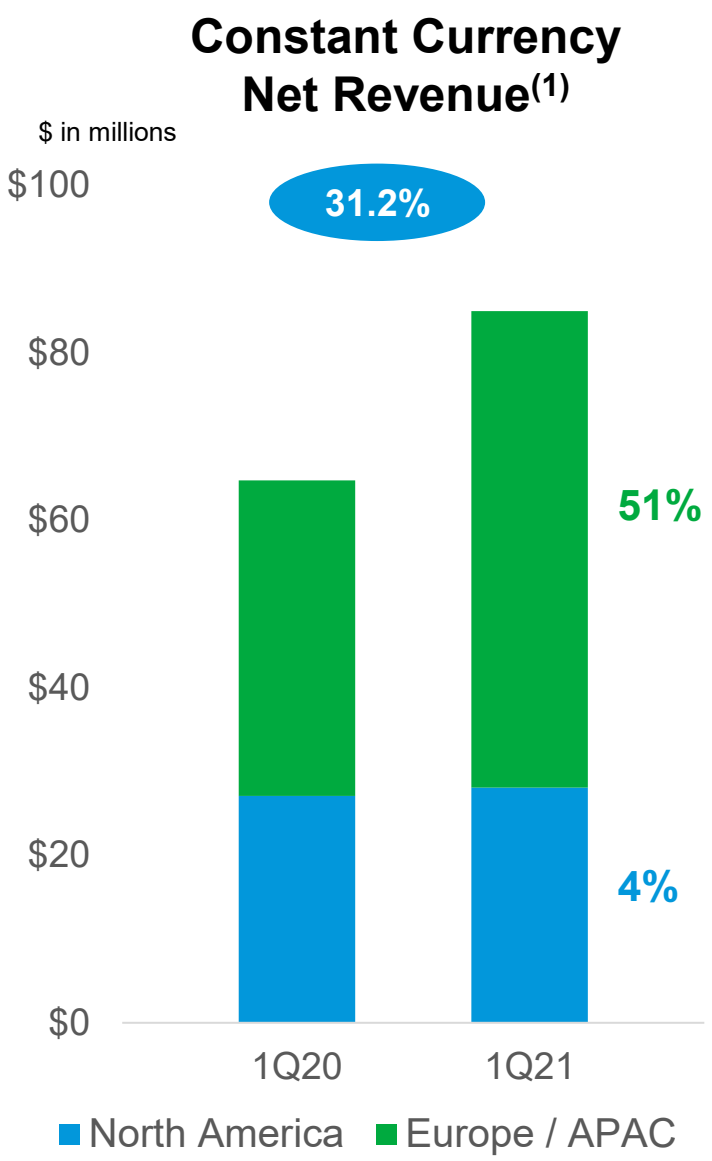
Europe / APAC

- All product lines up meaningfully year over year – strong rebound in cushioning and continued outperformance in wrapping
- Geographic expansion and sustainability tailwinds contributing to growth

Key Takeaways

- Strong start with positive macro outlook – eCommerce remains elevated and industrial activity is improving





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

(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 pro forma constant currency net revenue to net revenue, the most directly comparable U.S. GAAP measure.

