



3Q22 Investor Presentation

Results Through September 30, 2022

November 8, 2022



Important Information

Forward-Looking Statements and Other Information

This presentation contains forward-looking statements. All statements contained in this press release other than statements of historical fact are forward-looking statements, including statements regarding our guidance as to our future financial results and our expectations regarding our operational performance and macroeconomic conditions. In some cases, you can identify forward-looking statements because they contain words such as “anticipate,” “believe,” “contemplate,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “should,” “target,” “will” or “would” or the negative of these words or other similar terms or expressions. Forward-looking statements are subject to various risks and uncertainties. Accordingly, there are important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. Moreover, new risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this presentation. The results, events and circumstances reflected in the forward-looking statements made herein may not be achieved or occur, and actual results, events or circumstances could differ materially from those described in the forward-looking statements. Given these risks and uncertainties, you are cautioned not to place undue reliance on any forward-looking statements. For additional information on these and other factors that could cause our actual results to differ materially from those set forth in this presentation, please see our Annual Report on Form 10-K for the year ended December 31, 2021 filed with the Securities and Exchange Commission, or SEC, our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2022 and June 30, 2022 filed with the SEC and our Quarterly Report on Form 10-Q for the quarter ended September 30, 2022 to be filed with the SEC.

All information contained herein speaks only as of the date of this presentation, except where otherwise stated. Except as required by law, we undertake no duty to update or revise the information contained herein, publicly or otherwise, including any forward-looking statements.

Non-GAAP Financial Measures

In addition to U.S. GAAP financial measures, this presentation includes references to Adjusted EBITDA, Free Cash Flow, Net Debt and the Net Leverage Ratio, which are non-GAAP financial measures. All references in this presentation to Adjusted EBITDA and net income (loss) are to Adjusted EBITDA and net income (loss) from continuing operations, respectively.

We define Adjusted EBITDA as our net income (loss) calculated in accordance with GAAP plus the sum of income tax expense (benefit), net interest expense, depreciation and amortization and further adjusted to exclude certain items, including but not limited to restructuring, asset impairment and other related charges, gains on the sale of businesses and noncurrent assets, non-cash pension income (expense), operational process engineering-related consultancy costs, business acquisition and integration costs and purchase accounting adjustments, unrealized gains or losses on derivatives, foreign exchange losses on cash, executive transition charges and gains or losses on certain legal settlements. We define Free Cash Flow as net cash provided by operating activities less capital expenditures. We define Net Debt as the sum of current and long-term debt, less cash and cash equivalents. We define the Net Leverage Ratio as Net Debt divided by Adjusted EBITDA for the last 12 months, which we refer to as LTM Adjusted EBITDA.

These non-GAAP measures are in addition to, and not a substitute for or superior to, measures prepared in accordance with GAAP.

A reconciliation of these non-GAAP measures to the most directly comparable GAAP measures is set forth in the Appendix to this presentation.



Today's Presenters



Michael King
President & Chief Executive Officer



Jon Baksht
Chief Financial Officer



Agenda

1. Q3 Highlights
2. Q3 2022 Financial Performance
3. 2022 Outlook
4. Conclusion & Q&A





Q3 Highlights



Q3 2022 Highlights

- Net revenue of **\$1,609mn**

- Decreased \$31mn or 2% vs 2Q22
- Increased \$215mn or 15% vs 3Q21

- Net income of **\$175mn**

- Increased \$101mn vs 2Q22
- Increased \$173mn vs 3Q21

- Diluted EPS of **\$0.98**

- Adjusted EBITDA⁽¹⁾ of **\$187mn**

- Decreased \$62mn vs 2Q22
- Increased \$68mn vs 3Q21

- Free Cash Flow⁽¹⁾ of **\$20mn**

- Cash on-hand of **\$559mn**

- Net Debt⁽¹⁾ of **\$3,647mn**

- Net Leverage Ratio⁽¹⁾ of **4.5x**

- Asia sale proceeds of **\$336mn**, recognized gain of **\$239mn**

- Pension lift-out transferred a further **\$656mn** of gross plan liabilities, recognized settlement gain of **\$47mn**

- Closures businesses reclassified as held for sale, impairment charge of **\$56mn** recognized

(1) Adjusted EBITDA, Free Cash Flow Net Debt, and the Net Leverage Ratio are non-GAAP measures. See the reconciliation of net income (loss) to Adjusted EBITDA and Free Cash Flow and total debt to Net Debt in the Appendix.



