UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2024

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from __________ to __________.

Commission File Number 001-38348

RANPAK HOLDINGS CORP.
(Exact name of registrant as specified in its charter)

Delaware	**98-1377160**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

7990 Auburn Road
Concord Township, Ohio 44077
(Address of principal executive offices) (Zip Code)

(440) 354-4445
(Registrant's telephone number, including area code)

N/A
(Former name, former address and formal fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Ordinary Shares, par value $0.0001 per share	PACK	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of April 25, 2024, the registrant had 80,073,192 of its Class A common shares, $0.0001 par value per share, outstanding and 2,921,099 of its Class C common shares, $0.0001 par value per share, outstanding.

Ranpak Holdings Corp.
Quarterly Report on Form 10-Q
For the Period Ended March 31, 2024

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Ranpak Holdings Corp.

Ranpak Holdings Corp.
Unaudited Condensed Consolidated Statements of Operations
and Comprehensive Income (Loss)
(in millions, except share and per share data)

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Paper revenue	$ 66.2	$ 64.3
Machine lease revenue	12.8	12.8
Other revenue	6.3	4.1
Net revenue	**85.3**	**81.2**
Cost of goods sold	53.0	53.7
Gross profit	**32.3**	**27.5**
Selling, general and administrative expenses	27.9	27.2
Depreciation and amortization expense	8.4	8.0
Other operating expense, net	0.8	1.2
Loss from operations	**(4.8)**	**(8.9)**
Interest expense	6.2	5.7
Foreign currency (gain) loss	(1.4)	0.2
Other non-operating income, net	-	(0.3)
Loss before income tax benefit	**(9.6)**	**(14.5)**
Income tax benefit	(1.5)	(2.1)
Net loss	**$ (8.1)**	**$ (12.4)**
Two-class method		
Basic and diluted loss per share	$ (0.10)	$ (0.15)
Class A – basic and diluted loss per share	$ (0.10)	$ (0.15)
Class C – basic and diluted loss per share	$ (0.10)	$ (0.14)
Weighted average number of shares outstanding – Class A and C – basic and diluted	82,682,308	82,136,793
Other comprehensive income (loss), before tax		
Foreign currency translation adjustments	$ (2.1)	$ 2.1
Interest rate swap adjustments	(2.6)	(2.1)
Total other comprehensive income (loss), before tax	**(4.7)**	**-**
Benefit from income taxes related to other comprehensive income (loss)	0.1	(0.8)
Total other comprehensive income (loss), net of tax	**(4.8)**	**0.8**
Comprehensive loss, net of tax	**$ (12.9)**	**$ (11.6)**

See notes to unaudited condensed consolidated financial statements.

Ranpak Holdings Corp.
Unaudited Condensed Consolidated Balance Sheets
(in millions, except share data)

	March 31, 2024	December 31, 2023
Assets		
Current assets		
Cash and cash equivalents	$ 55.1	$ 62.0
Accounts receivable, net	32.9	31.6
Inventories	19.3	17.3
Income tax receivable	4.8	0.9
Prepaid expenses and other current assets	12.9	13.1
Total current assets	125.0	124.9
Property, plant and equipment, net	138.6	142.1
Operating lease right-of-use assets, net	23.0	23.7
Goodwill	447.6	450.1
Intangible assets, net	336.4	345.4
Deferred tax assets	0.1	0.1
Other assets	36.5	36.4
Total assets	**$ 1,107.2**	**$ 1,122.7**
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable	$ 20.8	$ 17.6
Accrued liabilities and other	22.5	22.1
Current portion of long-term debt	2.6	2.5
Operating lease liabilities, current	3.8	3.8
Deferred revenue	1.6	2.0
Total current liabilities	51.3	48.0
Long-term debt	394.1	397.8
Deferred tax liabilities	71.6	71.6
Derivative instruments	4.4	6.3
Operating lease liabilities, non-current	23.4	24.7
Other liabilities	2.4	2.3
Total liabilities	547.2	550.7
Commitments and contingencies – Note 13		
Shareholders' equity		
Class A common stock, $0.0001 par, 200,000,000 shares authorized at March 31, 2024 and December 31, 2023, respectively		
Shares issued and outstanding: 80,053,902 and 79,684,170 at March 31, 2024 and December 31, 2023, respectively	-	-
Convertible Class C common stock, $0.0001 par, 200,000,000 shares authorized at March 31, 2024 and December 31, 2023		
Shares issued and outstanding: 2,921,099 at March 31, 2024 and December, 31, 2023	-	-
Additional paid-in capital	694.6	693.7
Accumulated deficit	(131.9)	(123.8)
Accumulated other comprehensive income	(2.7)	2.1
Total shareholders' equity	560.0	572.0
Total liabilities and shareholders' equity	**$ 1,107.2**	**$ 1,122.7**

See notes to unaudited condensed consolidated financial statements.

Ranpak Holdings Corp.
Unaudited Condensed Consolidated Statements of Changes in Shareholders' Equity
(in millions, except share data)

	Common Stock							
	Class A		Class C					
	Shares	Amount	Shares	Amount	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total
Balance at December 31, 2022	**79,086,372**	**$ -**	**2,921,099**	**$ -**	**$ 704.3**	**$ (96.7)**	**$ 5.2**	**$ 612.8**
Stock-based awards vested and distributed	368,153	-	-	-	(0.4)	-	-	(0.4)
Issue Director shares	14,084	-	-	-	-	-	-	-
Amortization of restricted stock units	-	-	-	-	2.8	-	-	2.8
Net loss	-	-	-	-	-	(12.4)	-	(12.4)
Other comprehensive income	-	-	-	-	-	-	0.8	0.8
Balance at March 31, 2023	**79,468,609**	**$ -**	**2,921,099**	**$ -**	**$ 706.7**	**$ (109.1)**	**$ 6.0**	**$ 603.6**
Balance at December 31, 2023	**79,684,170**	**$ -**	**2,921,099**	**$ -**	**$ 693.7**	**$ (123.8)**	**$ 2.1**	**$ 572.0**
Stock-based awards vested and distributed	353,622	-	-	-	(0.4)	-	-	(0.4)
Issue Director shares	16,110	-	-	-	-	-	-	-
Amortization of restricted stock units	-	-	-	-	1.3	-	-	1.3
Net loss	-	-	-	-	-	(8.1)	-	(8.1)
Other comprehensive loss	-	-	-	-	-	-	(4.8)	(4.8)
Balance at March 31, 2024	**80,053,902**	**$ -**	**2,921,099**	**$ -**	**$ 694.6**	**$ (131.9)**	**$ (2.7)**	**$ 560.0**

See notes to unaudited condensed consolidated financial statements.

Ranpak Holdings Corp.
Unaudited Condensed Consolidated Statements of Cash Flows
(in millions)

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Cash Flows from Operating Activities		
Net loss	$ (8.1)	$ (12.4)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	18.8	16.3
Amortization of deferred financing costs	0.7	0.4
Loss on disposal of fixed assets	0.4	0.3
Deferred income taxes	0.2	2.0
Amortization of initial value of interest rate swap	(0.7)	(0.2)
Foreign currency (gain) loss	(1.4)	0.2
Share-based compensation expense	1.3	2.8
Amortization of cloud-based software implementation costs	0.9	0.7
Changes in operating assets and liabilities:		
Increase in receivables, net	(2.3)	(1.2)
(Increase) decrease in inventory	(2.2)	2.7
Increase in prepaid expenses and other assets	(0.9)	(2.7)
Increase (decrease) in accounts payable	3.4	(2.1)
Increase in accrued liabilities	1.3	3.2
Change in other assets and liabilities	(6.2)	(2.5)
Net cash provided by operating activities	**5.2**	**7.5**
Cash Flows from Investing Activities		
Purchases of converter equipment	(7.5)	(4.5)
Purchases of other property, plant, and equipment	(2.3)	(7.3)
Cash paid for investments in small private businesses	(0.5)	-
Net cash used in investing activities	**(10.3)**	**(11.8)**
Cash Flows from Financing Activities		
Principal payments on term loans	(0.4)	(0.4)
Proceeds from equipment financing	-	0.8
Payments on equipment financing	(0.2)	-
Payments on finance lease liabilities	(0.3)	(0.2)
Tax payments for withholdings on stock-based awards distributed	(0.4)	(0.5)
Net cash used in financing activities	**(1.3)**	**(0.3)**
Effect of Exchange Rate Changes on Cash and Cash Equivalents	**(0.5)**	**0.4**
Net Decrease in Cash and Cash Equivalents	**(6.9)**	**(4.2)**
Cash and Cash Equivalents, beginning of period	**62.0**	**62.8**
Cash and Cash Equivalents, end of period	**$ 55.1**	**$ 58.6**

See notes to unaudited condensed consolidated financial statements.

Note 1 — Nature of Operations

We are a leading provider of environmentally sustainable, systems-based, product protection solutions and end-of-line automation solutions for e-commerce and industrial supply chains. Through our proprietary protective packaging solutions ("PPS") systems and paper consumables, we offer a full suite of protective packaging solutions. Our business is global, with a strong presence in the United States and Europe. Throughout this report, when we refer to "Ranpak," the "Company," "we," "our," or "us," we are referring to Ranpak Holdings Corp. and all of our subsidiaries, except where the context indicates otherwise.

Note 2 — Basis of Presentation and Summary of Significant Accounting Policies

Unaudited Interim Financial Statements — These interim unaudited condensed consolidated financial statements should be read in conjunction with our audited consolidated financial statements and accompanying notes for each of the three years ended December 31, 2023, 2022, and 2021, which are included in our Annual Report on Form 10-K for the year ended December 31, 2023 ("2023 10-K"). The three months ended March 31, 2024 may be further referred to herein as the "first quarter of 2024." The three months ended March 31, 2023 may be further referred to herein as the "first quarter of 2023."

The accompanying unaudited interim condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and with instructions to Form 10-Q and Rule 10-01 of the Securities and Exchange Commission ("SEC") Regulation S-X as they apply to interim financial information. Accordingly, the unaudited interim condensed consolidated financial statements do not include all of the information and notes required by GAAP for complete financial statements, although we believe that the disclosures made are adequate to make the information not misleading.

The interim condensed consolidated financial statements are unaudited but, in our opinion, include all adjustments that are necessary for a fair statement of operations and financial position for the periods presented. The interim financial results are not necessarily indicative of results that may be expected for any other interim period or the fiscal year.

Principles of Consolidation — The unaudited interim condensed consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries prepared in conformity with U.S. GAAP. All intercompany balances and transactions have been eliminated in consolidation. All amounts are in millions, except share and per share amounts.

Use of Estimates — The preparation of condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates and such differences could be material.

Foreign Currency — The nature of business activities involves the management of various financial and market risks, including those related to changes in foreign currency exchange rates. We are subject to currency translation exposure because the operations of our subsidiaries are measured in their functional currency, which is the currency of the primary economic environment in which the subsidiary operates. Any currency balances that are denominated in currencies other than the functional currency of the subsidiary are re-measured into the functional currency, with the resulting gain or loss recorded in foreign currency (gains) losses in our Unaudited Condensed Consolidated Statements of Operations. In turn, subsidiary income statement balances that are denominated in currencies other than U.S. dollars ("USD") are translated into USD, our reporting currency, in consolidation using the average exchange rate in effect during each fiscal month during the period, with any related gain or loss recorded as foreign currency translation adjustments in other comprehensive income (loss). The assets and liabilities of subsidiaries that use functional currencies other than the USD are translated into USD in consolidation using period end exchange rates, with the effects of foreign currency translation adjustments included in accumulated other comprehensive income (loss).

Revenue Recognition — Revenue from contracts with customers is recognized using a five-step model consisting of the following: (i) identify the contract with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) we satisfy a performance obligation. Performance obligations are satisfied when we transfer control of a good or service to a customer, which can occur over time or at a point in time. The amount of revenue recognized is based on the consideration to which we expect to be entitled in exchange for those goods or services, including the expected value of variable consideration. The customer's ability and intent to pay the transaction price is assessed in determining whether a contract exists with the customer. If collectability of substantially all of the consideration in a contract is not probable, consideration received is not recognized as revenue unless the consideration is nonrefundable and we no longer have an obligation to transfer additional goods or services to the customer or collectability becomes probable.

