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3Q20 Investor Presentation

Results through September 30, 2020

November 12, 2020



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Non-GAAP Financial Measures

This presentation includes Adjusted EBITDA from continuing operations, Adjusted EBITDA Margin, Free Cash Flow and Free Cash Flow Margin, which are non-GAAP financial measures. We define Adjusted EBITDA from continuing operations as net (loss) income from continuing operations as our net (loss) income from continuing operations calculated in accordance with GAAP, plus the sum of income tax expense, net interest expense, depreciation and amortization and further adjusted to exclude certain items of a significant or unusual nature, including but not limited to related party management fees, unrealized gains or losses on derivatives, gains or losses on the sale of businesses and non-current assets, restructuring, asset impairment and other related charges, operational process engineering-related consultancy costs, non-cash pension income or expense and strategic review and transaction-related costs. The Company defines Adjusted EBITDA margin as Adjusted EBITDA from continuing operations divided by total net revenue.

We define Free Cash Flow as Adjusted EBITDA from continuing operations less capital expenditures. We define Free Cash Flow Margin as Free Cash Flow divided by Adjusted EBITDA.

Reconciliations of Adjusted EBITDA from continuing operations to net (loss) income from continuing operations, the most directly comparable GAAP financial measure, is included on slide 14 to this presentation. A reconciliation of Free Cash Flow is also included on slide 14 to this presentation. We have included Adjusted EBITDA from continuing operations in this presentation because it is a key measure used by our management team to evaluate our operating performance, generate future operating plans and make strategic decisions. We have included Free Cash Flow because we believe it is a key measure that provides information to management and investors about the amount of cash generated from operations that is available for mandatory payment obligations, investment opportunities and potentially available to return to investors. Accordingly, the Company believes that Adjusted EBITDA from continuing operations and Free Cash Flow provide useful information to investors and others in understanding and evaluating its operating results in the same manner as its management team and board of directors. Each of Adjusted EBITDA from continuing operations and Free Cash Flow has limitations as a financial measure and you should not consider it in isolation or as a substitute for analysis of our results as reported under GAAP.

Guidance for fiscal year 2020, where adjusted, is provided on a non-GAAP basis, which the Company will continue to identify as it reports its future financial results. The Company cannot reconcile its expected Adjusted EBITDA to net income under "Fiscal Year 2020 Guidance" without unreasonable effort because certain items that impact net income and other reconciling metrics are out of the Company's control and/or cannot be reasonably predicted at this time.

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Today's Presenters



John McGrath
CEO



Mike Ragen
CFO & COO

Agenda

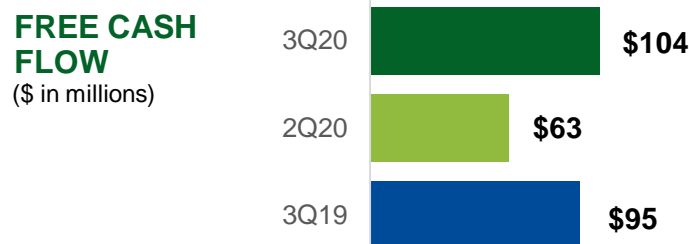
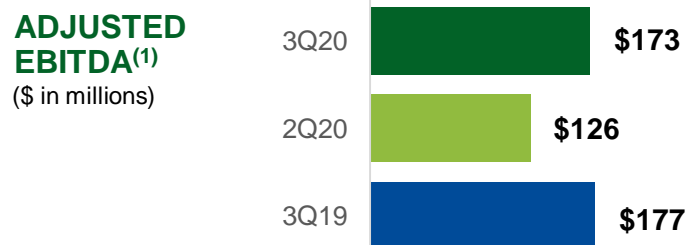
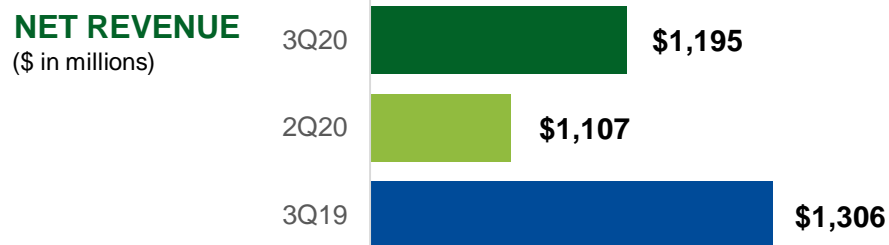
- 1 Key Takeaways & Q3 Highlights
- 2 Who We Are
- 3 Q3 Financial Performance
- 4 2020 Outlook
- 5 Conclusion/Q&A