Business Environment Update and Key Trends

■ Labor Environment

- Wage inflation moderating
- Turnover challenges

■ Material, Energy and Logistics Costs

- Polypropylene ↓
- Other polymers ↑
- Energy, chemicals, wood ↑
- Transportation costs ↓

■ Sales Volumes Softening

- Focus on value over volume
- Preserving margin while retaining customers

■ Working Capital Trends

- Generating positive Free Cash Flow⁽¹⁾ due to achievement of target inventory levels as strategic build completed
- Focus on deleveraging to offset the impact of increasing LIBOR

■ Acquisitions & Divestitures

- Fabri-Kal acquisition generating **\$50mn** in annualized synergies
- Cash position benefited from **\$336mn** of Asia sale proceeds
- Committed to a plan to exit closures businesses

(1) Free Cash Flow is a non-GAAP measure. See the reconciliation of Free Cash Flow in the Appendix.

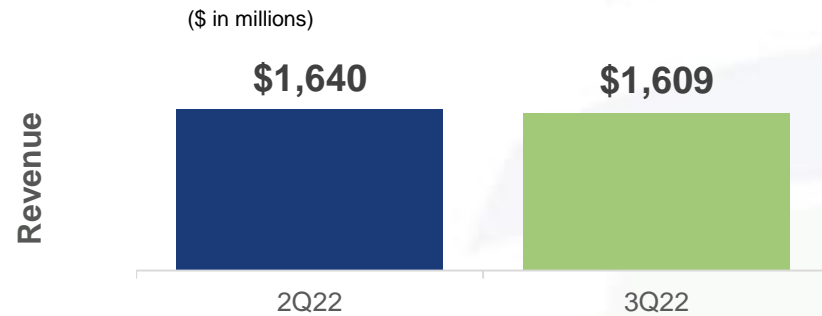




Q3 2022 Financial Performance

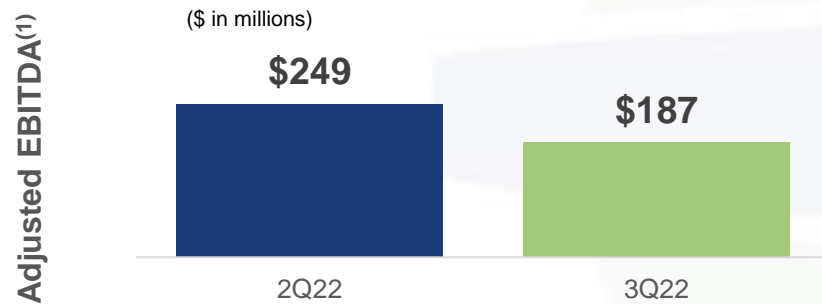


Financial Performance Q3 2022 vs Q2 2022



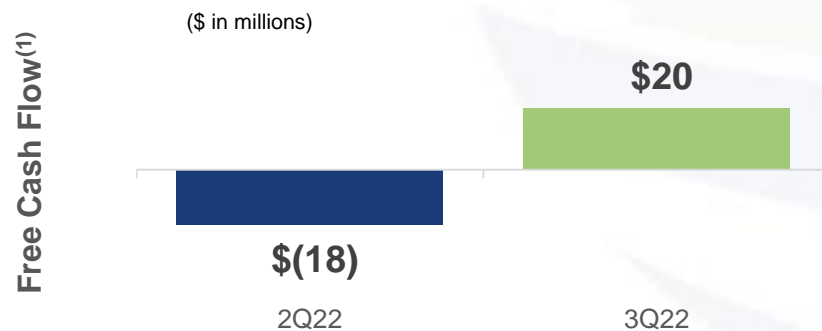
- Q3 2022 revenue down 2% q/q

- Price/mix up 2% primarily due to the contractual pass-through of higher material costs and pricing actions, most notably in the Food Merchandising and Beverage Merchandising segments
- Volume down 3% primarily due to market softening amid inflationary pressures and seasonal trends in the Foodservice and Food Merchandising segments



