Ranpak

1Q24 Earnings Presentation

May 2, 2024



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 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: (i) our inability to secure a sufficient supply of paper to meet our production requirements; (ii) the impact of rising prices on production inputs, including labor, energy, and freight on our results of operations; (iii) the impact of the price of kraft paper on our results of operations; (iv) our reliance on third party suppliers; (v) geopolitical conflicts and other social and political unrest or change; (vi) the high degree of competition and continued consolidation in the markets in which we operate; (vii) consumer sensitivity to increases in the prices of our products, changes in consumer preferences with respect to paper products generally, or customer inventory rebalancing; (viii) economic, competitive and market conditions generally, including macroeconomic uncertainty, the impact of inflation, and variability in energy, freight, labor and other input costs; (ix) the loss of certain customers; (x) our failure to develop new products that meet our sales or margin expectations, or the failure of those products to achieve market acceptance; (xi) our ability to achieve our environmental, social and governance ("ESG") goals and maintain the sustainable nature of our product portfolio and fulfill our obligations under evolving ESG standards; (xii) our ability to fulfill our obligations under new disclosure regimes relating to environmental, social and governance matters, such as the European Sustainability Disclosure Standards recently adopted by the European Union ("EU") under the EU's Corporate Sustainability Reporting Directive ("CSRD"); (xiii) our future operating results fluctuating, failing to match performance or to meet expectations; (xiv) our ability to fulfill our public company obligations; and (xv) other risks and uncertainties indicated from time to time in filings made with the Securities and Exchange Commission.

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 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 months ended March 31, 2024 and 2023. 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.

Ranpak First Quarter Performance Commentary

Volume growth and favorable input costs continue to drive performance

Higher volumes drove 4.4% increase in sales on constant currency basis vs. prior year (increased 5.0% on an actual basis)

Environment remains uneven but encouraged by slowly improving Europe

- North America revenue increased 2.6% vs prior year due to higher Automation sales and price/mix in PPS
- EMEA/APAC revenue increased 5.4% on a constant currency basis vs prior year due to higher volumes (increased 6.6% on an actual basis)

- Gross Margin improved more than 400 bps vs the prior year to 38.0% on a constant currency basis driven by favorable paper costs and increased volumes
- Cash generation and deleveraging a top priority to position Ranpak well for refinancing credit facility
- Finished 1Q24 with $55mm cash on hand. Expect to build cash in second half of year due to traditional seasonality

Performance indicators:

- Net revenue increased 4.4% on a constant currency basis driven by higher volumes (+5.3 pts) and Automation (+2.7 pts) somewhat offset by price (-3.6 pts). Net revenue increased 5.0% on an actual basis.
- Gross profit increased $4.8mm or 16.7% on a constant currency basis driven by lower paper costs and higher volumes (increased 17.5% on an actual basis)
- Adjusted EBITDA increased 33.8% on a constant currency basis driven by improved gross profit and controlled spend

