Ranpak

Second Quarter 2021 Earnings Update

July 29, 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 Securities and Exchange Commission (“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.

Second Quarter 2021 Update

Top-Line Performance

- Outstanding Second Quarter Performance – Net revenue of $87.5mm increased 29.1% on a constant currency basis compared to net revenue of $67.8mm in 2Q20[(1)]
  - Balanced strength globally
    - North America up 26.6% year over year
    - Europe / APAC up 30.8% on a constant currency basis[(1)]
  - All PPS product lines up year over year
- Machine placement up 12.9% year over year to more than 123,600

Profitability

- Adjusted EBITDA[(2)] increased 34.7% year over year to $25.6mm (29.3% margin) from $19.0mm in 2Q20

Capitalization and Liquidity

- Completed $110mm equity offering to de-lever balance sheet, increase liquidity, and improve float
- Repaid $20.9mm of debt and put remaining cash on balance sheet as dry powder
  - Finished 2Q21 with strong cash position of $125.3mm 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.

Growth

North America

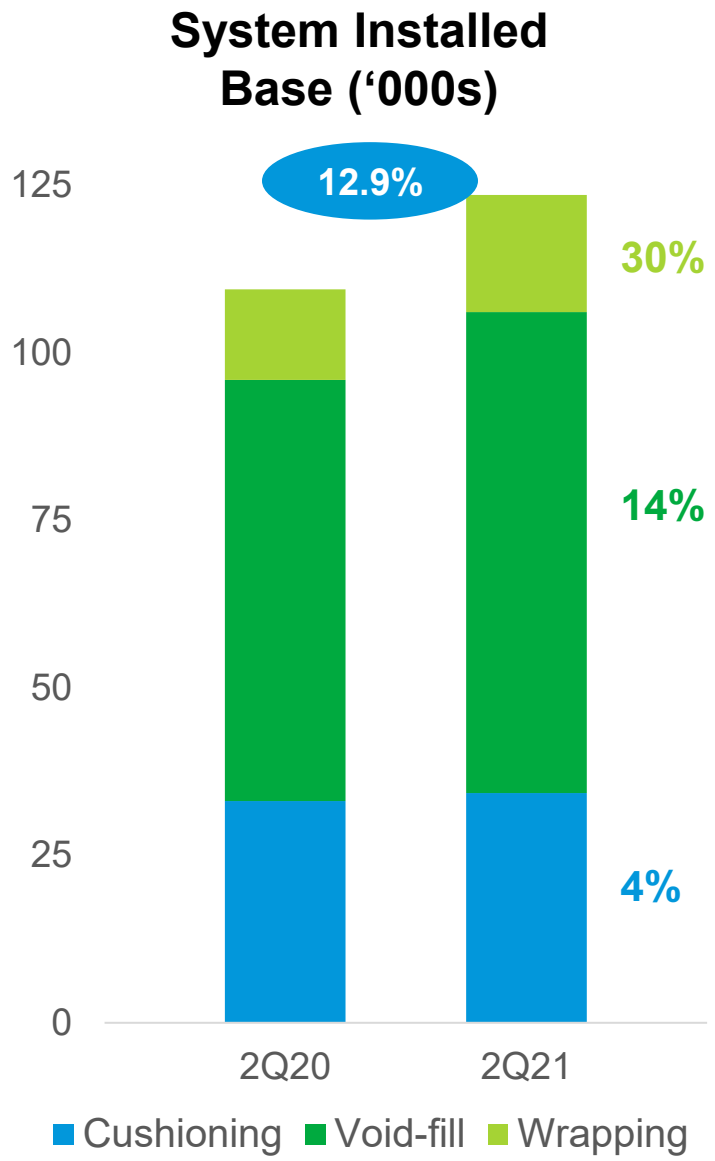
- All PPS product lines up year over year
- Cushioning and Wrapping drove strong growth
- Sustainability gaining momentum

