



Reynolds
Consumer Products

Q2 2024
Earnings Call
August 7, 2024

Safe Harbor

This presentation contains statements reflecting our views about our future performance that constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including our third quarter and fiscal year 2024 guidance. In some cases, you can identify these statements by forward-looking words such as “may,” “might,” “will,” “should,” “expects,” “intends,” “outlook,” “forecast,” “position,” “committed,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “model,” “assumes,” “confident,” “look forward,” “potential” “on track”, or “continue,” the negative of these terms and other comparable terminology. These forward-looking statements, which are subject to risks, uncertainties and assumptions about us, may include projections of our future financial performance, our anticipated growth and recovery of profitability, management of costs and other disruptions and other strategies, and anticipated trends in our business, including expected levels of commodity costs and volume. These statements are only predictions based on our current expectations and projections about future events. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied by the forward-looking statements, including but not limited to the risk factors set forth in our most recent Annual Report on Form 10-K and in our Quarterly Reports on Form 10-Q. For additional information on these and other factors that could cause our actual results to materially differ from those set forth herein, please see our filings with the Securities and Exchange Commission, including our most recent Annual Report on Form 10-K and subsequent filings. Investors are cautioned not to place undue reliance on any such forward-looking statements, which speak only as of the date they are made. no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise.

The trademarks included herein are the property of the owners thereof and are used for reference purposes only. Such use should not be construed as an endorsement of the products or services of the Company.

At-A-Glance

Nasdaq: REYN

IPO January 2020

\$3,756M

2023 Net Revenues

~6,000

Employees



Headquarters:
Lake Forest, IL

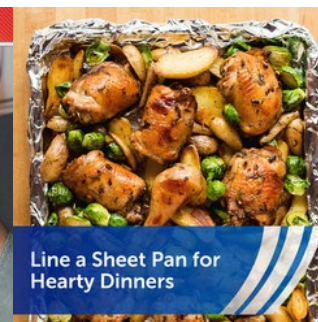
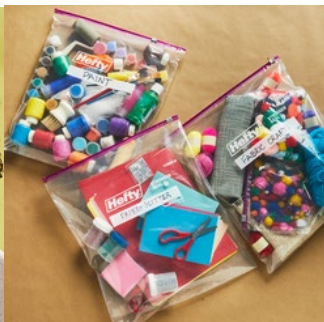
#1 or #2 US market share position in the majority of product categories

95% of households across the US have at least 1 RCP product



Our products simplify daily life so you can enjoy what matters most

*We make cooking, serving, clean-up and storage simpler and easier,
providing people a little more time for the things that matter*



2024 Priorities

- ✓ Protect and drive volume by leveraging our competitively advantaged business model and investing in our categories and product innovation
- ✓ Innovate with new sustainable solutions and other new products to further differentiate our offerings in our categories
- ✓ Continue to optimize our retail product portfolio
- ✓ Drive productivity and other **REY****OLUTION** cost savings across our business, providing additional margin growth
- ✓ Continue increasing financial flexibility by paying down debt



Q2 2024 Financial Results

“Strong retail revenue performance in each of our business units resulted in RCP outperforming our categories during the quarter. As a result, we delivered another quarter of strong financial results demonstrating our marketplace leadership as well as our effectiveness in driving operational excellence. We are commercializing and expanding our strong innovation pipeline, unlocking Reyvolution programs to reduce operational costs and investing in strategic opportunities to drive long term growth.”