Revenue

North America

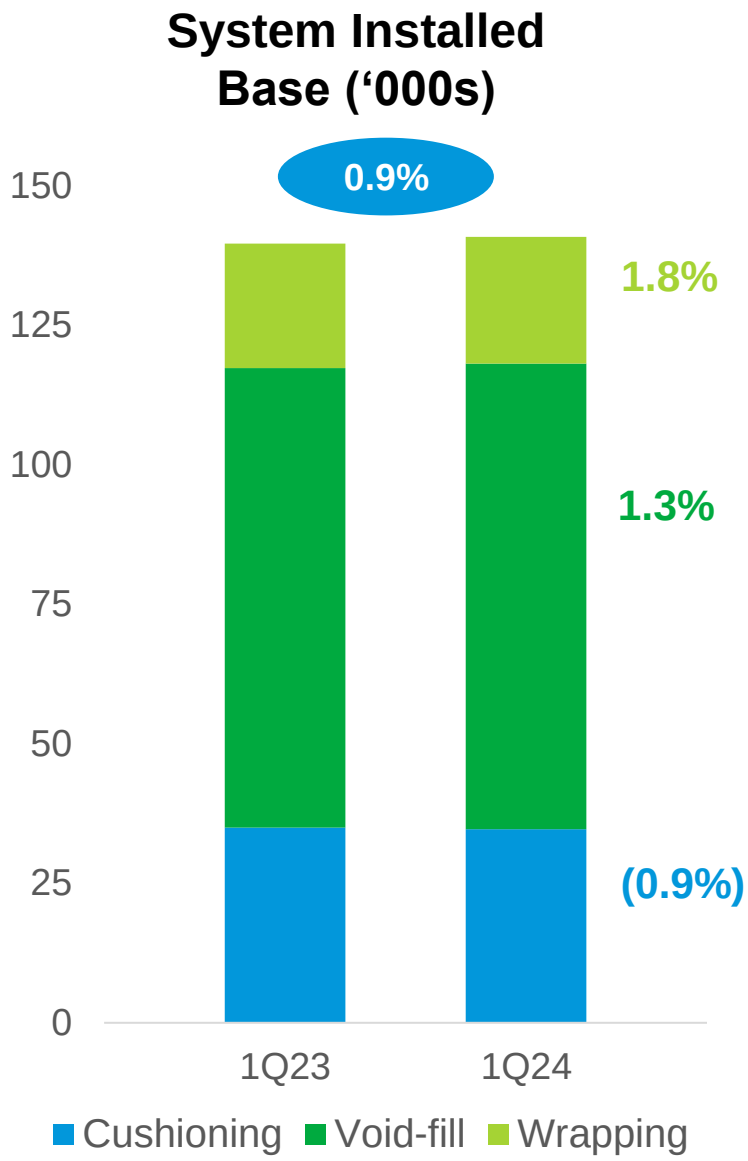
- Void-fill and Automation drove top-line improvement
- Industrial and manufacturing activity continues to be pressured
- Strategic account plastic to paper conversion begins in 2Q24

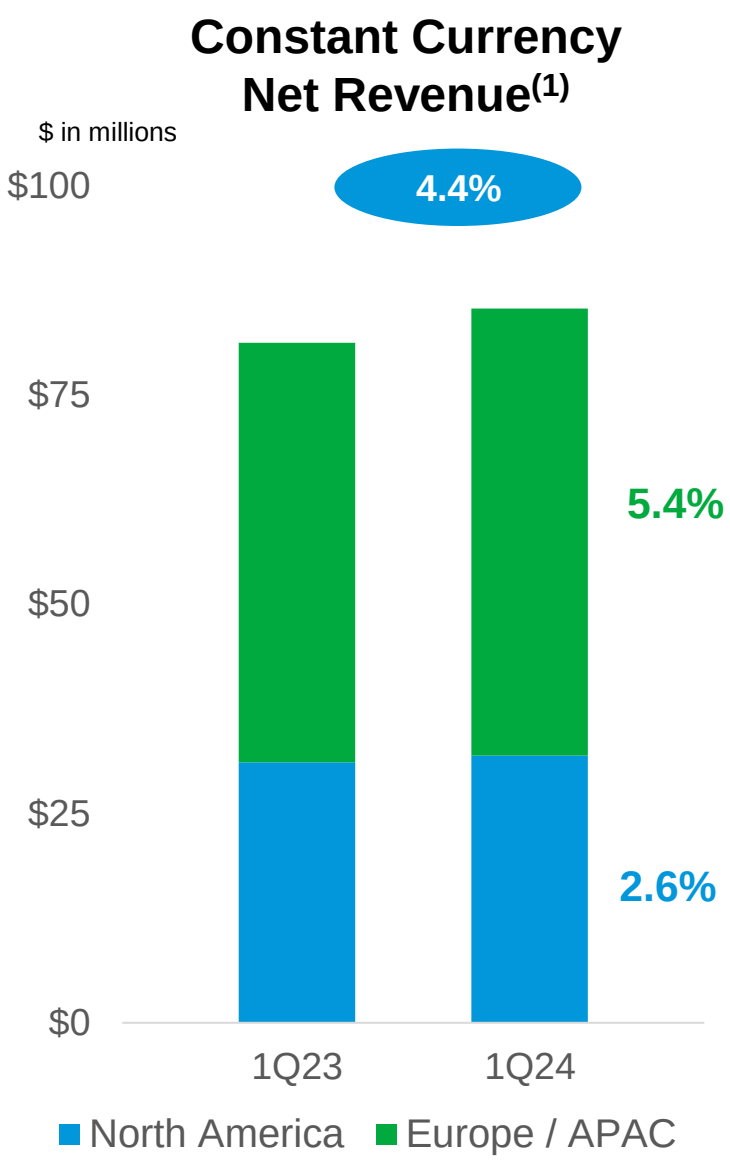
Europe / APAC

- Continued volume improvement driven by Void-fill and Wrapping
- Seeing better activity levels in Southern Europe and APAC. More traditional manufacturing focused countries remain more challenged