- Q3 2022 Adjusted EBITDA⁽¹⁾ decreased \$62mn q/q

- Adjusted EBITDA⁽¹⁾ was down primarily due to higher material costs, net of material costs passed through, lower sales volume and higher manufacturing costs



- Free Cash Flow⁽¹⁾ increased \$38mn q/q

- Primarily due to the completion of the strategic inventory build

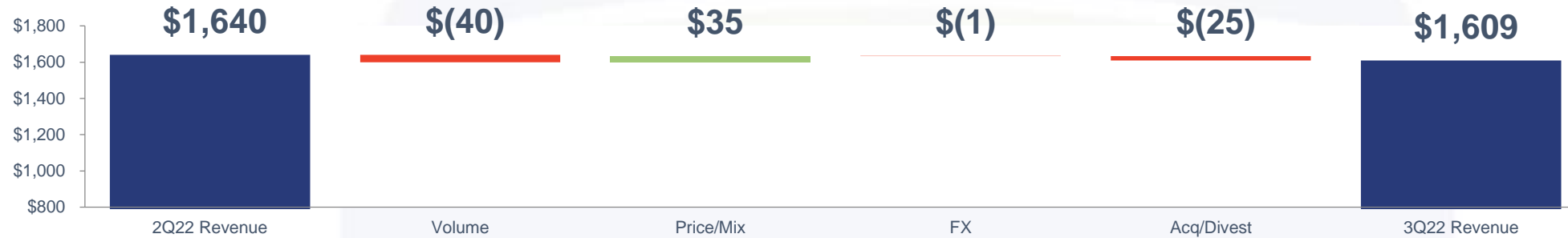
(1) Adjusted EBITDA and Free Cash Flow are non-GAAP measures. See the reconciliation of net income (loss) to Adjusted EBITDA and Free Cash Flow in the Appendix.



Revenue & Adjusted EBITDA⁽¹⁾ Bridges Q3 2022 vs Q2 2022

Revenue

(\$ in millions)



Adjusted EBITDA⁽¹⁾

(\$ in millions)



(1) Adjusted EBITDA is a non-GAAP measure. See the reconciliation of net income (loss) to Adjusted EBITDA in the Appendix.

Highlights By Segment Q3 2022 vs Q2 2022

(\$ in millions)	Foodservice		
	Q3 2022	Q2 2022	QoQ %
Net Revenue	\$756	\$791	(4)%
Adjusted EBITDA	\$113	\$165	(32)%

- **Foodservice revenue down 4%**

- Price/mix flat
- Volume down 4% primarily due to the market softening amid inflationary pressures, as well as seasonal trends

- **Adjusted EBITDA down 32% to \$113mn**

- Decrease was primarily due to higher material and manufacturing costs and lower sales volume

(\$ in millions)	Food Merchandising		
	Q3 2022	Q2 2022	QoQ %
Net Revenue	\$455	\$444	2%
Adjusted EBITDA	\$70	\$78	(10)%

- **Food Merchandising revenue up 2%**

- Price/mix up 6% primarily due to favorable pricing, arising from the contractual pass-through of higher material costs and pricing actions taken to offset higher input costs
- Volume down 4% primarily due to the market softening amid inflationary pressures, as well as seasonal trends

- **Adjusted EBITDA down 10% to \$70mn**

- Decrease was primarily due to lower sales volume and higher manufacturing costs, partially offset by favorable pricing, net of material costs passed through

(\$ in millions)	Beverage Merchandising		
	Q3 2022	Q2 2022	QoQ %
Net Revenue	\$422 ⁽¹⁾	\$420 ⁽²⁾	-%
Adjusted EBITDA	\$26	\$29	(10)%

- **Beverage Merchandising revenue flat**

- Price/mix up 1%
- Volume up 5% primarily due to higher liquid packaging board volumes from sales to the former Beverage Merchandising Asia operations which replaced lower beverage carton sales arising from the disposition of the business