We sell our PPS products to end-users primarily through an established distributor network and direct sales to select end-users. For both customer types, the customer is granted the right to use our machine(s) for which we charge an annual or quarterly fixed fee or may waive the fee at management's discretion. Our revenue associated with our PPS business contains (i) a non-lease component (the paper consumables) accounted for as revenue under Accounting Standards Codification ("ASC") Topic 606, Revenue from Contracts with Customers ("ASC 606"), and (ii) a lease component (our PPS systems) accounted for as machine lease revenue under ASC Topic 842, Leases ("ASC 842"). Machine lease revenue is recognized on a straight-line basis over the terms of the PPS systems agreements with customers, which have durations of less than one year.

In paper consumables sales for both distributor agreements and direct agreements, we have determined the contract to be a combination of the master service agreement ("MSA") and purchase order ("PO"). The MSA contains general terms and conditions which govern the agreement, including general payment terms. Individual PO's must be placed underneath the terms of the MSA to order specific paper products which we promise to deliver. The PO contains relevant details of the contract including the type of paper, quantity, unit price, total price, as well as payment terms and estimated delivery date. Under the MSA, multiple PO's for one customer may be placed at or near the same time. In situations where there are multiple PO's issued at or near the same time to the same customer, we treat each PO in combination with the MSA as a separate contract for revenue recognition purposes.

Revenue is recognized when control of the promised goods or services is transferred to customers in an amount that reflects the consideration expected to be received in exchange for those goods or services. Revenue for paper consumables is recognized based on shipping terms, which is the point in time the customer obtains control of the promised goods. Maintenance revenue is based on a fixed fee that is recognized straight-line on the basis that the level of effort is consistent over the term of the contract.

We determine the standalone selling price for a performance obligation sold on a standalone basis. We offer rebates to customers in their contracts that are related to the amount of consumables purchased. We believe that this form of variable consideration should only be allocated to consumables because the entire amount of variable consideration relates to the customer's purchase of and our efforts to provide consumables. We allocate a percentage of PPS paper revenue to machine lease revenue using the residual approach to estimate the standalone selling price of our PPS systems to customers. The allocation is performed based on the number of PPS systems in the field. We do not sell or transfer ownership of our PPS systems to our customers. Our lease agreements with customer for PPS systems are for one year or less and renew annually.

We have forms of variable consideration present in our contracts with customers, including rebates and other discounts. Charges for rebates and other allowances were approximately 12% and 14% of revenue in the three months ended March 31, 2024 and 2023, respectively. For all contracts that contain a form of variable consideration, we estimate at contract inception, and periodically throughout the term of the contract, what volume of goods and/or services the customer will purchase in a given period and determine how much consideration is payable to the customer or how much consideration we would be able to recover from the customer based on the structure of the type of variable consideration, using either the expected value method or the most likely amount method. In most cases, the variable consideration in contracts with customers results in amounts payable to the customer by the Company. We adjust the contract transaction price based on any changes in estimates each reporting period and perform an inception to date cumulative adjustment to the amount of revenue previously recognized. We include in the transaction price some or all of an amount of variable consideration estimated to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

To provide Automation solution goods and services, an agreement is documented and agreed to between Ranpak and the customer. This is in the form of a proposal contract for automation machines with separate proposals for related goods and services. Typically, machines have their own proposal, and other related goods and services such as preventative maintenance, and spare parts have a separate proposal with these goods and services all detailed. These written agreements outline the terms and conditions for respective transactions between us and our customers and represent contracts with enforceable rights. For each type of contract, there are various levels of termination provisions for each party.

We recognize revenue from each Automation product separately, on a contract-by-contract basis (i.e., by individual machine). Each contract represents its own unit of accounting. Our Automation machines are highly customized to customer specific needs and termination is only allowed in the case of breach of contract. As such, we are entitled to all consideration from the production of the machine. We cannot sell the machine to another customer due to the level of customization and, as such, there is not an alternative use for the product produced. Because of these factors, we recognize machine revenue over time on a contract-by-contract basis using an input method, based on the percentage of costs and effort incurred to complete the construction of the machine. We also sell extended warranties, preventative maintenance services, spare parts and spare part packages related to our sale of Automation products. We recognize revenue on maintenance contracts and spare parts separately from their Automation products. Revenue for the sale of spare parts is recognized based on shipping terms, which is the point in time the customer obtains control of the promised goods. Maintenance revenue is based on a fixed fee that is recognized straight-line on the basis that the level of effort is consistent over the term of the contract.

We recognize incremental costs to obtain a contract as an expense when incurred if the amortization period of the asset that otherwise would have been recognized is one year or less. For example, we generally expense sales commissions when incurred because the contract term is less than one year. These costs are recorded within selling, general and administrative ("SG&A") expenses in our Unaudited Condensed Consolidated Statements of Operations. We elected to account for shipping and handling costs as fulfillment activities.

Sales, value-added, and other taxes collected from customers and remitted to governmental authorities are accounted for on a net basis and therefore are excluded from revenue on the Unaudited Condensed Consolidated Statements of Operations.

Goodwill and Identifiable Intangible Assets, net — Goodwill represents the excess of purchase price over the fair value of net assets acquired. Trademarks and trade names are accounted for as indefinite-lived intangible assets and, accordingly, are not subject to amortization. We review goodwill on a reporting unit basis and indefinite-lived assets for impairment annually on October 1st and on an interim basis whenever events or changes in circumstances indicate the carrying value of goodwill or indefinite-lived intangible assets may be impaired.

As of March 31, 2024, there were no indicators to suggest that it is more likely than not that the fair value of our reporting units and indefinite-lived assets were below their carrying values.

Recently Issued Accounting Standards — In November 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2023-07, Segment Reporting (Topic 280). This ASU is intended to improve financial reporting by providing additional disclosures regarding a company's segment expenses and more detailed and timely segment information reporting throughout the fiscal period. The amendment requires companies to disclose, on an interim and annual basis, significant segment expenses that are regularly provided to the Chief Operating Decision Making ("CODM"), report an "other segment items" category which represents the difference between segment revenue less the significant expenses along with a description of composition, clarify if the CODM uses more than one measure of a segment's profit or loss, and disclose the title and position of the CODM along with an explanation of how the CODM uses the reported measures. All annual disclosures required by Topic 280, Segment Reporting, will also be required for all interim periods. The amendment does not change how a company identifies its operating segments, aggregates those operating segments, or applies the quantitative thresholds to determine its reportable segments. The ASU will be effective for fiscal years beginning after December 15, 2023 and interim periods within fiscal years beginning after December 15, 2024 and should be applied retrospectively to all periods presented. We are in the process of evaluating the impact of the future adoption of this standard on our consolidated financial statements.

In December 2023, the FASB issued ASU No. 2023-09, Improvements to Income Tax Disclosures ("ASU 2023-09"), which will require us to provide a tabular rate reconciliation that reconciles income tax attributable to continuing operations to the statutory federal income tax applied to our pre-tax income from continuing operations, including the nature and amount of significant reconciling items, and will require disclosure of additional disaggregated information on income taxes paid. ASU 2023-09 will become effective for us for annual periods beginning after December 15, 2024. Early adoption is permitted. We are in the process of evaluating the impact of future adoption of this standard on our consolidated financial statements.

Note 3 — Supplemental Balance Sheet Data and Cash Flow Information

Cash and cash equivalents — Cash and cash equivalents include securities with original maturities of three months or less and cash in banks, and our investment in a money market fund, which is classified as a cash equivalent because of its short-term, highly liquid nature that is readily convertible to cash. The balance in our money market fund was approximately $16.8 million and $17.6 million at

(in millions, except share and per share data)

March 31, 2024 and December 31, 2023, respectively. The fair value of money market funds is considered Level 1 in the fair value hierarchy because they are securities traded in active markets.

Accounts Receivable, net — The components of accounts receivable, net were as follows:

	March 31, 2024	December 31, 2023
Accounts receivable	$ 33.7	$ 32.2
Allowance for doubtful accounts	(0.8)	(0.6)
Accounts receivable, net	**$ 32.9**	**$ 31.6**

At March 31, 2024, one customer's accounts receivable balance represented 13.4% of our accounts receivable balance. At December 31, 2023, one customer's accounts receivable balance represented 16.9% of our accounts receivable balance.

Inventories — The components of inventories were as follows:

	March 31, 2024	December 31, 2023
Raw materials	$ 10.0	$ 11.5
Work-in-process	2.0	1.4
Finished goods	7.3	4.4
Inventories	**$ 19.3**	**$ 17.3**

As of March 31, 2024 and December 31, 2023, the reserve for obsolescence was zero.

Property, Plant and Equipment, net — The following table details our property, plant and equipment, net:

	March 31, 2024	December 31, 2023
Land	$ 2.4	$ 2.4
Buildings and improvements	12.4	12.3
Leasehold improvements	20.5	20.7
Machinery and equipment	32.6	30.9
Computer and office equipment	17.0	16.8
Converting machines	219.6	216.6
Total property, plant, and equipment	304.5	299.7
Accumulated depreciation	(165.9)	(157.6)
Property, plant, and equipment, net	**$ 138.6**	**$ 142.1**

We did not capitalize any interest in the periods presented. Depreciation expense recorded in cost of goods sold and depreciation and amortization in the Unaudited Condensed Consolidated Statements of Operations was as follows:

	Three Months Ended March 31,	
	2024	2023
Depreciation expense included in		
Cost of goods sold	$ 10.4	$ 8.3
Depreciation and amortization expense	1.2	0.8
Total depreciation expense	**$ 11.6**	**$ 9.1**

Accrued Liabilities and Other – The components of accrued liabilities and other were as follows:

(in millions, except share and per share data)

	March 31, 2024	December 31, 2023
Employee compensation	$ 5.4	$ 3.8
Taxes	4.1	2.5
Professional fees	2.4	3.3
Bonus	3.9	4.6
Interest	2.5	3.0
Warranty reserve	0.7	0.8
Amounts owed to customers	0.5	1.5
Other	3.0	2.6
Accrued liabilities and other	**$ 22.5**	**$ 22.1**

Supplemental Cash Flow Information — Supplemental cash flow information is as follows:

	Three Months Ended March 31,	
	2024	2023
Supplemental cash flow information		
Interest paid	$ 6.0	$ 5.8
Income taxes paid	$ 0.4	$ 0.8
Non-cash investing activities		
Capital expenditures in accounts payable	$ 0.6	$ 0.8

Note 4 — Segment and Geographic Information

We have determined we have two operating segments which are aggregated into one reportable segment, Ranpak. Our CODM assesses the Company's performance and allocates resources based on the Company's consolidated financial information. The aggregation of the two operating segments is based on the Company's determination that the operating segments have similar economic characteristics, and are similar in all of the following areas: the nature of products and services, the nature of production processes, the type or class of customer for their products or services, and the methods used to distribute their products or provide their services. The operating segments were aggregated for purposes of determining whether segments meet the quantitative threshold for separate reporting.

We attribute revenue and gross profit to individual countries based on the selling location. The following table presents our revenue by geographic location:

	Three Months Ended March 31,	
	2024	2023
Revenue		
North America	$ 31.9	$ 31.1
Europe/Asia	53.4	50.1
Net revenue	**$ 85.3**	**$ 81.2**

The following table presents our long-lived assets by geographic region:

	March 31, 2024	December 31, 2023
North America	$ 87.7	$ 87.5
Europe/Asia	73.9	78.3
Total long-lived assets	**$ 161.6**	**$ 165.8**

Note 5 — Contracts with Customers

Deferred Revenue and Contract Balances — Deferred revenue primarily represents contractual amounts received from customers that exceed revenue recognized for automation equipment sales. Our enforceable contractual obligations have durations of less than one year and are included in current liabilities on the Unaudited Condensed Consolidated Balance Sheets. Contract assets arise as revenue is recognized prior to billing the customer in accordance with the terms of the contract. The following table presents our contract assets and contract liabilities as of the period ended March 31, 2024 and December 31, 2023:

(in millions, except share and per share data)

	March 31, 2024	December 31, 2023
Contract Assets	$ 1.3	$ 1.4
Contract Liabilities	$ 1.6	$ 2.0

The contract liability balance represents deferred revenue related to our automation contracts. Revenue recognized in the three months ended March 31, 2024 that was included in the contract liability balance at the beginning of the period was $1.4 million. Revenue recognized in the three months ended March 31, 2023 that was included in the contract liability balance at the beginning of the period was $0.3 million.