Key Takeaway

- 3 sequential quarters of PPS Volume growth
- Automation up 50% year over year
- North America Strategic Account activity to begin to ramp in Q2





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

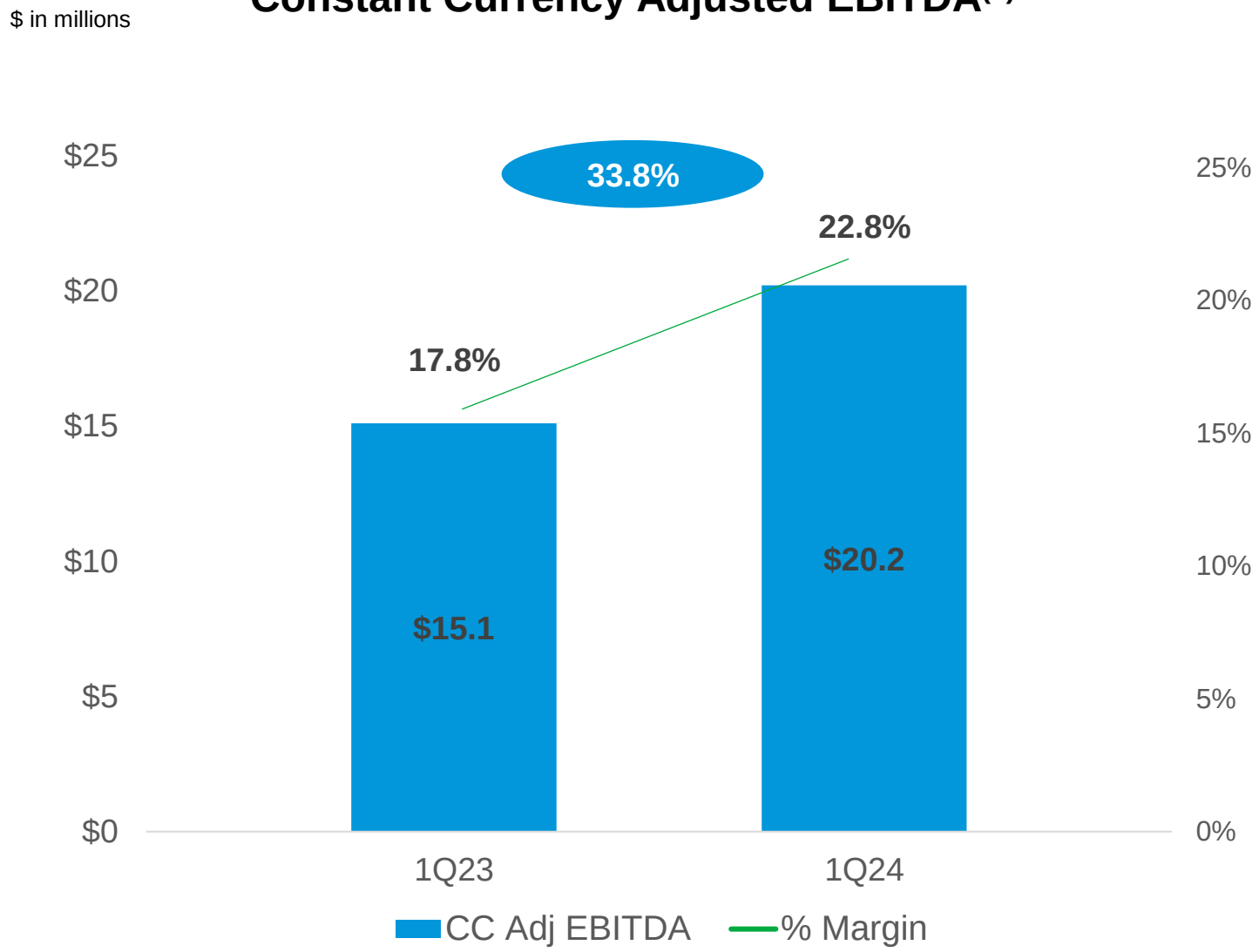
CC Adj. EBITDA up 34% vs 1Q23

- Gross profit up 17% on constant currency basis:
  - Margin improved 400 bps to 38.0% from 34.0% in prior year
- Favorable paper price environment continues to be a key driver of Gross Margin improvement
  - Energy market in Europe remains favorable
- Adj. EBITDA increase driven by volume growth, improved materials cost, and controlled spend