- **Adjusted EBITDA down 10% to \$26mn**

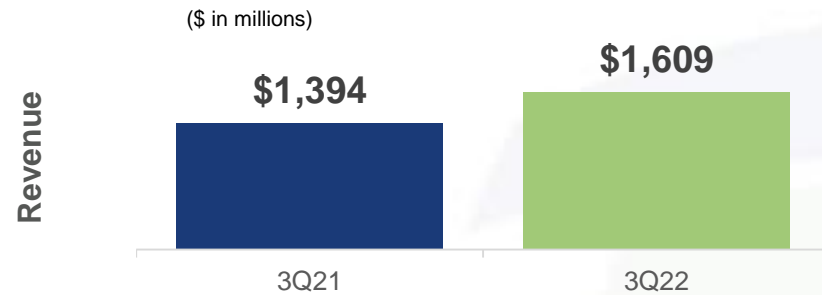
- Decrease was driven by higher material costs, net of material costs passed through, partially offset by lower manufacturing costs

(1) Includes \$50 million of intersegment revenues.

(2) Includes \$42 million of intersegment revenues.

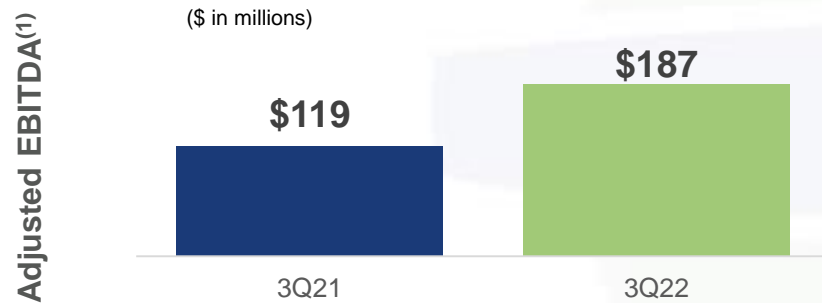


Financial Performance Q3 2022 vs Q3 2021



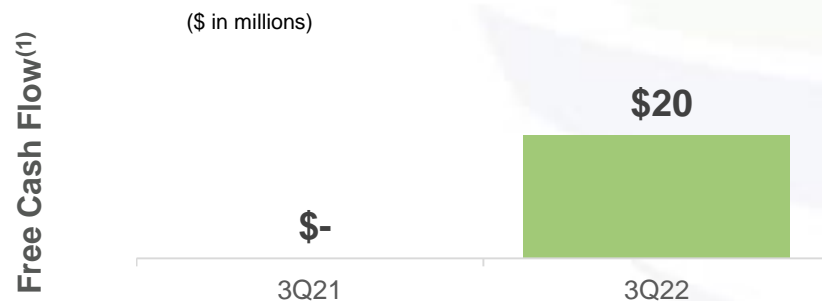
- **Q3 2022 revenue up 15% y/y**

- Price/mix up 17% primarily related to higher material costs passed through to customers and pricing actions
- Up 8% due to acquisition of Fabri-Kal
- Volume down 8% primarily due to strong prior year sales volume as businesses and restaurants re-opened post-COVID-19 lockdowns in Foodservice, the market softening amid inflationary pressures in Food Merchandising and coated groundwork exit in Beverage Merchandising



- **Q3 2022 Adjusted EBITDA⁽¹⁾ increased \$68mn y/y**

- Adjusted EBITDA⁽¹⁾ was up primarily due to favorable pricing, net of material costs passed through, and the impact from the acquisition of Fabri-Kal, partially offset by higher manufacturing and employee-related costs and lower sales volume



- **Free Cash Flow⁽¹⁾ increased \$20mn y/y**

- Primarily due to stronger cash earnings, combined with lower capital expenditures during the quarter, partially offset by net outflows from working capital upon completion of strategic inventory build