- Lance Mitchell, President and CEO



Q2 2024 Financial Highlights

\$930m

Net Revenues

\$172m

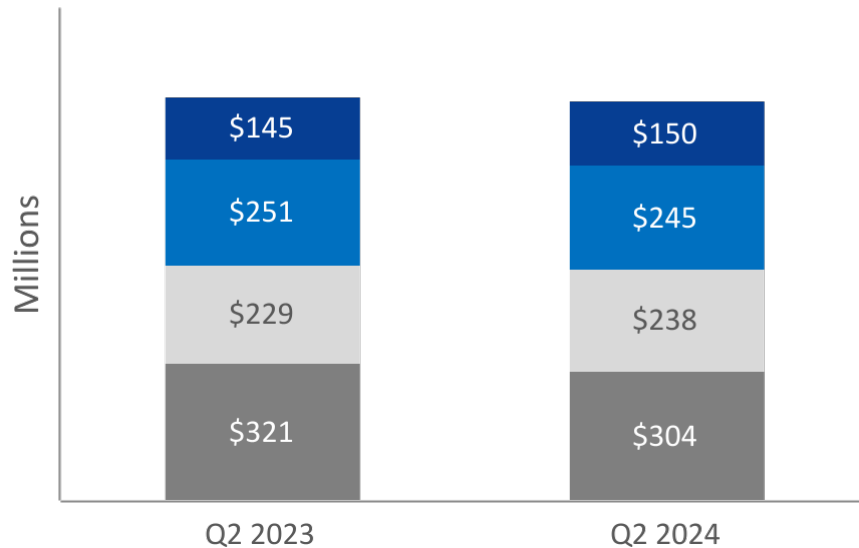
Adj. EBITDA¹

18%

Adj. EBITDA margin¹

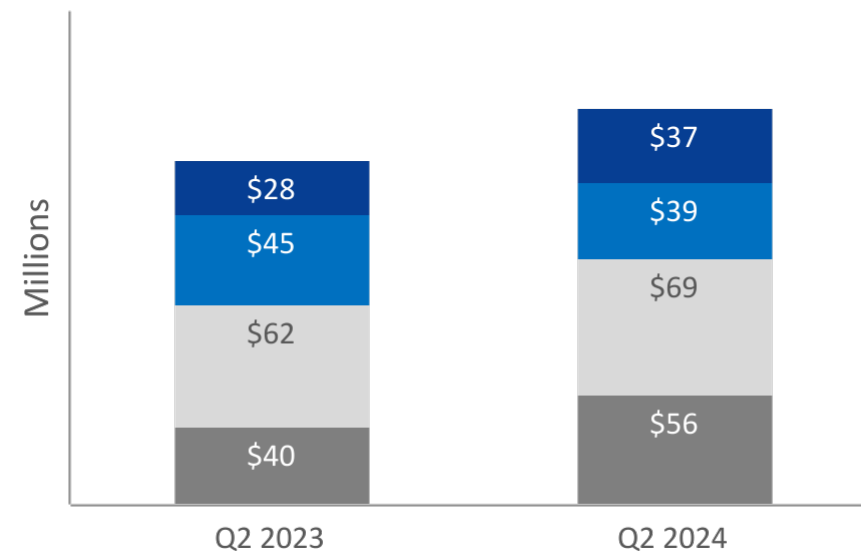
Net Revenues by Segment²

- Reynolds Cooking & Baking
- Hefty Waste & Storage
- Hefty Tableware
- Presto Products



Adj EBITDA by Segment^{1,2}

- Reynolds Cooking & Baking
- Hefty Waste & Storage
- Hefty Tableware
- Presto Products



¹This is a non-GAAP financial measure. See the reconciliation tables at the end of this presentation for a reconciliation to the most directly comparable GAAP measure.

