Ranpak®



Second Quarter 2019 Earnings Release

13 August 2019

Disclaimers

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This presentation contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and 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 performance of the business; our success in retaining or recruiting, or changes required in, our officers, key employees or directors following our initial business combination; our officers and directors allocating their time to other businesses and potentially having conflicts of interest with our business; our public securities' potential liquidity and trading; the lack of a market for our securities.

The forward-looking statements contained in this presentation 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 high degree of competition in the markets in which we operate; (5) consumer sensitivity to increases in the prices of our products; (6) changes in consumer preferences with respect to paper products generally; (7) continued consolidation in the markets in which we operate; (8) the loss of significant end-users of our products or a large group of such end-users; (9) our failure develop new products that meet our sales or margin expectations; (10) our future operating results fluctuating, failing to match performance or to meet expectations; (11) our ability to fulfill our public company obligations; and (12) other risks and uncertainties indicated from time to time in filings made with the SEC.

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USE OF NON-GAAP FINANCIAL MEASURES

This investor presentation includes non-GAAP financial measures for Rack Holdings Inc., including EBITDA, adjusted EBITDA, pro forma adjusted EBITDA, adjusted EBITDA margin, adjusted net sales, net sales, and gross profit 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. Ranpak is not in a position to reasonably estimate the expected GAAP net income (loss) for fiscal year 2019. However, it expects to generate a GAAP net loss for such period.

PRESENTATION OF PEER COMPANY INFORMATION

Certain financial information, including non-GAAP financial measures, of companies within our industry that we consider within our peer group are presented herein. Note that the financial information of such companies presented herein has been obtained and calculated based on publicly available information accurate. With respect to any non-GAAP metrics, including EBITDA and Adjusted EBITDA, due to varying methods of calculation, such non-GAAP metrics may not be comparable to the corresponding financial measures or similarly titled financial measures of such other companies. You should not consider such non-GAAP measures presented herein as an alternative to financial measures determined in accordance with GAAP and presented by such companies.

FINANCIAL STATEMENTS OF RACK HOLDINGS INC.

The financial statement data of Rack Holdings Inc. for fiscal year 2015 included herein have been derived from the financial statements of Rack Holdings that were prepared in accordance with US GAAP. However, such financial statements have not been audited in accordance with the US PCAOB auditing standards applicable to public companies and are not included in the Registration Statement on Form S-4, as amended, filed by One Madison with the SEC in connection with the business combination. Accordingly, such financial data may not be directly comparable to the audited financial data of Rack Holdings Inc. for fiscal years 2016, 2017 and 2018 presented herein, which have been audited in accordance with the US PCAOB auditing standards applicable to public companies.

USE OF ESTIMATES AND PROJECTIONS

This presentation includes financial estimates and projections, including with respect to Ranpak Holdings Corp.'s (the "Company's") estimated sales, net income, EBITDA, adjusted EBITDA, adjusted EBITDA margin, free cash flow and free cash flow conversion for future periods. These are forward looking statements. Neither Rack Holdings' independent auditors, nor the independent registered public accounting firm of the Company, have audited, reviewed, compiled, or performed any procedures with respect to the estimates and projections for the purpose of their inclusion in this investor presentation, and accordingly, neither of them expressed an opinion or provided any other form of assurance with respect thereto for the purpose of this investor presentation. You should not place undue reliance on these estimates and projections as they may not necessarily be indicative of future results. The assumptions underlying estimated and projected financial information are inherently uncertain and are subject to a wide variety of significant business, economic and competitive risks and uncertainties that could cause actual results to differ materially from those contained in the prospective financial information. Accordingly, there can be no assurance that the estimated and projected results are indicative of the future performance of the Company or that actual results will not differ materially from those estimated or projected results presented. Inclusion of the estimated and projected financial information in this presentation should not be regarded as a representation by any person that the results contained in the estimated and projected financial information will be achieved.

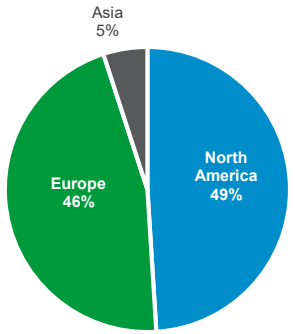
Snapshot of Ranpak

- Industry leader offering full suite of environmentally sustainable, systems-based packaging solutions for e-Commerce and industrial supply chains
- Unique, highly effective razor / razor blade model in which customers rely exclusively on Ranpak consumables
- Global business with strong presence in U.S. and Europe
- Diversified and growing end markets including 1/3 of sales from e-Commerce
- Asset-light distribution model primarily through long-term exclusive partnerships with top tier distributors
- Installed base of over 100,000 machines worldwide
- Long history of systems innovation supported by comprehensive patent portfolio