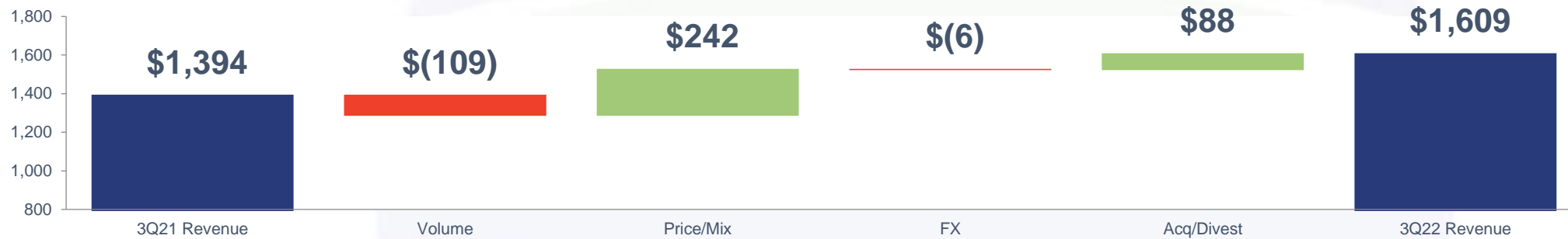
(1) Adjusted EBITDA and Free Cash Flow are non-GAAP measures. See the reconciliation of net income (loss) to Adjusted EBITDA and Free Cash Flow in the Appendix.



Revenue & Adjusted EBITDA⁽¹⁾ Bridges Q3 2022 vs Q3 2021

Revenue

(\$ in millions)



Adjusted EBITDA⁽¹⁾

(\$ in millions)



(1) Adjusted EBITDA is a non-GAAP measure. See the reconciliation of net income (loss) to Adjusted EBITDA in the Appendix.

Highlights By Segment Q3 2022 vs Q3 2021

(\$ in millions)	Foodservice		
	Q3 2022	Q3 2021	YoY %
Net Revenue	\$756	\$594	27%
Adjusted EBITDA	\$113	\$64	77%

(\$ in millions)	Food Merchandising		
	Q3 2022	Q3 2021	YoY %
Net Revenue	\$455	\$391	16%
Adjusted EBITDA	\$70	\$49	43%

(\$ in millions)	Beverage Merchandising		
	Q3 2022	Q3 2021	YoY %
Net Revenue	\$422 ⁽¹⁾	\$403 ⁽²⁾	5%
Adjusted EBITDA	\$26	\$16	63%

(1) Includes \$50 million of intersegment revenues.

(2) Includes \$22 million of intersegment revenues.

Foodservice revenue up 27%

- Price/mix up 16% primarily due to higher material costs passed through to customers and pricing actions
- Up 19% due to acquisition of Fabri-Kal
- Volume down 8% primarily due to strong prior year sales volume

Adjusted EBITDA up 77% to \$113mn

- Increase was primarily due to favorable pricing, net of material costs passed through, and the impact of the Fabri-Kal acquisition, partially offset by higher manufacturing costs, lower sales volume and higher employee-related costs

Food Merchandising revenue up 16%

- Price/mix up 20% primarily due to pricing actions and higher material costs passed through to customers
- Volume down 4% primarily due to the market softening amid inflationary pressures

Adjusted EBITDA up 43% to \$70mn

- Increase was primarily due to favorable pricing, net of material costs passed through, partially offset by higher manufacturing costs and employee-related costs and lower sales volume