²Excludes Corporate/Unallocated Revenue and Adjusted EBITDA

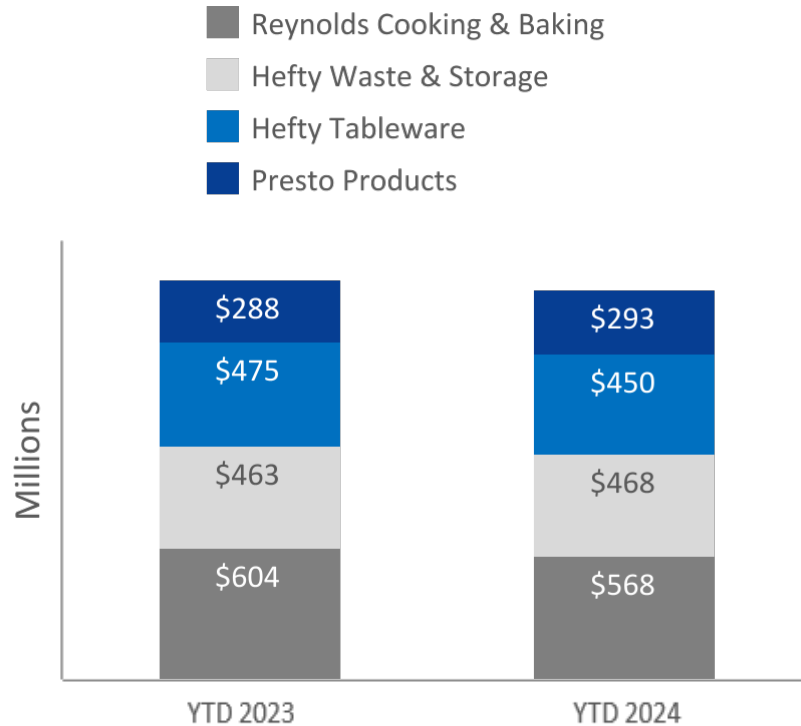
YTD Financial Highlights

\$1,764m
Net Revenues

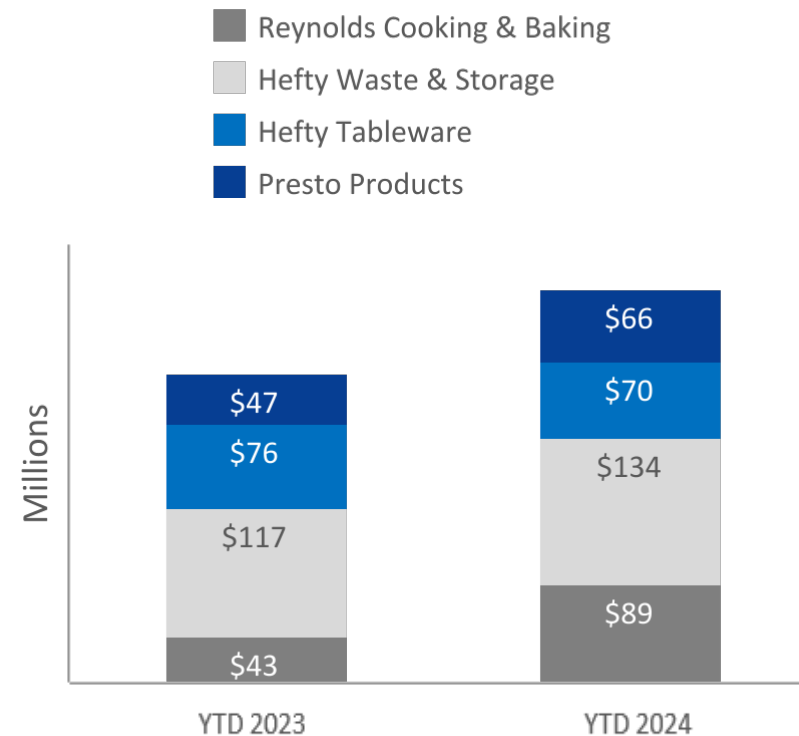
\$294m
Adj. EBITDA¹

17%
Adj. EBITDA margin¹

Net Revenues by Segment²



Adj EBITDA by Segment^{1,2}



¹This is a non-GAAP financial measure. See the reconciliation tables at the end of this presentation for a reconciliation to the most directly comparable GAAP measure.

² Excludes Corporate/Unallocated Revenue and Adjusted EBITDA

Reynolds Cooking & Baking

| Segment Results | Q2'24 | Q2'23 |
|-----------------------------|---------------|---------------|
| Net Revenues | \$304 million | \$321 million |
| Adj. EBITDA | \$56 million | \$40 million |
| <i>% Adj. EBITDA margin</i> | <i>18%</i> | <i>12%</i> |

Adjusted EBITDA increased \$16 million driven by increased production and lower operational costs.