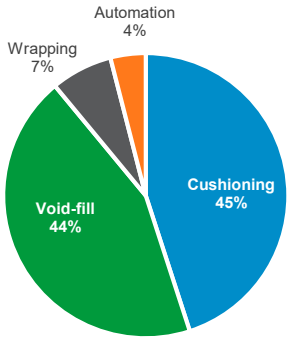


2018A sales breakdown

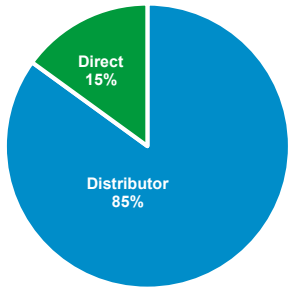
By region(1)



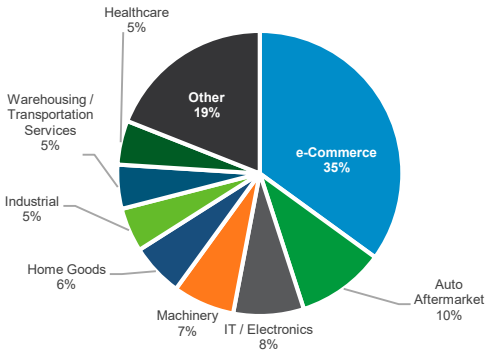
By category



Distribution vs. direct



By end markets(2)



Additional e-Commerce Exposure in Other End Markets

Note: Based on audited 2018 financial statements of Rack Holdings Inc. included in the Registration Statement on Form S-4, as amended, filed by One Madison with the SEC on April 23, 2019.
(1) North America includes Mexico; Europe includes Western Europe, Central & Eastern Europe, Brazil and e3neo.
(2) Other includes Consumer Products, Technical Instruments, Business Services, Chemical/Plastic/Paint/Metal, Printing & Publishing and Other.

Transitional Quarter to Position Ranpak for Strong Second Half

- Closed transaction with One Madison Corp on June 3rd and became publicly traded on the NYSE (NYSE: PACK)
- 2Q19 performance not viewed as indicative of strength of the business
  - Execution and timing of price increases had adverse impact on Q2 sales performance (Q1 pre-buy in Europe)
  - Meaningful investments made in the business. Expected to bear fruit in 2H19 and beyond
- Corrective actions in North America launched in June. Europe and APAC continue to perform
  - New commercial and finance resources deployed with focus on growth in North America and enhancing customer relationships
  - Senior leadership changes implemented & decision making accelerated
- The team remains committed to achieving previously stated guidance of $95 million for Pro Forma Adj EBITDA. However, in light of 2Q19 performance, we are updating full year 2019 Outlook for Pro Forma Adj EBITDA to a range of $90 - $95 million

Note: Pro forma 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 Adj. EBITDA is pro forma for estimated public company costs in each period, additional management hire, and the acquisition of e3neo. Based on constant currency at € / $ 1.15

Key Developments

Management Resources

- **Omar Asali expands role as Chairman and CEO**
  - Focus on accelerating growth and profitability and delivering on Ranpak's strategic objectives
- **Michael Jones becomes Vice Chairman**
  - Brings expertise in sales and best practices related to sales strategy and product development from Loew's Corp and GE
- **Trent Meyerhoefer joins as CFO** after a 24 year career at Eaton Corporation
- **Additional management resources (new positions) focused on growth** added since 2Q18: MD of Americas, Global Head of e-Commerce, Head of Growth Strategies, Head of Business Development

Improved Operating Structure

- **Streamlined decision making processes, reporting lines, and improved lines of communication** within the company and with customers
  - Ranpak will be a more nimble and proactive company going forward
- **Realigned capital allocation and expense prioritization to areas of growth and investment**
  - Execute on growth, product innovation and customer experience initiatives

IP Defense

- Received a **favorable ruling from German Supreme Court** against a competitor who we believe violated patents related to our cushioning products
  - Although the case is still in progress, we believe we have a strong argument to receive meaningful damages

Paper Pricing Improvement

- Improves expected margin profile for 2H19

Focus on the Capital Structure

- Priority to reduce debt levels, increase float and trading volume, and reduce overhang from outstanding warrants