Key Takeaways

- Successful completion of our IPO and debt refinancing transactions
- Revenue and Adjusted EBITDA recovery from Q2 COVID-19 related lows
- Our Strategic Investment Program is on track from both a spend and benefit perspective
- Full year 2020 Adjusted EBITDA between \$615 million and \$630 million

2020 Q3 Highlights

- Net revenue of \$1,195 million
 - Shows strong recovery from Q2 2020
 - Is down 8% v 3Q19 due to COVID impacts and lower pricing
- Adjusted EBITDA of \$173 million⁽¹⁾
 - Shows strong recovery from Q2 2020
 - Is down slightly to 3Q19 due to mill outage timing, COVID 19 volume impact and pricing, partially offset by raw material, logistics and employee costs
- Net Loss from Continuing Operations of \$143 million
 - Includes \$105 million of non-cash tax valuation allowance
 - EPS from continuing operations \$(1.03)
- Free Cash Flow (Adj. EBITDA less capex)⁽¹⁾ improved over prior year due to lower capex
 - Includes \$69 million of capex related to continuing operations in Q3 2020
- Our Strategic Investment Program is on track and continued to deliver expected benefits in Q3. The program has delivered an additional \$45 million of benefit in 2020 through Q3
- Completed refinancing to extend average maturity to 5.3 years, and lowered weighted average interest rate to 4.1%
 - Total principal borrowings of \$4.0 billion



(1) Adjusted EBITDA and free cash flow are non-GAAP financial measures. See slide 14 for a reconciliation to the most comparable GAAP measure.

Q3 Revenue & Adjusted EBITDA Bridge

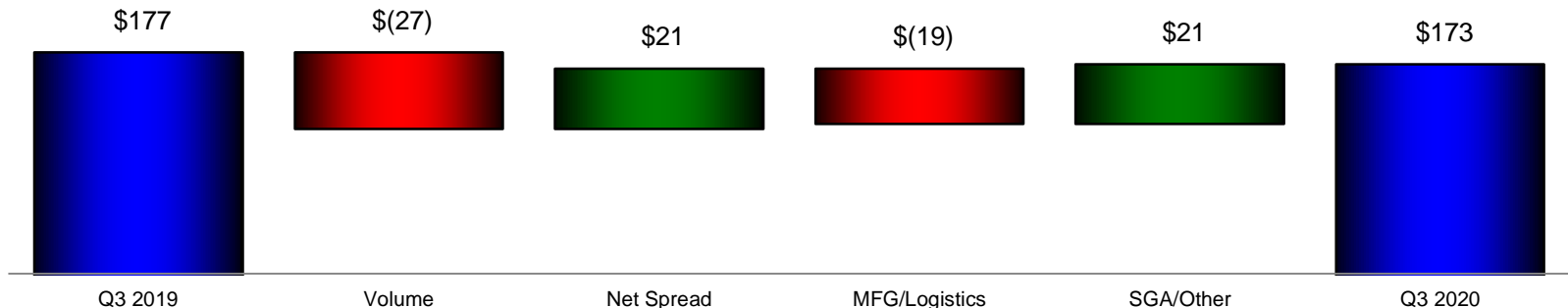
Revenue

(\$ in millions)



Adjusted EBITDA⁽¹⁾

(\$ in millions)



(1) Adjusted EBITDA is a non-GAAP financial measure. See slide 14 for a reconciliation to the most comparable GAAP measure.