Beverage Merchandising revenue up 5%

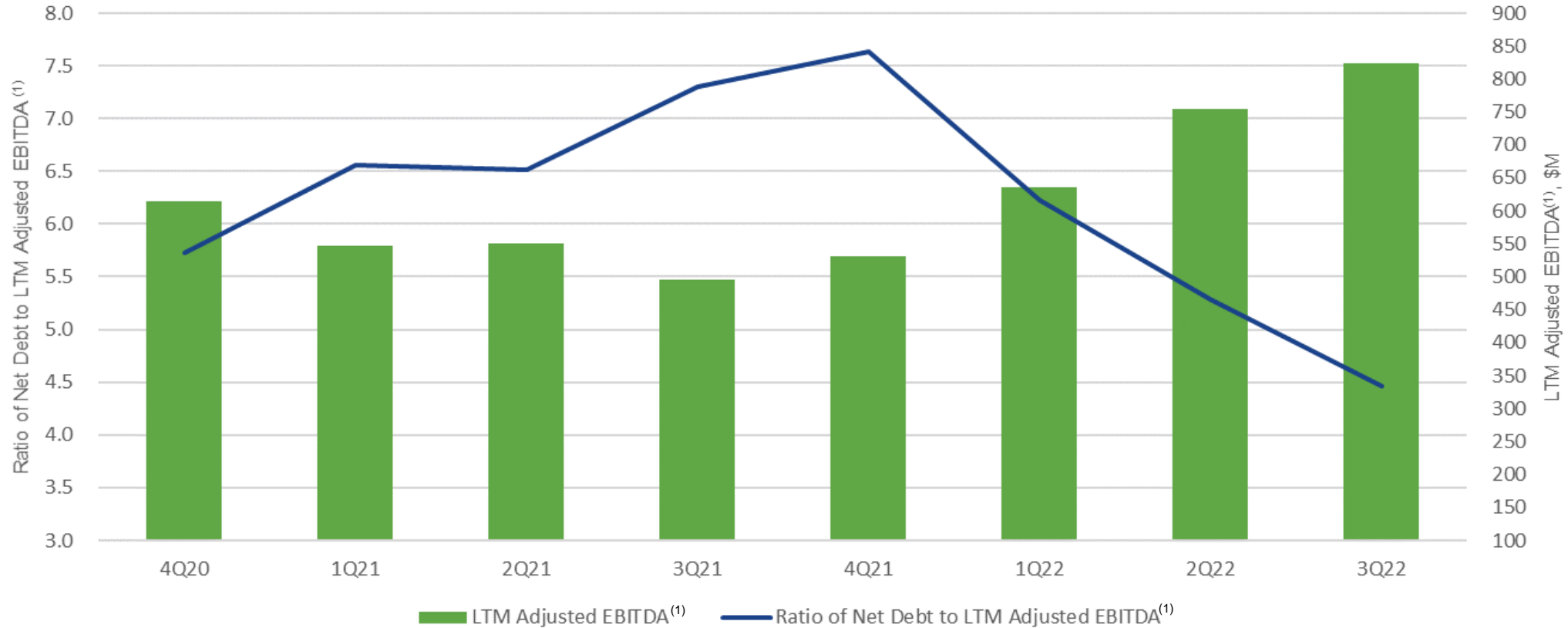
- Price/mix up 16% primarily due to pricing actions and higher material costs passed through to customers
- Volume down 5% primarily due to the strategic exit from the coated groundwood business
- Decline of 6% due to the impact from the disposition of Beverage Merchandising Asia

Adjusted EBITDA up 63% to \$26mn

- Increase was driven by favorable pricing, net of material costs passed through, and prior year costs of \$7 million from Tropical Storm Fred, partially offset by higher manufacturing costs, including \$8 million due to a scheduled cold mill outage, and higher employee-related costs



Net Leverage Ratio⁽¹⁾: Continuing to Deleverage



- Receipt of Asia sale proceeds and LTM Adjusted EBITDA⁽¹⁾ improvement continues to improve leverage

Net Debt to LTM Adjusted EBITDA⁽¹⁾ is down to 4.5x and is trending positively

(1) Adjusted EBITDA, Net Debt, and the Net Leverage Ratio are non-GAAP measures. See the reconciliation of net income (loss) to Adjusted EBITDA and total debt to Net Debt in the Appendix.





2022 Outlook



Driving Towards ESG Excellence



PROTECT OUR PLANET'S RESOURCES

- Reduce emissions and energy use
- Protect the sustainability of our forests
- Minimize water use
- Decrease waste going to landfill



DELIVER SUSTAINABLE PRODUCTS ESSENTIAL TO CONSUMERS

- Implement our Four R's approach to our materials and products
- Collaborate across the value chain to drive the Four R's
- Design innovative materials and products



VALUE OUR PEOPLE AND COMMUNITIES

- Champion a culture of safety at work and at home
- Attract, empower and retain the best team
- Embrace diversity and inclusion
- Support the communities in which we work and live



PROMOTE EFFECTIVE GOVERNANCE

- Oversight by independent, diverse board
- Implement formal executive compensation practices
- Ensure strict and transparent audit processes
- Foster a culture of integrity and ethics

Quarterly Highlights

Committed to set near- and long-term greenhouse gas emission reduction targets in line with the Science Based Targets initiative (SBTi)

