



Reynolds
Consumer Products

Q3 2024
Earnings Call
October 30, 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 fourth 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

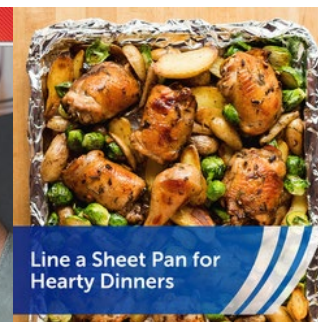
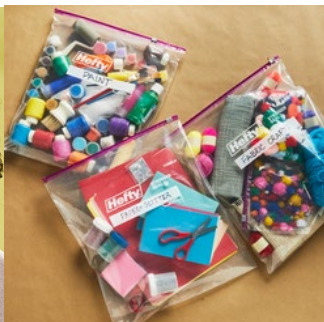
#1 or #2 US market share position in the majority of product categories

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



Q3 2024 Financial Results

“We are building on our leadership across household products and delivered another quarter of strong financial performance as a result. RCP’s business model is a competitive advantage and the trajectory of our commercial and financial trends is strong.”

- Lance Mitchell, President and CEO



Q3 2024 Financial Highlights

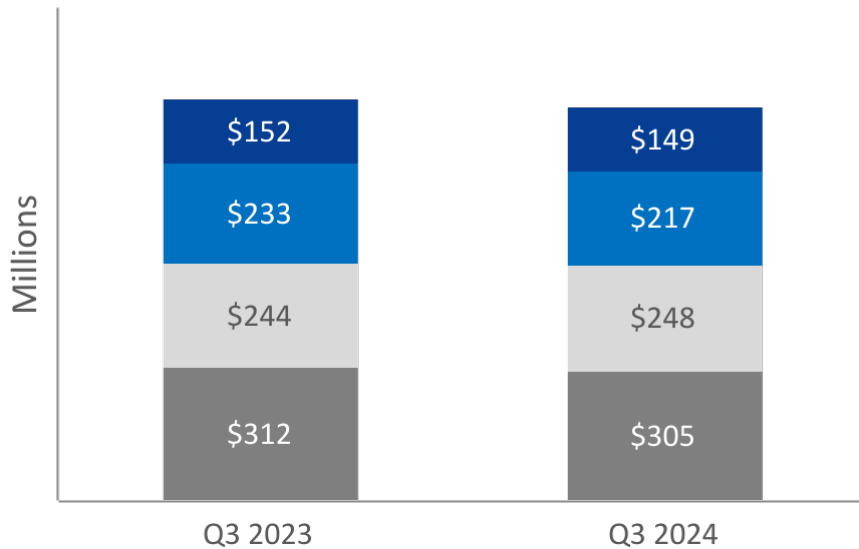
\$910m
Net Revenues

\$171m
Adj. EBITDA¹

19%
Adj. EBITDA margin¹

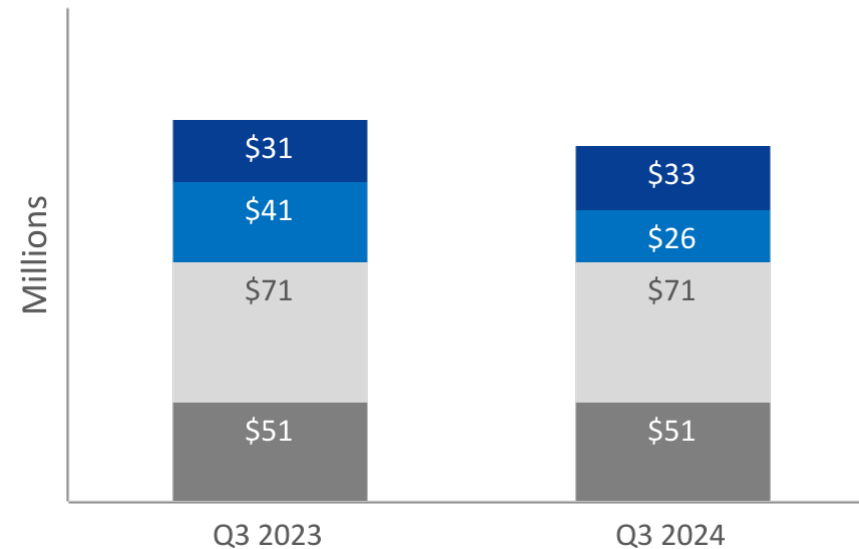
Net Revenues by Segment²

- 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

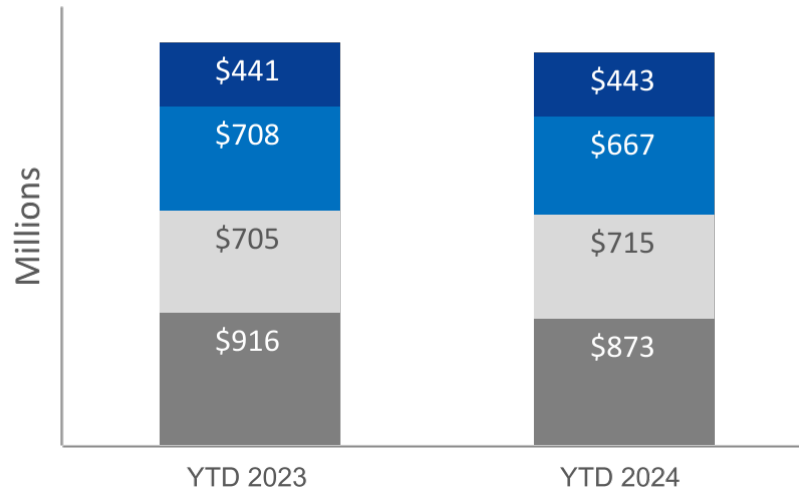
\$2,675m
Net Revenues

\$465m
Adj. EBITDA¹

17%
Adj. EBITDA margin¹

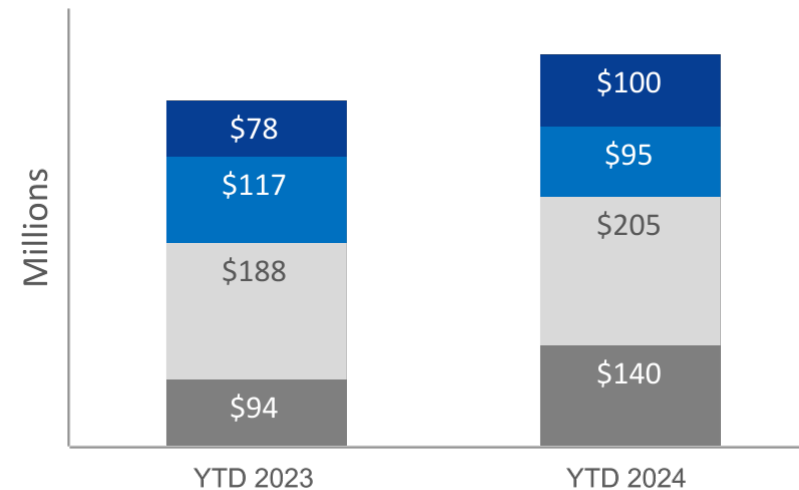
Net Revenues by Segment²

- Reynolds Cooking & Baking
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Adj EBITDA by Segment^{1,2}

- Reynolds Cooking & Baking
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²Excludes Corporate/Unallocated Revenue and Adjusted EBITDA

Reynolds Cooking & Baking

Segment Results	Q3'24	Q3'23
Net Revenues	\$305 million	\$312 million
Adj. EBITDA	\$51 million	\$51 million
<i>% Adj. EBITDA margin</i>	<i>17%</i>	<i>16%</i>