Key Initiatives – *Faster Moving and More Proactive Organization*

Top Line Growth – *Focus on Execution*

- **Building new retail sales channels that are additive to existing distributor network**
  - Leveraging board and investor networks to build pipeline with top retailers in North America
  - Geami retail strategy, transition of brick and mortar to fulfillment centers
- **Customer and data centric focus**
  - Re-establishing top to top dialogue with our key customers to expand relationships
  - Focus on analytics to improve utilization and growth strategy
- **Improving overall sales planning and strategy** with a focus on the customer
  - Implementing best practices from other regions in North America and new management expertise with focus on lead generation process
- **Investing in the sales force and enhancing customer relationships**

Innovation – *Speed and Customer Need Fulfillment*

- **New product introduction to refresh product line**
  - Next generation Cold-Chain, Cushioning, and Void-Fill
- Improve speed of product development and rapid incorporation of voice of customer

Marketing and Branding – *Raise the Profile and Improve Customer Experience*

- **Improve Ranpak branding and imaging** through content development, website improvement, and SEO

Ownership Culture – *One Team Rowing Together*

- Rolled out equity award program throughout entire organization
- **Performance based culture** where all individuals are tasked with executing on their goals and share in collective achievement

Initiative Detail

Cold Chain

- **WrapPak Protector** named one of 24 finalists from a pool of 291 teams, to move forward in the **National Geographic and Sky Ocean Ventures, Ocean Plastic Innovation Challenge**



Geami Retail

- Sustainable alternative to plastic
- 100% curbside recyclable
- Enhanced customer experience … protects as well as it looks







2nd Quarter and YTD Performance Summary

Increased systems placement by 7.6% year over year to over 100,000

Commentary

Installed base continues to grow at a steady rate with particularly strong growth from Wrapping product line. Historically has been strong indicator on annual basis

North America:

- Box-optimization headwinds temporarily impacting converter utilization rates at large Void-fill customer
- Lower industrial activity in Q2

Europe / APAC:

- April 1 price increase drove accelerated purchases in Q1 in Europe
- APAC continued growth particularly within Wrapping

Outlook

Strong pipeline in core business vs prior year expected to aid 2H performance in North America and Europe

New products rolling out in Q4 and early 2020

Void-fill:

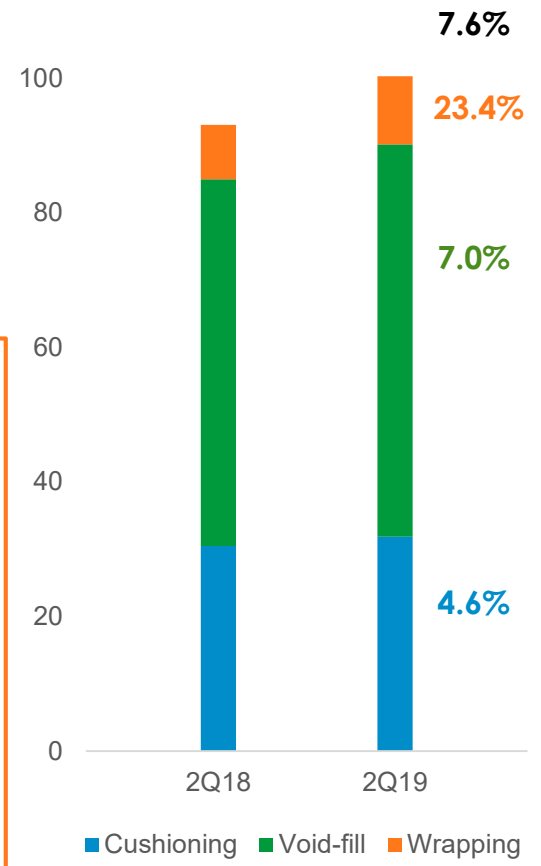
- One day shipping roll-out in June by large customer increasing volumes
- Additional distribution facilities coming online in Q3
  - Redeploying underutilized converters to new facilities
- Joined Amazon Packaging Support and Supplier (APASS)[2] network in March – Work with vendors upstream to provide solutions that meet Frustration Free Packaging standards
- e-Commerce end market growing mid-teens %. Opportunities to expand customer base