In addition to the disaggregation of revenue between paper, machine lease, and other revenue, we also disaggregate our revenue by segment geography to assist in evaluating the nature, timing, and uncertainty of revenue and cash flows that may be impacted by economic factors:

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
North America	$ 26.2	$ 25.3
Europe/Asia	46.3	43.1
Total paper and other revenue	72.5	68.4
North America	5.7	5.8
Europe/Asia	7.1	7.0
Machine lease revenue	12.8	12.8
Net revenue	**$ 85.3**	**$ 81.2**

North America consists of the United States, Canada and Mexico, among others; Europe/Asia consists of European, Asian (including China), Pacific Rim, South American and African countries, among others. Our customers are not concentrated in any specific geographic region. During the three months ended March 31, 2024 and 2023, no customers exceeded 10% of net revenue.

Note 6 — Goodwill and Intangible Assets, net

Goodwill

The following table shows our goodwill balances by operating segment that are aggregated into one reportable segment:

	North America	Europe	Total
Balance at December 31, 2023	$ 338.8	$ 111.3	$ 450.1
Currency translation	-	(2.5)	(2.5)
Balance at March 31, 2024	**$ 338.8**	**$ 108.8**	**$ 447.6**

Intangible Assets, net

The following tables summarize our identifiable intangible assets, net with definite and indefinite useful lives:

	March 31, 2024 Gross Carrying Amount	March 31, 2024 Accumulated Amortization	March 31, 2024 Net	December 31, 2023 Gross Carrying Amount	December 31, 2023 Accumulated Amortization	December 31, 2023 Net
Customer/distributor relationships	$ 196.4	$ (63.1)	$ 133.3	$ 198.8	$ (60.6)	$ 138.2
Patented/unpatented technology	171.6	(74.9)	96.7	171.7	(70.9)	100.8
Intellectual property	0.5	(0.3)	0.2	0.5	(0.3)	0.2
Total definite-lived intangible assets	368.5	(138.3)	230.2	371.0	(131.8)	239.2
Trademarks/tradenames with indefinite lives	106.2	-	106.2	106.2	-	106.2
Identifiable intangible assets, net	**$ 474.7**	**$ (138.3)**	**$ 336.4**	**$ 477.2**	**$ (131.8)**	**$ 345.4**

(in millions, except share and per share data)

The following table shows the remaining estimated amortization expense for our definite-lived intangible assets at March 31, 2024:

Year	Amount
2024	$ 21.7
2025	28.5
2026	28.1
2027	28.0
2028	28.0
Thereafter	95.9
	$ 230.2

Amortization expense was $7.2 million and $7.2 million in the first quarter of 2024 and 2023, respectively.

The following table shows the remaining weighted-average useful life of our definite lived intangible assets as of March 31, 2024.

	Remaining Weighted-Average Useful Life
Customer/distributor relationships	10
Patented/unpatented technology	7
Intellectual property	7
Total identifiable assets, net with definite lives	**9**

Note 7 — Long-Term Debt

In 2019, the Company entered into a First Lien Credit Agreement (as amended, restated, supplemented or otherwise modified from time to time, the “Credit Agreement”), which consists of senior secured credit facilities of a $378.2 million USD-denominated first lien term facility (the “First Lien Dollar Term Facility”), a €140.0 million ($144.3 million equivalent) euro-denominated first lien term facility (the “First Lien Euro Term Facility” and, together with the First Lien Dollar Term Facility, the “First Lien Term Facility”) and a $45.0 million revolving facility (the “Revolving Facility” and together with the First Lien Term Facility, the “Facilities”). The First Lien Term Facility matures in June 2026 and the Revolving Facility matures in June 2025. Borrowings under the Facilities, at our option, bear interest at either (1) an adjusted eurocurrency rate or the secured overnight financing rate (“SOFR”), or (2) a base rate, in each case plus an applicable margin. The applicable margin is 3.75% with respect to eurocurrency borrowings or SOFR borrowings, as applicable, and 2.75% with respect to base rate borrowings, in each case assuming a first lien net leverage ratio of less than 5.00:1.00, subject to a leverage-based step-up to an applicable margin equal to 4.00% for eurocurrency borrowings and SOFR borrowings, as applicable, and 3.00% with respect to base rate borrowings. The interest rate for the First Lien Dollar Term Facility as of March 31, 2024 and December 31, 2023, was 9.43% and 9.44%, respectively. The interest rate for the First Lien Euro Term Facility as of March 31, 2024 and December 31, 2023, was 7.86% and 7.86%, respectively.

(in millions, except share and per share data)

As of March 31, 2024 and December 31, 2023, no amounts were outstanding under the Revolving Facility. The Revolving Facility includes borrowing capacity available for standby letters of credit of up to $5.0 million. As of March 31, 2024, we had $3.6 million committed to outstanding letters of credit, leaving net availability under the Revolving Facility at $41.4 million.

Long-term debt consisted of the following:

	March 31, 2024	December 31, 2023
First Lien Dollar Term Facility	$ 250.0	$ 250.0
First Lien Dollar Term Facility exit fees payable	2.5	2.5
First Lien Euro Term Facility	144.3	148.8
First Lien Euro Term Facility exit fees payable	1.5	1.5
Finance lease liabilities	2.2	1.9
Equipment financing	2.5	2.7
Deferred financing costs, net	(6.3)	(7.1)
Total debt	$ 396.7	$ 400.3
Less: current portion of long-term debt	(1.6)	(1.6)
Less: current portion of finance lease liabilities	(1.0)	(0.9)
Long-term debt	$ 394.1	$ 397.8

The Credit Agreement contains customary events of default, representations and warranties, and affirmative and negative covenants, including restrictions on certain of the Company's subsidiaries' ability to incur additional debt and liens or undergo certain fundamental changes, as well as certain financial tests and ratios. We were in compliance with all financial covenants as of March 31, 2024. The Credit Agreement also has customary mandatory prepayment provisions, including the requirement for the borrowers under the Credit Agreement to apply excess cash flow to mandatorily prepay term loans under the Credit Agreement.

Fees due upon repayment of the Term Loans and Revolving Loan are as follows (in each case outstanding and effective as of the time of such payment):

- If the repayment occurs after December 31, 2023, but prior to June 30, 2024 (the "Exit Payment Date"), 0.75% of the Initial Revolving Credit Commitments and Outstanding Term Loans outstanding at such time; or
- If the repayment occurs after the Exit Payment Date, 1.00% of the Initial Revolving Credit Commitments and Outstanding Term Loans outstanding at such time.

As the Company expects repayment to occur after the Exit Payment Date, the Company has recorded fees equal to 1.00% of the Facilities, or approximately $5 million. These fees are included within the related balances of debt and deferred financing fees as of March 31, 2024. The Company evaluated the amendments to the Credit Agreement entered into during the second quarter of 2023, and determined that there were no provisions requiring bifurcation and treatment as a derivative, and that the transaction constituted a modification rather than an extinguishment.

Note 8 — Derivative Instruments

We use derivatives as part of the normal business operations to manage our exposure to fluctuations in interest rates associated with variable interest rate debt and fluctuations in foreign currency translation associated with our global business presence.

Interest Rate Swap Agreements

In January 2019, we entered into a business combination contingent interest rate swap in a notional amount of $200.0 million (the "January 2019 Swap") to hedge part of the floating interest rate exposure under the First Lien Dollar Term Facility. The January 2019 Swap economically converts a portion of the variable rate debt to fixed rate debt. In September 2019, we amended the January 2019 Swap to extend its term to mature on June 1, 2023 and lower the rate to 2.31% (the "Amended January 2019 Swap"). We concurrently entered into an incremental $50.0 million notional swap at 1.5%, which matured on June 1, 2023 (the "September 2019 Swap"). We designated both the Amended January 2019 Swap and the September 2019 Swap as cash flow hedges and applied hedge accounting. Interest rate swaps designated as cash flow hedges involve the receipt of variable amounts from a counterparty in exchange for us making fixed-rate payments over the life of the contract agreements without exchange of the underlying notional amount. Changes in fair value are recorded in accumulated other comprehensive income and subsequently reclassified into interest expense in the same period during which the hedged transaction affects earnings.

(in millions, except share and per share data)

In March 2020, the Amended January 2019 Swap was further amended to lower the rate to 2.1% and extend the maturity to June 1, 2024 (the "Second Amended January 2019 Swap"). We designated the Second Amended January 2019 Swap as a cash flow hedge and applied hedge accounting.

A summary of our interest rate swaps is as follows:

Designated as cash flow hedge	Maturity Date	Rate	Notional Value	Debt Instrument Hedged	Percentage of Debt Instrument Outstanding
March 31, 2024					
Second Amended January 2019 Swap	June 1, 2024	2.12%	200.0	First Lien Dollar Term Facility	80%
			$ 200.0		**80%**
December 31, 2023					
Second Amended January 2019 Swap	June 1, 2024	2.12%	200.0	First Lien Dollar Term Facility	80%
			$ 200.0		**80%**

The Second Amended January 2019 Swap contains an insignificant financing element that is amortized over the term of the hedging relationship.

As of March 31, 2024, we anticipate having to reclassify $1.7 million from accumulated other comprehensive income into earnings during the next twelve months to offset the variability of the hedged items during this period.

Cross Currency Swap Agreements

In November 2022, we entered into a fixed-to-fixed cross-currency rate swap contract between the Euro and U.S. dollar to protect the value of our investments in our foreign operations against adverse changes in foreign currency exchange rates and that we designated as a hedge and accounted for as a net investment hedge (the "November 2022 Swap"). At the spot exchange rate of 1.0205, we converted notional amounts of approximately $80.0 million at 5.84% for €78.4 million at 3.95%. The component of the gains and losses on our net investment in these designated foreign operations driven by changes in foreign exchange rates are economically partly offset by movements in the fair value of our cross-currency swap contracts. The fair value of the swaps is calculated each period, with changes in fair value recorded in currency translation in other comprehensive income (loss) and accumulated other comprehensive income (loss). Components of the November 2022 Swap excluded from the assessment of effectiveness are amortized out of accumulated other comprehensive income (loss) and into interest expense over the life of the November 2022 Swap to maturity on June 1, 2024.

The following table summarizes the total fair values of derivative assets and liabilities and the respective classification in the condensed consolidated balance sheets as of March 31, 2024 and December 31, 2023. The net amount of derivatives can be reconciled to the tabular disclosure of fair value in Note 10, *"Fair Value Measurement"*:

		Assets (Liabilities)	
	Balance Sheet Classification	March 31, 2024	December 31, 2023
Interest Rate Swap			
Designated as cash flow hedge	Prepaid expenses and other current assets	$ 1.7	$ 3.2
Cross-Currency Swap			
Designated as net investment hedge	Derivative instruments	$ (4.4)	$ (6.3)

(in millions, except share and per share data)

The following table presents the effect of our derivative financial instruments on our Unaudited Condensed Consolidated Statements of Operations. The income effects of our derivative activities are reflected in interest (income) expense, net.