WHO WE ARE

- 1** **The largest producer** of fresh food and fresh beverage packaging in North America⁽¹⁾
- 2** **Broad range** of on-trend and feature-rich products that are used daily by millions of people
- 3** **Pactiv Evergreen is the #1 supplier** to 4 of the 5 largest food distributors, the 3 largest QSRs, 8 of the 10 largest supermarket chains and 3 of the 4 largest dairies in North America^(2,3)
- 4** **Competitive barriers** from scale, nationwide footprint and compelling value proposition for customers
- 5** **Strategic capital investments** in state-of-the-art assets to help drive Adjusted EBITDA growth
- 6** **Proven ability to develop innovative new products** including largest line of sustainable products in market expected to help drive Adjusted EBITDA growth
- 7** **Passionate and capable management team** and motivated workforce have one goal: achieving profitable growth with disciplined allocation of capital

(1) Measured by revenue.
(2) QSR refers to Quick Service Restaurants.
(3)Source: Management data.

Pactiv Evergreen At-a-Glance

Pactiv Evergreen is the largest manufacturer of fresh food and fresh beverage packaging in North America⁽¹⁾



Extensive range of “on-the-go” products including plates, cups, cutlery, food containers and beverage cartons made from fiber, resin and aluminum



Longstanding strategic partnerships with leading foodservice distributors, QSRs, food processors and food & beverage companies



Well-invested manufacturing network with 58 efficient plants and ~\$636m of investments in the last 2 years creates competitive barriers



Effective contractual raw material pass-throughs and recession-resilient end markets helps reduce volatility of Adjusted EBITDA



Commitment to sustainability with the largest recyclable and fiber-based eco-friendly line of products in the market



Pactiv Evergreen is the largest manufacturer of convenience products supplying packers, processors, supermarkets, restaurants, institutions, foodservice outlets and beverage manufacturers across North America⁽¹⁾

Source: Company information and management estimates.
 Note: Revenue and Adj. EBITDA include corp., unallocated and other revenue & costs.
 98% of all products sold in the US are manufactured in the US.
 (1) Measured by revenue.

(2) Based on management estimate for US and Canada market share.
 (3) Excludes paper-based containers.

Business Segment Overview

Foodservice

YTD Net Revenue: \$1.4bn; Adj. EBITDA: \$170m⁽³⁾

Key customers: chain restaurants (full service and quick service), distributors, institutional foodservice, and convenience stores



YTD Net Revenue: \$1.1bn⁽²⁾; Adj. EBITDA \$112m⁽³⁾

Key customers: beverage manufacturers and cup and beverage carton manufacturers

Food Merchandising

YTD Net Revenue: \$1.0bn; Adj. EBITDA: \$186m⁽³⁾

Key customers: grocery retailers as well as meat, egg, agricultural, and CPG⁽¹⁾ processors



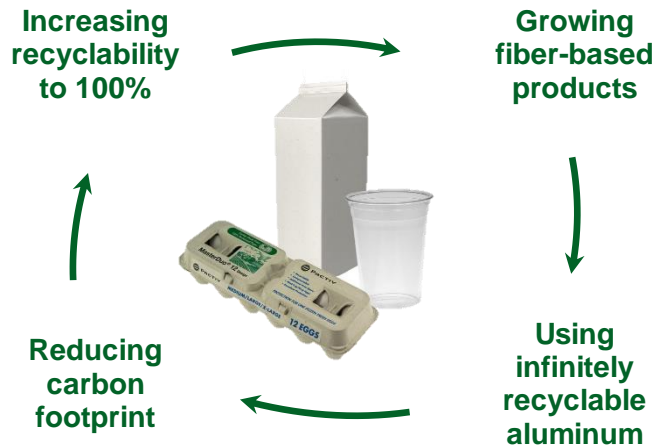
Note: Segment financials do not add to consolidated figures due to corporate, unallocated and other revenue and costs, as well as rounding.

(1) Refers to consumer packaged goods.

(2) Beverage Merchandising financials include sales to Foodservice and Food Merchandising.

(3) Adjusted EBITDA is a non-GAAP financial measure. See slide 14 for a reconciliation to the most comparable GAAP measure.