New retail sales channels additive to existing distributor network

Automation pipeline expected to be strong for 2H after slow start to the year

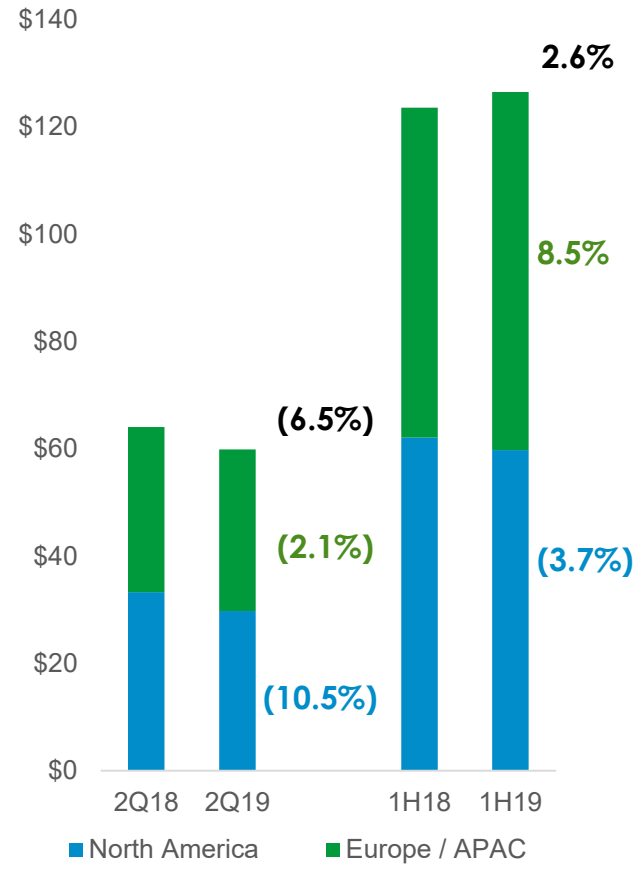
Sustainability gaining traction. Increased dialogue related to taking share vs other substrates

System Installed Base ('000s)



$ in millions

Pro Forma Constant Currency Net Sales[1]



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

(1) Pro forma constant currency net sales is a non-GAAP measure, consisting of net sales presented on a constant currency basis for the periods presented pro forma for impact of fair-value purchase accounting adjustment related to deferred revenue for user fees of $2.6 million in 2Q19. Refer to the Appendix to this presentation for a description of the basis of presentation and a reconciliation of pro forma constant currency net sales to net sales, the most directly comparable US GAAP measure.

(2) Members of APASS certified to support vendors in certifying their products under Amazon's Frustration-Free Packaging Programs. Provides a list of companies and labs that can help test, design, and supply packaging in line with meeting Amazon's Packaging Certifications

2Q19 and YTD Pro Forma Gross Profit and Adjusted EBITDA Performance

Commentary

Gross margin

Mix remains on plan; addressed pressure on kraft paper pricing

EBITDA

Investing in the business to fuel growth contributed to lower margin profile year over year

- Increased management resources
  - Key Senior Management additions: CFO, Managing Director of Americas, Global Head of e-Commerce, General Counsel (overlap with prior), Global VP of Marketing and Product Development, Head of Growth Strategies and Sustainability, Head of Business Development, VP of Finance
- Expansion of APAC and Automation sales forces

Expected drivers of improved outlook for 2H19 vs. 1H19:

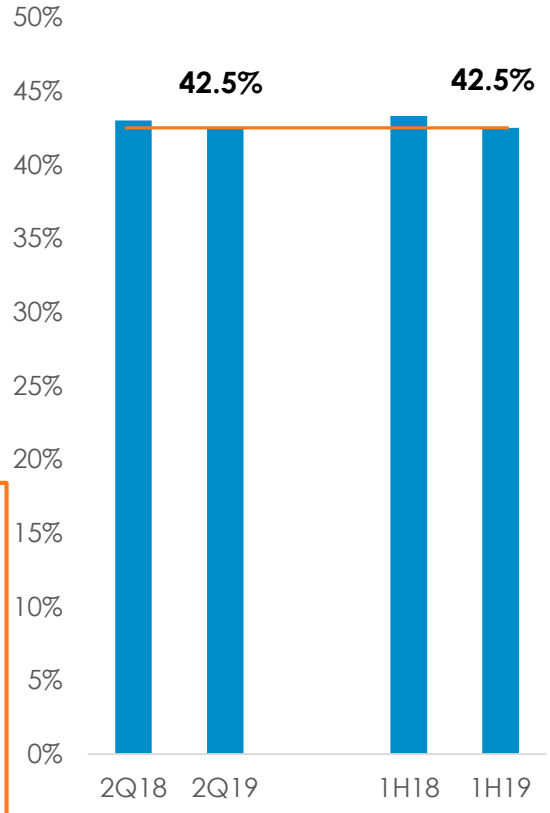
Topline

- Increased pricing in NAM and Europe
  - Larger contribution from Q3 and Q4 to annual sales expected to create meaningful operating leverage
- Higher trial and close activity vs YTD 2018
  - Historically good leading indicator
- Fruit of growth initiatives and investments