Key Takeaways

- Gross profit improvement driving flow through to Adj. EBITDA
- Continued volume growth and scaling Automation key to continuing profitability improvement

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

- Ranpak completed 1Q24 with a solid liquidity position - cash balance of $55 million and no drawings on its Revolving Credit Facility

- Net Leverage Ratio continued to decline from year end to 4.4x as of 3/31/24 (Bank Adj. EBITDA leverage ratio of 4.6x per Covenant Calculation)
  - Lower Bank leverage ratio drove spread step down to SOFR + 375 vs 400 previously

- As of 3/31/2024 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: SOFR + 375. *80% Swapped*
      - $200 million swapped at 2.12% thru June 2024
  - €134 million Euro denominated - *€1.4 million annual principal payments required through 2026 maturity*
    - Interest Rate: Euribor + 375. *Floating*

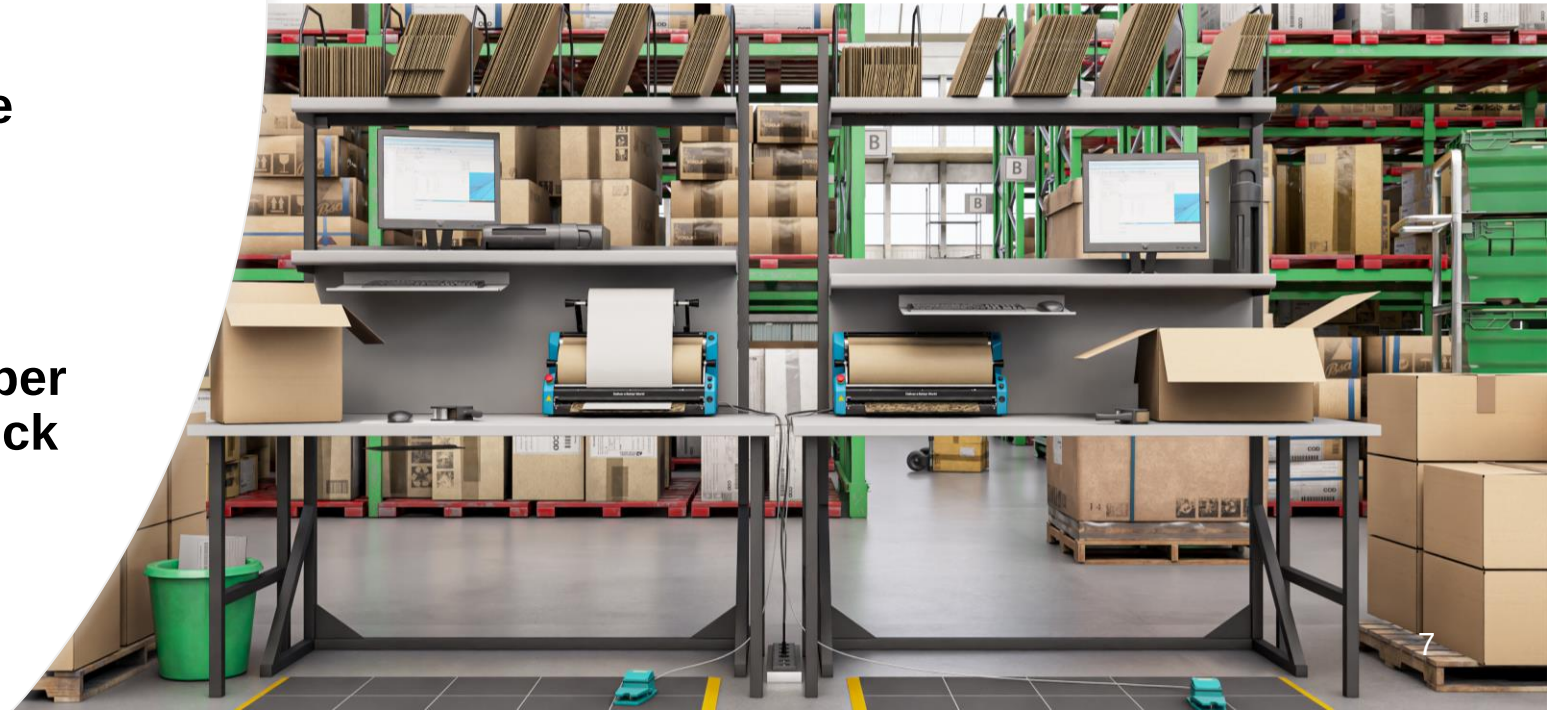
Global Product Launch – Geami MV™

A compact converter with the sustainable protective power of Geami paper

Adds to the iconic Geami product line with a compact powered converter

Easy to use, highly efficient, and featuring a smart design for small paper rolls, this converter is focused on quick and simple operation





