Disclaimer

Forward-Looking Statements

Rackspace Technology has made statements in this presentation and other reports, filings, and other public written and verbal announcements that are forward-looking and therefore subject to risks and uncertainties. All statements, other than statements of historical fact, included in this document are, or could be, “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 and are made in reliance on the safe harbor protections provided thereunder. These forward-looking statements relate to anticipated financial performance, management’s plans and objectives for future operations, business prospects, outcome of regulatory proceedings, market conditions, our ability to successfully respond to the challenges posed by the COVID-19 pandemic, and other matters. Any forward-looking statement made in this presentation speaks only as of the date on which it is made. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise. Forward-looking statements can be identified by various words such as “expects,” “intends,” “will,” “anticipates,” “believes,” “confident,” “continue,” “propose,” “seeks,” “could,” “may,” “should,” “estimates,” “forecasts,” “might,” “goals,” “objectives,” “targets,” “planned,” “projects,” and similar expressions. These forward-looking statements are based on management’s current beliefs and assumptions and on information currently available to management. Rackspace Technology cautions that these statements are subject to risks and uncertainties, many of which are outside of our control, and could cause future events or results to be materially different from those stated or implied in this document, including among others, risk factors that are described in Rackspace Technology, Inc.’s Registration Statement on Form S-1 (File No. 333-239794), Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and other filings with the Securities and Exchange Commission, including the sections entitled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” contained therein.

Non-GAAP Measures

To provide investors with additional information in connection with our results as determined in accordance with generally accepted accounting principles in the United States (“GAAP”), we disclose constant currency revenue, Adjusted EPS, Adjusted EBITDA and Adjusted EBITDA margin as non-GAAP financial measures. These non-GAAP financial measures are not measures of financial performance in accordance with GAAP and may exclude items that are significant in understanding and assessing our financial results. Therefore, these measures should not be considered in isolation or as an alternative or superior to GAAP measures. You should be aware that our presentation of these measures may not be comparable to similarly-titled measures used by other companies. Reconciliations of each non-GAAP financial measure to the applicable most comparable GAAP measure can be found in the Appendix.

We present these non-GAAP financial measures to provide investors with meaningful supplemental financial information, in addition to the financial information presented on a GAAP basis. Rackspace Technology management believes that excluding items such as the impacts from foreign currency rate fluctuations on our international business operations or certain costs, losses and gains that may not be indicative of, or are unrelated to, our core operating results, and that may vary in frequency or magnitude, enhances the comparability of our results and provides a better baseline for analyzing trends in our business. Rackspace Technology management believes the non-GAAP measures provided are also considered important measures by financial analysts covering Rackspace Technology as equity research analysts continue to publish estimates and research notes based on our non-GAAP commentary.

Amounts on subsequent pages may not add due to rounding.
Rackspace Technology transformed

- **Market positioning**
- **Core offerings and services expertise**
- **Revenue from segments with attractive growth dynamics**
- **Bookings growth**
- **Core segments revenue growth**
- **Capital intensity**

**At LBO**

<table>
<thead>
<tr>
<th>Competitor to public cloud</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managed hosting, OpenStack public cloud</td>
</tr>
<tr>
<td>&lt;10% (Cloud Office and Managed Cloud Services, LTM Q3 2016)</td>
</tr>
</tbody>
</table>

**Today**

<table>
<thead>
<tr>
<th>Partner to cloud ecosystem</th>
</tr>
</thead>
<tbody>
<tr>
<td>A leader in end-to-end multicloud solutions</td>
</tr>
<tr>
<td>~90% (Multicloud Services and Apps &amp; Cross Platform, LTM Q2 2020)</td>
</tr>
</tbody>
</table>

**Bookings growth**

- (Cloud Office and Managed Cloud Services, LTM Q3 2016) <10%
- (2016, YoY) 3%
- (Q3 2016, YoY, Excl. Cloud Office and Managed Cloud Services) 0%
- (Q2 2020, YoY) 107%
- (Q2 2020, YoY, Excl. OpenStack, PF for acquisition of Onica) 7%

**Core segments revenue growth**

- (LTM Q3 2016) 16%
- (LTM Q2 2020) 9%

**Note:** Core segments revenue growth calculated on a constant currency basis. Refer to Appendix for a reconciliation of constant currency revenue to the most comparable GAAP measure. Also refer to Appendix for more information on how we define Bookings, Core, pro forma revenue growth, and capital intensity.
We are mission control for multicloud

- Advise
- Design
- Build
- Optimize
- Manage
- Security
- Data
- Applications
- Multicloud
Our multicloud delivers flexibility in technology stack and deployment model

