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4Q 2022 Investor Presentation

Results Through December 31, 2022

March 7, 2023

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, our expectations regarding our operational performance and macroeconomic conditions and our plans and expectations in connection with the restructuring of our Beverage Merchandising business unit, including the benefits we expect to realize therefrom and the magnitude of the charges we expect to incur in connection therewith. 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, June 30, 2022 and September 30, 2022 filed with the SEC and our Annual Report on Form 10-K for the year ended December 31, 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

Strategic Update

2

FY and 4Q 2022 Financial Performance

3

ESG Update and 2023 Outlook

4

Conclusion & Q&A



Strategic Update



Driving Strategic Focus



Food and Beverage Packaging

- Leadership position in large, growing end markets
- Strong, longstanding relationships with leading brand owners



North America

- Low risk geography with attractive growth trends
- Operations at scale and close to customers



Converting

- Focus on our distinctive core strengths
- Business increasingly "capital-light"



Sustainable

- Do what is right for the environment and our communities
- Meet our brand owners' evolving requirements



On-trend

- Constantly innovate to stay current with brand owners' and consumers' changing needs and preferences



Solution Provider

- Extensive range of 'on-the-go' products
- Substrate-agnostic, one-stop-shop for brand owners



Dependable Returns

- Balanced exposure across restaurants, distribution, suppliers and grocery stores
- Contractual raw material pass-throughs help reduce volatility
- Consistent \$0.10 per share quarterly dividend



Strategic Execution

What we said	What we have done
Focus on core, North American, high margin business	<ul style="list-style-type: none">✓ Exited Asia and Middle East Beverage Merchandising✓ Acquired Fabri-Kal✓ Significantly progressed Beverage Merchandising strategic review
Streamline operations	<ul style="list-style-type: none">✓ Launched ONE Pactiv Evergreen platform✓ Established Operations Center of Excellence
De-leverage	<ul style="list-style-type: none">✓ Reduced Net Leverage Ratio⁽¹⁾ to 4.6x✓ Reduced gross pension liabilities by \$2.9B
Focus on ESG	<ul style="list-style-type: none">✓ Set ambitious goals⁽²⁾ and are making progress

What's next
Beverage Merchandising Restructuring



(1) Net Leverage Ratio is a non-GAAP measure. See the reconciliation to GAAP measures in the Appendix.
(2) Issued updated [ESG Disclosures](#) in August 2022; goals include targeting 100% of 2030 net revenue from products made with recycled, recyclable or renewable materials.



Beverage Merchandising Restructuring: Overview

	IPO in 2020	2024 ⁽¹⁾
Business description	<ul style="list-style-type: none"> Vertically integrated manufacturing including mills Global operations Separate business unit 	<ul style="list-style-type: none"> Focus on carton converting and filling machinery North America focus Combined with Food Merchandising
Facilities	14	8
Million sq.ft.	5	2.6
Annualized cost benefit	-	\$30mn
Annual CapEx	\$107mn	\$50mn ⁽²⁾

(1) Management forecast. Includes impact of actions completed to date and assumes all footprint reduction plans announced in March 2023 are completed, excluding the ongoing strategic review of Pine Bluff and Waynesville.

(2) Excludes CapEx for capacity expansion.

Beverage Merchandising Restructuring: Announcement

Impacted facilities

Type	Location	Plan
Mill	Canton, NC	To be closed
Converting facility	Olmsted Falls, OH	Production to be transferred and facility closed
Mill	Pine Bluff, AR	Explore strategic alternatives
Extrusion facility	Waynesville, NC	Explore strategic alternatives

Additional investment

- State-of-the-art beverage converting equipment which improves cost position

Organizational changes

- Food Merchandising and Beverage Merchandising to be combined into one business unit effective April 1, 2023

Financial impacts

- Expect to begin realizing operating results in late 2023, reaching annualized run-rate cost benefit of ~\$30mn⁽¹⁾ beginning in 2024
- Estimated one-time charges⁽²⁾:
 - \$310mn - \$330mn non-cash
 - \$130mn - \$185mn cash

(1) Management forecast. Includes impact of actions completed to date and assumes all footprint reduction plans announced in March 2023 are completed, excluding the ongoing strategic review of Pine Bluff and Waynesville.
 (2) See detail in the Appendix.