Volume decreased 5% and was driven by an expected 5-point impact from low margin non-retail sales. Retail volume was unchanged and reflected additional share gains in household foil and continued growth in parchment paper, particularly behind Reynolds Kitchens® Stay Flat Parchment with SmartGrid® and Reynolds Kitchens® Air Fryer liners.

The Company launched a new grilling campaign consisting of multi-product advertising and digital executions which are performing well versus expectations. As part of that campaign, Reynolds Wrap® has partnered with ButcherBox, the leading direct-to-consumer meat brand, to create limited edition BBQterie kits to participate in the charcuterie trend popular with younger consumers.



Reynolds®

Hefty Waste & Storage

| Segment Results | Q2'24 | Q2'23 |
|-----------------------------|---------------|---------------|
| Net Revenues | \$238 million | \$229 million |
| Adj. EBITDA | \$69 million | \$62 million |
| <i>% Adj. EBITDA margin</i> | <i>29%</i> | <i>27%</i> |

Adjusted EBITDA increased \$7 million driven by lower operational costs and higher revenue, partially offset by increased investments in advertising.

Volume increased 2%, consistent with category trends which were better than expected.

Hefty Waste Bags had a successful second quarter expanding Hefty® Ultra Strong with Coastal Plastic and Fabuloso Citrus & Fruits and launching additional innovation including new Hefty® Compostable Press-To-Close Food Bags.

The Company continues to shift to a broader sustainable portfolio by expanding Hefty® Waste Bags with Post Consumer Recycled Materials and shipping slider bags made without PFAS. In addition, the Hefty® ReNew™ Program continued to expand, launching in Columbus, Dayton and Tucson during the second quarter.



Hefty Tableware

| Segment Results | Q2'24 | Q2'23 |
|-----------------------------|---------------|---------------|
| Net Revenues | \$245 million | \$251 million |
| Adj. EBITDA | \$39 million | \$45 million |
| <i>% Adj. EBITDA margin</i> | 16% | 18% |

Volume performance improved to down 1% in the quarter from down 6% in the first quarter and down 8% in the second half of 2023, in each case as compared to the same prior year period.

Adjusted EBITDA performed in line with Company expectations, reflecting the implementation of price pack architecture initiatives and increased advertising and promotional investments.

The Hefty Tableware portfolio outperformed its categories driven by multiple products including party cups and plates. Hefty® ZooPals® also continued to perform well, gaining additional retail distribution.



Presto Products

| Segment Results | Q2'24 | Q2'23 |
|-----------------------------|---------------|---------------|
| Net Revenues | \$150 million | \$145 million |
| Adj. EBITDA | \$37 million | \$28 million |
| <i>% Adj. EBITDA margin</i> | <i>25%</i> | <i>19%</i> |

Adjusted EBITDA increased \$9 million to a second quarter record \$37 million driven by volume growth and lower operational costs.

Volume increased 2% driven by continued growth in the food bag category

Product innovations including 25% plant-based compostable press to close food bags, bio-based sandwich bags made with 20% plant & ocean materials and half gallon storage and freezer bags contributed to strong retail performance. Presto plans a record number of product launches in 2024.





Financial Outlook

Q3 and Full Year 2024 Outlook

| Metric | Q3 2024 Outlook | Prior Full Year 2024 Outlook | Current Full Year 2024 Outlook |
|---|------------------------|------------------------------|--------------------------------|
| Net Revenues | \$885 to \$915 million | \$3,530 to \$3,640 million | \$3,590 to \$3,670 million |
| Net Income and Adj Net Income | \$82 to \$90 million | \$341 to \$357 million | \$346 to \$358 million |
| Adjusted EBITDA | \$165 to \$175 million | \$660 to \$680 million | \$670 to \$685 million |
| Earnings Per Share and Adj Earnings Per Share | \$0.39 to \$0.43 | \$1.62 to \$1.70 | \$1.65 to \$1.71 |
| Net Debt at December 31, 2024 | | \$1.5 to \$1.6 billion | \$1.5 to \$1.6 billion |

