Ranpak

Q422 Earnings Presentation

March 15, 2023



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, the guidance included in this presentation and the 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, the Russia and Ukraine conflict, and associated responses; (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; (13) our exposure to changes in interest rates; 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.

NOTE REGARDING PRELIMINARY UNAUDITED FINANCIAL INFORMATION

The preliminary, unaudited financial information for the three months and year ended, and as at, December 31, 2022 contained in this press release is based on the information available to the Company as of the date hereof. The Company is working to complete its financial statements for the year ended and as of December 31, 2022, and its independent auditors are working to complete their audit. As such, the Company’s financial statements may differ from the preliminary, unaudited financial information contained in this press release. The Company has today filed a Form 12b-25 with the U.S. Securities and Exchange Commission and expects to file its annual report on Form 10-K no later than March 31, 2023. As a result of its work to date, the Company expects to disclose a number of material weaknesses in its internal control over financial reporting at December 31, 2022 and conclude that its internal control over financial reporting and, as a result, its disclosure controls were not effective at December 31, 2022. However, these material weaknesses in internal control over financial reporting are not expected to result in any changes to the financial information as of and for the year ended December 31, 2022 included in this press presentation.

USE OF NON-GAAP FINANCIAL MEASURES

This investor presentation includes non-GAAP financial measures including constant currency EBITDA, constant currency Adjusted EBITDA, constant currency Adjusted EBITDA margin, constant currency net revenue and constant currency gross profit. 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 constant currency 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.

We present constant currency EBITDA and constant currency Adjusted EBITDA on a constant currency basis because it allows a better insight into the performance of our businesses that operate in currencies other than our reporting currency. Before consolidation, our Europe/Asia financial data is derived in Euros. To calculate the adjustment that we apply to present constant currency EBITDA and constant currency Adjusted EBITDA on a constant currency basis, we multiply this Euro-derived data by 1.15 to reflect an exchange rate of 1 Euro to 1.15 U.S. dollars (“USD”), which we believe is a reasonable exchange rate to use to give a stable depiction of the business without currency fluctuations between periods, to calculate Europe/Asia data in constant currency USD. We believe that using an exchange rate of 1.15 is reasonable because it approximates the average exchange rate of the Euro to USD over the past five years. In addition, we include certain other unaudited, non-GAAP constant currency data for the three and twelve months ended December 31, 2022 and 2021. This data is based on our historical financial statements, adjusted (where applicable) to reflect a constant currency presentation between periods for the convenience of readers. We reconcile this data to our GAAP data for the same period for the three and twelve months ended December 31, 2022 and 2021.

Ranpak Fourth Quarter Performance Commentary

Finish to the year driven by weaker holiday season and lower industrial activity. Expect 4Q22 to be margin trough.

- Top-line results were under pressure in all geographies driven by subdued holiday activity in e-Commerce and lower industrial activity.
    - December activity level appeared exacerbated by Distributors pushing out orders as January was stronger than anticipated
- Gross margins negatively impacted by step down in volume as well as inventory related headwinds – markdowns due to lower paper pricing as well as adjustments related to the physical inventory at the end of the year
- Cost environment turning in our favor as key input cost headwinds become tailwinds for 2023
- Emphasis on driving new business activity as well as cost reduction and cash / working capital management
    - Improved cash position from Q3 to $62.8mm

4Q22 Performance indicators:

- Net revenue decreased 22% on a constant currency basis driven by lower volumes (29 pts), somewhat offset by pricing (7 pts)
- Gross profit down 39% on a constant currency basis driven by lower volumes, increased material costs, and inventory adjustments
    - Gross margins decreased 7.5 pts to 28.1% driven by material cost headwinds, inventory adjustments, and increased Automation contribution
    - Expect Q4 2022 to be trough of gross margins – secured 10%+ decrease in paper pricing beginning in Q1 2023
- Adjusted EBITDA down 64% on a constant currency basis driven by lower gross profit and increased G&A due to increased personnel and system costs
    - Cost reduction measures from Q2/Q3 were not substantial enough to offset the negative operating leverage from the gross profit decline