FY and 4Q 2022 Performance



2022 Highlights



\$6,220mn

Net Revenue

\$1.77

Diluted EPS

\$785mn

Adj. EBITDA⁽¹⁾

\$156mn

Free Cash Flow⁽¹⁾

Highlights

- ✓ Revenue **up 14%** over prior year
- ✓ Adj. EBITDA⁽¹⁾ **up 48%** over prior year
- ✓ **Completed integration** of Fabri-Kal
- ✓ Divested non-core businesses for **\$383mn**
- ✓ Reduced Net Leverage Ratio⁽¹⁾ from **7.6x to 4.6x**
- ✓ Transferred **\$1.9B** gross pension liabilities off balance sheet
- ✓ **Issued updated ESG report**; goals include targeting 100% of 2030 net revenue from products made with recycled, recyclable or renewable materials

(1) Adjusted EBITDA, Free Cash Flow and Net Leverage Ratio are non-GAAP measures. See the reconciliations to GAAP measures in the Appendix.

4Q Backdrop and Business Drivers



\$1,476mn

Net Revenue

\$0.15

Diluted EPS

\$167mn

Adj. EBITDA⁽¹⁾

\$84mn

Free Cash Flow⁽¹⁾

Business Drivers

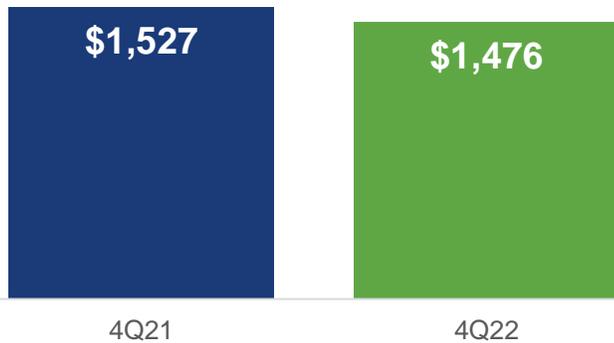
- Pricing traction
- Resin prices stabilizing
- Declining input costs:
 - Transportation
 - Natural gas
 - Energy, chemicals, wood
- Labor:
 - Wage inflation moderating
 - Retention / training is a focus area
- Consumer demand moderating

(1) Adjusted EBITDA and Free Cash Flow are non-GAAP measures. See the reconciliations to GAAP measures in the Appendix.

4Q 2022: Year over Year

Net Revenues down 3% y/y

(\$ in millions)



- Volume down 10%
- Price/mix up 11%
- Down 4% due to divestitures, primarily due to Beverage Merchandising Asia

Adjusted EBITDA⁽¹⁾ decreased \$38mn y/y

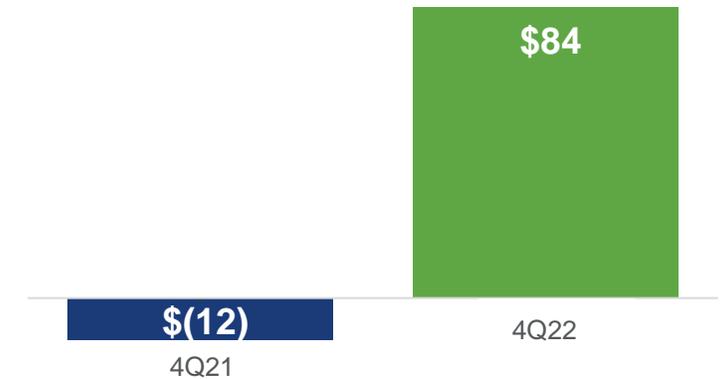
(\$ in millions)



- Higher manufacturing costs, lower sales volume and higher employee-related costs
- Partially offset by favorable pricing, net of material costs passed through
- Higher costs included impact of Winter Storm Elliott and scheduled cold mill outage

Free Cash Flow⁽¹⁾ increased \$96mn y/y

(\$ in millions)



- Primarily due to positive working capital changes

(1) Adjusted EBITDA and Free Cash Flow are non-GAAP measures. See the reconciliations to GAAP measures in the Appendix.

