Ranpak

Fourth Quarter and Full Year 2021 Earnings Update

February 25, 2022



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,” “goal,” “intend,” “may,” “might,” “plan,” “possible,” “potential,” “predict,” “project,” “should,” “target,” “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.

Fourth Quarter 2021 Update

Top-Line Performance

- Excellent finish – Net revenue of $109.4mm increased 21.3% on a constant currency basis compared to net revenue of $90.2mm in 4Q20[(1)]
    - Balanced growth across geographies
- Machine placement up 13.5% year over year to more than 133,000

Profitability

- Adjusted EBITDA [(2)] increased 8.2% year over year to $35.7mm (32.6% margin) from $33.0mm in 4Q20

Acquisition

- Acquired Recycold Cool Solutions – manufacturer of sustainable cool packs made from a drain safe, plant-based gel

Capitalization and Liquidity

- Finished 4Q21 with strong balance sheet and cash position of $103.9mm



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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.

RecyCold Cool Solutions

RecyCold Cool Packs are made from a drain safe, plant-based gel

Expands the diversity of Ranpak's Cold Chain packaging solutions





Growth

North America

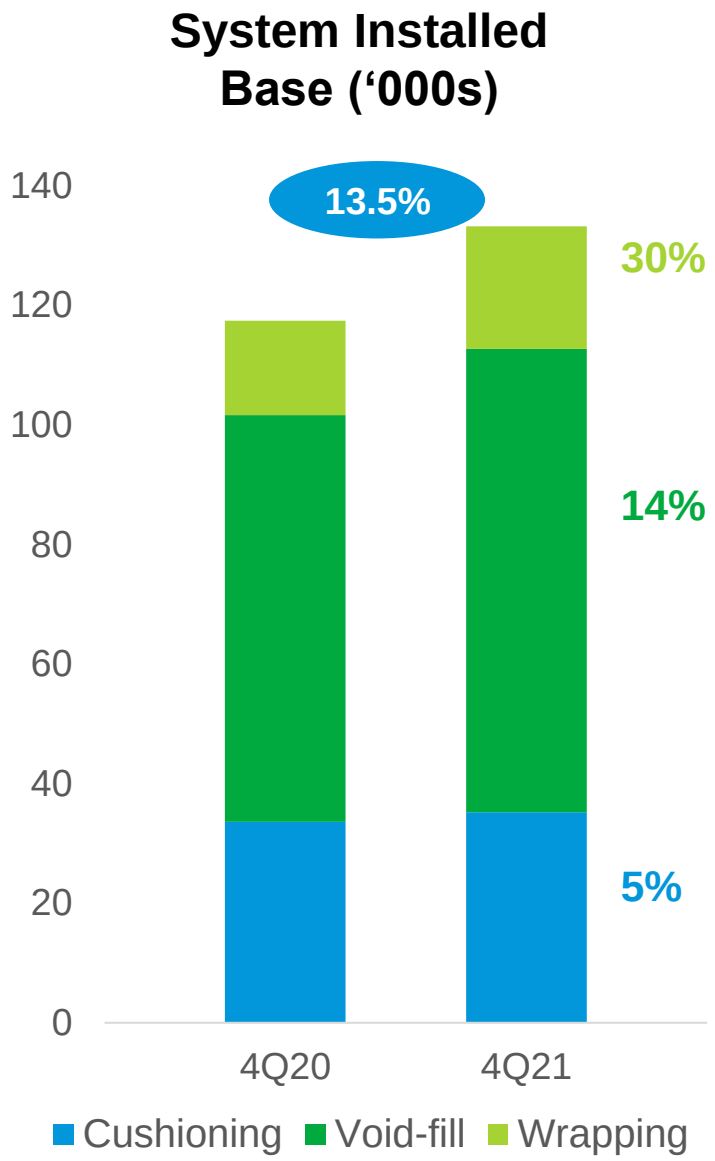
- Strong growth in all product categories
- Continued strength in e-Commerce activity and industrial end markets