Prepared for launch of a new PFAS-free line of molded fiber containers and tableware to meet customer demand

Rolled out Give Back Month of Action with 170+ volunteer events and food drives

Expanded supplier audit program with Sedex

Publicly released responses to CDP's Climate Change, Water Security and Forestry questionnaires

2022 Outlook

Raising 2022 Guidance

FY 2022 Adj. EBITDA⁽¹⁾ from \$750-\$770 million to \$760-\$780 million

Modest increase of guidance to reflect continued operational improvement in a challenging environment due to inflationary pressures, volatility in energy markets and macroeconomic uncertainty due to recession risk.

(1) We are unable to provide a reconciliation of forward-looking Adjusted EBITDA without unreasonable effort because of the uncertainty and potential variability in amount and timing of gains on the sale of businesses, non-cash pension income or expense, unrealized gains or losses on derivatives and foreign exchange gains or losses on cash, which are reconciling items between GAAP net income (loss) and Adjusted EBITDA and could significantly impact GAAP results.





Conclusion & Q&A



Appendix

Reconciliation Of Net Income (Loss) to Adjusted EBITDA

(\$ in millions)

	For the Three Months Ended			For the Nine Months Ended	
	September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Net income (loss) (GAAP)	\$ 175	\$ 74	\$ 2	\$ 292	\$ (1)
Income tax expense (benefit)	79	45	(13)	160	(26)
Interest expense, net	59	50	57	158	141
Depreciation and amortization	85	86	103	255	253
Restructuring, asset impairment and other related charges ⁽¹⁾	57	1	-	58	8
Gain on sale of business and noncurrent assets ⁽²⁾	(239)	-	-	(266)	-
Non-cash pension income ⁽³⁾	(44)	2	(40)	(52)	(88)
Operational process engineering-related consultancy costs ⁽⁴⁾	3	1	6	7	16
Business acquisition and integration costs and purchase accounting adjustments ⁽⁵⁾	-	2	2	6	2
Unrealized losses (gains) on derivatives	10	(1)	1	4	5
Foreign exchange losses on cash	-	-	-	2	1
Executive transition charges ⁽⁶⁾	-	2	-	2	10
Gain on legal settlement ⁽⁷⁾	-	(15)	-	(15)	-
Costs associated with legacy sold facility ⁽⁸⁾	-	3	-	6	-
Other	2	(1)	1	1	5
Adjusted EBITDA (Non-GAAP)	\$ 187	\$ 249	\$ 119	\$ 618	\$ 326

(1) Reflects restructuring, asset impairment and other related charges (net of reversals) primarily associated with the decision to exit our remaining closures businesses (2022) and closure of Beverage Merchandising's coated groundwood operations (2021).

(2) Reflects the gain from the sale of businesses and noncurrent assets, primarily related to the sale of Beverage Merchandising Asia and the sale of our equity interests in Naturepak Beverage Packaging Co. Ltd.

(3) Reflects the non-cash pension income related to our employee benefit plans, including the pension settlement gains of \$47 million and \$57 million recognized during the three and nine months ended September 30, 2022, respectively, and the pension settlement gain of \$22 million recognized during the three and nine months ended September 31, 2021.

(4) Reflects the costs incurred to evaluate and improve the efficiencies of our manufacturing and distribution operations.

(5) Reflects acquisition and integration costs related to Fabri-Kal.

(6) Reflects charges relating to key executive retirement and separation agreements in the first half of 2021 and in the second quarter of 2022.

(7) Reflects the gain, net of costs, arising from the settlement of a historical legal action.

(8) Reflects costs related to a closed facility that was sold prior to our acquisition of the entity.