Adjusted EBITDA was unchanged reflecting decreased operational costs which were fully offset by lower revenue.

Retail volume decreased 3% driven by a shift in retailer orders from the third quarter into the second quarter, partially offset by expanded distribution of Reynolds Kitchens® Air Fryer liners and strong Reynolds and Diamond foil growth outside the United States. Reynolds® Wrap share of household foil increased year to date and parchment paper continued to grow driven by Reynolds Kitchens® Unbleached Parchment, Reynolds Kitchens® Parchment Pop-Up Sheets and Reynolds Kitchens® Air Fryer liners.

The Company advanced its shift to more sustainable offerings with the national launch of Reynolds® Wrap Recycled Foil in new, more sustainable packaging.

The Company once again partnered with Feeding America for Hunger Action Month in September to raise awareness of hunger across the nation. Since the partnership's inception, Reynolds® has donated approximately 10 million meals through Feeding America.



Hefty Waste & Storage

Segment Results	Q3'24	Q3'23
Net Revenues	\$248 million	\$244 million
Adj. EBITDA	\$71 million	\$71 million
<i>% Adj. EBITDA margin</i>	<i>29%</i>	<i>29%</i>

Adjusted EBITDA was unchanged as the benefit of higher revenue was fully offset by increased advertising investment.

Volume increased 2%, and exceeded category growth.

Hefty Fabuloso® delivered another quarter of strong double-digit growth, achieving \$200 million in annual retail sales. National launch of Hefty Ultra Strong Fabuloso® Watermelon is planned for early 2025, and Hefty Press To Close food bags continue to grow with plans for expansion nationally in 2025 as well.