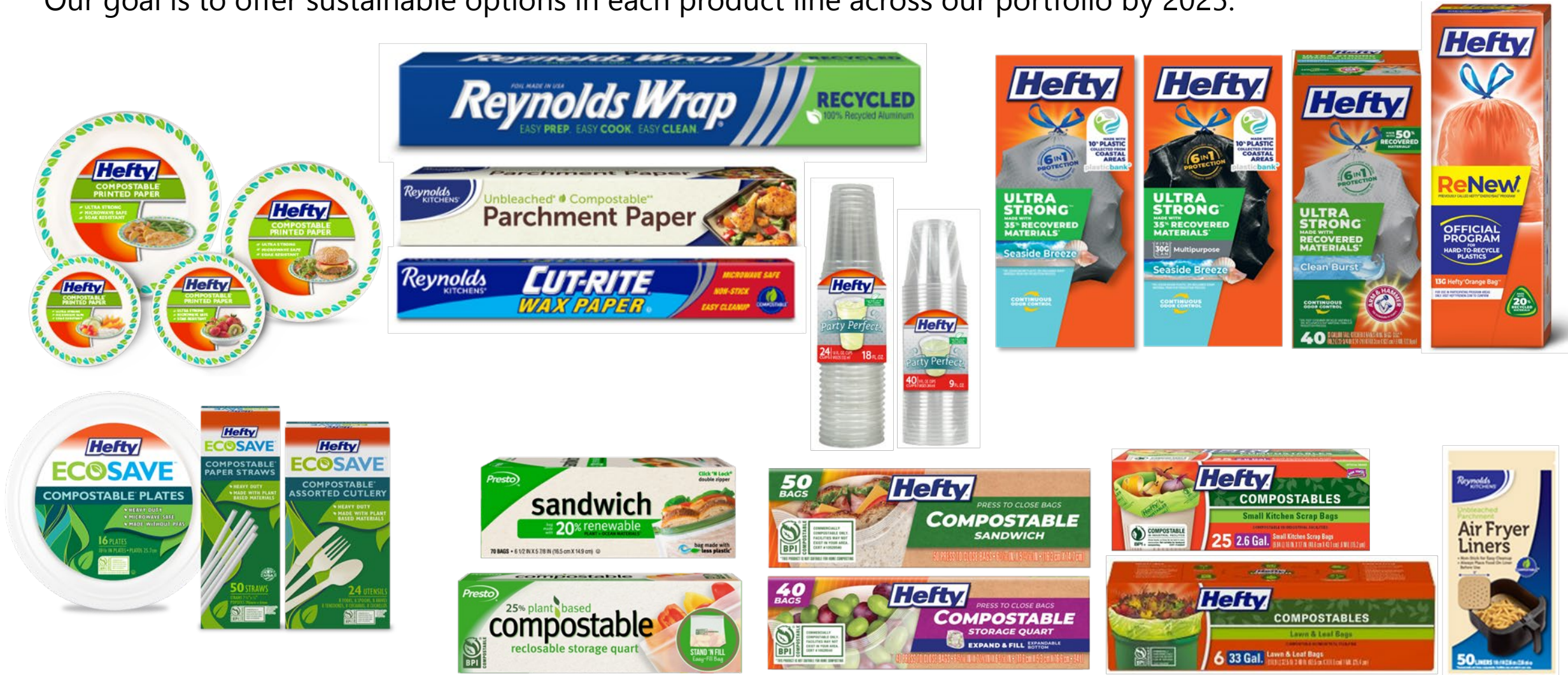
Note: Adjusted EBITDA and Net Debt are non-GAAP financial measures. See the reconciliation tables at the end of this presentation for a reconciliation to the most directly comparable GAAP measure.