	Three Months Ended March 31, 2024	2023
Interest rate swap agreements designated as cash flow hedges	$ (2.4)	$ (1.8)
Cross-currency swap agreement designated as net investment hedge, amounts excluded from effectiveness testing	$ 0.4	$ (0.3)

Note 9 — Accumulated Other Comprehensive Income (Loss)

Accumulated other comprehensive income (loss) is a separate line within the Unaudited Condensed Consolidated Statements of Changes in Shareholders' Equity that presents our other comprehensive income (loss) that has not been reported as part of net loss. The components of accumulated other comprehensive income (loss) at March 31, 2024 and December 31, 2023 were as follows:

March 31, 2024	Gross Balance	Tax Effect	Net Balance
Foreign currency translation			
Translation of foreign subsidiaries	$ (7.6)	$ -	$ (7.6)
Realized gain on cross-currency swap	10.0	(2.4)	7.6
Unrealized loss on cross-currency swap	(4.4)	2.0	(2.4)
Total foreign currency translation	(2.0)	(0.4)	(2.4)
Unrealized gain on interest rate swaps	0.8	(1.1)	(0.3)
Total	**$ (1.2)**	**$ (1.5)**	**$ (2.7)**

December 31, 2023	Gross Balance	Tax Effect	Net Balance
Foreign currency translation			
Translation of foreign subsidiaries	$ (3.6)	$ -	$ (3.6)
Realized gain on cross-currency swap	10.0	(2.4)	7.6
Unrealized loss on cross-currency swap	(6.3)	1.6	(4.7)
Total foreign currency translation	0.1	(0.8)	(0.7)
Unrealized gain on interest rate swaps	3.4	(0.6)	2.8
Total	**$ 3.5**	**$ (1.4)**	**$ 2.1**

The following tables present the changes in accumulated other comprehensive income (loss) by component:

Three Months Ended March 31, 2024	Foreign currency translation	Unrealized gain (loss) on interest rate swaps	Total
Beginning balance	$ (0.7)	$ 2.8	**$ 2.1**
Other comprehensive loss before reclassifications	(1.5)	(1.2)	**(2.7)**
Amounts reclassified from accumulated other comprehensive income (loss)	0.4	(2.4)	**(2.0)**
Tax effects	(0.6)	0.5	**(0.1)**
Ending balance	$ (2.4)	$ (0.3)	**$ (2.7)**

Three Months Ended March 31, 2023	Foreign currency translation	Unrealized gain (loss) on interest rate swaps	Total
Beginning balance	$ (3.4)	$ 8.6	**$ 5.2**
Other comprehensive income before reclassifications	2.0	1.6	**3.6**
Amounts reclassified from accumulated other comprehensive income (loss)	0.7	(1.8)	**(1.1)**
Tax effects	(0.2)	(1.5)	**(1.7)**
Ending balance	$ (0.9)	$ 6.9	**$ 6.0**

(in millions, except share and per share data)

Note 10 — Fair Value Measurement

Financial instruments are required to be categorized within a valuation hierarchy based upon the lowest level of input that is significant to the fair value measurement. Assets and liabilities recorded at fair value are measured and classified in accordance with a three-tier fair value hierarchy based on the observability of the inputs available in the market used to measure fair value:

- *Level 1* — Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.
- *Level 2* — Inputs that are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques such as discounted cash flows for which all significant inputs are observable in the market or can be derived from observable market data.
- *Level 3* — Unobservable inputs that are supported by little or no market activities. No financial instruments were measured using unobservable inputs.

The carrying values of cash and cash equivalents (primarily consisting of bank deposits and a money market fund), accounts receivable and accounts payable approximate their fair values due to the short-term nature of these instruments as of March 31, 2024 and December 31, 2023.

The interest rate swaps are valued utilizing an income approach, which discounts future cash flow based upon current market expectations and adjustments for credit risk, each of which are considered Level 2 inputs. The cross-currency swap is valued utilizing forward and spot prices for currencies and SOFR forward curves, as applicable, which are considered Level 2 inputs. We measure equity investments without readily determinable fair values on a nonrecurring basis. The fair values of these investments are determined based upon valuation techniques using the best information available, which may include quoted market prices, and market comparables.

The following table provides the carrying amounts, estimated fair values and the respective fair value measurements of our financial instruments as of March 31, 2024 and December 31, 2023:

		Fair Value Measurements		
	Carrying Amount	Level 1	Level 2	Level 3
March 31, 2024				
Money market fund	$ 16.8	$ 16.8	$ -	$ -
Current and long-term debt	403.0	-	402.5	-
Interest rate swap agreements	1.7	-	1.7	-
Cross-currency swap agreement	4.4	-	4.4	-
December 31, 2023				
Money market fund	$ 17.6	$ 17.6	$ -	$ -
Current and long-term debt	407.4	-	398.2	-
Interest rate swap agreements	3.2	-	3.2	-
Cross-currency swap agreement	6.3	-	6.3	-

Note 11 — Income Taxes

For each interim reporting period, we make an estimate of the effective tax rate we expect to be applicable for the full year for our operations. This estimated effective tax rate is used in providing for income taxes on a year-to-date basis. Our effective tax rate was as follows:

	Three Months Ended March 31,	
	2024	2023
Effective tax rate	15.8%	14.4%

(in millions, except share and per share data)

The fluctuation in the effective tax rate over the periods presented above was primarily attributable to a tax expense of $0.7 million and $1.2 million related to stock-based compensation shortfall recognized for the three months ended March 31, 2024 and 2023, respectively. The effective tax rate is less than the U.S. federal statutory rate due primarily to stock-based compensation adjustments.

Note 12 — Leases

We have operating and finance leases for automobiles, machinery, equipment, warehouses, and office buildings. Our leases have remaining terms ranging from less than one year to 15 years, some of which include options to extend the leases from one to five years, and some of which include options to terminate the leases within one year.

Supplemental balance sheet information related to leases was as follows:

	Classification	March 31, 2024	December 31, 2023
Lease assets			
Operating lease right-of-use assets, net	Assets	$ 23.0	$ 23.7
Finance lease right of use assets, net	Property, plant, and equipment, net	2.1	1.9
Total lease assets		**$ 25.1**	**$ 25.6**
Lease liabilities			
Operating lease liabilities, current	Current liabilities	$ 3.8	$ 3.8
Operating lease liabilities, non-current	Non-current liabilities	23.4	24.7
Finance lease liabilities, current	Current portion of long-term debt	1.0	0.9
Finance lease liabilities, non-current	Long-term debt	1.2	1.0
Total lease liabilities		**$ 29.4**	**$ 30.4**

The components of lease costs included in our Unaudited Condensed Consolidated Statements of Operations were as follows:

	Three Months Ended March 31,	
	2024	2023
Operating leases		
Operating lease costs	$ 1.3	$ 1.0
Variable lease costs	0.2	0.1
Short-term lease costs	0.2	0.2
Total operating lease costs	**$ 1.7**	**$ 1.3**
Finance leases		
Amortization of right-of-use asset	$ 0.6	$ 0.2
Interest on finance lease liabilities	0.1	-
Total finance lease costs	**$ 0.7**	**$ 0.2**

Maturities of lease liabilities as of March 31, 2024 are as follows:

	Operating	Finance	Total
2024	$ 4.7	$ 0.9	$ 5.6
2025	6.1	0.9	7.0
2026	4.4	0.5	4.9
2027	3.0	0.1	3.1
2028	2.9	-	2.9
2029 and Thereafter	22.5	-	22.5
Total lease payments	**43.6**	**2.4**	**46.0**
Less lease interest	(16.3)	(0.2)	(16.6)
Total lease liabilities	**$ 27.3**	**$ 2.2**	**$ 29.4**

Additional information related to leases is presented as follows:

(in millions, except share and per share data)

	March 31, 2024	December 31, 2023
Operating leases		
Weighted average remaining lease term	10.2 years	10.3 years
Weighted average discount rate	9.9%	10.0%
Finance leases		
Weighted average remaining lease term	2.4 years	2.4 years
Weighted average discount rate	7.8%	7.2%

Supplemental cash flow information related to leases is presented as follows:

	Three Months Ended March 31, 2024		Three Months Ended March 31, 2023	
Cash paid for amounts included in the measurement of lease liabilities				
Operating cash flows from operating leases	$	1.7	$	1.0
Financing cash flows from finance leases		0.3		0.2
Total cash paid	**$**	**2.0**	**$**	**1.2**
Leased assets obtained in exchange for new operating lease liabilities	$	0.1	$	18.0
Leased assets obtained in exchange for new finance lease liabilities		0.3		0.1
Right-of-use assets obtained in exchange for lease liabilities	**$**	**0.4**	**$**	**18.1**

Note 13 — Commitments and Contingencies

Litigation

On an ongoing basis, we assess the potential liabilities related to any lawsuits or claims brought against us. While it is typically very difficult to determine the timing and ultimate outcome of these actions, we use our best judgment to determine if it is probable that we will incur an expense related to the settlement or final adjudication of these matters and whether a reasonable estimation of the probable loss, if any, can be made. In assessing probable losses, we make estimates of the amount of insurance recoveries, if any. We accrue a liability when we believe a loss is probable and the amount of loss can be reasonably estimated. Due to the inherent uncertainties related to the eventual outcome of litigation and potential insurance recovery, it is possible that disputed matters may be resolved for amounts materially different from any provisions or disclosures that we have previously made. We expense legal costs as incurred.

We are subject to legal proceedings and claims that arise in the ordinary course of our business. Management evaluates each claim and provides for potential loss when the claim is probable to be paid and reasonably estimable. While adverse decisions in certain of these litigation matters, claims and administrative proceedings could have a material effect on a particular period’s results of operations, subject to the uncertainties inherent in estimating future costs for contingent liabilities, management believes that any future accruals with respect to these currently known contingencies would not have a material effect on the financial condition, liquidity or cash flows of the Company. There are no amounts required to be reflected in these unaudited interim condensed consolidated financial statements related to contingencies for the three months ended March 31, 2024 and 2023.

Environmental Matters

Our operations are subject to extensive and changing U.S. federal, state and local laws and regulations, as well as the laws of other countries that establish health and environmental quality standards. These standards, among others, relate to air and water pollutants and the management and disposal of hazardous substances and wastes. We are exposed to potential liability for personal injury or property damage caused by any release, spill, exposure or other accident involving such pollutants, substances or wastes. There are no amounts required to be reflected in these unaudited interim consolidated financial statements related to environmental contingencies.

Management believes the Company is in compliance, in all material respects, with environmental laws and regulations and maintains insurance coverage to mitigate exposure to environmental liabilities. Management does not believe any environmental matters will have a material adverse effect on the Company’s future consolidated results of operations, financial position or cash flows.

Guarantees

(in millions, except share and per share data)

We issue bank guarantees from time to time for various purposes that arise out of the normal course of business. These amounts are immaterial for all periods presented.

Note 14 — Stock-Based Compensation

We record stock-based compensation at fair value on the date of grant and record the expense for these awards in SG&A expenses in our Unaudited Condensed Consolidated Statements of Operations on a ratable basis over the requisite employee service period. Stock-based compensation expense includes actual forfeitures incurred. For performance-based awards, including performance-based restricted stock units ("PRSUs") and our 2021 LTIP PRSUs, we reassess at each reporting date whether achievement of the performance condition is probable and accrue compensation expense if and when achievement of the performance condition is probable.

The table below summarizes stock-based compensation expense:

	Three Months Ended March 31,	
	2024	2023
Stock-based compensation expense	$ 1.3	$ 2.8
Tax (expense) benefit for stock-based compensation	0.3	0.7
Stock-based compensation expense, net of tax	**$ 1.0**	**$ 2.1**

As of March 31, 2024, the pool of shares in the Ranpak Holdings Corp. 2019 Omnibus Incentive Plan (as amended, restated, supplemented or otherwise modified from time) is summarized as follows:

2019 Plan	Quantity
As of January 1, 2024	5,885,434
Awards granted	(1,586,846)
Awards forfeited	1,040,445
Available for future awards	**5,339,033**

Activity related to our restricted stock units ("RSUs"), PRSUs, and Director Stock Units is as follows:

	RSUs		PRSUs		Director Stock Units	
	Quantity	Weighted Average Grant Date Fair Value	Quantity	Weighted Average Grant Date Fair Value	Quantity	Weighted Average Grant Date Fair Value
Outstanding at beginning of year	948,781	$ 6.17	3,289,213	$ 16.44	216,720	$ 3.23
Granted	963,266	$ 5.40	607,470	$ 4.39	16,110	$ 5.82
Released	(128,488)	$ 7.44	(295,411)	$ 15.37	(16,110)	$ 5.82
Forfeited	(42,977)	$ 6.96	(997,468)	$ 6.91	-	$ -
Outstanding at March 31, 2024	**1,740,582**	**$ 5.64**	**2,603,804**	**$ 17.40**	**216,720**	**$ 3.23**

Note 15 — Earnings (Loss) per Share

Basic earnings (loss) per share ("EPS") is computed by dividing net income (loss) available to common stockholders by the weighted-average number of shares of common stock outstanding during the period, excluding the effects of any potentially dilutive securities. Diluted EPS gives effect to the potential dilution, if any, that could occur if securities or other contracts to issue common stock were exercised or converted into common stock, using the more dilutive of the two-class method or if-converted method. Diluted EPS excludes potential shares of common stock if their effect is anti-dilutive. If there is a net loss in any period, basic and diluted EPS are computed in the same manner.