Revenue

North America

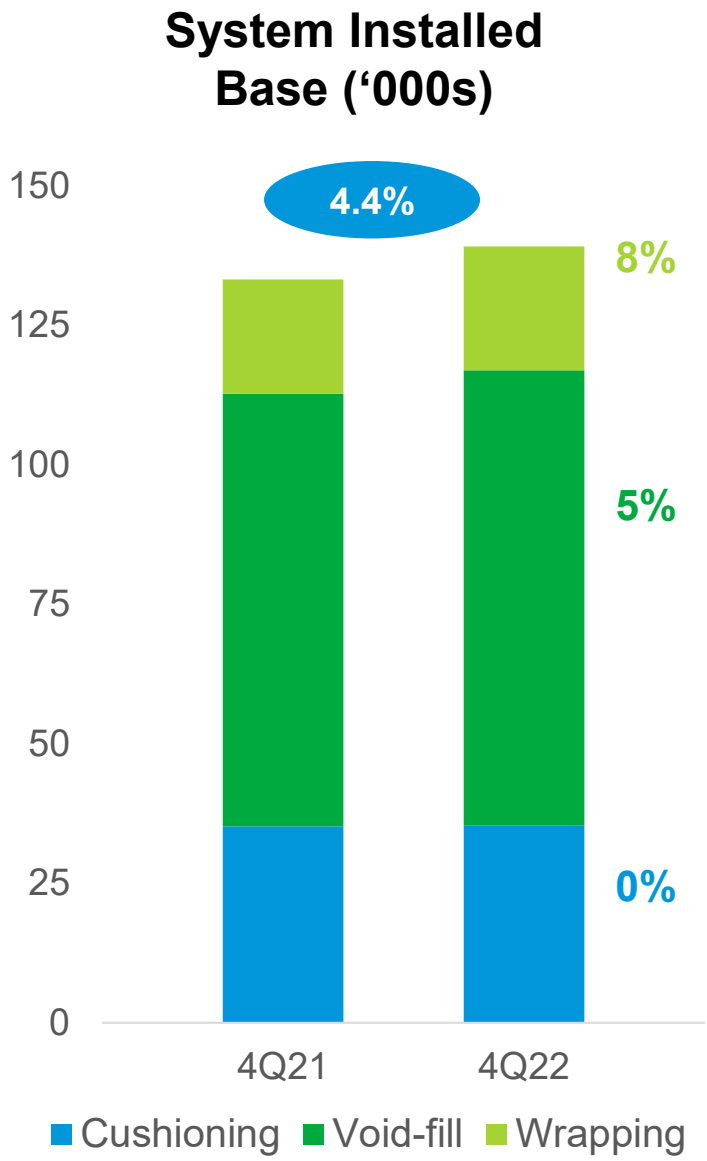
- Weak holiday season, particularly in e-Commerce, impacted Void-fill and Wrapping product lines
- Recent new product releases such as Guardian and Greenline paper continue to gain traction. Expect new 2023 releases to drive further engagement
- Cushioning down in the quarter due to lower activity levels - remains up double digit YTD