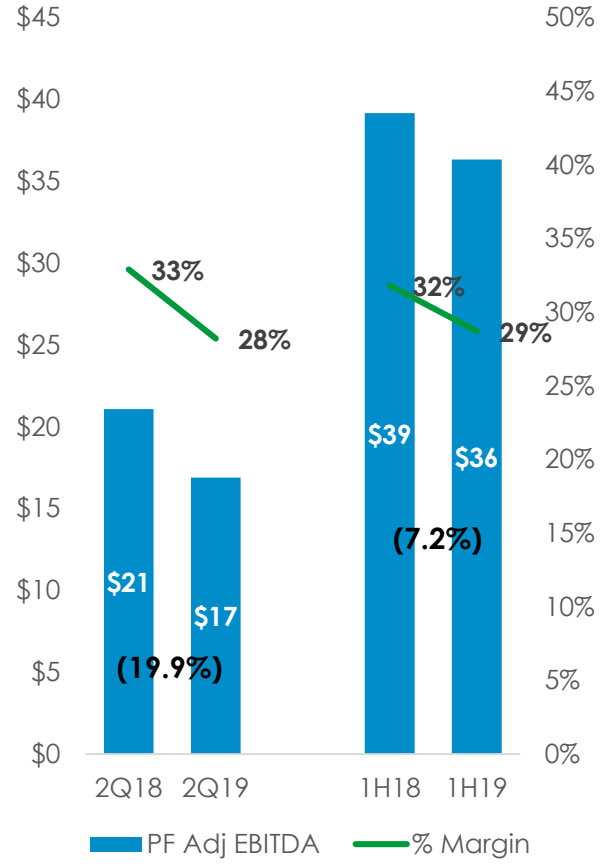
Margin

- Lower paper input costs
- Lap senior management G&A
- R&D component will be capitalized in Q4 upon completion of product launch

Pro Forma Gross Margin % (1)



Pro Forma Adj. EBITDA(2)



(1) Pro forma Gross Profit Margin is a non-GAAP measure. Refer to the Appendix to this presentation for a reconciliation of Gross Profit to Pro forma Gross Profit / Pro forma net sales.

(2) Pro forma 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 Adj. EBITDA is pro forma for estimated public company costs in each period, additional management hire, and the acquisition of e3neo. Based on constant currency at € / $ 1.15

Liquidity and Capitalization

- Ranpak completed the second quarter of 2019 in a strong liquidity position, including a cash balance of $11.5 million and $0 drawn on its $45 million available Revolving Credit Facility

- As of June 30, 2019, the Company had First Lien Term Loan facilities outstanding consisting of two term loans
  - $378 million U.S. dollar denominated
  - €140 million euro denominated

- Ranpak is focused on reducing leverage through organic growth and debt paydown to achieve its optimal long-term target leverage profile of 3.0x – 3.5x Net Debt / Adjusted EBITDA

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.

DELIVER A BETTER WORLD

Appendix



Reconciliation of Non-GAAP metrics – 3 month period

	Successor	Predecessor			Pro forma		Predecessor		Pro forma	
	June 3, 2019 through June 30, 2019	April 1, 2019 through June 2, 2019	Combined Three Months Ended June 30, 2019	Adj. [8]	Three Months Ended June 30, 2019	% of net sales	Three Months Ended June 30, 2018	% of net sales	B/(W) to Predecessor Three Months Ended June 30, 2018	
Net sales	$ 16.3	$ 40.3	$ 56.6	$ 3.3 [1]	$ 59.9		$ 65.2		$ (5.3)	(8.1)%
Cost of sales	13.0	23.2	36.2	(1.7) [2]	34.5	57.6	37.1	57.0	(2.6)	(7.0)
Gross Profit	3.3	17.1	20.4	5.1	25.4	42.5	28.1	43.0	(2.7)	(9.6)
Selling, general and administrative	4.9	10.0	14.8	(1.1) [3]	13.7	22.9	12.1	18.5	(1.6)	(13.3)
Transaction costs	0.3	7.0	7.3	(7.3) [3]	—	—	0.2	0.3	0.2	94.4
Depreciation and amortization	3.0	7.1	10.1	(0.4) [4]	9.6	16.1	10.6	16.3	1.0	9.4
Other operating expense, net	0.2	1.2	1.3	0.1	1.4	2.3	0.8	1.3	(0.6)	(72.4)
Income (loss) from operations	(5.1)	(8.2)	(13.1)	13.8	0.7	1.2	4.4	6.7	(3.7)	(84.1)
Interest expense	8.0	12.1	20.1	(11.6) [5]	8.5	14.2	7.8	11.9	(0.7)	(9.0)
Foreign currency (gain) loss	(0.8)	(0.2)	(1.1)	—	(1.1)	(1.8)	(6.2)	(9.5)	(5.1)	82.2
(Loss) Income before income taxes	(12.3)	(20.1)	(32.2)	25.4	(6.7)	(11.2)	2.8	4.3	(9.5)	(339.3)
Income tax (benefit) expense	(1.8)	(4.3)	(6.1)	5.7 [6]	(0.4)	(0.7)	0.9	1.4	(1.3)	(144.3)
Net (loss) income	$ (10.5)	$ (15.8)	$ (26.1)	$ 31.1	(6.3)	(10.5)	1.9	2.9	(8.2)	(431.6)
Add:										
Depreciation and amortization					14.8		15.9		(1.2)	(7.3)
Interest expense					8.5		7.8		0.7	9.0
Income tax (benefit) expense					(0.4)		0.9		(1.3)	(144.4)
EBITDA					16.6		26.5		(10.0)	(37.7)
Adjustments [7]:										
Unrealized (gain) loss translation					(1.1)		(6.3)		5.2	(83.1)
Initiatives					0.2		0.5		(0.4)	(68.2)
PE monitoring fees					0.5		0.5		—	—
(Gain) loss on disposal of machines					0.8		0.4		0.4	94.9
Acquisition costs					—		0.2		(0.2)	(94.4)
Severance					—		0.3		(0.3)	(99.5)
Constant currency					—		(0.4)		0.4	(112.2)
Public company costs					(0.5)		(0.8)		0.3	(38.3)
Other					0.4		0.1		0.3	555.1
Adjusted EBITDA					$ 16.9		$ 21.1		$ (4.2)	(19.9)%