4Q 2022: Quarter over Quarter

Net Revenues down 8% q/q

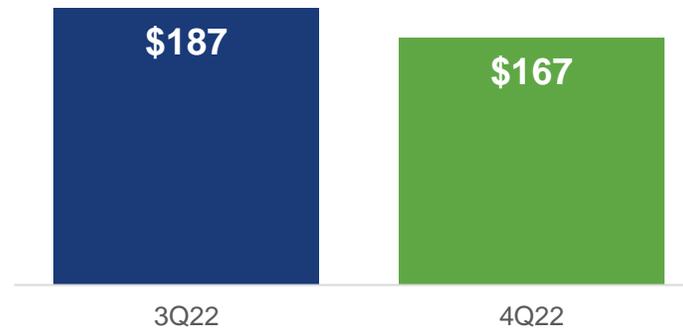
(\$ in millions)



- Volume down 7%
- Price/mix up 1%
- Impact of Beverage Merchandising Asia divestiture

Adjusted EBITDA⁽¹⁾ decreased \$20mn q/q

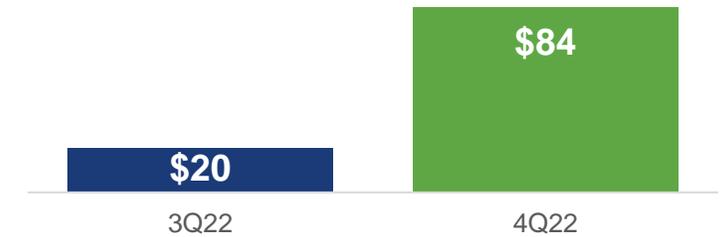
(\$ in millions)



- Lower sales volume and higher manufacturing costs, partially offset by favorable pricing
- Higher costs included impact of Winter Storm Elliott and scheduled cold mill outage

Free Cash Flow⁽¹⁾ increased \$64mn q/q

(\$ in millions)



- Decline in inventory on softening demand and timing of cash collections

(1) Adjusted EBITDA and Free Cash Flow are non-GAAP measures. See the reconciliations to GAAP measures in the Appendix.

Foodservice Segment Highlights

(\$ in millions)	4Q 2021	3Q 2022	4Q 2022	YoY %	QoQ %
Net Revenues	\$722	\$756	\$673	(7)%	(11)%
Adjusted EBITDA	\$104	\$113	\$90	(13)%	(20)%



YoY commentary

Net Revenues down 7%

- Price/mix up 6%
- Volume down 12%

Adjusted EBITDA down 13%

- Lower sales volume, with higher manufacturing and employee-related costs, partially offset by favorable pricing, net of material costs passed through

QoQ commentary

Net Revenues down 11%

- Price/mix down 2%
- Volume down 9%

Adjusted EBITDA down 20%

- Primarily due lower sales volume

Food Merchandising Segment Highlights

(\$ in millions)	4Q 2021	3Q 2022	4Q 2022	YoY %	QoQ %
Net Revenues	\$410	\$455	\$447	9%	(2)%
Adjusted EBITDA	\$69	\$70	\$83	20%	19%



YoY commentary

Net Revenues up 9%

- Price/mix up 16%
- Volume down 8%

Adjusted EBITDA up 20%

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

QoQ commentary

Net Revenues down 2%

- Price/mix up 4%
- Volume down 6%

Adjusted EBITDA up 19%

- Primarily due to favorable pricing, partially offset by lower sales volume

Beverage Merchandising Segment Highlights

(\$ in millions)	4Q 2021	3Q 2022	4Q 2022	YoY %	QoQ %
Net Revenues	\$412 ⁽¹⁾	\$422 ⁽²⁾	\$385 ⁽³⁾	(7)%	(9)%
Adjusted EBITDA	\$45	\$26	\$21	(53)%	(19)%



(1) Includes \$38 million of intersegment revenues. (2) Includes \$50 million of intersegment revenues. (3) Includes \$35 million of intersegment revenues.