Reconciliation Of Net Cash Provided by Operating Activities to Free Cash Flow

(\$ in millions)

	For the Three Months Ended			For the Nine Months Ended	
	September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Net cash provided by operating activities	\$ 75	\$ 46	\$ 68	\$ 241	\$ 190
Capital expenditures	(55)	(64)	(68)	(169)	(199)
Free Cash Flow	\$ 20	\$ (18)	\$ -	\$ 72	\$ (9)

Reconciliation Of Total Debt to Net Debt and LTM Net Income (Loss) to LTM Adjusted EBITDA

(\$ in millions)

Net Debt:	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
Total Debt (GAP)	\$4,233	\$4,237	\$4,243	\$4,250	\$4,247	\$3,935	\$3,918	\$3,980
Less cash and cash equivalents	559	246	283	197	627	350	328	458
Net Debt (Non-GAAP)	\$3,674	\$3,991	\$3,960	\$4,053	\$3,620	\$3,585	\$3,590	\$3,522

	Last Twelve Months Ended							
LTM Adjusted EBITDA:	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
Net income (loss) (GAAP)	\$323	\$153	\$87	\$33	\$17	(\$128)	(\$154)	(\$10)
Income tax expense (benefit)	185	90	50	(4)	(43)	12	(36)	(112)
Interest expense, net	208	206	198	191	237	267	311	371
Depreciation and amortization	346	364	355	344	329	299	294	289
Restructuring, asset impairment and other related charges ⁽¹⁾	59	2	11	9	18	32	23	28
Gain on sale of businesses and noncurrent assets ⁽²⁾	(266)	(27)	(27)	-	(2)	(1)	(1)	(1)
Non-cash pension income ⁽³⁾	(65)	(61)	(88)	(101)	(104)	(82)	(76)	(71)
Operational process engineering-related consultancy costs ⁽⁴⁾	12	15	21	21	17	14	8	13
Business acquisition and integration costs and purchase accounting adjustments ⁽⁵⁾	19	21	19	15	2	-	-	-
Unrealized (gains) losses on derivatives ⁽⁶⁾	6	(3)	1	7	(2)	(4)	(26)	(10)
Foreign exchange losses on cash ⁽⁷⁾	3	3	4	2	2	44	99	15
Executive transition charges ⁽⁸⁾	2	2	-	10	10	10	10	-
Gain on legal settlement ⁽⁹⁾	(15)	(15)	-	-	-	-	-	-
Costs associated with legacy sold facility ⁽¹⁰⁾	6	6	3	-	-	-	-	-
Strategic review and transaction-related costs ⁽¹¹⁾	-	-	-	-	8	32	41	47
Related party management fee ⁽¹²⁾	-	-	-	-	-	44	44	49
Goodwill impairment charges ⁽¹³⁾	-	-	-	-	-	6	6	6
Other	-	(1)	2	4	7	5	4	1
LTM Adjusted EBITDA (Non-GAAP)	\$823	\$755	\$636	\$531	\$496	\$550	\$547	\$615
Net Leverage Ratio	4.5	5.3	6.2	7.6	7.3	6.5	6.6	5.7

- (1) Reflects asset impairment, restructuring and other related charges (net of reversals) primarily associated with our decision to exit our remaining closures operations not reported within discontinued operations and our closure of Beverage Merchandising's coated groundwood operations
- (2) Reflects the gain from the sale of businesses and noncurrent assets, primarily related to the sale of our equity interests in Naturepak Beverage Packaging Co. Ltd. and Beverage Merchandising Asia
- (3) Reflects the non-cash pension income related to our employee benefit plans, including settlement gains
- (4) Reflects the costs incurred to evaluate and improve the efficiencies of our manufacturing and distribution operations.
- (5) Reflects amounts related to the acquisition of Fabri-Kal.
- (6) Reflects the mark-to-market movements in our commodity derivatives.
- (7) Reflects foreign exchange losses on cash, primarily on U.S. dollar amounts held in non-U.S. dollar functional currency entities.
- (8) Reflects charges relating to key executive retirement and separation agreements in the first half of 2021 and second quarter of 2022.
- (9) Reflects the gain, net of costs, arising from the settlement of a historical legal action.
- (10) Reflects costs related to a closed facility, sold prior to our acquisition of the entity.
- (11) Reflects costs incurred for strategic reviews of our businesses, primarily in anticipation of and in connection with the IPO, as well as other costs related to the IPO that cannot be offset against the proceeds of the IPO.
- (12) Reflects the related party management fee charged by Rank to us. Following our IPO, we were no longer charged the related party management fee.
- (13) Reflects goodwill impairment charges in respect of our remaining closures operations.

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