[1] Adjust for fair-value adjustment related to deferred revenue recorded under ASC 805 in the Successor Period

[2] Adjust for fair-value adjustment related to inventory step-up recorded under ASC 805 in the Successor Period

[3] Adjust effect of amortization of non-cash restricted stock units recorded in Successor Period ($0.2 million), acquisition costs recorded in the Successor Periods under ASC 805 ($7.3 million from June 3, 2019 through June 30, 2019 and $7.7 million from January 1, 2019 through June 30, 2019) and non-recurring severance costs of $0.7 million and $0.4 million in the second quarter and six month period of 2019, respectively.

[4] Adjust for incremental depreciation and amortization recorded due to fair-value adjustments under ASC 805 in the Successor Period

[5] Adjust for effect of the fair value interest rate swap ($5.4 million) entered into as part of the Ranpak Business Combination and the write-off of deferred financing fees associated with Predecessor company debt repaid as part of the Ranpak business Combination ($6.3 million)

[6] Adjust tax provision at 21.0% corporate rate for items adjusted above

[7] Adjustments are related to Predecessor non-recurring costs such as: unrealized non-cash (gains) losses on translation of the Predecessor debt, initiatives related geographic sales expansion, private equity monitoring fees, non-cash (gain) loss on the disposal of machines, acquisition costs, severance and a revenue recognition adjustment related to e3Neo acquisition. Certain costs related to being a public company, such as additional staff, legal and accounting costs that were not included in the Predecessor are also included in Adjusted EBITDA.

[8] Effect of Euro constant currency adjustment to a rate of $1.00 US Dollar to €1.15 as follows:

Constant Currency Impact

	Combined Three Months Ended June 30, 2019	Three Months Ended June 30, 2018
Net sales	$ 0.7	$ (1.1)
Cost of sales	0.4	(0.6)
Gross Profit	0.3	(0.5)
Selling, general and administrative	0.2	(0.3)
Transaction costs	—	—
Depreciation and amortization	0.1	(0.2)
Other operating expense, net	0.1	(0.1)
Income (loss) from operations	—	0.1
Interest expense	—	—
Foreign currency (gain) loss	—	—
Loss before income taxes	(0.1)	0.1
Income tax (benefit) expense	—	—
Net (loss) income	$ (0.1)	0.1

Pro Forma Net Sales and Gross Profit at Constant Currency

$000	Quarterly 2Q18	2Q19
Net sales		
Reported net sales	$65.2	$56.6
Constant currency adjustment	(1.1)	0.7
Constant currency net sales[1]	**$64.1**	**$57.3**
e3neo revenue recognition	0.0	0.0
Purchase accounting	0.0	2.6
Pro forma net sales[2]	**$64.1**	**$59.9**
Gross profit		
Reported cost of sales	$37.1	$36.2
e3neo cost of sales recognition	0.0	0.0
Purchase accounting	0.0	(2.1)
Constant currency adjustment	(0.6)	0.4
Pro forma cost of sales	36.5	34.5
Pro forma gross profit at constant currency[1][2]	**$27.6**	**$25.4**
% margin	43.0%	42.5%