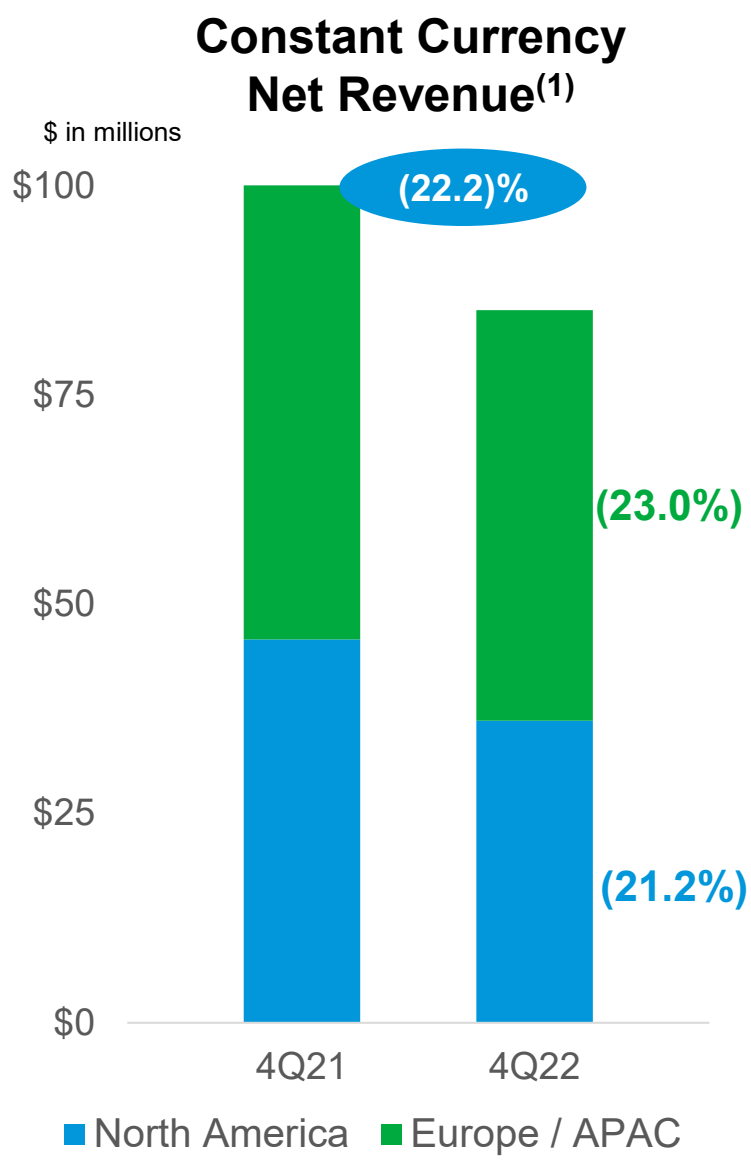
Europe / APAC

- Inflation and energy pressure in Europe continued to negatively influence consumer confidence and spending
- Destocking at distributors largely behind us going into 2023 as distributors on average at normal inventory levels

Key Takeaway

- Saw many customers pushing to finish the year with less inventory on hand leading to unusually slow finish
- 2023 demand off to solid start with combined January and February top-line approaching 2021 levels (albeit lower margin profile)