Profitability

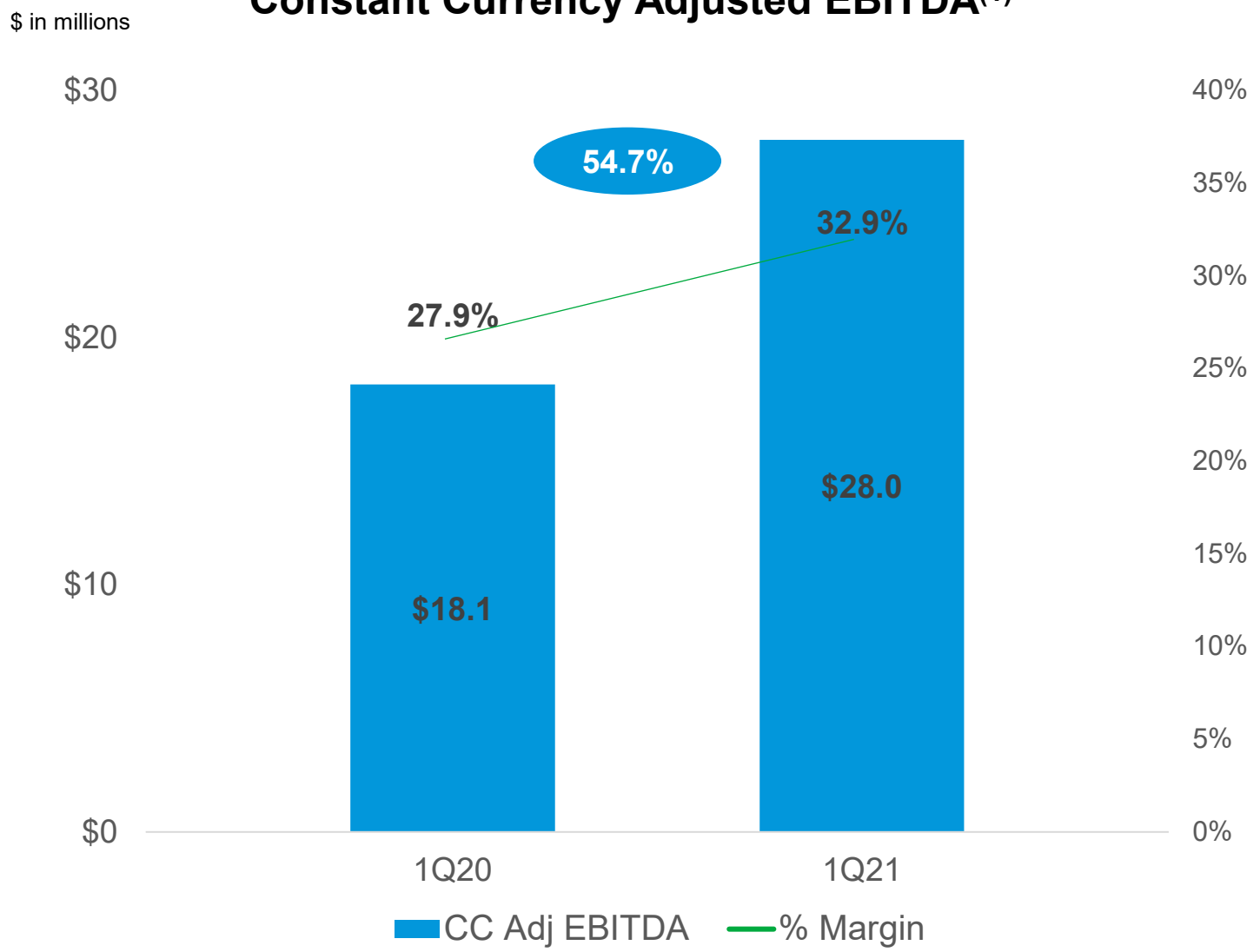
Constant Currency Adj. EBITDA up 54.7% vs 1Q21

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

Key Takeaways

- Significant volume expansion in the first quarter driving operating leverage and margin expansion of the business

Constant Currency Adjusted EBITDA(1)



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

(1) Constant Currency 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 1Q21 in a strong liquidity position, including a cash balance of $40.5 million and full availability of its $45 million Revolving Credit Facility

- As of March 31, 2021 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*
  - €137.9 million Euro denominated - *€1.4 million annual principal payments required through 2026 maturity*

- 3/31/21 Financial Leverage Ratio of 3.5x Net Debt / Bank Adjusted EBITDA[(1)] –