Environmental, Social and Governance is Core to Our Business



Environmental: sustainable substrates	2019 revenue (\$ in billions)
Recyclable / recycled PET and PP	\$0.9
Molded fiber and paper products	\$2.1
Other recyclable / compostable	\$0.4
Total sustainable revenues	\$3.4 billion
65% of FY2019 revenues⁽⁶⁾	

10% reduction
in greenhouse gas emissions since 2015

Social: Industry-leading safety metrics

	PTVE	Industry ⁽⁵⁾
Total recordable incidence rate ⁽¹⁾	1.14	3.20
Total lost time rate ⁽²⁾	0.83 ⁽⁴⁾	1.93
Total lost workday rate ⁽³⁾	0.35	0.93

Governance: Independent and diverse board

- **Majority independent board**
 - 4 independent members including chairman
 - 2 women on the board
- **Leadership advancement programs**
 - Operations Leadership Development Program
 - Leadership Advisory Council

Large sustainable product offering, company-wide commitment to safety and people and strong, independent leadership

(1) Total recordable rate is the number of injuries per 100 full-time employees that resulted in medical treatment, lost or restricted days, or job transfer due to work related injuries or illnesses.
 (2) Total lost time per 100 full-time employees.
 (3) Total lost workdays per 100 full-time employees.

(4) Represents Foodservice and Food Merchandising data only.
 (5) Industry represents an average of paperboard container, plastic packaging film and sheet and PS foam product manufacturers.
 (6) 65% of FY 2019 sales from products made from recycled, recyclable or renewable materials.