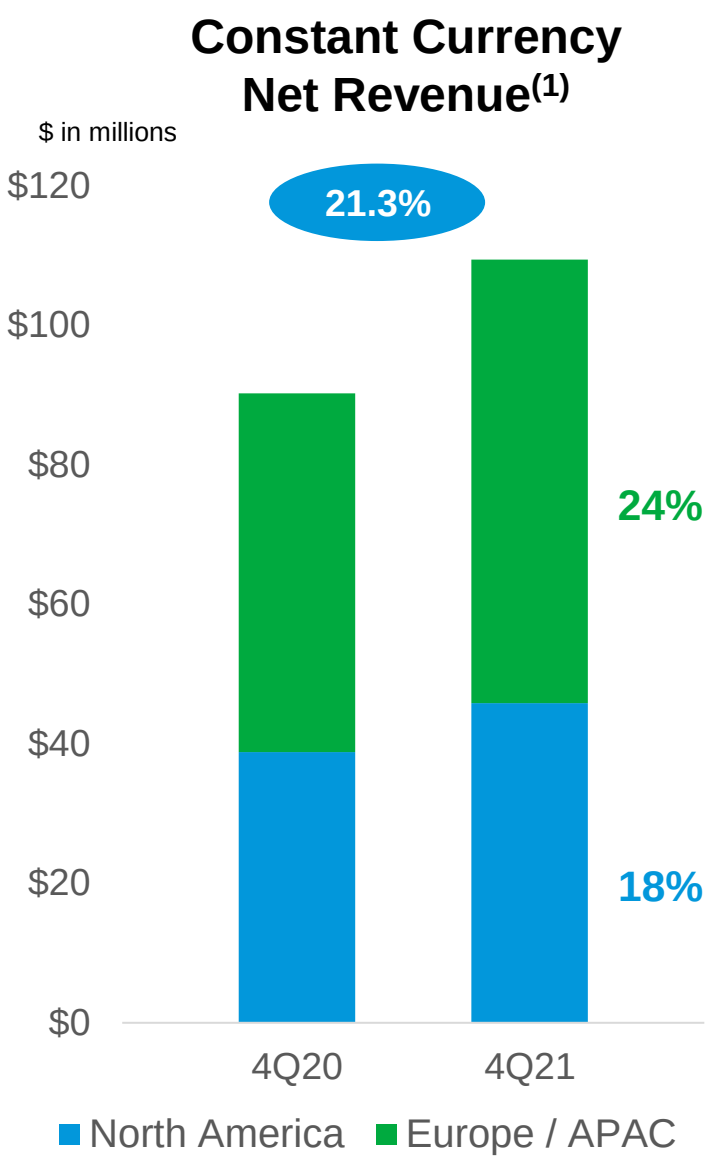
Europe / APAC

- All product lines up meaningfully
- Cold Chain gaining traction
- Geographic expansion and sustainability tailwinds contributing to growth
- FSC certification for all paper products in Europe in 2021

Key Takeaways

- Excellent finish to the year with balanced demand across products and regions
- Enhanced Cold Chain portfolio with Recycold acquisition