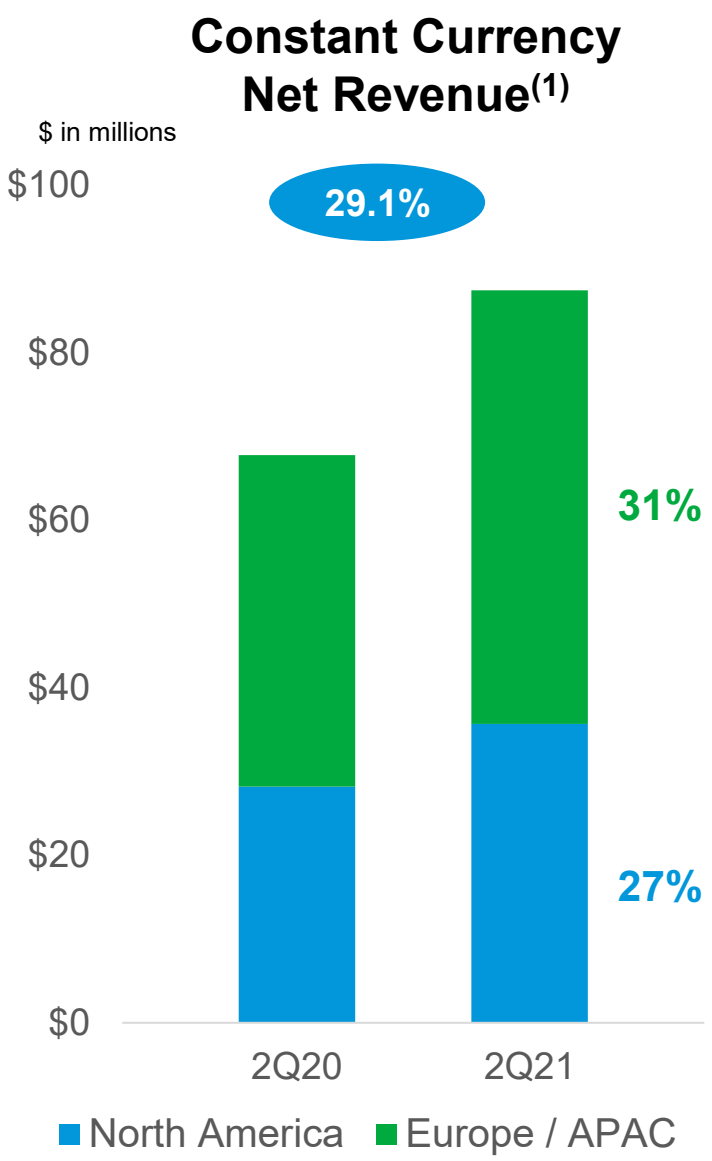
Europe / APAC

- Broad based strength in all PPS product lines
- Demand for sustainable solutions continues to drive adoption

Key Takeaways

- Balanced performance across all regions and products
- Investing in facilities to drive expansion for next phase of growth at Ranpak