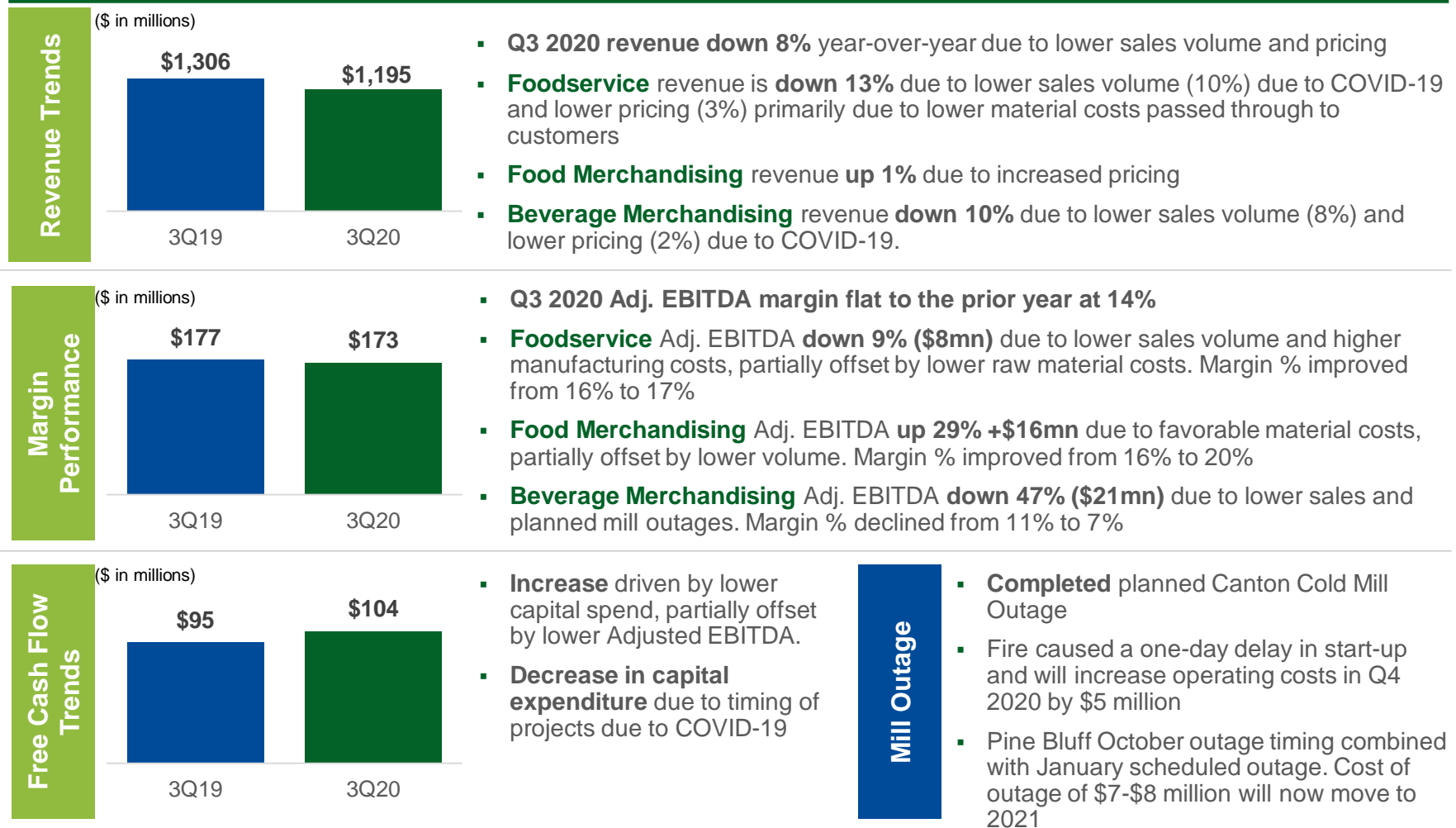
3Q20 Financial Performance



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3Q20 Financial Performance



Strong recovery from COVID-19 – Impacted Q2 2020, Q3 2020 Adj. EBITDA near Q3 2019

Pactiv Evergreen Segment Financials

(\$ in millions)	Foodservice		Food Merchandising		Beverage Merchandising	
	Q3 2020	Q3 2019	Q3 2020	Q3 2019	Q3 2020	Q3 2019
Segment Net Revenue	\$473	\$546	\$354	\$351	\$361	\$401
Adjusted EBITDA⁽¹⁾	\$81	\$89	\$72	\$56	\$24	\$45
	YTD Q3 2020	YTD Q3 2019	YTD Q3 2020	YTD Q3 2019	YTD Q3 2020	YTD Q3 2019
Segment Net Revenue	\$1,351	\$1,630	\$1,046	\$1,037	\$1,106	\$1,188
Adjusted EBITDA⁽¹⁾	\$170	\$262	\$186	\$161	\$112	\$142

(1) Adjusted EBITDA is a non-GAAP financial measure. See slide 14 for a reconciliation to the most comparable GAAP measure.

Reconciliation of Net Loss to Adjusted EBITDA and Free Cash Flow

(\$ in millions)

	For the three months ended September 30, 2020		For the nine months ended September 30, 2020	
	2020	2019	2020	2019
Loss from continuing operations	(\$143)	(\$35)	(\$28)	(\$100)
Income tax expense (benefit)	42	-	(95)	16
Depreciation and amortization	73	68	213	198
Interest expense, net	87	84	275	312
Foreign exchange losses (gains) on cash	42	(17)	14	(17)
Goodwill impairment charges	6	16	6	16
Loss on sale of business and noncurrent assets	1	13	1	24
Non-cash pension income	(18)	-	(55)	(2)
Operational process engineering-related consultancy costs	3	5	12	18
Related party management fee	44	3	49	8
Restructuring, asset impairment and other related charges	14	39	18	45
Strategic review and transaction-related costs	24	1	39	2
Unrealized (gains) losses on derivatives	(1)	1	(3)	(6)
Other	(1)	(1)	(1)	4
Adjusted EBITDA from continuing operations	\$173	\$177	\$445	\$518
Capital expenditures from continuing operations	(69)	(82)	(194)	(234)
Free Cash Flow from continuing operations	\$104	\$95	\$251	\$284

COVID-19 Impact by Segment

(\$ in millions)	Foodservice		Food Merchandising		Beverage Merchandising	
	Q3 2020	YTD	Q3 2020	YTD	Q3 2020	YTD
Revenue Impact	(\$54)	(\$179)	(\$5)	(\$17)	(\$40)	(\$88)
Adj. EBITDA Impact	(\$26)	(\$88)	\$ -	(\$6)	(\$21)	(\$52)
Commentary	<ul style="list-style-type: none"> Decreased volumes resulting from Covid-19 shelter-in-place Employee pay support, increased cleaning costs and other safety expenses to protect employees 		<ul style="list-style-type: none"> Decreased revenues in supermarket hot and cold bars, lower bakery volumes Employee pay support, increased cleaning costs and other safety expenses to protect employees 		<ul style="list-style-type: none"> Decreased volumes and lower pricing resulting from Covid-19 shelter-in-place Planned mill outage impacted by Covid-19 Employee pay support, increased cleaning costs and other safety expenses to protect employees 	