The two-class method determines net income (loss) per common share for each class of common stock and participating securities according to dividends declared or accumulated and participation rights in undistributed earnings. The two-class method requires income available to common shareholders for the period to be allocated between different classes of common stock and participating securities based upon their respective rights to receive dividends as if all income for the period had been distributed. We apply the two-class method for EPS when computing net income (loss) per Class A and Class C common shares.

(in millions, except share and per share data)

As of March 31, 2024, we have not issued any instruments that are considered to be participating securities. Weighted average shares of Class A and Class C common stock have been combined in the denominator of basic and diluted earnings (loss) per share because they have equivalent economic rights. The following table sets forth the computation of our earnings (loss) per share:

	Three Months Ended March 31,	
	2024	2023
Numerator:		
Net loss	$ (8.1)	$ (12.4)
Net loss attributable to common stockholders for basic and diluted EPS	$ (8.1)	$ (12.4)
Denominator:		
Basic and diluted weighted average common shares outstanding	82,682,308	82,136,793
Two-class method:		
Basic and diluted loss per share	$ (0.10)	$ (0.15)
Class A Common Stock:		
Basic and diluted weighted average common shares outstanding	79,761,209	79,215,694
Proportionate share of net loss	$ (7.8)	$ (12.0)
Basic and diluted loss per share	$ (0.10)	$ (0.15)
Class C Common Stock:		
Basic and diluted weighted average common shares outstanding	2,921,099	2,921,099
Proportionate share of net loss	$ (0.3)	$ (0.4)
Basic and diluted loss per share	$ (0.10)	$ (0.14)

The dilutive effect of $0.9 million and $0.1 million shares in the three months ended March 31, 2024 and 2023, respectively, was omitted from the calculation of diluted weighted-average shares outstanding and diluted earnings per share because we were in a loss position. In addition, $3.5 million and $2.9 million shares issuable subject to RSUs and PRSUs were not included in the computation of diluted shares outstanding for the three months ended March 31, 2024 and 2023, respectively, because the effect would be anti-dilutive or because milestones were not yet achieved for awards contingent on the achievement of performance milestones.

Note 16 — Transactions with Related Parties

In 2019, upon the closing of Ranpak's business combination with One Madison Corporation, Ranpak entered into a shared services agreement (the "Shared Services Agreement") with an entity controlled by our chief executive officer, One Madison Group LLC (the "Sponsor"), pursuant to which the Sponsor may provide, or cause to be provided, certain services to Ranpak. The Shared Services Agreement provides for a broad array of potential services, including administrative and "back office" or corporate-type services and requires Ranpak to indemnify the Sponsor in connection with the services provided by the Sponsor to Ranpak. Total fees under the agreement were not material for the first quarter of 2024 and 2023. Total fees under the agreement amounted to approximately $0.1 million and $0.1 million for the three months ended March 31, 2024 and 2023, respectively.

Note 17 — Shareholders' Equity

On July 26, 2022, the Directors authorized a general share repurchase program of the Company's Class A common stock of up to $50.0 million, with a 36-month expiration. These Class A common stock repurchases may occur in transactions that may include, without limitation, tender offers, open market purchases, accelerated share repurchases, negotiated block purchases, and transactions effected through plans under Rule 10b5-1 of the Securities Exchange Act of 1934. The timing and actual number of shares repurchased will depend on a variety of different factors and may be modified, suspended or terminated at any time at the discretion of the Directors. There have been no repurchases executed to date.

Note 18 — Strategic Investments

As part of our strategy, we continuously evaluate opportunities for strategic investments that align with our mission. We account for these investments in non-public companies under the ASC Topic 321, Investments - Equity Securities, measurement alternative for equity securities without readily determinable fair values, as there are no quoted market prices for these investments. The investments are measured at cost, as adjusted for observable price changes, and are assessed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable.

We hold investments in Pickle Robot Co. (“Pickle”) and Creapaper GmbH (“Creapaper”). Pickle is a robotics-solutions company which has developed robots for sorting, loading and unloading packaged goods. Creapaper uses a patented process to produce grass fiber, a raw material required for producing their grasspaper packaging products. As of December 31, 2023, we held investments in Pickle and Creapaper of $9.4 million and $4.9 million, respectively. During the three months ended March 31, 2024, we invested an additional $0.5 million in Pickle in the form of a convertible note.

The estimated fair value of our strategic investments were calculated using valuation techniques that included both observable and unobservable inputs. These valuation techniques included both Level 2 and Level 3 inputs as defined by ASC Topic 820, Fair Value Measurement.

Note 19 — Subsequent Events

The Company has evaluated subsequent events through May 2, 2024, and has concluded no subsequent events have occurred that require disclosure, except for those referenced below.

Patent Litigation

On April 22, 2024, we entered into a settlement agreement (the “Settlement Agreement”) with a competitor (the “Defendant”) in connection with a patent infringement action we filed against the Defendant regarding a patented feature on some of our machines. Pursuant to the Settlement Agreement, on April 24, 2024, we received a cash payment in the amount of €15 million (approximately $16.1 million USD) and a second cash payment of €5 million (approximately $5.4 million USD) related to the sale of two patents.

Strategic Investments - Pickle Robot Co.

On April 19, 2024, we invested an additional $4.3 million of cash in exchange for preferred shares in Pickle Robot Co. This investment complements our existing automation solutions.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Our forward-looking statements include, but are not limited to, statements regarding our or our management team’s expectations, hopes, beliefs, intentions or strategies regarding the future. Statements that are not historical facts are forward-looking statements. In addition, any statements that refer to estimates, projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. The words “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “forecast,” “intend,” “may,” “might,” “plan,” “possible,” “potential,” “predict,” “project,” “should,” “would” and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements in this Quarterly Report on Form 10-Q include, for example, statements about our expectations around the future performance of the business.

The forward-looking statements contained in this Quarterly Report on Form 10-Q are based on our current expectations and beliefs concerning future developments and their potential effects on us taking into account information currently available to us. There can be no assurance that future developments affecting us will be those that we have anticipated. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond our control) or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks include, but are not limited to:

- our inability to secure a sufficient supply of paper to meet our production requirements;
- the impact of rising prices on production inputs, including labor, energy and freight on our results of operations;
- the impact of the price of kraft paper on our results of operations;
- our reliance on third party suppliers;
- geopolitical conflicts and other social and political unrest or change;
- the high degree of competition and continued consolidation in the markets in which we operate;
- consumer sensitivity to increases in the prices of our products, changes in consumer preferences with respect to paper products generally or customer inventory rebalancing;
- economic, competitive and market conditions generally, including macroeconomic uncertainty, the impact of inflation, and variability in energy, freight, labor and other input costs;
- the loss of certain customers;
- our failure to develop new products that meet our sales or margin expectations or the failure of those products to achieve market acceptance;
- our ability to achieve our environmental, social and governance (“ESG”) goals and maintain the sustainable nature of our product portfolio and fulfill our obligations under evolving ESG standards;
- our ability to fulfill our obligations under new disclosure regimes relating to environmental, social and governance matters, such as the European Sustainability Disclosure Standards recently adopted by the European Union (“EU”) under the EU’s Corporate Sustainability Reporting Directive (“CSRD”);
- our future operating results fluctuating, failing to match performance or to meet expectations;
- our ability to fulfill our public company obligations; and
- other risks and uncertainties indicated from time to time in filings made with the SEC.

Should one or more of these risks or uncertainties materialize, they could cause our actual results to differ materially from the forward-looking statements. We are not undertaking any obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise. You should not take any statement regarding past trends or activities as a representation that the trends or activities will continue in the future. Accordingly, you should not put undue reliance on these statements.

Management’s Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis is intended to help the reader understand our business, financial condition, results of operations, liquidity and capital resources. You should read this discussion in conjunction with the sections entitled “Risk Factors” *and "Forward-Looking Statements," and our financial statements and related notes included in this Quarterly Report on Form 10-Q as well as the section entitled, "Management's Discussion and Analysis of Financial Condition and Results of Operations" of Ranpak included in our 2023 10-K, filed with the SEC on March 14, 2024. Capitalized terms used and not defined herein have the meanings disclosed elsewhere in the Quarterly Report on Form 10-Q.*

The following discussion contains forward-looking statements that reflect future plans, estimates, beliefs and expected performance. The forward-looking statements are dependent upon events, risks and uncertainties that may be outside of the Company's control. The Company's actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those identified below and those discussed in the sections titled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" included elsewhere in this Quarterly Report on Form 10-Q.

Overview

Ranpak is a leading provider of environmentally sustainable, systems-based, product protection and end-of-line automation solutions for e-commerce and industrial supply chains. Since our inception in 1972, we have delivered high quality protective packaging solutions, while maintaining commitment to environmental sustainability. We provide our paper-based Protective Packaging Solutions ("PPS") systems and paper consumables to our distributors and certain select end-users. We operate manufacturing facilities in the United States and Europe. For our Automation product lines, we currently have dedicated facilities in Shelton, Connecticut and the Netherlands. R Squared Robotics, a division of Ranpak, uses three-dimensional computer vision and artificial intelligence technologies to improve end-of-line packaging and logistics functions. We also maintain sales and administrative offices in Brazil, France, the Czech Republic, China, Japan, and Singapore. We are a global business that generated approximately 59% of our 2023 net revenue outside of the United States.

As of March 31, 2024, we had an installed base of approximately 140.8 thousand PPS systems serving a diverse set of distributors and end-users. We generated net revenue of $85.3 million and $81.2 million in the three months ended March 31, 2024 and 2023, respectively.

Key Performance Indicators and Other Factors Affecting Performance

We use the following key performance indicators and monitor the following other factors to analyze our business performance, determine financial forecasts, and help develop long-term strategic plans.

PPS Systems Base — We closely track the number of PPS systems installed with end-users as it is a leading indicator of underlying business trends and near-term and ongoing net sales expectations. Our installed base of PPS systems also drives our capital expenditure budgets. The following table presents our installed base of PPS systems by product line as of March 31, 2024 and 2023:

PPS Systems	March 31, 2024	March 31, 2023 (in thousands)	Change	% Change
Cushioning machines	34.7	35.0	(0.3)	(0.9)
Void-Fill machines	83.4	82.3	1.1	1.3
Wrapping machines	22.7	22.3	0.4	1.8
Total	**140.8**	**139.6**	**1.2**	**0.9**

Paper and Other Costs. Paper is a key component of our cost of goods sold and paper costs can fluctuate significantly between periods. We purchase both 100% virgin and 100% recycled paper, as well as blends, from various suppliers for conversion into the paper consumables we sell. The cost of paper supplies is our largest input cost, and we historically have negotiated supply and pricing arrangements with most of our paper suppliers annually, with a view towards mitigating fluctuations in paper cost. Nevertheless, as paper is a commodity, its price on the open market, and in turn the prices we negotiate with suppliers at a given point in time, can fluctuate significantly, and is affected by several factors outside of our control, including inflationary pressures, supply and demand and the cost of other commodities that are used in the manufacture of paper, including wood, energy, and chemicals. The market for our solutions is competitive and it may be difficult to pass on increases in paper prices to our customers immediately, or at all, which has in the past, and could in the future, adversely affect our operating results. Although we look to pass increased market costs on to our customers to mitigate the impact of these costs, we are unable to predict our ability to pass these costs on to our customers and how much of these increases we will be able to pass on to our customers. As such, we expect some continued pressure on our gross margin in the medium term relative to our historical margin profile.