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

Profitability

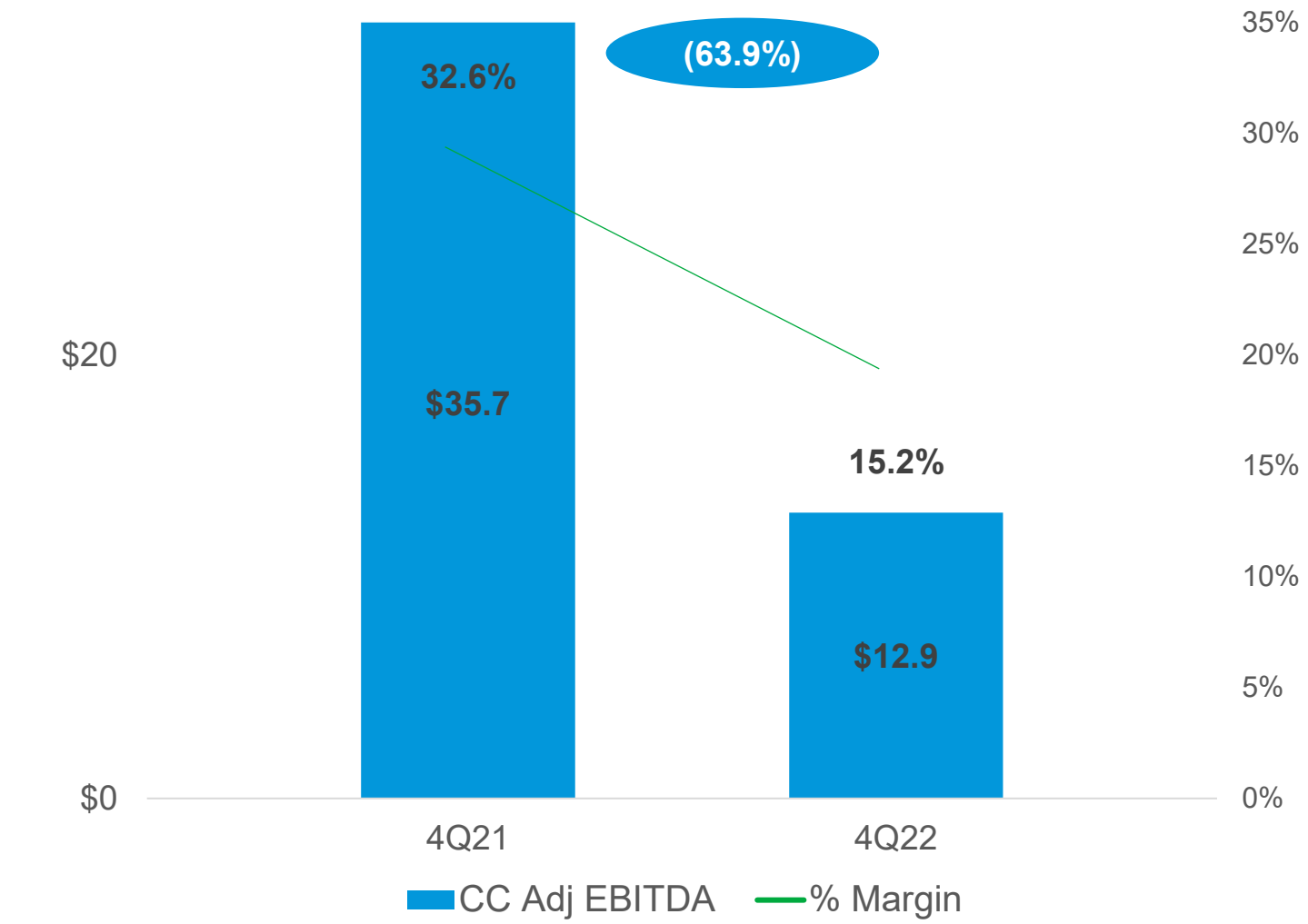
CC Adj. EBITDA down 63.9% vs 4Q21

- Gross profit down 38.7% driven by:
  - Lower volumes compared to prior year
  - Material cost headwind drove 5.5 pts of margin compression vs Q4 21
- Seeing meaningful movement in input costs to begin 2023 in all geographies
  - North America driven by supply / demand
  - Europe driven by lower energy and demand
- Adj. EBITDA decline driven by lower volumes, higher input costs, and increased personnel costs compared to prior year

Key Takeaways

- Believe 4Q22 was the trough in margins as many of our key input costs have moved lower to begin the year

Constant Currency Adjusted EBITDA(1)