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

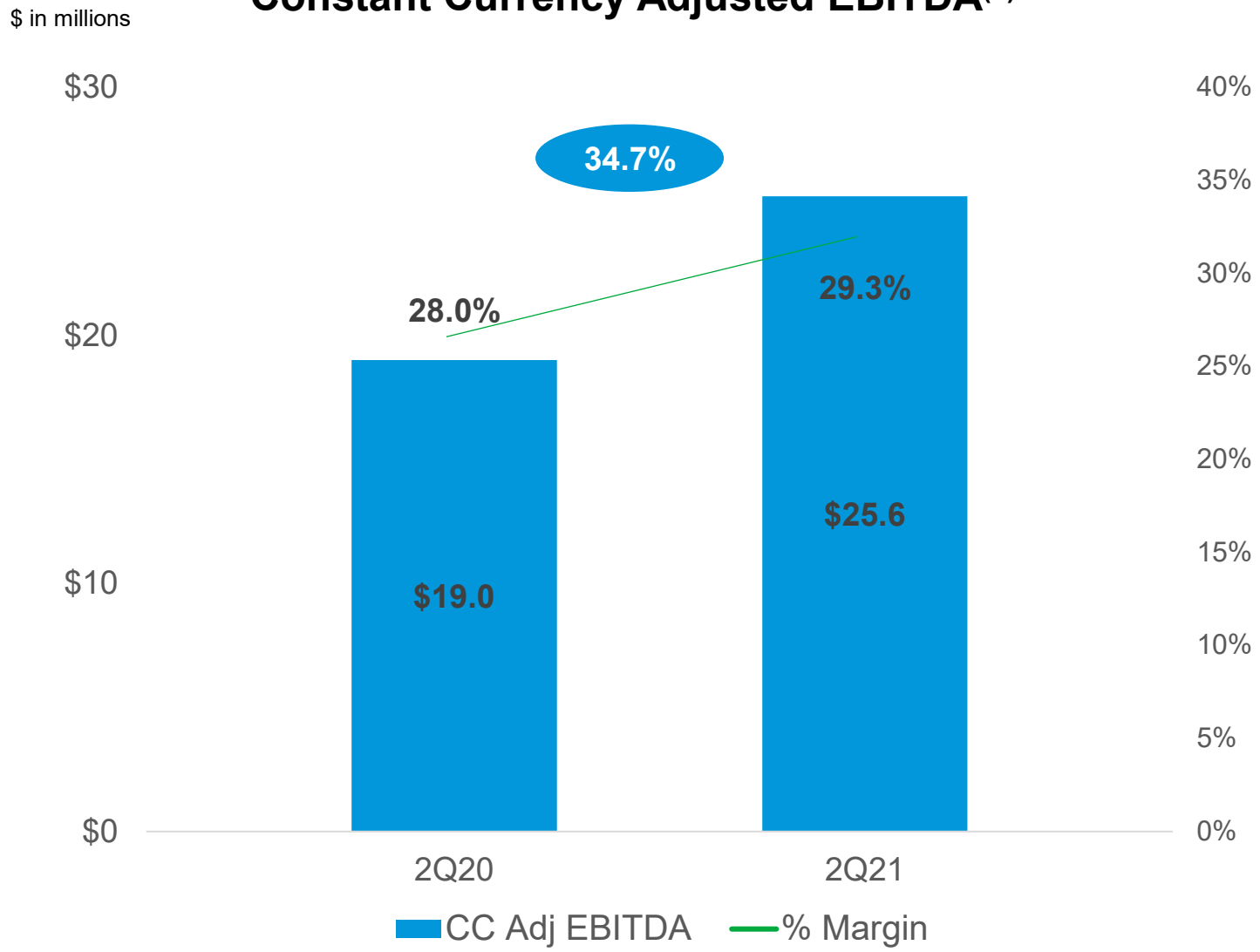
Constant Currency Adj. EBITDA up 34.7% vs 2Q20

- Impact of increased input and freight costs offset by higher volumes and operating leverage on G&A

Key Takeaways

- Solid execution to enhance profitability while simultaneously investing in initiatives to drive future expansion

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.

Liquidity and Capitalization

- Completed $110 million gross proceeds equity offering
  - Proceeds utilized for debt paydown and general corporate purposes

- Ranpak completed 2Q21 in a strong liquidity position, including a cash balance of $125.3 million and full availability of its $45 million Revolving Credit Facility

- As of June 30, 2021 the Company had First Lien Term Loan facilities outstanding consisting of two tranches of term loans:
  - $250 million U.S. dollar denominated *- $0 principal payments required until 2026 maturity*
  - €137.3 million Euro denominated *- €1.4 million annual principal payments required through 2026 maturity*