The Company expanded its portfolio of Hefty and store brand waste bags with post-consumer recycled materials and began shipping slider bags manufactured without PFAS. Hefty® ReNew™ continued its national expansion, launching in Lake County, Illinois and Tucson, Arizona during the quarter.



Hefty Tableware

Segment Results	Q3'24	Q3'23
Net Revenues	\$217 million	\$233 million
Adj. EBITDA	\$26 million	\$41 million
<i>% Adj. EBITDA margin</i>	<i>12%</i>	<i>18%</i>

The Adjusted EBITDA decrease was driven by lower volume and pricing, which was primarily related to timing of promotional activities, and increased operational costs.

Tableware volume decreased 4% as lower foam plate volume more than offset modest growth of other tableware products. Decreased foam plate volume was driven by recent legislative changes in several states, consumers shifting towards more sustainable offerings and a reduction of retailers' foam plate offerings in some states. Volume excluding foam plates outperformed its categories.

With the start of football season, the Company introduced Hefty® Kickoff Cups, a limited-edition giveaway that comes with 32 Hefty Kickoff Cups designed to spark new connections at tail-gate parties and other social gatherings.



Presto Products

Segment Results	Q3'24	Q3'23
Net Revenues	\$149 million	\$152 million
Adj. EBITDA	\$33 million	\$31 million
<i>% Adj. EBITDA margin</i>	<i>22%</i>	<i>20%</i>

The Adjusted EBITDA increase was driven by product portfolio optimization.

Volume decreased 2% reflecting product portfolio optimization, partially offset by continued growth of private label food bags.

Product innovations including 25% plant-based compostable press to close food bags, bio-based sandwich bags made with 20% plant & ocean materials, half gallon storage and freezer bags and Brute 42 gallon flap top waste bags contributed to strong leadership of store brand food and waste bags.





Financial Outlook

Q4 and Full Year 2024 Outlook

Metric	Q4 2024 Outlook	Prior Full Year 2024 Outlook	Current Full Year 2024 Outlook
Net Revenues	\$945 to \$985 million	\$3,590 to \$3,670 million	\$3,620 to \$3,660 million
Net Income and Adj Net Income	\$117 to \$125 million	\$346 to \$358 million	\$348 to \$356 million
Adjusted EBITDA	\$208 to \$218 million	\$670 to \$685 million	\$673 to \$683 million
Earnings Per Share and Adj Earnings Per Share	\$0.56 to \$0.60	\$1.65 to \$1.71	\$1.66 to \$1.70
Net Debt at December 31, 2024		\$1.5 to \$1.6 billion	~\$1.5 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

Estimated Impact of Factors on Prior Outlook and Current Outlook

	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	(1.0)%	—%	1.0%	(0.5)%	—%	0.5%	0.5%	—%	(0.5)%
Non-Retail Volume & Product Portfolio Optimization	(2.5)%	(2.5)%	(2.5)%	(2.0)%	(2.0)%	(2.0)%	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



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 fourth 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 September 30,	
	2024	2023
Net income – GAAP	\$ 86	\$ 78
Income tax expense	27	25
Interest expense, net	25	31
Depreciation and amortization	33	31
Adjusted EBITDA (Non-GAAP)	\$ 171	\$ 165

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 September 30, 2024	Twelve Months Ended December 31, 2023
Net income – GAAP	\$ 368	\$ 298
Income tax expense	103	95
Interest expense, net	104	119
Depreciation and amortization	128	124
Adjusted EBITDA (Non-GAAP)	\$ 703	\$ 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 September 30, 2024

Current portion of long-term debt	\$	—
Long-term debt		1,735
Total debt		1,735
Cash and cash equivalents		(96)
Net debt (Non-GAAP)	\$	1,639
For the twelve months ended September 30, 2024		
Adjusted EBITDA (Non-GAAP)	\$	703
Net Debt to Trailing Twelve Months Adjusted EBITDA		2.3x

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 Q4 2024 and FY2024 Net Income Guidance to Adjusted EBITDA Guidance

Reynolds Consumer Products Inc.

Reconciliation of Q4 2024 and FY2024 Net Income Guidance to Adjusted EBITDA Guidance

(amounts in millions)

	Three Months Ended December 31, 2024		Year Ended December 31, 2024	
	Low	High	Low	High
Net income (GAAP)	\$ 117	\$ 125	\$ 348	\$ 356
Income tax expense	38	40	99	101
Interest expense, net	22	22	98	98
Depreciation and amortization	31	31	128	128
Adjusted EBITDA	\$ 208	\$ 218	\$ 673	\$ 683