(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

Unaudited GAAP Income Statement Data

$ in millions except per share values

	Three Months Ended March 31,	
	2021	2020
Paper revenue	$ 74.8	$ 53.4
Machine lease revenue	10.8	8.5
Other revenue	2.1	1.5
Net revenue	**87.7**	**63.4**
Cost of goods sold	51.4	36.6
Gross profit	**36.3**	**26.8**
Selling, general and administrative expenses	19.1	19.6
Depreciation and amortization expense	8.7	7.5
Other operating expense, net	0.8	0.3
Income (loss) from operations	**7.7**	**(0.6)**
Interest expense	5.6	6.2
Foreign currency gain	(3.6)	(1.5)
Income (loss) before income tax benefit	**5.7**	**(5.3)**
Income tax benefit	(0.6)	(1.7)
Net income (loss)	**$ 6.3**	**$ (3.6)**
Two-class method		
Earnings (loss) per share		
Basic	$ 0.09	$ (0.05)
Diluted	$ 0.08	$ (0.05)
Class A – earnings (loss) per share		
Basic	$ 0.09	$ (0.05)
Diluted	$ 0.08	$ (0.05)
Class C – earnings (loss) per share		
Basic	$ 0.08	$ (0.05)
Diluted	$ 0.08	$ (0.05)
Weighted average number of shares outstanding - Class A and C		
Basic	73,559,340	70,862,576
Diluted	76,248,514	70,862,576
Other comprehensive income (loss), before tax		
Foreign currency translation adjustments	$ (8.4)	$ (4.0)
Interest rate swap adjustments	2.6	(10.1)
Total other comprehensive loss, before tax	**(5.8)**	**(14.1)**
Benefit from income taxes related to other comprehensive income (loss)	0.6	(2.3)
Total other comprehensive loss, net of tax	**(6.4)**	**(11.8)**
Comprehensive loss, net of tax	**$ (0.1)**	**$ (15.4)**

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 quarter ended March 31, 2021.

	Three Months Ended March 31, 2021		
	As reported	Constant Currency	Non-GAAP
Net revenue	$ 87.7	$ (2.7)	$ 85.0
Cost of goods sold	51.4	(1.5)	49.9
Gross profit	**36.3**	**(1.2)**	**35.1**
Selling, general and administrative expenses	19.1	(0.4)	18.7
Depreciation and amortization expense	8.7	(0.1)	8.6
Other operating expense, net	0.8	-	0.8
Income from operations	**7.7**	**(0.7)**	**7.0**
Interest expense	5.6	-	5.6
Foreign currency gain	(3.6)	(0.4)	(4.0)
Income before income tax benefit	**5.7**	**(0.3)**	**5.4**
Income tax benefit	(0.6)	(0.1)	(0.7)
Net income	**$ 6.3**	**$ (0.2)**	**6.1**
Constant currency-effected add:			
Depreciation and amortization expense - COS			8.9
Depreciation and amortization expense - D&A			8.6
Interest expense			5.6
Income tax benefit			(0.7)
Constant currency EBITDA			**28.5**
Constant currency-effected adjustments:			
Unrealized gain translation			(3.6)
Non-cash impairment losses			0.2
M&A, restructuring, severance			0.1
Amortization of restricted stock units			2.7
Other non-core and non-cash adjustments			0.1
Constant currency AEBITDA			**$ 28.0**

	Three Months Ended March 31, 2020		
	As reported	Constant Currency	Non-GAAP
Net revenue	$ 63.4	$ 1.4	$ 64.8
Cost of goods sold	36.6	0.8	37.4
Gross profit	**26.8**	**0.6**	**27.4**
Selling, general and administrative expenses	19.6	0.3	19.9
Depreciation and amortization expense	7.5	0.1	7.6
Other operating expense, net	0.3	0.2	0.5
Loss from operations	**(0.6)**	**-**	**(0.6)**
Interest expense	6.2	-	6.2
Foreign currency gain	(1.5)	-	(1.5)
Loss before income tax benefit	**(5.3)**	**-**	**(5.3)**
Income tax benefit	(1.7)	-	(1.7)
Net loss	**$ (3.6)**	**$ -**	**(3.6)**
Constant currency-effected add:			
Depreciation and amortization expense - COS			7.0
Depreciation and amortization expense - D&A			7.6
Interest expense			6.2
Income tax benefit			(1.7)
Constant currency EBITDA			**15.5**
Constant currency-effected adjustments:			
Unrealized gain translation			(1.5)
Constant currency			0.1
Non-cash impairment losses			0.2
M&A, restructuring, severance			1.3
Amortization of restricted stock units			2.2
Other non-core and non-cash adjustments			0.3
Constant currency AEBITDA			**$ 18.1**

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