Unaudited GAAP Income Statement Data

$ in millions except per share values

	Three Months Ended March 31,	
	2024	2023
Paper revenue	$ 66.2	$ 64.3
Machine lease revenue	12.8	12.8
Other revenue	6.3	4.1
Net revenue	**85.3**	**81.2**
Cost of goods sold	53.0	53.7
Gross profit	**32.3**	**27.5**
Selling, general and administrative expenses	27.9	27.2
Depreciation and amortization expense	8.4	8.0
Other operating expense, net	0.8	1.2
Loss from operations	**(4.8)**	**(8.9)**
Interest expense	6.2	5.7
Foreign currency (gain) loss	(1.4)	0.2
Other non-operating income, net	-	(0.3)
Loss before income tax benefit	**(9.6)**	**(14.5)**
Income tax benefit	(1.5)	(2.1)
Net loss	**$ (8.1)**	**$ (12.4)**
Two-class method		
Basic and diluted loss per share	$ (0.10)	$ (0.15)
Class A – basic and diluted loss per share	$ (0.10)	$ (0.15)
Class C – basic and diluted loss per share	$ (0.10)	$ (0.14)
Weighted average number of shares outstanding – Class A and C – basic and diluted	82,682,308	82,136,793
Other comprehensive income (loss), before tax		
Foreign currency translation adjustments	$ (2.1)	$ 2.1
Interest rate swap adjustments	(2.6)	(2.1)
Total other comprehensive income (loss), before tax	**(4.7)**	-
Benefit from income taxes related to other comprehensive income (loss)	0.1	(0.8)
Total other comprehensive income (loss), net of tax	**(4.8)**	**0.8**
Comprehensive loss, net of tax	**$ (12.9)**	**$ (11.6)**

Reconciliation of Non-GAAP metrics

$ in millions except per share values

The results of operations data contained in this presentation are based on our preliminary, unaudited results of operations for the quarter ended March 31, 2024. Such preliminary data should not be viewed as a comprehensive statement of our financial results for the quarter ended March 31, 2024

	Non-GAAP Measures			
	Three Months Ended March 31,			
	2024	2023	$ Change	% Change
Net revenue	$ 85.3	$ 81.2	$ 4.1	5.0
Cost of goods sold	53.0	53.7	(0.7)	(1.3)
Gross profit	**32.3**	**27.5**	**4.8**	**17.5**
Selling, general and administrative expenses	27.9	27.2	0.7	2.6
Depreciation and amortization expense	8.4	8.0	0.4	5.0
Other operating expense, net	0.8	1.2	(0.4)	(33.3)
Loss from operations	**(4.8)**	**(8.9)**	**4.1**	**(46.1)**
Interest expense	6.2	5.7	0.5	8.8
Foreign currency (gain) loss	(1.4)	0.2	(1.6)	(800.0)
Other non-operating income, net	-	(0.3)	0.3	(100.0)
Loss before income tax benefit	**(9.6)**	**(14.5)**	**4.9**	**(33.8)**
Income tax benefit	(1.5)	(2.1)	0.6	(28.6)
Net loss	**(8.1)**	**(12.4)**	**4.3**	**(34.7)**
Depreciation and amortization expense – COS	10.4	8.3	2.1	25.3
Depreciation and amortization expense – D&A	8.4	8.0	0.4	5.0
Interest expense	6.2	5.7	0.5	8.8
Income tax benefit	(1.5)	(2.1)	0.6	(28.6)
EBITDA[1]	**15.4**	**7.5**	**7.9**	**105.3**
Adjustments[2]:				
Unrealized (gain) loss translation	(1.4)	0.2	(1.6)	(800.0)
Non-cash impairment losses	0.4	0.4	-	-
M&A, restructuring, severance	0.9	0.2	0.7	350.0
Share-based compensation expense	1.3	2.8	(1.5)	(53.6)
Amortization of cloud-based software implementation costs[3]	0.9	0.7	0.2	28.6
Cloud-based software implementation costs	0.5	1.2	(0.7)	(58.3)
SOX remediation costs	0.8	-	0.8	-
Other adjustments	0.4	1.3	(0.9)	(69.2)
Constant currency	1.0	0.8	0.2	25.0
Constant Currency AEBITDA[1]	**$ 20.2**	**$ 15.1**	**$ 5.1**	**33.8**

Ranpak Deliver a Better World

(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 March 31, 2024 and 2023 was $1.15:€1.00.