Effect of Currency Fluctuations. As a result of the geographic diversity of our operations, we are exposed to the effects of currency translation, which has affected the comparability of our results of operations between the periods presented in this report and may affect the comparability of our results of operations in future periods. Currency transaction exposure results when we generate net revenue in one currency at one time and incur expenses in another currency at another time, or when we realize gain or loss on intercompany transfers. While we seek to limit currency transaction exposure by matching the currencies in which we incur sales and expenses, we may not always be able to do so.

In addition, we are subject to currency translation exposure because the operations of our subsidiaries are measured in their functional currency, which is the currency of the primary economic environment in which the subsidiary operates. Any currency balances that are denominated in currencies other than the functional currency of the subsidiary are re-measured into the functional currency, with the resulting gain or loss recorded in the foreign currency (gains) losses line-item in our Unaudited Condensed Consolidated Statements of Operations. In turn, subsidiary income statement balances that are denominated in currencies other than USD are translated into USD, our reporting currency, in consolidation using the average exchange rate in effect during each fiscal month during the period, with any related gain or loss recorded as foreign currency translation adjustments in other comprehensive income (loss). The assets and liabilities of subsidiaries that use functional currencies other than the USD are translated into USD in consolidation using period end exchange rates, with the effects of foreign currency translation adjustments included in accumulated other comprehensive income (loss).

We hedge some of our exposure to foreign currency translation with a cross-currency swap. Refer to Note 8 - Derivative Instruments to the Unaudited Condensed Consolidated Financial Statements included elsewhere in this Quarterly Report on Form 10-Q for additional information. Significant currency fluctuations could impact the comparability of results between periods, while such fluctuations coupled with material mismatches in net revenue and expenses could also adversely impact our cash flows. See "*Qualitative and Quantitative Disclosures About Market Risk.*"

Inflationary Pressures and Other Costs**.** We have continued to experience inflationary pressures in 2024, which have adversely impacted some of our end-users, such as automotive companies; distributors; electronic manufacturers; machinery manufacturers; home goods manufacturers; e-commerce and mail order fulfillment firms; and other end-users that are particularly sensitive to reductions in business and consumer spending by their respective customers, and which in turn have impacted our net revenue. Higher costs due to inflation were partially offset by price increases, which mitigated the impact on our operating results. However, our ability to predict or further offset inflationary cost increases in the future or during economic downturns or recessions may be limited or impacted by heightened competition for net revenue, an unwillingness by our customers to accept price increase or pressure to reduce selling prices if end-users reduce their volume of purchases. Inflationary pressures and associated increases in interest rates and borrowing costs may also impact the ability of some of our end-users and suppliers to obtain funds for operations and capital expenditures, which could negatively impact our ability to obtain necessary supplies as well as the sales of materials and equipment to affected end-users. This could also result in reduced or delayed collections of outstanding accounts receivable from end-users, which could impact our cash flows. As a result, to the extent inflationary pressures continue, we expect additional pressure on our net revenue and gross margin. We will continue to evaluate the impact of inflationary pressures on our profitability and cash flows as well as our end-users.

Seasonality. Approximately 30% of our net revenue in 2023, either directly or to distributors, was destined for end-users in the e-commerce sectors, whose businesses frequently follow traditional retail seasonal trends, including a concentration of sales in the holiday period in the fourth quarter. Our results tend to follow similar patterns, with the highest net revenue typically recorded in our fourth fiscal quarter and the slowest sales in our first fiscal quarter of each fiscal year. We expect this seasonality to continue in the future and, as a result, our results of operations between fiscal quarters in a given year may not be directly comparable.

Results of Operations

Our condensed consolidated financial statements are prepared in accordance with GAAP. We have, however, also presented below Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA") and adjusted EBITDA ("AEBITDA"), which are non-GAAP financial measures. We have included EBITDA and AEBITDA because they are key measures used by our management and Board of Directors to understand and evaluate our operating performance and trends, to prepare and approve our annual budget and to develop short- and long-term operational plans. In particular, the exclusion of certain expenses in calculating EBITDA and AEBITDA can provide a useful measure for period-to-period comparisons of our primary business operations. Adjusting AEBITDA for comparability for constant currency also assists in this comparison as it allows a better insight into the performance of our businesses that operate in currencies other than our reporting currency. Before consolidation, our Europe/Asia financial data is derived in Euros. To calculate the adjustment that we apply to present AEBITDA on a constant currency basis, we multiply this Euro-derived data by 1.15 to reflect an exchange rate of 1 Euro to 1.15 USD, which we believe is a reasonable exchange rate to use to give a stable depiction of the business without currency fluctuations between periods, to calculate Europe/Asia data in constant currency USD. An exchange rate of 1.15 approximates the average exchange rate of the Euro to USD over the past five years. We also present non-GAAP constant currency net revenue and derive it in the same manner. We believe that EBITDA and AEBITDA provide useful information to investors and others in understanding and evaluating the Company’s operating results in the same manner as our management and Board of Directors.

However, EBITDA and AEBITDA have limitations as analytical tools, and you should not consider them in isolation or as substitutes for analysis of our results as reported under GAAP. In particular, EBITDA and AEBITDA should not be viewed as substitutes for, or superior to, net income (loss) prepared in accordance with GAAP as a measure of profitability or liquidity. Some of these limitations are:

- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future, and EBITDA and AEBITDA do not reflect all cash capital expenditure requirements for such replacements or for new capital expenditure requirements;
- EBITDA and AEBITDA do not reflect changes in, or cash requirements for, our working capital needs;
- AEBITDA does not consider the potentially dilutive impact of equity-based compensation;
- EBITDA and AEBITDA do not reflect the impact of the recording or release of valuation allowances or tax payments that may represent a reduction in cash available to us;
- AEBITDA does not take into account any restructuring and integration costs;
- AEBITDA is presented on a constant currency basis and gives effect to the impact of currency fluctuations
- while EBITDA for all periods herein has been reported without giving effect to constant currency adjustments, we have previously presented EBITDA on a constant currency basis, which reduces its usefulness as a comparative measure to certain of our historical results that are not presented in this report; and
- other companies, including companies in our industry, may calculate EBITDA and AEBITDA differently, which reduces their usefulness as comparative measures.

EBITDA — EBITDA is a non-GAAP financial measure that we calculate as net income (loss), adjusted to exclude: benefit from (provision for) income taxes; interest expense; and depreciation and amortization.

AEBITDA — AEBITDA is a non-GAAP financial measure that we present on a constant currency basis and calculate as net income (loss), adjusted to exclude: benefit from (provision for) income taxes; interest expense; depreciation and amortization; stock-based compensation expense; and, in certain periods, certain other income and expense items; as further adjusted to reflect the performance of the business on a constant currency basis.

In addition, in our discussion below, we include certain other unaudited, non-GAAP constant currency data for the three months ended March 31, 2024 and 2023. This data is based on our historical financial statements included elsewhere in this Quarterly Report on Form 10-Q, adjusted (where applicable) to reflect a constant currency presentation between periods for the convenience of readers. We reconcile this data to our GAAP data for the same period under “*Presentation and Reconciliation of GAAP to Non-GAAP Measures*” for the three months ended March 31, 2024 and 2023.

The following tables set forth our results of operations for the three months ended March 31, 2024 and 2023 with line items presented in millions of dollars.

Comparison of First Quarter of 2024 to First Quarter of 2023

	Three Months Ended March 31, 2024	2023	$ Change	% Change
Net revenue	$ 85.3	$ 81.2	$ 4.1	5.0
Cost of goods sold	53.0	53.7	(0.7)	(1.3)
Gross profit	**32.3**	**27.5**	**4.8**	**17.5**
Selling, general and administrative expenses	27.9	27.2	0.7	2.6
Depreciation and amortization expense	8.4	8.0	0.4	5.0
Other operating expense, net	0.8	1.2	(0.4)	(33.3)
Loss from operations	**(4.8)**	**(8.9)**	**4.1**	**(46.1)**
Interest expense	6.2	5.7	0.5	8.8
Foreign currency (gain) loss	(1.4)	0.2	(1.6)	(800.0)
Other non-operating income, net	-	(0.3)	0.3	(100.0)
Loss before income tax benefit	**(9.6)**	**(14.5)**	**4.9**	**(33.8)**
Income tax benefit	(1.5)	(2.1)	0.6	(28.6)
Net loss	**$ (8.1)**	**$ (12.4)**	**$ 4.3**	**(34.7)**
Non-GAAP				
EBITDA	$ 15.4	$ 7.5	$ 7.9	105.3
AEBITDA (Constant Currency)	$ 20.2	$ 15.1	$ 5.1	33.8

Net Revenue

The following tables and the discussion that follows compare our net revenue by geographic region and by product line for the first quarter of 2024 and 2023 on a GAAP basis and on a non-GAAP constant currency basis as described above and in the discussion below. See also "*Presentation and Reconciliation of GAAP to Non-GAAP Measures*" for further detail:

	Three Months Ended March 31, 2024	2023	$ Change	% Change
North America	$ 31.9	$ 31.1	$ 0.8	2.6
Europe/Asia	53.4	50.1	3.3	6.6
Net revenue	**$ 85.3**	**$ 81.2**	**$ 4.1**	**5.0**
Cushioning machines	$ 37.3	$ 37.6	$ (0.3)	(0.8)
Void-Fill machines	33.1	30.2	2.9	9.6
Wrapping machines	8.6	9.3	(0.7)	(7.5)
Other	6.3	4.1	2.2	53.7
Net revenue	**$ 85.3**	**$ 81.2**	**$ 4.1**	**$ 5.0**

	Non-GAAP Constant Currency Three Months Ended March 31, 2024	2023	$ Change	% Change
North America	$ 31.9	$ 31.1	$ 0.8	2.6
Europe/Asia	56.6	53.7	2.9	5.4
Net revenue	**$ 88.5**	**$ 84.8**	**$ 3.7**	**4.4**
Cushioning machines	$ 38.8	$ 39.5	$ (0.7)	(1.8)
Void-Fill machines	34.1	31.3	2.8	8.9
Wrapping machines	8.9	9.6	(0.7)	(7.3)
Other	6.7	4.4	2.3	52.3
Net revenue	**$ 88.5**	**$ 84.8**	**$ 3.7**	**4.4**

Net revenue for the first quarter of 2024 was $85.3 million compared to $81.2 million in the first quarter of 2023, an increase of $4.1 million or 5.0% year over year. Net revenue was positively impacted by increases in void-fill and other products, as well as a currency benefit of 0.7%, partially offset by decreases in cushioning and wrapping. Cushioning decreased $0.3 million, or 0.8%, to $37.3 million from $37.6 million; void-fill increased $2.9 million, or 9.6%, to $33.1 million from $30.2 million; wrapping decreased $0.7 million, or 7.5%, to $8.6 million from $9.3 million; and other sales increased $2.2 million, or 53.7%, to $6.3 million from $4.1 million for the first quarter of 2024 compared to the first quarter of 2023. Other net revenue includes automated box sizing equipment and non-paper revenue from packaging systems installed in the field, such as systems accessories. The increase in net revenue is quantified by an increase in the volume of sales of our paper consumable products of approximately 5.3% and an increase of 2.7% in sales of automated box sizing equipment, partially offset by a 3.6% decrease in the price or mix of our paper consumable products. Constant currency net revenue was $88.5 million for the first quarter of 2024, a 4.4% increase from $84.8 million for the first quarter of 2023.

Net revenue in North America for the first quarter of 2024 totaled $31.9 million compared to $31.1 million in the first quarter of 2023. The increase of $0.8 million, or 2.6%, was primarily attributable to increases in void-fill and other sales, partially offset by decreases in cushioning and wrapping.