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

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Profitability

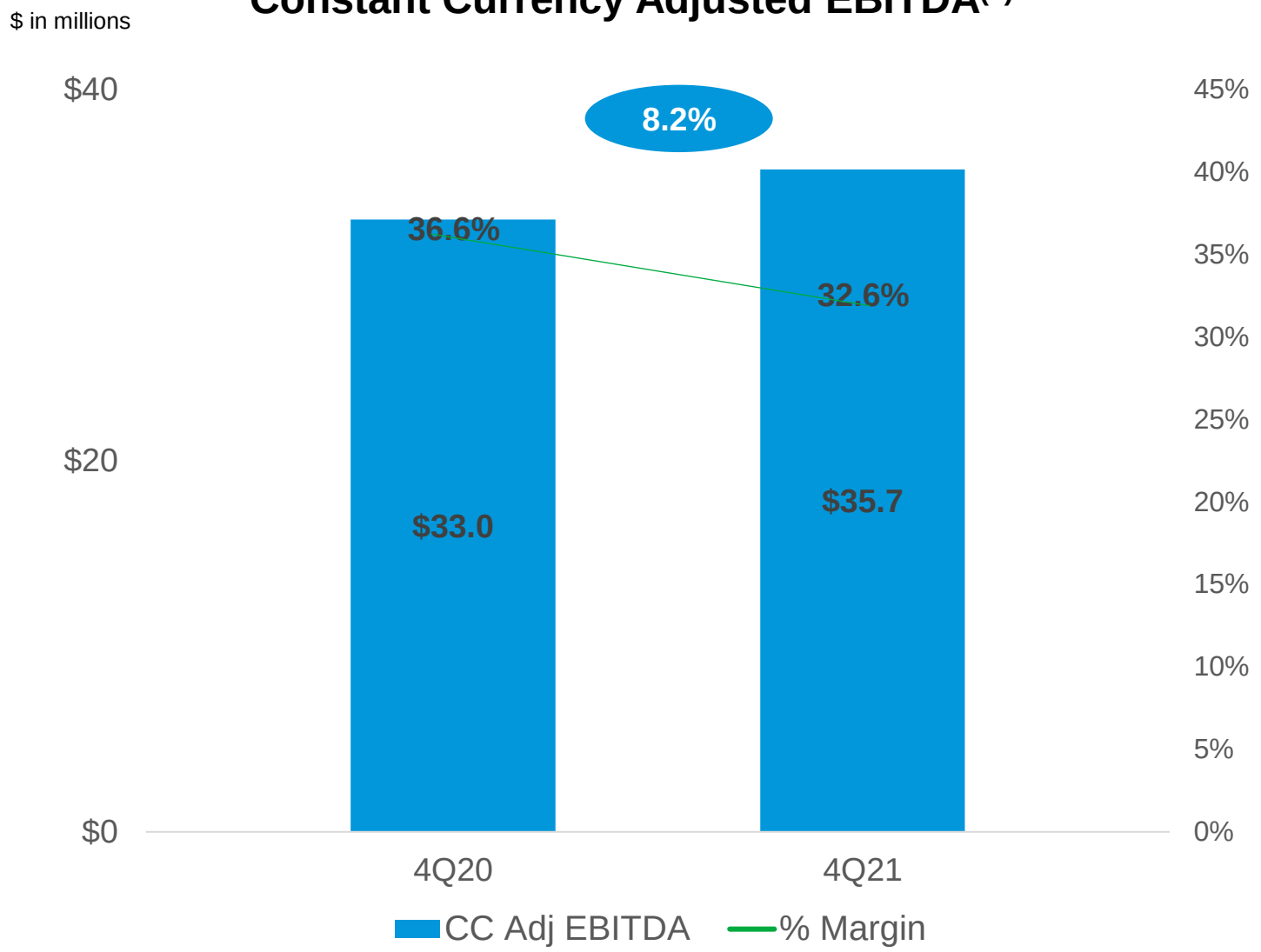
CC Adj. EBITDA up 8.2% vs 4Q20

- Sales increase driven by higher volumes and price somewhat offset by increased input costs and investments in personnel
- Additional pricing actions announced in 2022

Key Takeaways

- Solid growth in CC Adj. EBITDA against a challenging comparison in 4Q20
- Continue to manage the business well in an inflationary environment
  - Improved planning and forecasting process has improved our ability to react to changing conditions and serve customers

Constant Currency Adjusted EBITDA(1)