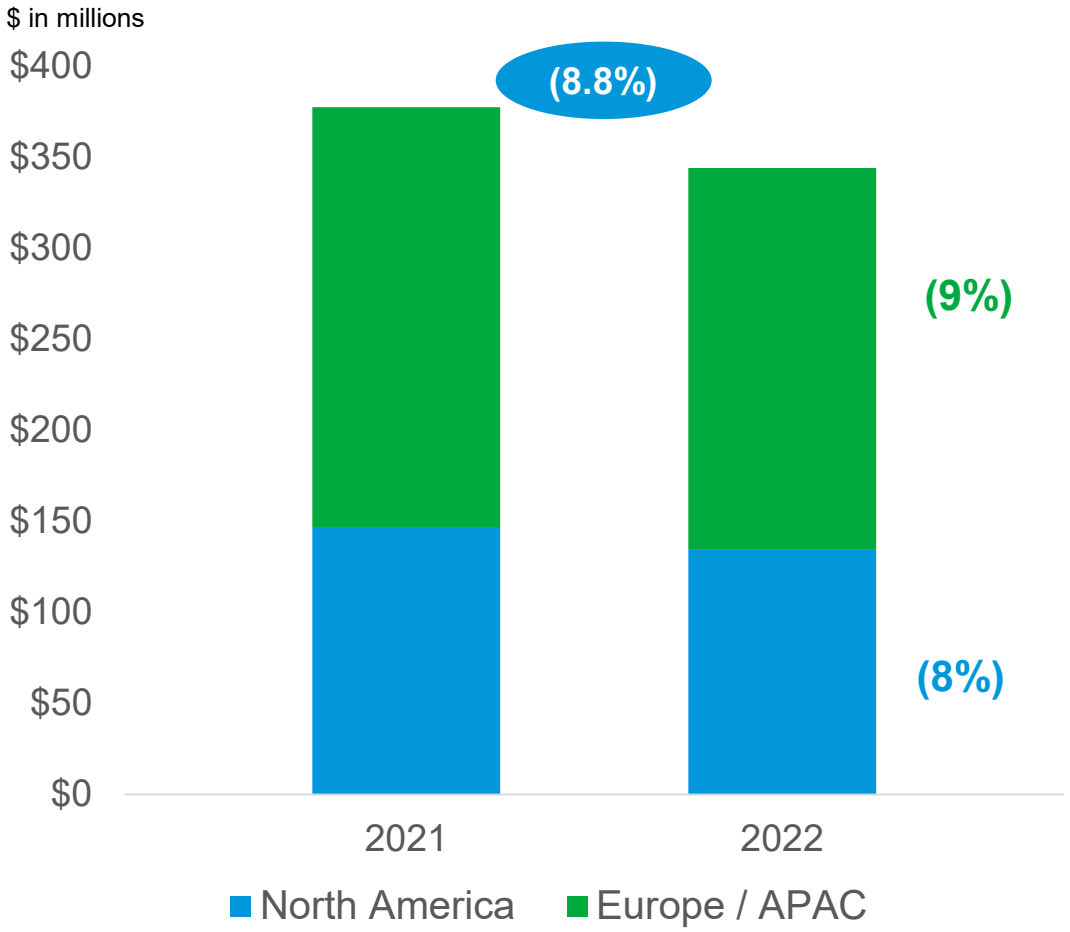


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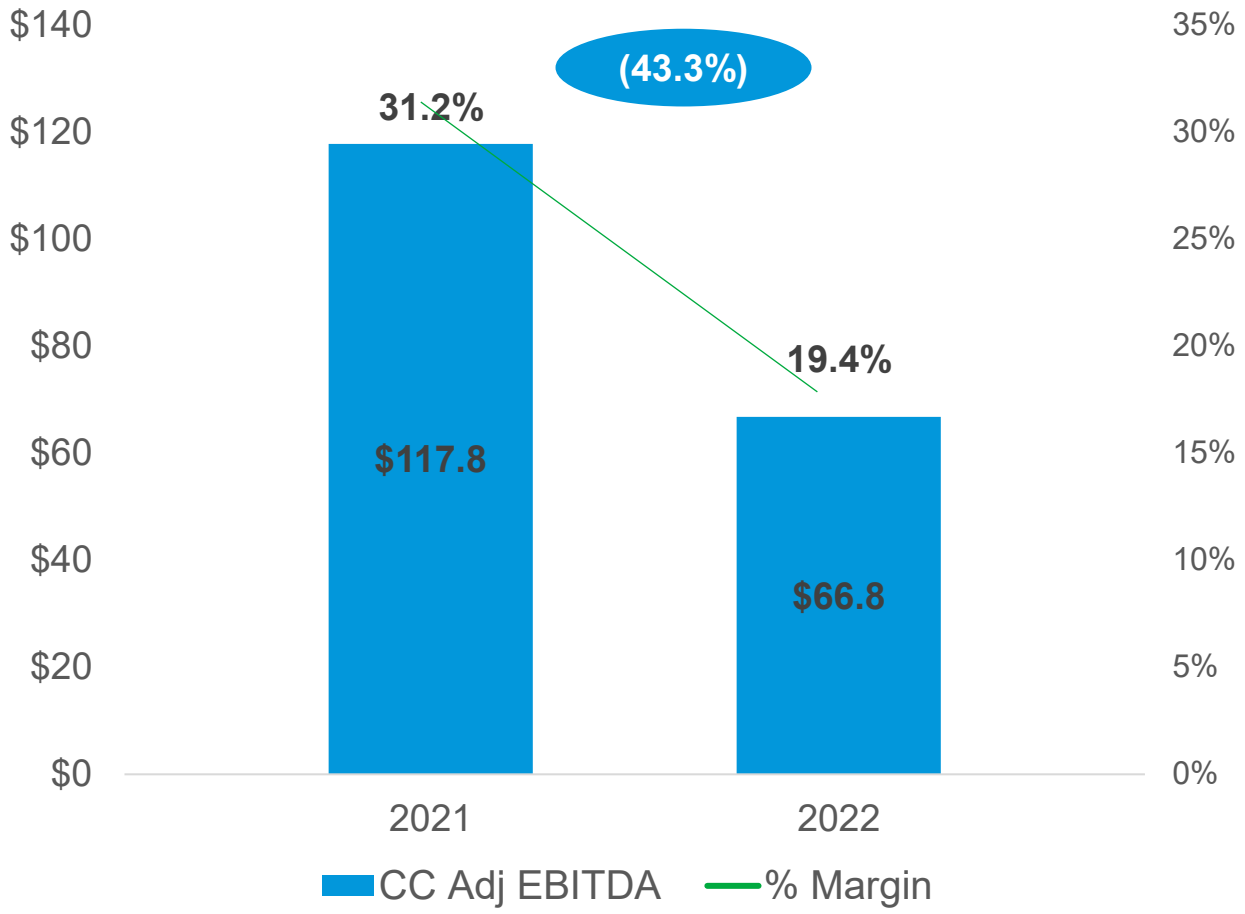
(1) Constant Currency Adjusted EBITDA is a non-GAAP measure. Refer to the Appendix to this presentation for a reconciliation of Adjusted EBITDA to net income. Adjusted EBITDA is earnings before interest expense, income taxes, depreciation and amortization plus other non-core and non-cash adjustments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

Full Year 2022 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 4Q22 with a solid liquidity position - cash balance of $62.8 million and no drawings on its Revolving Credit Facility
- As of December 31, 2022 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*
        - Interest Rate: L + 375. *Swapped*
            - $200 million swapped at 2.09% thru June 2024
            - $50 million swapped at 1.5% thru June 2023
    - €135 million Euro denominated - *€1.4 million annual principal payments required through 2026 maturity*
        - Interest Rate: Euribor + 375. *Floating*
- 12/31/22 Net Leverage Ratio of 5.3x Net Debt / LTM Adjusted EBITDA
    - Bank Adjusted EBITDA leverage ratio of 4.9x per Covenant Calculation
- Focused on returning to a more conservative leverage profile - target of leverage ratio ~3.0x Net Debt / Adjusted EBITDA

2023 Guidance

Top line expectations driven by expected return to volume growth as we lap destocking headwinds and ordering patterns normalize

Expected growth in Adj EBITDA reflects contributions from expected volume increase as well as positive operating leverage from gross margin improvements due to more favorable input cost environment

Complete major physical infrastructure projects in 2023

- European HQ, NOAM R&D Automation Center, Malaysia Paper Production

2023 Guidance

Constant Currency Adjusted Net Revenue: $365 - $385 million (+6% - 12%)

Constant Currency Adjusted EBITDA: $76 - $86 million (+14% - 29%)

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 2023 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 2023 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.