(2) Adjustments are related to non-cash unusual or infrequent costs such as: effects of non-cash foreign currency remeasurement or adjustment; impairment of returned machines; costs associated with the evaluation of acquisitions; costs associated with executive severance; costs associated with restructuring actions such as plant rationalization or realignment, reorganization, and reductions in force; costs associated with the implementation of the global ERP system; and other items deemed by management to be unusual, infrequent, or non-recurring.

(3) Represents amortization of capitalized costs related to the implementation of the global ERP system, which are included in SG&A.

Reconciliation of Non-GAAP metrics

$ in millions except per share values

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	Three Months Ended March 31, 2024		
	As reported	Constant Currency[1]	Non-GAAP
Net revenue	$ 85.3	$ 3.2	$ 88.5
Cost of goods sold	53.0	1.9	54.9
Gross profit	**32.3**	**1.3**	**33.6**
Selling, general and administrative expenses	27.9	0.8	28.7
Depreciation and amortization expense	8.4	0.2	8.6
Other operating expense, net	0.8	(0.1)	0.7
Loss from operations	**(4.8)**	**0.4**	**(4.4)**
Interest expense	6.2	0.1	6.3
Foreign currency gain	(1.4)	(0.1)	(1.5)
Other non-operating expense, net	-	0.2	0.2
Loss before income tax benefit	**(9.6)**	**0.2**	**(9.4)**
Income tax benefit	(1.5)	(0.1)	(1.6)
Net loss	**$ (8.1)**	**$ 0.3**	**$ (7.8)**
Constant currency-effected add[1]:			
Depreciation and amortization expense – COS			10.8
Depreciation and amortization expense – D&A			8.6
Interest expense			6.3
Income tax benefit			(1.6)
Constant currency EBITDA			**16.3**
Constant currency-effected adjustments[2]:			
Unrealized gain translation			(1.5)
Non-cash impairment losses			0.5
M&A, restructuring, severance			1.0
Amortization of restricted stock units			1.3
Amortization of cloud-based software implementation costs[3]			0.9
Cloud-based software implementation costs			0.5
SOX remediation			0.8
Other adjustments			0.4
Constant currency AEBITDA			**$ 20.2**

	Three Months Ended March 31, 2023		
	As reported	Constant Currency[1]	Non-GAAP
Net revenue	$ 81.2	$ 3.6	$ 84.8
Cost of goods sold	53.7	2.3	56.0
Gross profit	**27.5**	**1.3**	**28.8**
Selling, general and administrative expenses	27.2	0.9	28.1
Depreciation and amortization expense	8.0	0.2	8.2
Other operating expense, net	1.2	-	1.2
Loss from operations	**(8.9)**	**0.2**	**(8.7)**
Interest expense	5.7	0.1	5.8
Foreign currency loss	0.2	-	0.2
Other non-operating (income) expense, net	(0.3)	0.5	0.2
Loss before income tax benefit	**(14.5)**	**(0.4)**	**(14.9)**
Income tax benefit	(2.1)	-	(2.1)
Net loss	**(12.4)**	**(0.4)**	**(12.8)**
Constant currency-effected add[1]:			
Depreciation and amortization expense – COS			8.6
Depreciation and amortization expense – D&A			8.2
Interest expense			5.8
Income tax benefit			(2.1)
Constant currency EBITDA			**7.7**
Constant currency-effected adjustments[2]:			
Unrealized loss translation			0.2
Non-cash impairment losses			0.5
M&A, restructuring, severance			0.2
Share-based compensation expense			2.9
Amortization of cloud-based software implementation costs[3]			0.8
Cloud-based software implementation costs			1.1
Other adjustments			1.7
Constant currency AEBITDA			**$ 15.1**

(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 March 31, 2024 and 2023 was $1.15:€1.00.

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