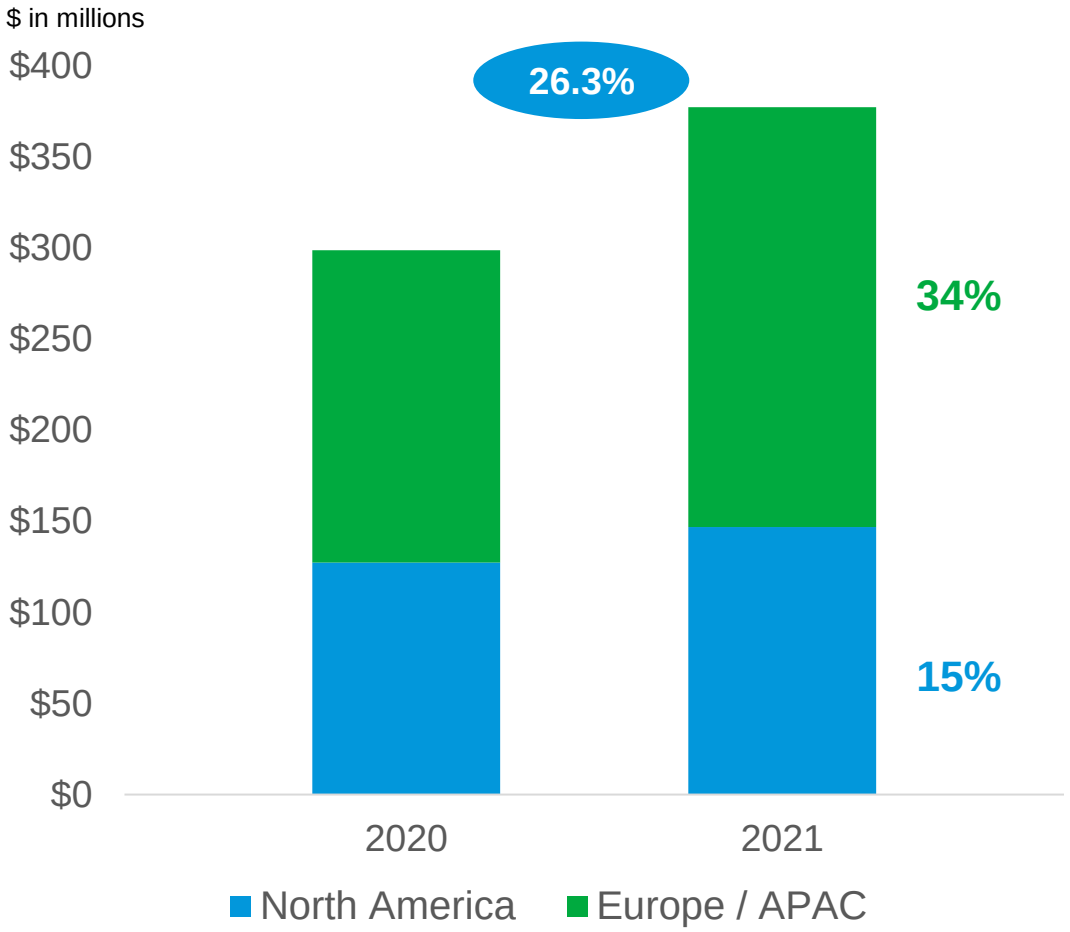


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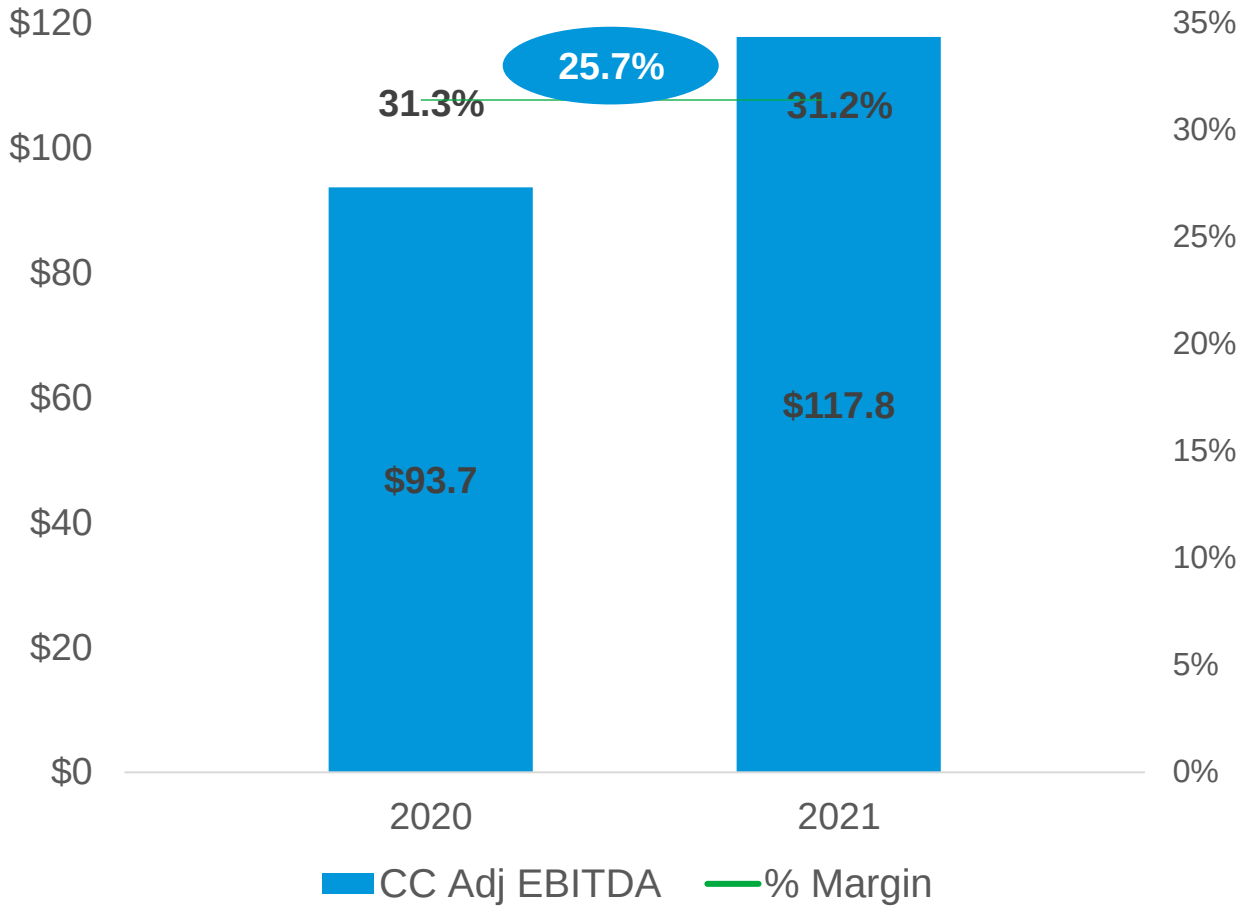
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Full Year 2021 Performance