Drivers of Performance in 2023

Driver	2022 Status	2023 Status	
System Implementation			▪ Full year in new operating environment ▪ Transitioning to tool to enhance performance and extract efficiencies
Destocking			▪ Believe we are through the destocking headwind that impacted demand in 2022
Kraft Paper Costs			▪ Supply / demand environment in US is weighing on pricing to begin 2023 ▪ European paper market improving due to lower energy and waste paper pricing as well as lower demand ▪ Expect to be global tailwind to 2023
Energy			▪ Pricing of Natural Gas in Europe has declined more than 80% from the summer peak ▪ Exiting winter in a far better position than previously anticipated due to higher storage levels
e-Commerce reset			▪ Challenging to call the bottom but expect structural inertia of e-Commerce expansion to drive return to volume growth as buying patterns normalize and new facilities are opened
Sustainability			▪ As inflation moves lower the focus on Sustainability is reemerging as many large corporations seek ways to hit sustainability targets
Automation			▪ Have the right products, high quality team, and will have the facilities in place by mid-year to scale business ▪ Ability to exit 2023 with the business at a scale large enough to take Automation from being a negative to EBITDA to flat

Unaudited GAAP Income Statement Data

$ in millions except per share values

	Year Ended December 31,		
	2022	2021	2020
Paper revenue	$ 261.3	$ 321.4	$ 250.7
Machine lease revenue	50.1	47.7	39.6
Other revenue	15.1	14.8	7.9
Net revenue	**326.5**	**383.9**	**298.2**
Cost of goods sold	226.9	235.0	175.6
Gross profit	**99.6**	**148.9**	**122.6**
Selling, general and administrative expenses	105.5	98.3	72.5
Transaction costs	-	-	2.2
Depreciation and amortization expense	32.1	35.0	31.5
Other operating expense, net	4.5	3.4	4.7
Income (loss) from operations	**(42.5)**	**12.2**	**11.7**
Interest expense	20.7	22.4	30.2
Foreign currency (gain) loss	(2.2)	(5.3)	6.1
Other non-operating income, net	(4.3)	-	-
Loss before income tax benefit	**(56.7)**	**(4.9)**	**(24.6)**
Income tax benefit	(15.3)	(2.1)	(1.2)
Net loss	**$ (41.4)**	**$ (2.8)**	**$ (23.4)**
Two-class method			
Loss per share			
Basic	$ (0.51)	$ (0.04)	$ (0.32)
Diluted	$ (0.51)	$ (0.04)	$ (0.32)
Class A – earnings (loss) per share			
Basic	$ (0.51)	$ (0.04)	$ (0.32)
Diluted	$ (0.51)	$ (0.04)	$ (0.32)
Class C – earnings (loss) per share			
Basic	$ (0.51)	$ (0.03)	$ (0.32)
Diluted	$ (0.51)	$ (0.03)	$ (0.32)
Weighted average number of shares outstanding – Class A and C			
Basic	81,877,334	78,542,734	72,434,802
Diluted	81,877,334	78,542,734	72,434,802
Other comprehensive income (loss), before tax			
Foreign currency translation adjustments	$ (10.5)	$ (15.4)	$ 16.2
Interest rate swap adjustments	14.1	7.3	(11.3)
Cross-currency swap adjustments	3.3	2.3	-
Total other comprehensive loss, before tax	**6.9**	**(5.8)**	**4.9**
Provision for income taxes related to other comprehensive loss	4.3	2.3	(2.4)
Total other comprehensive loss, net of tax	**2.6**	**(8.1)**	**7.3**
Comprehensive loss, net of tax	**$ (38.8)**	**$ (10.9)**	**$ (16.1)**

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 December 31, 2022. Such preliminary data should not be viewed as a comprehensive statement of our financial results for the quarter ended December 31, 2022.