- 6/30/21 Financial Leverage Ratio of 2.4x 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 June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Paper revenue	$ 73.5	$ 52.9	$ 148.3	$ 106.3
Machine lease revenue	12.4	9.4	23.2	17.9
Other revenue	4.1	3.8	6.2	5.3
Net revenue	**90.0**	**66.1**	**177.7**	**129.5**
Cost of goods sold	54.3	39.1	105.7	75.7
Gross profit	**35.7**	**27.0**	**72.0**	**53.8**
Selling, general and administrative expenses	24.6	20.7	43.7	40.3
Depreciation and amortization expense	8.7	7.7	17.4	15.2
Other operating expense, net	1.3	0.7	2.1	1.0
Income (loss) from operations	**1.1**	**(2.1)**	**8.8**	**(2.7)**
Interest expense	6.0	5.5	11.6	11.7
Foreign currency (gain) loss	1.2	1.4	(2.4)	(0.1)
Loss before income tax benefit	**(6.1)**	**(9.0)**	**(0.4)**	**(14.3)**
Income tax benefit	(0.9)	(0.5)	(1.5)	(2.2)
Net income (loss)	**$ (5.2)**	**$ (8.5)**	**$ 1.1**	**$ (12.1)**
Two-class method				
Earnings (loss) per share				
Basic	$ (0.07)	$ (0.12)	$ 0.01	$ (0.17)
Diluted	$ (0.07)	$ (0.12)	$ 0.01	$ (0.17)
Class A – earnings (loss) per share				
Basic	$ (0.07)	$ (0.12)	$ 0.01	$ (0.17)
Diluted	$ (0.07)	$ (0.12)	$ 0.01	$ (0.17)
Class C – earnings (loss) per share				
Basic	$ (0.07)	$ (0.12)	$ 0.02	$ (0.17)
Diluted	$ (0.07)	$ (0.12)	$ 0.02	$ (0.17)
Weighted average number of shares outstanding - Class A and C				
Basic	77,653,610	70,947,868	75,617,785	70,898,813
Diluted	77,653,610	70,947,868	77,028,319	70,898,813
Other comprehensive income (loss), before tax				
Foreign currency translation adjustments	$ 2.2	$ 3.5	$ (6.2)	$ (0.5)
Interest rate swap adjustments	0.6	(1.6)	3.2	(11.7)
Total other comprehensive income (loss), before tax	**2.8**	**1.9**	**(3.0)**	**(12.2)**
Provision (benefit) for income taxes related to other comprehensive income (loss)	0.2	0.1	0.8	(2.2)
Total other comprehensive income (loss), net of tax	**2.6**	**1.8**	**(3.8)**	**(10.0)**
Comprehensive loss, net of tax	**$ (2.6)**	**$ (6.7)**	**$ (2.7)**	**$ (22.1)**

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 June 30, 2021.

	Three Months Ended June 30, 2021		
	As reported	Constant Currency	Non-GAAP
Net revenue	$ 90.0	$ (2.5)	$ 87.5
Cost of goods sold	54.3	(1.5)	52.8
Gross profit	**35.7**	**(1.0)**	**34.7**
Selling, general and administrative expenses	24.6	(0.5)	24.1
Depreciation and amortization expense	8.7	(0.2)	8.5
Other operating expense, net	1.3	-	1.3
Income from operations	**1.1**	**(0.3)**	**0.8**
Interest expense	6.0	(0.1)	5.9
Foreign currency loss	1.2	(0.3)	0.9
Loss before income tax benefit	**(6.1)**	**0.1**	**(6.0)**
Income tax benefit	(0.9)	-	(0.9)
Net loss	**$ (5.2)**	**$ 0.1**	**(5.1)**
Constant currency-effected add:			
Depreciation and amortization expense - COS			9.2
Depreciation and amortization expense - D&A			8.5
Interest expense			5.9
Income tax benefit			(0.9)
Constant currency EBITDA			**17.6**
Constant currency-effected adjustments:			
Unrealized loss translation			1.0
Non-cash impairment losses			0.5
M&A, restructuring, severance			0.3
Amortization of restricted stock units			4.7
Other non-core and non-cash adjustments			1.5
Constant currency AEBITDA			**$ 25.6**

	Three Months Ended June 30, 2020		
	As reported	Constant Currency	Non-GAAP
Net revenue	$ 66.1	$ 1.7	$ 67.8
Cost of goods sold	39.1	1.0	40.1
Gross profit	**27.0**	**0.7**	**27.7**
Selling, general and administrative expenses	20.7	0.4	21.1
Depreciation and amortization expense	7.7	0.1	7.8
Other operating expense, net	0.7	0.2	0.9
Loss from operations	**(2.1)**	**-**	**(2.1)**
Interest expense	5.5	-	5.5
Foreign currency loss	1.4	-	1.4
Loss before income tax benefit	**(9.0)**	**-**	**(9.0)**
Income tax benefit	(0.5)	0.1	(0.4)
Net loss	**$ (8.5)**	**$ (0.1)**	**(8.6)**
Constant currency-effected add:			
Depreciation and amortization expense - COS			7.4
Depreciation and amortization expense - D&A			7.7
Interest expense			5.5
Income tax benefit			(0.5)
Constant currency EBITDA			**11.5**
Constant currency-effected adjustments:			
Unrealized loss translation			1.3
Constant currency			0.5
Non-cash impairment losses			0.6
M&A, restructuring, severance			2.3
Amortization of restricted stock units			2.0
Other non-core and non-cash adjustments			0.8
Constant currency AEBITDA			**$ 19.0**

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