Constant Currency Net Revenue(1)



Constant Currency Adjusted EBITDA(2)



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

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Liquidity and Capitalization

- Ranpak completed 4Q21 with a strong balance sheet and liquidity position - cash balance of $103.9 million and no drawings on its Revolving Credit Facility

- As of December 31, 2021 the Company had First Lien Term Loan facilities outstanding consisting of two term loans:
  - $250.0 million U.S. dollar denominated *- $0 principal payments required until 2026 maturity*
    - *$80.0 million notional swapped to €70.5 million 1.1345*[(2)]
  - €136.9 million Euro denominated - *€1.4 million annual principal payments required through 2026 maturity*

- 12/31/21 Net Leverage Ratio of 2.6x Net Debt / 2021 Adjusted EBITDA

(1) 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.

(2) As of February 2022

2022 Guidance

Driving growth while investing in the business for the long term

- Top line expectations driven by continued volume growth and pricing actions
- Growth in Adj EBITDA reflects investments in key areas such as Automation and continued input cost pressure
- Meaningful investments in Automation and infrastructure in 2022
  - Real Estate and Digital Infrastructure investments

2022 Guidance

Constant Currency Adjusted Net Revenue: $425 - $445 million (+13% - 18%)

Constant Currency Adjusted EBITDA: $128 - $132 million (+9% - 12%)

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.

We are unable to provide a reconciliation of our forecast of net revenue on a constant currency basis for 2022 to a forecast of net revenue on a U.S. GAAP basis without unreasonable effort primarily because we are unable to forecast with reasonable certainty the associated currency impact. In addition, a reconciliation of our forecast for C.C. Adj. EBITDA for 2022 to U.S. GAAP net income cannot be provided without unreasonable effort because we are unable to forecast with reasonable certainty several of the items necessary to calculate such comparable U.S. 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 such non-GAAP measures for projected periods to the most comparable U.S. GAAP measures would make the forecasted comparable U.S. GAAP measures difficult to predict with reasonable certainty or reliability.

Unaudited GAAP Income Statement Data

$ in millions except per share values

	Year Ended December 31,		Successor	Predecessor
	2021	2020	June 3, 2019 – December 31, 2019	January 1, 2019 – June 2, 2019
Paper revenue	$ 321.4	$ 250.7	$ 136.5	$ 88.8
Machine lease revenue	47.7	39.6	22.5	14.4
Other revenue	14.8	7.9	4.1	3.2
Net revenue	**383.9**	**298.2**	**163.1**	**106.4**
Cost of goods sold	235.0	175.6	97.4	61.2
Gross profit	**148.9**	**122.6**	**65.7**	**45.2**
Selling, general and administrative expenses	98.3	72.5	37.7	23.8
Transaction costs	-	2.2	0.3	7.4
Depreciation and amortization expense	35.0	31.5	17.2	17.7
Other operating expense, net	3.4	4.7	2.4	2.2
Income (loss) from operations	**12.2**	**11.7**	**8.1**	**(5.9)**
Interest expense	22.4	30.2	27.3	20.2
Foreign currency (gain) loss	(5.3)	6.1	0.7	(2.2)
Loss before income tax benefit	**(4.9)**	**(24.6)**	**(19.9)**	**(23.9)**
Income tax benefit	(2.1)	(1.2)	(2.7)	(4.9)
Net loss	**$ (2.8)**	**$ (23.4)**	**$ (17.2)**	**$ (19.0)**
Loss per share	—	—	—	$ (19,195.40)
Weighted average number of shares outstanding	—	—	—	995
Two-class method				
Loss per share				
Basic	$ (0.04)	$ (0.32)	$ (0.31)	—
Diluted	$ (0.04)	$ (0.32)	$ (0.31)	—
Class A – loss per share				
Basic	$ (0.04)	$ (0.32)	$ (0.31)	—
Diluted	$ (0.04)	$ (0.32)	$ (0.31)	—
Class C – loss per share				
Basic	$ (0.03)	$ (0.32)	$ (0.31)	—
Diluted	$ (0.03)	$ (0.32)	$ (0.31)	—
Weighted average number of shares outstanding – Class A and C				
Basic	78,542,734	72,434,802	55,392,201	—
Diluted	78,542,734	72,434,802	55,392,201	—
Other comprehensive income (loss), before tax				
Foreign currency translation adjustments	$ (15.4)	$ 16.2	$ 1.7	$ (4.0)
Interest rate swap adjustments	7.3	(11.3)	1.4	-
Cross-currency swap adjustments	2.3	-	-	-
Total other comprehensive income (loss), before tax	**(5.8)**	**4.9**	**3.1**	**(4.0)**
Provision (benefit) for income taxes related to other comprehensive income (loss)	2.3	(2.4)	(0.3)	-
Total other comprehensive income (loss), net of tax	**(8.1)**	**7.3**	**3.4**	**(4.0)**
Comprehensive loss, net of tax	**$ (10.9)**	**$ (16.1)**	**$ (13.8)**	**$ (23.0)**