Net Revenue Full-Year 2024 Guide

| | Prior 2024 Outlook | | | Current 2024 Outlook | | | Difference between Prior & Current 2024 Outlook | | |
|--|--------------------|------------|-------------|----------------------|------------|-------------|---|------------|-------------|
| | <u>Low</u> | <u>Mid</u> | <u>High</u> | <u>Low</u> | <u>Mid</u> | <u>High</u> | <u>Low</u> | <u>Mid</u> | <u>High</u> |
| Pricing | (1.0)% | (1.0)% | (1.0)% | (1.0)% | (1.0)% | (1.0)% | —% | —% | —% |
| Retail Volume | (2.0)% | (0.5)% | 1.0% | (1.0)% | —% | 1.0% | 1.0% | 0.5% | —% |
| Non-Retail Volume & Product Portfolio Optimization | (3.0)% | (3.0)% | (3.0)% | (2.5)% | (2.5)% | (2.5)% | 0.5% | 0.5% | 0.5% |

Advancing Sustainability

Our goal is to offer sustainable options in each product line across our portfolio by 2025.



Please refer to the [Hefty.com](https://www.hefty.com) and [ReynoldsBrands.com](https://www.reynoldsbrands.com) for specific product and packaging features

Advancing Sustainability

Products

Sustainable options across 100% of our product lines by 2025



Manufacturing

Advancing innovative materials and process engineering



Community

Broadening sustainability to include community support



Please refer <https://investors.reynoldsconsumerproducts.com/esg> for more information on our sustainability mission

Innovation Drives Our Success

We consistently lead in our categories by generating innovative, award-winning new products. Our success is rooted in our deep understanding of essential consumer needs such as sustainability, convenience, and home-centric lifestyles. Through proprietary consumer insights and strategic partnerships with our retail partners, we excel in effectively commercializing these insights to drive our business forward, while maintaining disciplined margin growth.

Our pipeline of innovative products is stronger than ever, and we are in position to introduce an expanded range of brand and private label products over the next three years. Moreover, we are committed to achieving sustainable solutions in all our categories by 2025.





Non-GAAP Reconciliation Tables

Non-GAAP Financial Measures

We use non-GAAP financial measures “Adjusted EBITDA,” “Adjusted Net Income,” “Adjusted Earnings Per Share,” “Net Debt” and “Net Debt to Trailing Twelve Months Adjusted EBITDA,” in evaluating our past results and future prospects. We define Adjusted EBITDA as net income calculated in accordance with GAAP, plus the sum of income tax expense, net interest expense, depreciation and amortization and further adjusted to exclude certain non-recurring items, if applicable. We define Adjusted Net Income and Adjusted Earnings Per Share (“Adjusted EPS”) as Net Income and Earnings Per Share (“EPS”) calculated in accordance with GAAP, plus the sum of certain non-recurring items, if applicable. We define Net Debt as the current portion of long-term debt plus long-term debt less cash and cash equivalents. We define Net Debt to Trailing Twelve Months Adjusted EBITDA as Net Debt (as defined above) as of the end of the period to Adjusted EBITDA (as defined above) for the period.

We present Adjusted EBITDA because it is a key measure used by our management team to evaluate our operating performance, generate future operating plans and make strategic decisions. In addition, our chief operating decision maker uses Adjusted EBITDA of each reportable segment to evaluate the operating performance of such segments. We use Adjusted Net Income and Adjusted Earnings Per Share as supplemental measures to evaluate our business’ performance in a way that also considers our ability to generate profit without the impact of certain items. We use Net Debt as we believe it is a more representative measure of our liquidity. We use Net Debt to Trailing Twelve Months Adjusted EBITDA because it reflects our ability to service our debt obligations. Accordingly, we believe presenting these measures provide useful information to investors and others in understanding and evaluating our operating results in the same manner as our management team and board of directors.

Non-GAAP information should be considered as supplemental in nature and is not meant to be considered in isolation or as a substitute for the related financial information prepared in accordance with GAAP. In addition, our non-GAAP financial measures may not be the same as or comparable to similar non-GAAP financial measures presented by other companies.