Net revenue in Europe/Asia for the first quarter of 2024 totaled $53.4 million compared to $50.1 million in the first quarter of 2023. The increase of $3.3 million, or 6.6%, was driven by increases from void-fill, wrapping and other sales, partially offset by a decrease in cushioning. Constant currency net revenue in Europe/Asia was $56.6 million for the first quarter of 2024, a $2.9 million, or 5.4%, increase from $53.7 million for the first quarter of 2023.

Cost of Goods Sold

Cost of goods sold for the first quarter of 2024 totaled $53.0 million, a decrease of $0.7 million, or 1.3%, compared to $53.7 million in the first quarter of 2023. The change was primarily due to lower input costs, offset by higher PPS volumes and currency headwinds of approximately 0.7% of the percentage increase over the prior year.

Selling, General and Administrative Expenses (“SG&A”)

SG&A for the first quarter of 2024 was $27.9 million, an increase of $0.7 million, or 2.6%, from $27.2 million in the first quarter of 2023. The increase in SG&A was primarily attributable to increased employee compensation costs of $2.2 million, increased temporary labor costs of $0.7 million, increased bad debt expense of $0.7 million, increased third-party professional fees of $0.5 million, and $0.2 million from increased currency rate fluctuations compared to the first quarter of 2023. The increased costs were partially offset by a decrease in share-based compensation expense of $1.5 million. Increased costs from currency rate fluctuations contributed 0.7% of the percentage change over the prior year.

Depreciation and Amortization

Depreciation and amortization expense for the first quarter of 2024 was $8.4 million, an increase of $0.4 million, or 5.0%, from $8.0 million in the first quarter of 2023 primarily due to a $0.2 million increase in depreciation from leasehold improvements and a $0.2 million increase in finance lease amortization expense.

Other Operating Expense, Net

Other operating expense, net for the first quarter of 2024 was $0.8 million, a decrease of $0.4 million from $1.2 million in the first quarter of 2023. The decrease was primarily due to lower research and development costs in the current quarter compared to the same period in the prior year.

Interest Expense

Interest expense for the first quarter of 2024 was $6.2 million, an increase of $0.5 million, or 8.8%, from $5.7 million in the first quarter of 2023. The change was primarily due to increases in interest rates associated with our First Lien Credit Facilities compared to the first quarter of 2023 which resulted in additional interest expense of $1.5 million. We also incurred an additional $0.3 million of amortization related to deferred financing costs, partially offset by increased interest income from our cross-currency swap of $0.9 million and an increase of $0.5 million of interest income from our $200 million interest rate swap.

Foreign Currency (Gain) Loss

Foreign currency gain for the first quarter of 2024 was $1.4 million, a change of $1.6 million, from foreign currency loss of $0.2 million in the first quarter of 2023 due to the volatility in Euro exchange rates compared to USD.

Income Tax Benefit

Income tax benefit for the first quarter of 2024 was $1.5 million, or an effective tax rate of 15.8%. Income tax benefit was $2.1 million in the first quarter of 2023, or an effective tax rate of 14.4%. The fluctuation in the effective tax rate between periods was primarily attributable to a tax expense of $0.7 million related to stock-based compensation shortfall. The effective tax rate is less than the U.S. federal statutory rate due primarily to stock-based compensation adjustments, which is partially offset by the U.S. tax credits available in the U.S., and income in foreign jurisdictions that are taxed at different rates than the U.S. statutory tax rate.

Net Loss

Net loss for the first quarter of 2024 decreased $4.3 million to $8.1 million from a net loss of $12.4 million in the first quarter of 2023. The change was due to the reasons discussed above.

EBITDA and AEBITDA

EBITDA for the first quarter of 2024 was $15.4 million, an increase of $7.9 million, or 105.3%, compared to $7.5 million in the first quarter of 2023. AEBITDA for the first quarter of 2024 and 2023 totaled $20.2 million and $15.1 million, respectively, an increase of $5.1 million, or 33.8%.

Presentation and Reconciliation of GAAP to Non-GAAP Measures

As noted above, we believe that in order to better understand the performance of the Company, providing non-GAAP financial measures to users of our financial information is helpful. We believe presentation of these non-GAAP measures is useful because they are many of the key measures that allow management to evaluate more effectively our operating performance and compare the results of our operations from period to period and against peers without regard to financing methods or capital structure. Management does not consider these non-GAAP measures in isolation or as an alternative to similar financial measures determined in accordance with GAAP. The computations of EBITDA and AEBITDA may not be comparable to other similarly titled measures of other companies. These non-GAAP financial measures should not be considered as alternatives to, or more meaningful than, measures of financial performance as determined in accordance with GAAP or as indicators of operating performance.

The following tables and related notes reconcile certain non-GAAP measures, including the non-GAAP constant currency measures, to GAAP information presented in this Quarterly Report on Form 10-Q for the three months ended March 31, 2024 and 2023:

	Non-GAAP Measures			
	Three Months Ended March 31,			
	2024	2023	$ Change	% Change
Net revenue	$ 85.3	$ 81.2	$ 4.1	5.0
Cost of goods sold	53.0	53.7	(0.7)	(1.3)
Gross profit	**32.3**	**27.5**	**4.8**	**17.5**
Selling, general and administrative expenses	27.9	27.2	0.7	2.6
Depreciation and amortization expense	8.4	8.0	0.4	5.0
Other operating expense, net	0.8	1.2	(0.4)	(33.3)
Loss from operations	**(4.8)**	**(8.9)**	**4.1**	**(46.1)**
Interest expense	6.2	5.7	0.5	8.8
Foreign currency (gain) loss	(1.4)	0.2	(1.6)	(800.0)
Other non-operating income, net	-	(0.3)	0.3	(100.0)
Loss before income tax benefit	**(9.6)**	**(14.5)**	**4.9**	**(33.8)**
Income tax benefit	(1.5)	(2.1)	0.6	(28.6)
Net loss	**(8.1)**	**(12.4)**	**4.3**	**(34.7)**
Depreciation and amortization expense – COS	10.4	8.3	2.1	25.3
Depreciation and amortization expense – D&A	8.4	8.0	0.4	5.0
Interest expense	6.2	5.7	0.5	8.8
Income tax benefit	(1.5)	(2.1)	0.6	(28.6)
EBITDA(1)	**15.4**	**7.5**	**7.9**	**105.3**
Adjustments(2):				
Unrealized (gain) loss translation	(1.4)	0.2	(1.6)	(800.0)
Non-cash impairment losses	0.4	0.4	-	-
M&A, restructuring, severance	0.9	0.2	0.7	350.0
Share-based compensation expense	1.3	2.8	(1.5)	(53.6)
Amortization of cloud-based software implementation costs(3)	0.9	0.7	0.2	28.6
Cloud-based software implementation costs	0.5	1.2	(0.7)	(58.3)
SOX remediation costs	0.8	-	0.8	-
Other adjustments	0.4	1.3	(0.9)	(69.2)
Constant currency	1.0	0.8	0.2	25.0
Constant Currency AEBITDA(1)	**$ 20.2**	**$ 15.1**	**$ 5.1**	**33.8**

(1) Reconciliations of EBITDA and AEBITDA for each period presented are to net (loss) income, the nearest GAAP equivalent.

(2) Adjustments are related to non-cash unusual or infrequent costs such as: effects of non-cash foreign currency remeasurement or adjustment; impairment of returned machines; costs associated with the evaluation of acquisitions; costs associated with executive severance; costs associated with restructuring actions such as plant rationalization or realignment, reorganization, and reductions in force; costs associated with the implementation of the global ERP system; and other items deemed by management to be unusual, infrequent, or non-recurring.

(3) Represents amortization of capitalized costs related to the implementation of the global ERP system, which are included in SG&A.

Liquidity and Capital Resources

We evaluate liquidity in terms of cash flows from operations and other sources and the sufficiency of such cash flows to fund our operating, investing and financing activities. We believe that our cash and cash equivalents of $55.1 million as of March 31, 2024, together with borrowing capacity under the revolving portion of our senior secured credit facilities, will provide us with sufficient resources to cover our current requirements.

Our main liquidity needs relate to capital expenditures and expenses for the production and maintenance of PPS systems placed at end-user facilities, working capital, including the purchase of paper raw materials, and payments of principal and interest on our outstanding debt. We expect our capital expenditures to increase as we continue to grow our business, expand our manufacturing footprint, and upgrade our existing systems and facilities. We continue to evaluate our inventory requirements and adjust according to our volume forecasts. Our future capital requirements and the adequacy of available funds will depend on many factors, and if we are unable to obtain needed additional funds, we may have to reduce our operating costs or incur additional debt, which could impair our growth prospects and/or otherwise negatively impact our business. Further, volatility in the equity and credit markets from macroeconomic factors could make obtaining new equity or debt financing more difficult or expensive.

We had $55.1 million in cash and cash equivalents as of March 31, 2024 and $62.0 million as of December 31, 2023. Including finance lease liabilities and excluding deferred financing costs, we had $403.0 million in debt, $2.6 million of which was classified as short-term, as of March 31, 2024, compared to $407.4 million in debt, $2.5 million of which was classified as short-term, as of December 31, 2023. At March 31, 2024, we did not have amounts outstanding under our $45.0 million revolving credit facility, and we had no borrowings under such facility through May 2, 2024. The Revolving Facility includes borrowing capacity available for standby letters of credit of up to $5.0 million. Any issuance of letters of credit will reduce the amount available under the Revolving Facility. As of March 31, 2024, we had $3.6 million committed to outstanding letters of credit, leaving net availability under the Revolving Facility at $41.4 million.

The material terms of the Facilities are summarized in Note 7, "*Long-Term Debt"* to the unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q and Note 11, "*Long-Term Debt*" to the consolidated financial statements included in our 2023 10-K. The First Lien Term Facility matures in 2026 and the Revolving Facility matures in 2025. Borrowings under the Facilities, at our option, bear interest at either (1) an adjusted eurocurrency rate or the secured-overnight financing rate ("SOFR"), or (2) a base rate, in each case plus an applicable margin. The applicable margin is 3.75% with respect to eurocurrency borrowings or SOFR borrowings, as applicable, and 2.75% with respect to base rate borrowings, in each case assuming a first lien net leverage ratio of less than 5.00:1.00, subject to a leverage-based step-up to an applicable margin equal to 4.00% for eurocurrency borrowings and SOFR borrowings, as applicable, and 3.00% with respect to base rate borrowings. The interest rate for the First Lien Dollar Term Facility as of March 31, 2024 and December 31, 2023, was 9.43% and 9.44%, respectively. The interest rate for the First Lien Euro Term Facility as of March 31, 2024 and December 31, 2023, was 7.86% and 7.86%, respectively. Global interest rates increased meaningfully in 2023 and we expect interest on our Facilities to increase.

The Facilities provide us with the option to increase commitments under the Facilities in an aggregate amount not to exceed the greater of $95.0 million and 100% of Consolidated Adjusted EBITDA (as defined in the definitive documentation with respect to the Facilities) for the four consecutive fiscal quarters most recently ended, plus any voluntary prepayments of the First Lien Term Facility (and, in the case of the Revolving Facility, to the extent such voluntary prepayments are accompanied by permanent commitment reductions under the Revolving Facility), plus unlimited amounts subject to the relevant net leverage ratio tests and certain other conditions.

Share Repurchase Program

On July 26, 2022, the Directors authorized a general share repurchase program of our Class A common stock of up to $50.0 million, with a 36-month expiration. These Class A common stock repurchases may occur in transactions that may include, without limitation, tender offers, open market purchases, accelerated share repurchases, negotiated block purchases, and transactions effected through plans under Rule 10b5-1 of the Securities Exchange Act of 1934. The timing and actual amount of shares repurchased will depend on a variety of different factors and may be modified, suspended or terminated at any time at the discretion of the Directors. There have been no repurchases executed to date.