Note: Represent preliminary unaudited financials.
(1) Financial metrics of the Company presented on a constant currency basis, including net sales, gross profits, and Adjusted EBITDA at $1.15:€1.00.
(2) Fair value purchase accounting adjustments related to deferred revenue and inventory adjustment

Reconciliation of Non-GAAP metrics – 6 month period

	Successor	Predecessor				Pro forma		Predecessor		Pro forma	
	June 3, 2019 through June 30, 2019	January 1, 2019 through June 2, 2019	Combined Six Months Ended June 30, 2019	Adj. [8]		Six Months Ended June 30, 2019	% of net sales	Six Months Ended June 30, 2018	% of net sales	B/(W) to Predecessor Six Months Ended June 30, 2018	
Net sales	$ 16.3	$ 106.4	$122.7	$ 3.8	[1]	$ 126.5		$ 126.8		$ (0.3)	(0.2)
Cost of sales	13.0	61.2	74.2	(1.5)	[2]	72.7	57.5	71.9	56.7	(0.8)	(1.1)
Gross Profit	3.3	45.2	48.5	5.3		53.8	42.5	54.9	43.3	(1.1)	(2.0)
Selling, general and administrative	4.9	23.8	28.7	(1.7)	[3]	26.9	21.3	25.3	19.9	(1.7)	(6.6)
Transaction costs	0.3	7.4	7.7	(7.7)	[3]	—	—	0.2	0.2	0.2	94.0
Depreciation and amortization	3.0	17.7	20.7	(0.4)	[4]	20.4	16.1	21.6	17.0	1.2	5.6
Other operating expense, net	0.2	2.2	2.4	0.2		2.6	2.1	1.5	1.2	(1.1)	(71.4)
Income (loss) from operations	(5.1)	(5.9)	(11.0)	15.0		3.9	3.1	6.3	5.0	(2.5)	(39.7)
Interest expense	8.0	20.2	28.2	(11.6)	[5]	16.6	13.1	14.9	11.7	(1.7)	(11.4)
Foreign currency (gain) loss	(0.8)	(2.2)	(3.0)	—		(3.0)	(2.4)	(3.3)	(2.6)	(0.3)	9.2
Loss before income taxes	(12.2)	(24.0)	(36.2)	26.6		(9.7)	(7.7)	(5.3)	(4.2)	(4.5)	(84.9)
Income tax (benefit)	(1.8)	(4.9)	(6.7)	5.3	[6]	(1.4)	(1.1)	(0.4)	(0.3)	(1.0)	244.1
Net (loss) income	$ (10.5)	$ (19.1)	$ (29.5)	$ 21.3		$ (8.3)	(6.6)	$ (4.9)	(3.9)	$ (3.5)	(71.4)
Add:											
Depreciation and amortization						31.0		32.2		(1.2)	(3.7)
Interest expense						16.6		14.9		1.7	11.4
Income tax benefit						(1.4)		(0.4)		(1.0)	250.0
EBITDA						$ 37.9		$ 41.8		$ (4.0)	(9.6)
Adjustments [7]:											
Unrealized (gain) loss translation						(3.2)		(3.3)		0.1	(3.1)
Initiatives						0.3		1.2		(0.9)	(77.2)
PE monitoring fees						1.0		0.9		0.1	11.4
(Gain) loss on disposal of machines						1.0		0.7		0.3	41.8
Acquisition costs						—		0.2		(0.2)	(94.4)
Severance						—		0.3		(0.3)	(99.5)
Public company costs						(1.2)		(1.5)		0.3	(22.8)
Constant currency						—		(1.1)		1.1	(103.2)
E3neo revenue change						—		(0.1)		0.1	(82.0)
Other						0.6		$ 0.1		0.5	833.3
Adjusted EBITDA						$ 36.3		$ 39.2		$ (2.8)	(7.2)

[1] Adjust for fair-value adjustment related to deferred revenue recorded under ASC 805 in the Successor Period

[2] Adjust for fair-value adjustment related to inventory step-up recorded under ASC 805 in the Successor Period

[3] Adjust effect of amortization of non-cash restricted stock units recorded in Successor Period ($0.2 million), acquisition costs recorded in the Successor Periods under ASC 805 ($7.3 million from June 3, 2019 through June 30, 2019 and $7.7 million from January 1, 2019 through June 30, 2019) and non-recurring severance costs of $0.7 million and $0.4 million in the second quarter and six month period of 2019, respectively.