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, 2021. Such preliminary data should not be viewed as a comprehensive statement of our financial results for the year ended December 31, 2021. When filed with our Form 10-K, our audited income statement for such period may differ from the preliminary, unaudited data presented here.

	Three Months Ended December 31, 2021		
	As reported	Constant Currency	Non-GAAP
Net revenue	$ 109.1	$ 0.3	$ 109.4
Cost of goods sold	70.2	0.2	70.4
Gross profit	**38.9**	**0.1**	**39.0**
Selling, general and administrative expenses	27.5	0.1	27.6
Depreciation and amortization expense	8.9	-	8.9
Other operating expense, net	1.4	-	1.4
Income from operations	**1.1**	**-**	**1.1**
Interest expense	5.3	-	5.3
Foreign currency gain	(1.4)	-	(1.4)
Loss before income tax benefit	**(2.8)**	**-**	**(2.8)**
Income tax benefit	(0.3)	-	(0.3)
Net loss	**$ (2.5)**	**$ -**	**(2.5)**
Constant currency-effected add:			
Depreciation and amortization expense - COS			10.4
Depreciation and amortization expense - D&A			8.9
Interest expense			5.3
Income tax benefit			(0.3)
Constant currency EBITDA			**21.8**
Constant currency-effected adjustments:			
Unrealized gain translation			(1.3)
Non-cash impairment losses			0.8
M&A, restructuring, severance			0.6
Amortization of restricted stock units			8.2
Other adjustments			5.6
Constant currency AEBITDA			**$ 35.7**

	Three Months Ended December 31, 2020		
	As reported	Constant Currency	Non-GAAP
Net revenue	$ 91.9	$ (1.7)	$ 90.2
Cost of goods sold	53.3	(1.1)	52.2
Gross profit	**38.6**	**(0.6)**	**38.0**
Selling, general and administrative expenses	15.6	(0.2)	15.4
Transaction costs	1.0	-	1.0
Depreciation and amortization expense	8.6	-	8.6
Other operating expense, net	1.8	(0.3)	1.5
Income from operations	**11.6**	**(0.1)**	**11.5**
Interest expense	13.6	(0.1)	13.5
Foreign currency loss	3.0	0.1	3.1
Loss before income tax expense	**(5.0)**	**(0.1)**	**(5.1)**
Income tax expense (benefit)	0.2	(0.3)	(0.1)
Net loss	**$ (5.2)**	**$ 0.2**	**(5.0)**
Constant currency-effected add:			
Depreciation and amortization expense - COS			8.7
Depreciation and amortization expense - D&A			8.6
Interest expense			13.5
Income tax expense (benefit)			(0.1)
Constant currency EBITDA			**25.7**
Constant currency-effected adjustments:			
Unrealized loss translation			2.8
Constant currency			(0.7)
Non-cash impairment losses			1.0
M&A, restructuring, severance			1.1
Amortization of restricted stock units			1.3
Warrant Exchange costs			1.0
Other adjustments			0.8
Constant currency AEBITDA			**$ 33.0**

(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, 2021.

(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, 2021 and 2020 was $1.15:€1.00.

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