YoY commentary

Net Revenues down 7%

- Price/mix up 13%
- Volume down 10%
- Decline of 10% due to divestiture of Asia

Adjusted EBITDA down 53%

- Higher manufacturing and employee-related costs and impact from the disposition of Asia, partially offset by favorable pricing
- Higher costs included impact of Winter Storm Elliott and scheduled cold mill outage

QoQ commentary

Net Revenues down 9%

- Price/mix up 2%
- Volume down 8%
- Decline of 3% due to divestiture of Asia

Adjusted EBITDA down 19%

- Higher manufacturing costs and lower sales volume, partially offset by favorable pricing and insurance proceeds related to Winter Storm Uri
- Higher costs included impact of Winter Storm Elliott and scheduled cold mill outage

Balance Sheet, Cash Flow and Leverage

Selected Balance Sheet

(\$ in millions, except for Net Leverage Ratio)

As of December 31,	2021	2022
Cash and Cash Equivalents⁽¹⁾	\$197	\$531
Net Debt⁽²⁾	\$4,053	\$3,605
Net Leverage Ratio⁽²⁾	7.6x	4.6x
Working Capital	\$1,043	\$1,305

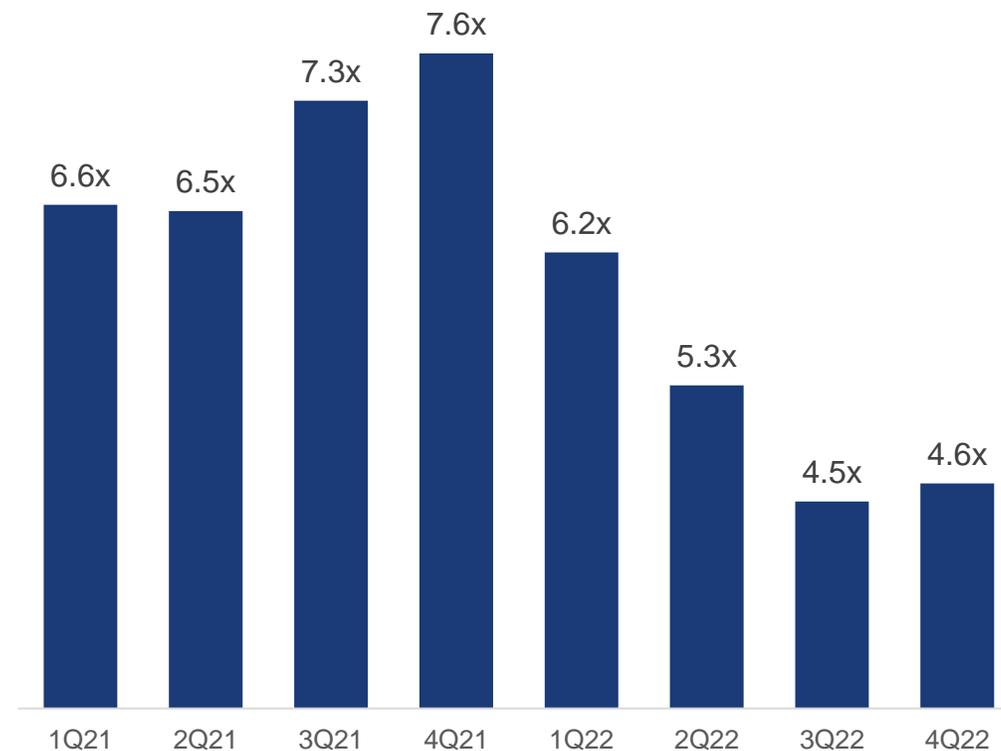
- Weighted average debt maturity: ~4.5 years
- Fixed rate debt: ~71% of total debt