	Three Months Ended December 31,			
	2022	2021	$ Change	% Change
Net revenue	$ 79.4	$ 109.1	$ (29.7)	(27.2)
Cost of goods sold	57.1	70.2	(13.1)	(18.7)
Gross profit	**22.3**	**38.9**	**(16.6)**	**(42.7)**
Selling, general and administrative expenses	18.7	27.5	(8.8)	(32.0)
Depreciation and amortization expense	8.1	8.9	(0.8)	(9.0)
Other operating expense (income), net	1.1	1.4	(0.3)	(21.4)
Income (loss) from operations	**(5.6)**	**1.1**	**(6.7)**	**(609.1)**
Interest expense	5.5	5.3	0.2	3.8
Foreign currency gain	1.9	(1.4)	3.3	(235.7)
Other non-operating income, net	(0.3)	-	(0.3)	—
Loss before income tax benefit	**(12.7)**	**(2.8)**	**(9.9)**	**353.6**
Income tax benefit	(5.4)	(0.3)	(5.1)	1,700.0
Net loss	**(7.3)**	**(2.5)**	**(4.8)**	**192.0**
Depreciation and amortization expense – COS	8.1	10.3	(2.2)	(21.4)
Depreciation and amortization expense – D&A	8.1	8.9	(0.8)	(9.0)
Interest expense	5.5	5.3	0.2	3.8
Income tax benefit	(5.4)	(0.3)	(5.1)	1,700.0
EBITDA	**9.0**	**21.7**	**(12.7)**	**(58.5)**
Adjustments:				
Unrealized gain translation	1.9	(1.3)	3.2	(246.2)
Non-cash impairment losses	0.5	0.7	(0.2)	(28.6)
M&A, restructuring, severance	0.3	0.9	(0.6)	(66.7)
Amortization of restricted stock units	(2.5)	8.2	(10.7)	(130.5)
Amortization of cloud-based software implementation costs	0.7	-	0.7	—
Cloud-based software implementation costs	0.9	-	0.9	—
Other adjustments	1.0	5.4	(4.4)	(81.5)
Constant currency	1.1	0.1	1.0	1,000.0
Constant Currency AEBITDA	**$ 12.9**	**$ 35.7**	**$ (22.8)**	**(63.9)**

(1) 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 months ended December 31, 2022 and 2021 was $1.15:€1.00.

Reconciliation of Non-GAAP metrics

$ in millions except per share values

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	Year Ended December 31,			
	2022	2021	$ Change	% Change
Net revenue	$ 326.5	$ 383.9	$ (57.4)	(15.0)
Cost of goods sold	226.9	235.0	(8.1)	(3.4)
Gross profit	**99.6**	**148.9**	**(49.3)**	**(33.1)**
Selling, general and administrative expenses	105.5	98.3	7.2	7.3
Depreciation and amortization expense	32.1	35.0	(2.9)	(8.3)
Other operating expense, net	4.5	3.4	1.1	32.4
Income (loss) from operations	**(42.5)**	**12.2**	**(54.7)**	**(448.4)**
Interest expense	20.7	22.4	(1.7)	(7.6)
Foreign currency gain	(2.2)	(5.3)	3.1	(58.5)
Other non-operating income, net	(4.3)	-	(4.3)	—
Loss before income tax benefit	**(56.7)**	**(4.9)**	**(51.8)**	**1,057.1**
Income tax benefit	(15.3)	(2.1)	(13.2)	628.6
Net loss	**(41.4)**	**(2.8)**	**(38.6)**	**1,378.6**
Depreciation and amortization expense – COS	36.8	38.6	(1.8)	(4.7)
Depreciation and amortization expense – D&A	32.1	35.0	(2.9)	(8.3)
Interest expense	20.7	22.4	(1.7)	(7.6)
Income tax benefit	(15.3)	(2.1)	(13.2)	628.6
EBITDA	**32.9**	**91.1**	**(58.2)**	**(63.9)**
Adjustments:				
Unrealized gain translation	(2.3)	(5.5)	3.2	(58.2)
Non-cash impairment losses	1.0	1.7	(0.7)	(41.2)
M&A, restructuring, severance	2.0	1.3	0.7	53.8
Amortization of restricted stock units	18.3	22.5	(4.2)	(18.7)
Amortization of cloud-based software implementation costs	2.8	-	2.8	—
Cloud-based software implementation costs	7.4	-	7.4	—
Unrealized gain on investment in small private business	(3.9)	-	(3.9)	—
Other adjustments	4.3	8.7	(4.4)	(50.6)
Constant currency	4.3	(2.0)	6.3	(315.0)
Constant Currency AEBITDA	**$ 66.8**	**$ 117.8**	**$ (51.0)**	**(43.3)**

(1) 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 year ended December 31, 2022 and 2021 was $1.15:€1.00.

Reconciliation of Non-GAAP metrics – *Prior Format*

$ 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 December 31, 2022. Such preliminary data should not be viewed as a comprehensive statement of our financial results for the quarter ended December 31, 2022.