[4] Adjust for incremental depreciation and amortization recorded due to fair-value adjustments under ASC 805 in the Successor Period

[5] Adjust for effect of the fair value interest rate swap ($5.4 million) entered into as part of the Ranpak Business Combination and the write-off of deferred financing fees associated with Predecessor company debt repaid as part of the Ranpak business Combination ($6.3 million)

[6] Adjust tax provision at 21.0% corporate rate for items adjusted above

[7] Adjustments are related to Predecessor non-recurring costs such as: unrealized non-cash (gains) losses on translation of the Predecessor debt, initiatives related geographic sales expansion, private equity monitoring fees, non-cash (gain) loss on the disposal of machines, acquisition costs, severance and a revenue recognition adjustment related to e3Neo acquisition. Certain costs related to being a public company, such as additional staff, legal and accounting costs that were not included in the Predecessor are also included in Adjusted EBITDA.

[8] Effect of Euro constant currency adjustment to a rate of $1.00 US Dollar to €1.15 as follows:

Constant Currency Impact

	Combined Six Months Ended June 30, 2019	Six Months Ended June 30, 2018
Net sales	$ 1.6	$ (3.2)
Cost of sales	0.9	(1.8)
Gross Profit	0.7	(1.4)
Selling, general and administrative	0.4	(0.8)
Transaction costs	—	—
Depreciation and amortization	0.2	(0.4)
Other operating expense, net	0.2	(0.4)
Income (loss) from operations	—	0.2
Interest expense	—	(0.1)
Foreign currency (gain) loss	—	—
Loss before income taxes	(0.1)	0.3
Income tax (benefit) expense	—	0.1
Net (loss) income	$ (0.1)	$ 0.2

Pro Forma Net Sales and Gross Profit at Constant Currency

	YTD	
$000	**1H18**	**1H19**
Net sales		
Reported net sales	$126.8	$122.7
Constant currency adjustment	(3.2)	1.2
Constant currency net sales[1]	**$123.6**	**$123.9**
e3neo revenue recognition	(0.4)	0.0
Purchase accounting	0.0	2.6
Pro forma net sales[2]	**$123.2**	**$126.5**
Gross profit		
Reported cost of sales	$71.9	$74.1
e3neo cost of sales recognition	(0.3)	0.0
Purchase accounting	0.0	(2.1)
Constant currency adjustment	(1.8)	0.7
Pro forma cost of sales	69.9	72.7
Pro forma gross profit at constant currency[1][2]	**$53.4**	**$53.8**
% margin	43.3%	42.5%

Note: Represent preliminary unaudited financials.
(1) Financial metrics of the Company presented on a constant currency basis, including net sales, gross profits, and Adjusted EBITDA at $1.15:€1.00.
(2) Fair value purchase accounting adjustments related to deferred revenue and inventory adjustment

GAAP Income Statement

$ in millions except per share values

	Successor	Predecessor			
	June 3, 2019 through June 30, 2019	April 1, 2019 through June 2, 2019	January 1, 2019 through June 2, 2019	Three Months Ended June 30, 2018	Six Months Ended June 30, 2018
Net sales	$ 16.3	$ 40.3	$ 106.4	$ 65.2	$ 126.8
Cost of sales	13.0	23.2	61.2	37.1	71.9
Selling, general and administrative	4.9	10.0	23.8	12.1	25.3
Transaction costs	0.3	7.0	7.4	0.2	0.2
Depreciation and amortization	3.0	7.1	17.7	10.6	21.6
Other operating expense, net	0.2	1.2	2.2	0.8	1.5
(Loss) income from operations	(5.1)	(8.2)	(5.9)	4.4	6.3
Interest expense	8.0	12.1	20.2	7.8	14.9
Foreign currency gain	(0.8)	(0.2)	(2.2)	(6.2)	(3.3)
(Loss) income before income taxes	(12.3)	(20.1)	(23.9)	2.8	(5.3)
Income tax (benefit) expense	(1.8)	(4.3)	(4.9)	0.9	(0.4)
Net (loss) income	(10.5)	(15.8)	(19.0)	1.9	(4.9)
Other comprehensive (loss) income:					
Foreign currency translation adjustments	4.8	27.0	23.6	(8.8)	(4.4)
Comprehensive (loss) income	$ (5.7)	$ 11.2	$ 4.6	$ (6.9)	$ (9.3)
Net (loss) income per share—basic diluted					
Net (loss) income per share		$ (15,807.96)	$ (19,195.40)	$ 1,859.17	$ (4,947.32)
Weighted-average shares outstanding		995	995	995	995
Two-class method					
Net loss per common stock, Class A and C-basic and diluted	$ (0.19)				
Weighted average number of Class A and C common stock outstanding, basic and diluted	53,868,925				


Ranpak