Selected Cash Flow

(\$ in millions)

Year ending December 31,	2021	2022
Cash Flow from Operations	\$261	\$414
CapEx	\$(282)	\$(258)
Free Cash Flow⁽²⁾	\$(21)	\$156

Net Leverage Ratio⁽²⁾



**De-levering remains a focus
for capital allocation**

(1) Excludes \$17 million and \$2 million of cash that is classified as held for sale as of December 31, 2021 and 2022, respectively.

(2) Net Leverage Ratio, Net Debt and Free Cash Flow are non-GAAP measures. See the reconciliations to GAAP measures in the Appendix.



ESG Update and 2023 Outlook



Driving Towards ESG Excellence



Partnership to offer polystyrene packaging products with AmSty's post-consumer recycled content derived from advanced recycling technologies



Improved ESG ratings in 2022

Learn more at investors.pactivevergreen.com/esg-documents



2023 Outlook



Adj. EBITDA⁽¹⁾

1Q 2023
~\$160mn

FY 2023
\$755mn - \$780mn

Guidance reflects expected continued operational improvement in a challenging environment characterized by inflationary pressures, volatility in energy markets and macroeconomic uncertainty due to recession risk.

Areas to drive 2023 performance include focus on margin and service levels and execution of restructuring plans.

Other Matters

2023E CapEx	\$280mn
Annualized run-rate cost benefit ⁽²⁾	\$30mn
Annual CapEx savings ⁽²⁾	\$50mn ⁽³⁾
2023E Restructuring charges ⁽⁴⁾	\$310mn - \$330mn non-cash \$130mn - \$185mn cash

(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 our restructuring, asset impairment and other related charges (such as we expect to arise from the anticipated Beverage Merchandising Restructuring), 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.

(2) Management forecast. Includes impact of actions completed to date and assumes all footprint reduction plans announced in March 2023 are completed, excluding the ongoing strategic review of Pine Bluff and Waynesville. The full annualized run-rate of these benefits is expected to be realized beginning in 2024.

(3) Excludes CapEx for capacity expansion.

(4) See detail in the Appendix.

Invest with Pactiv Evergreen



- 1** Market leading positions in growing, recession-resilient consumer end markets
- 2** Broad product and substrate offerings for food and beverage packaging
- 3** Longstanding strategic partnerships with blue chip customer base
- 4** Innovative and sustainable products expected to boost Adj. EBITDA growth
- 5** Strong Adj. EBITDA and FCF profile coupled with disciplined capital allocation



Conclusion & Q&A



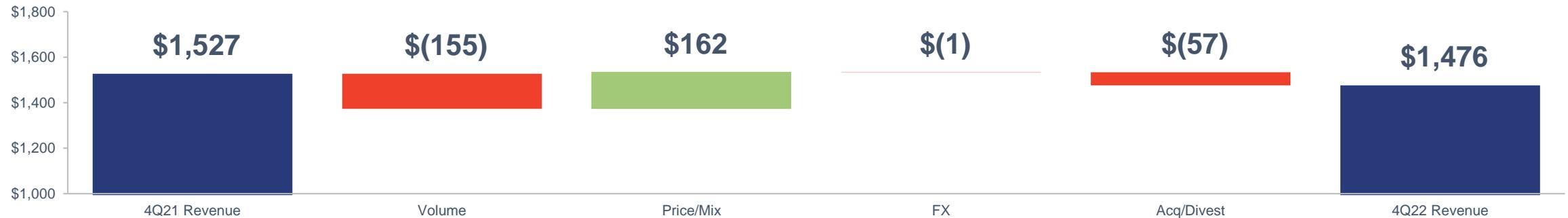


Appendix

Revenue & Adjusted EBITDA⁽¹⁾ Bridges Q4 2022 vs Q4 2021

Revenue

(\$ in millions)