STRATEGIC INVESTMENT PROGRAM

(\$ in millions)

Categories	Benefit as of 12/31/19	Benefit achieved through 9/30/20	Total targeted payback	Capex spend through 9/30/2020	Total Program Capex
Business growth (incl. Evergreen Integration)	\$18	\$33	~1.5 years	\$127	\$187
New product and material innovations	\$15	\$21	~2.0 years	\$59	\$105
Automation	\$16	\$23	~2.0 years	\$80	\$81
Digital Transformation	\$5	\$7	~2.5 years	\$184	\$288
Integrated Supply Chain	—	\$5	~2.0 years		
Cost reduction	\$3	\$12	~4.5 years		
Total	\$56	\$101	~2.0 to ~2.5 years	\$450	\$661

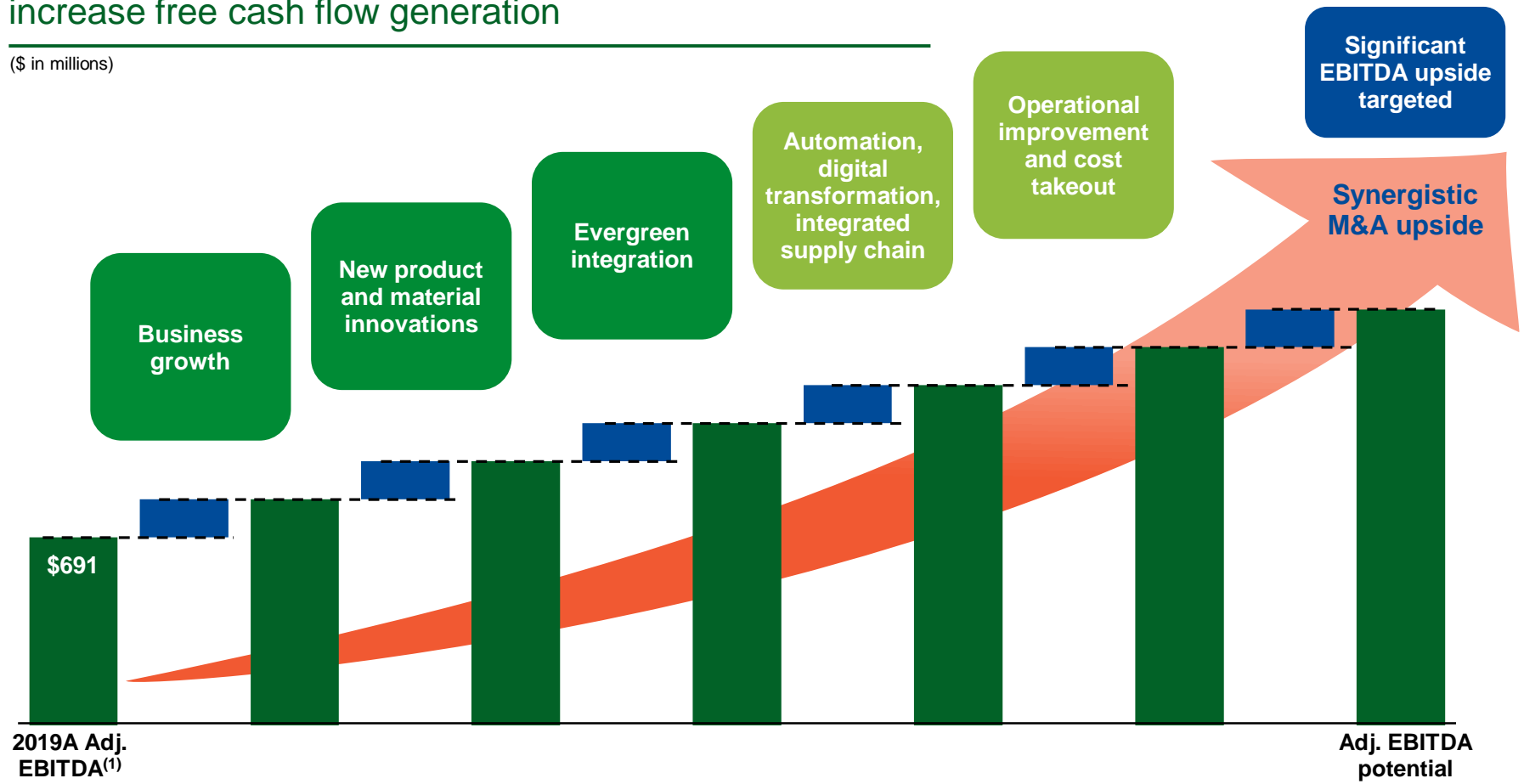
■ Growth initiatives ■ Cost reduction initiatives

We continue to spend substantially on our Strategic investment program. \$45 million of incremental benefit achieved YTD 2020.