	Three Months Ended December 31, 2022		
	As reported	Constant Currency	Non-GAAP
Net revenue	$ 79.4	$ 5.7	$ 85.1
Cost of goods sold	57.1	4.1	61.2
Gross profit	**22.3**	**1.6**	**23.9**
Selling, general and administrative expenses	18.7	1.2	19.9
Depreciation and amortization expense	8.1	0.3	8.4
Other operating expense, net	1.1	0.1	1.2
Loss from operations	**(5.6)**	**-**	**(5.6)**
Interest expense	5.5	0.1	5.6
Foreign currency gain	1.9	(0.3)	1.6
Other non-operating income, net	(0.3)	-	(0.3)
Loss before income tax benefit	**(12.7)**	**0.2**	**(12.5)**
Income tax benefit	(5.4)	-	(5.4)
Net loss	**$ (7.3)**	**$ 0.2**	**$ (7.1)**
Constant currency-effected add:			
Depreciation and amortization expense – COS			9.0
Depreciation and amortization expense – D&A			8.4
Interest expense			5.6
Income tax benefit			(5.4)
Constant currency EBITDA			**10.5**
Constant currency-effected adjustments:			
Unrealized gain translation			1.6
Non-cash impairment losses			0.6
M&A, restructuring, severance			0.3
Amortization of restricted stock units			(2.5)
Amortization of cloud-based software implementation costs			0.8
Cloud-based software implementation costs			1.0
Other adjustments			0.6
Constant currency AEBITDA			**$ 12.9**

	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)
Other non-operating income, net	-	-	-
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**

(1) 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 months ended December 31, 2022 and 2021 was $1.15:€1.00.

Reconciliation of Non-GAAP metrics – *Prior Format*

$ 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 December 31, 2022. Such preliminary data should not be viewed as a comprehensive statement of our financial results for the quarter ended December 31, 2022.

	Non-GAAP Constant Currency				
	Three Months Ended				
	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022	LTM
Net revenue	$ 85.1	$ 84.1	$ 91.0	$ 83.9	$ 344.1
Cost of goods sold	61.2	57.6	61.3	58.9	239.0
Gross profit	**23.9**	**26.5**	**29.7**	**25.0**	**105.1**
Selling, general and administrative expenses	19.9	27.9	31.3	30.0	109.1
Depreciation and amortization expense	8.4	8.1	8.1	8.3	32.9
Other operating expense (income), net	1.2	2.4	1.9	0.7	6.2
Income (loss) from operations	**(5.6)**	**(11.9)**	**(11.6)**	**(14.0)**	**(43.1)**
Interest expense	5.6	5.4	5.0	5.0	21.0
Foreign currency gain	1.6	(0.9)	(2.1)	(0.6)	(2.0)
Other non-operating income, net	(0.3)	(4.0)	-	-	(4.3)
Loss before income tax benefit	**(12.5)**	**(12.4)**	**(14.5)**	**(18.4)**	**(57.8)**
Income tax benefit	(5.4)	(3.2)	(2.9)	(4.2)	(15.7)
Net loss	**(7.1)**	**(9.2)**	**(11.6)**	**(14.2)**	**(42.1)**
Constant currency-effected add:					
Depreciation and amortization expense – COS	9.0	8.9	10.2	10.8	38.9
Depreciation and amortization expense – D&A	8.4	8.1	8.1	8.3	32.9
Interest expense	5.6	5.4	5.0	5.0	21.0
Income tax benefit	(5.4)	(3.2)	(2.9)	(4.2)	(15.7)
Constant currency EBITDA	**10.5**	**10.0**	**8.8**	**5.7**	**35.0**
Constant currency-effected adjustments:					
Unrealized gain translation	1.6	(0.9)	(2.2)	(0.6)	(2.1)
Non-cash impairment losses	0.6	0.3	0.2	-	1.1
M&A, restructuring, severance	0.3	0.2	1.1	0.5	2.1
Amortization of restricted stock units	(2.5)	6.7	5.3	8.8	18.3
Amortization of cloud-based software implementation costs	0.8	0.8	0.7	0.7	3.0
Cloud-based software implementation costs	1.0	1.6	2.4	2.6	7.6
Unrealized gain on investment in small private business	-	(3.9)	-	-	(3.9)
Other adjustments	0.6	1.8	1.9	1.4	5.7
Constant currency AEBITDA	**$ 12.9**	**$ 16.6**	**$ 18.2**	**$ 19.1**	**$ 66.8**

(1) 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 months ended December 31, 2022 and 2021 was $1.15:€1.00.

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