Adjusted EBITDA⁽¹⁾

(\$ in millions)

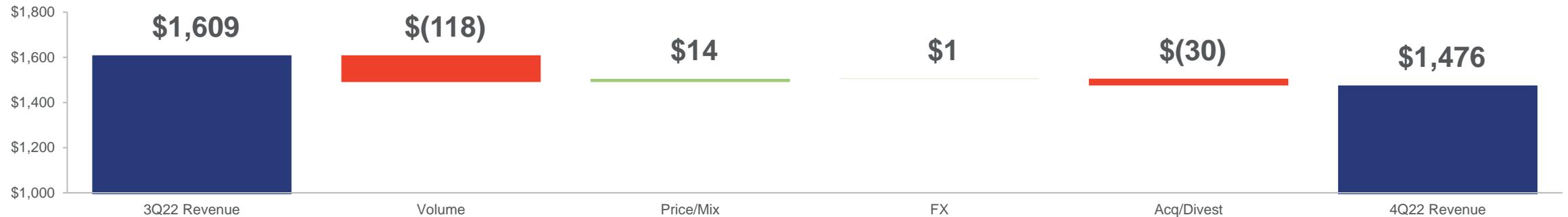


(1) Adjusted EBITDA is a non-GAAP measure. See the reconciliation of net income (loss) to Adjusted EBITDA in this Appendix.

Revenue & Adjusted EBITDA⁽¹⁾ Bridges Q4 2022 vs Q3 2022

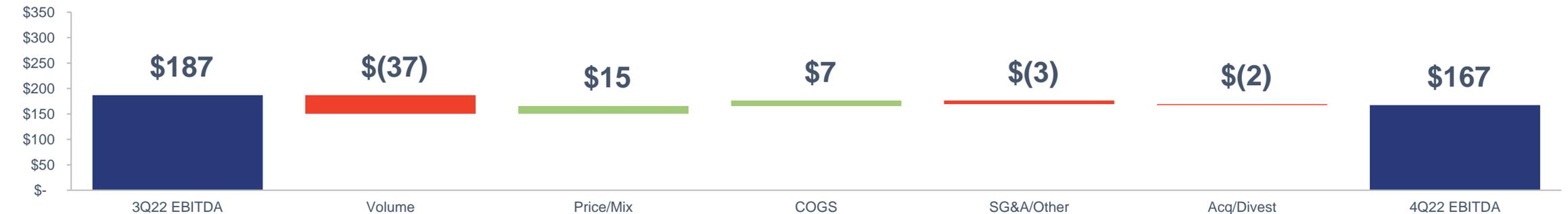
Revenue

(\$ 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 this Appendix.

Beverage Merchandising Restructuring: Estimated Initial Financial Impacts

(\$ in millions)	Range ¹		Timing
Non-cash			
Accelerated plant and equipment depreciation expense	\$280	\$290	2023
Other non-cash impairment charges	30	40	2023
Total non-cash	\$310	\$330	2023
Cash			
Exit and disposal and other transition costs	\$80	\$120	2023 - 2024
Severance, termination and related costs	50	65	2023 - 2024
Total cash	\$130	\$185	2023 - 2024

(1) Amounts exclude any potential impact related to the ongoing strategic review of Pine Bluff and Waynesville.