Clearly Defined Path to Potential Adjusted EBITDA Growth and Margin Expansion

Completing our strategic investment program in 2021, normalizing our capex and achieving targeted EBITDA benefits would significantly increase free cash flow generation

(\$ in millions)



■ Growth initiatives ■ Cost reduction initiatives

Outlook



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2020 Outlook

2020 Revenue: **\$4,710 – \$4,755 million**

2020 Adj. EBITDA: **\$615 – \$630 million**

2020 Capex: **\$240 – \$280 million**

Conclusion & Q&A



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Appendix



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Condensed Income Statement

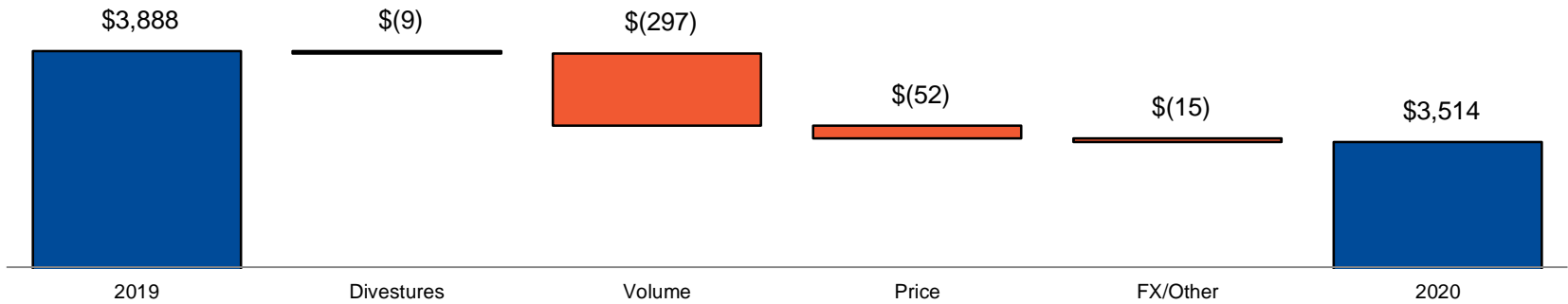
(\$ in millions)

	For the three months ended September 30, 2020		For the nine months ended September 30, 2020	
	2020	2019	2020	2019
Net Sales	\$1,195	\$1,306	\$3,514	\$3,888
Costs and expenses	(1,127)	(1,204)	(3,340)	(3,590)
Other income (expense), including restructuring, impairment, other related charges and non-operating income (expense)	(82)	(53)	(22)	(70)
Interest expense, net	(87)	(84)	(275)	(312)
Loss from continuing operations before tax	(101)	(35)	(123)	(84)
Income tax (expense) benefit	(42)	-	95	(16)
Loss from continuing operations	(143)	(35)	(28)	(100)
(Loss) income from discontinued operations, net of income taxes	(216)	91	(234)	270
Net (loss) income	(359)	56	(262)	170
Income attributable to non-controlling interests	-	-	(1)	(1)
Net (loss) income attributable to Pactiv Evergreen Inc. common stockholders	(359)	56	(263)	169
Net income per share from continuing operations:				
Basic	\$(1.03)	\$(0.26)	\$(0.22)	\$(0.75)
Diluted	\$(1.03)	\$(0.26)	\$(0.22)	\$(0.75)

YTD Revenue & Adjusted EBITDA Bridge

Revenue

(\$ in millions)



Adjusted EBITDA⁽¹⁾

(\$ in millions)



(1) Adjusted EBITDA is a non-GAAP financial measure. See slide 14 for a reconciliation to the most comparable GAAP measure.

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