Cash Flows

The following table sets forth our summary cash flow information for the periods indicated:

	Three Months Ended March 31,	
	2024	**2023**
Net cash provided by operating activities	$ 5.2	$ 7.5
Net cash used in investing activities	(10.3)	(11.8)
Net cash used in financing activities	(1.3)	(0.3)
Effect of exchange rate changes on cash and cash equivalents	(0.5)	0.4
Net decrease in cash and cash equivalents	**(6.9)**	**(4.2)**
Cash and Cash Equivalents, beginning of period	62.0	62.8
Cash and Cash Equivalents, end of period	**$ 55.1**	**$ 58.6**

Cash Flows Provided by Operating Activities

Net cash provided by operating activities was $5.2 million in the three months ended March 31, 2024. Cash provided by operating activities was $7.5 million in the three months ended March 31, 2023. The changes in operating cash flows are largely due to the decreased net loss for the current period compared with prior year and changes in working capital adjustments.

Cash Flows Used in Investing Activities

Net cash used in investing activities was $10.3 million in the three months ended March 31, 2024 and reflects cash used for production of converter equipment and purchases of machinery and equipment, and an additional investment in Pickle. Cash used in investing activities was $11.8 million in the three months ended March 31, 2023 and reflects cash used for production of converter equipment and leasehold improvements for our facilities in Connecticut and The Netherlands.

Cash Flows Used in Financing Activities

Net cash used in financing activities was $1.3 million in the three months ended March 31, 2024 and reflects debt repayments, payments on finance lease liabilities, tax payments for withholdings on stock compensation and payments on our equipment financing arrangement. Net cash used in financing activities was $0.3 million in the three months ended March 31, 2023 and reflects debt repayments, payments on finance lease liabilities, and tax payments for withholdings on stock compensation, partially offset by proceeds received from an equipment financing arrangement.

Contractual Obligations and Other Commitments

We lease production and administrative facilities as well as automobiles, machinery and equipment. We have various contractual obligations and commercial commitments that are recorded as liabilities in our condensed consolidated financial statements. Other items, such as purchase obligations and other executory contracts, are not recognized as liabilities, but are required to be disclosed. There have been no significant changes outside the ordinary course of business to our "*Contractual Obligations*" table in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" of the 2023 10-K.

Off-Balance Sheet Arrangements

We did not have any off-balance sheet arrangements as of March 31, 2024.

Critical Accounting Policies

Our unaudited condensed consolidated financial statements have been prepared in conformity with GAAP, which requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of our financial statements and the reported amounts of revenues and expenses during the reporting period. While we do not believe that the reported amounts would be materially different, application of these policies involves the exercise of judgment and the use of assumptions as to future uncertainties and, as a result, actual results could differ from these estimates. We evaluate our estimates and judgments on an ongoing basis. We base our estimates on experience and various other assumptions that we believe are reasonable under the circumstances. All of our significant accounting policies, including certain critical accounting policies and estimates, are disclosed in our 2023 10-K.

Impairment of Goodwill, Indefinite-Lived Intangible Assets, and Long-Lived Assets

We periodically review goodwill and indefinite-lived intangible assets for possible impairment whenever there is evidence that events or changes in circumstances indicate that the carrying value of our goodwill reporting units or identifiable indefinite-lived intangible assets may be less than their fair values. Additionally, we review our long-lived asset groups whenever there is evidence that events or changes in circumstances indicate the carrying value of our asset groups may not be recoverable. If events or circumstances exist, including a continuation of current market conditions, that indicate that the carrying value of our goodwill reporting units or identifiable indefinite-lived intangible assets may be less than their fair values, or the carrying amount of our long lived-asset groups may no longer be recoverable, we may recognize a non-cash impairment of goodwill, identifiable indefinite-lived intangible assets, or long-lived asset groups, which could have a material adverse effect on our consolidated financial condition or results of operations in future periods. For additional information on our accounting principles with respect to goodwill, identifiable indefinite-lived intangible assets, and long-lived assets, please see "*Management Discussion & Analysis – Critical Accounting Policies*" in our 2023 10-K.

As of March 31, 2024, there were no indicators to suggest that it is more likely than not that the fair value of our reporting units and indefinite-lived intangible assets were below their carrying values. As of March 31, 2024, there were no indicators of impairment present for long-lived assets that required us to test for recoverability.

If we fail an impairment test, any non-cash impairment charge may have an adverse effect on our results of operations and financial condition. We will continue to monitor events and circumstances for indicators of impairment in our reporting units, indefinite-lived intangible assets, and asset groups.

Recently Issued and Adopted Accounting Pronouncements

For recently issued and adopted accounting pronouncements, see Note 2, “*Basis of Presentation and Summary of Significant Accounting Policies”* to the unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk

Changes in interest rates affect the amount of interest income we earn on cash, cash equivalents and short-term investments and the amount of interest expense we pay on borrowings under the floating rate portions of our Facilities. A hypothetical 100 basis point increase or decrease in the applicable base interest rates under our Facilities would have resulted in a $1.0 million impact on our cash interest expense for the three months ended March 31, 2024. We use interest rate swap agreements to manage this exposure.

Refer to Note 7, “*Long-Term Debt”* and Note 8, “*Derivative Instruments”* to the condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for additional information.

Foreign Currency Exchange Rate Risk

We are exposed to foreign currency exchange risk related to our transactions and subsidiaries’ balances that are denominated in currencies other than USD, our reporting currency. See “*Effect of Currency Fluctuations*” in Item 2 previously for more information about our foreign currency exchange rate exposure. We seek to naturally hedge our foreign exchange transaction exposure by matching the transaction currencies for our cash inflows and outflows and maintaining access to credit in the principal currencies in which we conduct business. Additionally, we hedge some of our exposure to foreign currency translation with a cross-currency swap. Refer to Note 8, “*Derivative Instruments”* to the condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for additional information.

For the three months ended March 31, 2024, net revenue denominated in currencies other than USD amounted to $53.4 million or 62.6% of our net revenue for the period. Substantially all of this amount was denominated in Euro. A 10% increase or decrease in the value of the Euro to the USD would have caused our reported net revenue for the three months ended March 31, 2024 to increase or decrease by approximately $5.3 million.

Commodity Price Risk

While our business is significantly impacted by price fluctuations related to the purchase, production and sale of paper products, we are typically not directly exposed to market price fluctuations in paper purchase or sale prices as we historically have negotiated prices with suppliers on an annual basis and negotiate prices with distributors reflecting competitive market terms. Our strategy has generally been to obtain competitive prices for our products and services and allow operating results to reflect market price movements dictated by supply and demand. However, due to global inflation and other macroeconomic factors, including the conflict in Ukraine, we may be subject to significantly more commodity price volatility than we have historically experienced.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to provide reasonable assurance that material information required to be disclosed in our reports that we file or submit under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), as appropriate, to allow timely decisions regarding required financial disclosure. In designing and evaluating the disclosure controls and procedures, management recognized that a control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected.

As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of our management, including our CEO and CFO, of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Rule 13a-15 of the Exchange Act. Based upon that evaluation, our CEO and CFO concluded that our disclosure controls and procedures were not effective, due to the material weaknesses in internal control over financial reporting that are described in the 2023 10-K.

Notwithstanding such material weaknesses in internal control over financial reporting, our management, including our CEO and CFO, has concluded that our consolidated financial statements present fairly, in all material respects, our financial position, results of our operations and our cash flows for the periods presented in this Quarterly Report, in conformity with U.S. generally accepted accounting principles.

Remediation Plans

As previously described in *Part II – Item 9A – Controls and Procedures* of the 202310-K, we continue to implement a remediation plan to address the material weaknesses mentioned above. The weaknesses will not be considered remediated until the applicable controls operate for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively.

The Company expects that we will have remediated certain material weaknesses as described in the 2023 10-K by the end of the calendar year 2024. However, we may not be able to demonstrate through testing that these controls have been operating effectively for a sufficient period of time to achieve remediation. Progress has been made against Management's plan to remediate these material weaknesses, but for Management to consider a material weakness remediated the related controls are required to function as anticipated for a minimum period. As the Company is executing its remediation plan in 2024, changes to the timing of remediation activities and delays may be experienced that could delay when the material weakness is considered remediated. Controls may be functioning as expected by the end of 2024 but may not function in their final state for a minimum period in 2024. As part of its remediation plan, Management will put mitigating controls in place to minimize risk associated with any unresolved material weaknesses.

Changes in Internal Control Over Financial Reporting

In response to the material weaknesses described in the 2023 10-K, the Company reviewed the design of its controls and began remediation activities to alleviate the noted control deficiencies. Other than these items, there was no change in the Company's internal control over financial reporting that occurred during the quarter ended March 31, 2024, that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

None.

Item 1A. Risk Factors

Information about our risk factors is contained in Item 1A of the 2023 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit No.	Description
3.1	Certificate of Incorporation of the Company (incorporated by reference to the corresponding exhibit to the Company's Current Report on Form 8-K (File No. 001-38348), filed with the SEC on June 6, 2019)
3.2	Bylaws of the Company (incorporated by reference to the corresponding exhibit to the Company's Current Report on Form 8-K (File No. 001-38348), filed with the SEC on June 6, 2019)
4.1	Specimen Common Stock Certificate (incorporated by reference to the corresponding exhibit to the Company's Registration Statement on Form S-3, as amended (File No. 333-232105), filed with the SEC on July 26, 2019)
31.1*	Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32*	Certificate of the Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. § 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

* Filed herewith

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

		Ranpak Holdings Corp.	
Date:	May 2, 2024	By:	/s/ William Drew
			William Drew
			Executive Vice President and Chief Financial Officer

Exhibit 31.1

CERTIFICATION BY CHIEF EXECUTIVE OFFICER
PURSUANT TO SECURITIES EXCHANGE ACT RULE 13A-14(a),
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES OXLEY ACT OF 2002

I, Omar M. Asali, certify that:

1.I have reviewed this quarterly report on Form 10-Q of Ranpak Holdings Corp. (the “company”);

2.Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3.Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4.The company’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

a.Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b.Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c.Evaluated the effectiveness of the company’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d.Disclosed in this report any change in the company’s internal control over financial reporting that occurred during the company’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the company’s internal control over financial reporting; and

5. The company’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company’s auditors and the audit committee of the company’s board of directors (or persons performing the equivalent functions):

a.All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company’s ability to record, process, summarize and report financial information; and

b.Any fraud, whether or not material, that involves management or other employees who have a significant role in the company’s internal control over financial reporting.

Date:	May 2, 2024
By:	/s/ Omar M. Asali Omar M. Asali Chairman and Chief Executive Officer

Exhibit 31.2

CERTIFICATION BY CHIEF FINANCIAL OFFICER
PURSUANT TO SECURITIES EXCHANGE ACT RULE 13A-14(a),
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES OXLEY ACT OF 2002

I, William Drew, certify that:

1.I have reviewed this quarterly report on Form 10-Q of Ranpak Holdings Corp. (the “company”);

2.Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3.Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4.The company’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

a.Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b.Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c.Evaluated the effectiveness of the company’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d.Disclosed in this report any change in the company’s internal control over financial reporting that occurred during the company’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the company’s internal control over financial reporting; and

5.The company’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company’s auditors and the audit committee of the company’s board of directors (or persons performing the equivalent functions):

a.All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company’s ability to record, process, summarize and report financial information; and

b.Any fraud, whether or not material, that involves management or other employees who have a significant role in the company’s internal control over financial reporting.

Date:	May 2, 2024
By:	/s/ William Drew William Drew Executive Vice President and Chief Financial Officer

Exhibit 32

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF
THE SARBANES-OXLEY ACT OF 2002

The certification set forth below is being submitted in connection with Ranpak Holdings Corp.'s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2024 (the "Report") for the purpose of complying with Rule 13a-14(b) or Rule 15d-14(b) of the Securities Exchange Act of 1934 (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code.

Omar M. Asali, the Chairman and Chief Executive Officer and William Drew, the Executive Vice President and Chief Financial Officer of Ranpak Holdings Corp. (the "Company"), each certifies that, to the best of such officer's knowledge, that:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 2, 2024

By: /s/ Omar M. Asali
Omar M. Asali
Chairman and Chief Executive Officer

By: /s/ William Drew

William Drew
Executive Vice President and Chief Financial Officer