Reconciliation Of Net Income to Adjusted EBITDA

	For the Three Months Ended		
	December 31, 2022	September 30, 2022	December 31, 2021
(\$ in millions)			
Net income (GAAP)	\$27	\$175	\$34
Income tax (benefit) expense	(11)	79	22
Interest expense, net	60	59	50
Depreciation and amortization	84	85	91
Restructuring, asset impairment and other related charges ⁽¹⁾	-	57	1
Gain on sale of business and noncurrent assets ⁽²⁾	-	(239)	-
Non-cash pension expense (income) ⁽³⁾	3	(44)	(13)
Operational process engineering-related consultancy costs ⁽⁴⁾	2	3	5
Business acquisition costs and purchase accounting adjustments ⁽⁵⁾	-	-	13
Unrealized losses on derivatives	-	10	2
Foreign exchange losses on cash	1	-	1
Other	1	2	(1)
Adjusted EBITDA (Non-GAAP)	\$167	\$187	\$205

(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 expense (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 acquisition and integration costs related to Fabri-Kal.

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

	For the Three Months Ended		
	December 31, 2022	September 30, 2022	December 31, 2021
(\$ in millions)			
Net cash provided by operating activities	\$173	\$75	\$71
Capital expenditures	(89)	(55)	(83)
Free Cash Flow	\$84	\$20	\$(12)

Reconciliation Of Total Debt to Net Debt and LTM Net Income (Loss) to LTM Adjusted EBITDA and Derivation of Net Leverage Ratio

(\$ in millions)

Net Debt:	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Total Debt (GAAP)	\$4,136	\$4,233	\$4,237	\$4,243	\$4,250	\$4,247	\$3,935	\$3,918
Less cash and cash equivalents	531	559	246	283	197	627	350	328
Net Debt (Non-GAAP)	\$3,605	\$3,674	\$3,991	\$3,960	\$4,053	\$3,620	\$3,585	\$3,590

(\$ in millions)

LTM Adjusted EBITDA:	Last Twelve Months Ended							
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Net income (loss) (GAAP)	\$319	\$326	\$153	\$87	\$33	\$17	(\$128)	(\$154)
Income tax expense (benefit)	149	182	90	50	(4)	(43)	12	(36)
Interest expense, net	218	208	206	198	191	237	267	311
Depreciation and amortization	339	346	364	355	344	329	299	294
Restructuring, asset impairment and other related charges ⁽¹⁾	58	59	2	11	9	18	32	23
Gain on sale of businesses and noncurrent assets ⁽²⁾	(266)	(266)	(27)	(27)	-	(2)	(1)	(1)
Non-cash pension income ⁽³⁾	(49)	(65)	(61)	(88)	(101)	(104)	(82)	(76)
Operational process engineering-related consultancy costs ⁽⁴⁾	9	12	15	21	21	17	14	8
Business acquisition and integration costs and purchase accounting adjustments ⁽⁵⁾	6	19	21	19	15	2	-	-
Unrealized losses (gains) on derivatives ⁽⁶⁾	4	6	(3)	1	7	(2)	(4)	(26)
Foreign exchange losses on cash ⁽⁷⁾	3	3	3	4	2	2	44	99
Executive transition charges ⁽⁸⁾	2	2	2	-	10	10	10	10
Gain on legal settlement ⁽⁹⁾	(15)	(15)	(15)	-	-	-	-	-
Costs associated with legacy sold facility ⁽¹⁰⁾	6	6	6	3	-	-	-	-
Strategic review and transaction-related costs ⁽¹¹⁾	-	-	-	-	-	8	32	41
Related party management fee ⁽¹²⁾	-	-	-	-	-	-	44	44
Goodwill impairment charges ⁽¹³⁾	-	-	-	-	-	-	6	6
Other	2	-	(1)	2	4	7	5	4
LTM Adjusted EBITDA (Non-GAAP)	\$785	\$823	\$755	\$636	\$531	\$496	\$550	\$547
Net Leverage Ratio	4.6	4.5	5.3	6.2	7.6	7.3	6.5	6.6

(1) Reflects asset impairment, restructuring and other related charges (net of reversals) primarily associated with our decision to exit our remaining closures 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 Beverage Merchandising Asia and our equity interests in Naturepak Beverage Packaging Co. Ltd.

(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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