Guidance for fiscal year and third quarter 2024, where adjusted, is provided on a non-GAAP basis. The Company cannot reconcile its expected Net Debt at December 31, 2024 to expected total debt without reasonable effort because certain items that impact total debt and other reconciling measures are out of the Company’s control and/or cannot be reasonably predicted at this time, to which unavailable information could have a significant impact on the Company’s GAAP financial results.

Please see reconciliations of Non-GAAP measures used in this release (with the exception of our December 31, 2024 Net Debt outlook, as described above) to the most directly comparable GAAP measures, beginning on the following page.

Reconciliation of Net Income to Adjusted EBITDA

Reynolds Consumer Products Inc.
Reconciliation of Net Income to Adjusted EBITDA
(amounts in millions)

| | Three Months Ended June 30, | |
|-------------------------------|-----------------------------|--------|
| | 2024 | 2023 |
| Net income – GAAP | \$ 97 | \$ 66 |
| Income tax expense | 18 | 23 |
| Interest expense, net | 25 | 31 |
| Depreciation and amortization | 32 | 30 |
| Adjusted EBITDA (Non-GAAP) | \$ 172 | \$ 150 |

Reconciliation of Trailing Twelve Months Net Income to Trailing Twelve Months Adjusted EBITDA

Reynolds Consumer Products Inc.

Reconciliation of Trailing Twelve Months Net Income to Trailing Twelve Months Adjusted EBITDA

(amounts in millions)

| | Twelve Months Ended June 30, 2024 | Twelve Months Ended December 31, 2023 |
|-----------------------------------|--------------------------------------|--|
| Net income – GAAP | \$ 360 | \$ 298 |
| Income tax expense | 102 | 95 |
| Interest expense, net | 110 | 119 |
| Depreciation and amortization | 126 | 124 |
| Adjusted EBITDA (Non-GAAP) | \$ 698 | \$ 636 |

Reconciliation of Total Debt to Net Debt and Calculation of Net Debt to Trailing Twelve Months Adjusted EBITDA

(amounts in millions, except for Net Debt to Trailing Twelve Months Adjusted EBITDA)

As of June 30, 2024

| | | |
|---|-----------|--------------|
| Current portion of long-term debt | \$ | — |
| Long-term debt | | 1,784 |
| Total debt | | 1,784 |
| Cash and cash equivalents | | (101) |
| Net debt (Non-GAAP) | \$ | 1,683 |
| For the twelve months ended June 30, 2024 | | |
| Adjusted EBITDA (Non-GAAP) | \$ | 698 |
| Net Debt to Trailing Twelve Months Adjusted EBITDA | | 2.4x |

As of December 31, 2023

| | | |
|---|-----------|--------------|
| Current portion of long-term debt | \$ | — |
| Long-term debt | | 1,832 |
| Total debt | | 1,832 |
| Cash and cash equivalents | | (115) |
| Net debt (Non-GAAP) | \$ | 1,717 |
| For the twelve months ended December 31, 2023 | | |
| Adjusted EBITDA (Non-GAAP) | \$ | 636 |
| Net Debt to Trailing Twelve Months Adjusted EBITDA | | 2.7x |

Reconciliation of Q3 2024 and FY2024 Net Income Guidance to Adjusted EBITDA Guidance

Reynolds Consumer Products Inc.

Reconciliation of Q3 2024 and FY2024 Net Income Guidance to Adjusted EBITDA Guidance

(amounts in millions)

| | Three Months Ended September 30, 2024 | | Year Ended December 31, 2024 | |
|-------------------------------|---------------------------------------|---------------|------------------------------|---------------|
| | Low | High | Low | High |
| Net income (GAAP) | \$ 82 | \$ 90 | \$ 346 | \$ 358 |
| Income tax expense | 27 | 29 | 99 | 102 |
| Interest expense, net | 25 | 25 | 100 | 100 |
| Depreciation and amortization | 31 | 31 | 125 | 125 |
| Adjusted EBITDA | \$ 165 | \$ 175 | \$ 670 | \$ 685 |