Deployed across Rackspace Technology datacenters, hyperscalers and on-premises

Fanatical Experience™

AT-SCALE CAPABILITIES ACROSS ALL MAJOR CLOUDS AND EVERYWHERE IN BETWEEN
Our proprietary technology is at the center of our multicloud capabilities

**RACKSPACE FABRIC™**

- **8** years of development
- **$1B+** invested in Rackspace Technology IP
- **12M+** hours of development to date

**AUTOMATION**

- **Solution automation**
  - Reduced manual onboarding, provisioning, and admin tasks
- **Intelligent automation**
  - 62% of workloads automated
- **AI automation**
  - 1B+ actions per month automated

**FANATICAL EXPERIENCE™**
Driving a highly efficient business with software-like economics

2019 revenue per employee, $k per employee

95%+ of 2019 revenues are recurring

Rackspace Adjusted EBITDA per employee: ~$110k

Note: Rackspace Technology headcount, revenue and Adjusted EBITDA for the year ended 12/31/2019
Refer to Appendix for a reconciliation of Adjusted EBITDA to the most comparable GAAP measure
Source: FactSet, Company Filings
## Competitive environment

<table>
<thead>
<tr>
<th>In-house IT</th>
<th>IT systems integrators</th>
<th>Cloud SPs and digital SIs</th>
<th>Regional MSPs</th>
<th>Hybrid colocation providers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CORE OFFERING</strong></td>
<td>Company’s internal IT department</td>
<td>Consulting and outsourcing services for enterprises</td>
<td>Primarily “build” and “manage” services</td>
<td>Cloud services within a single or a few regions</td>
</tr>
<tr>
<td><strong>WEAKNESS</strong></td>
<td>Scarce skills to manage complexity</td>
<td>Focused on legacy technologies</td>
<td>Services are limited in scope</td>
<td>Sub-scale; unable to meet enterprise needs</td>
</tr>
</tbody>
</table>
Our competitive advantage positions us to win

<table>
<thead>
<tr>
<th>Automation</th>
<th>Standardization</th>
<th>Rackspace Fabric™</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automation-driven efficiency and scalability</td>
<td>Efficiency for customers</td>
<td>Investment in technology innovation</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fanatical Experience™</th>
<th>End-to-end multicloud</th>
</tr>
</thead>
<tbody>
<tr>
<td>Best-in-class customer experience</td>
<td>Across entire customer lifecycle</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Continuous improvement</th>
<th>Scale</th>
<th>Partnerships</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments in delivery and experience</td>
<td>120k+ customers¹</td>
<td>Strength of relationships with technology partners</td>
</tr>
</tbody>
</table>

1 As of December 31, 2019
Successful execution has accelerated growth

Total Bookings growth

- YoY Bookings growth

Core segment revenue growth

- YoY Core segment growth
- YoY PF Core segment growth

Note: Core segments revenue growth calculated on a GAAP basis. Q4 2019, Q1 2020, and Q2 2020 PF Core segment growth calculated on a pro forma basis. Refer to Appendix for more information on how we define pro forma revenue growth, Bookings, and Core.
Drivers of Bookings growth

- Tectonic market shift to multicloud
- Focus on professional services
- Strong enterprise focus
- Management system
- Increased salesforce investment
- Salesforce productivity
- Land and expand strategy
Financial model highlights

**Scale**

$2.5B
Revenue (LTM Q2'20)

**Growth in Core segments**

7%
YoY PF core revenue growth (Q2'20)

**Revenue visibility**

95%+
Recurring revenues (2019)

**Low capital intensity**

9%
Capital intensity (LTM Q2'20)

**Margin profile**

29%
Adj. EBITDA margin (LTM Q2'20)

**Strong Adj. EBITDA**

$748M
Adj. EBITDA (LTM Q2'20)

Note: Refer to Appendix for more information on how we define Core, pro forma revenue growth, capital intensity, and Adjusted EBITDA margin. Also refer to Appendix for a reconciliation of Adjusted EBITDA to the most comparable GAAP measure.
<table>
<thead>
<tr>
<th></th>
<th>1st Half Actual 2020</th>
<th>2nd Half 2020</th>
<th>Full year 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue growth</strong></td>
<td>9%</td>
<td>9% — 11%</td>
<td>9% — 10%</td>
</tr>
<tr>
<td><strong>Core revenue growth</strong></td>
<td>13%</td>
<td>13% — 15%</td>
<td>12.5% — 13.5%</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>$373 million</td>
<td>$383 — $387 million</td>
<td>$756 — $760 million</td>
</tr>
<tr>
<td><strong>Adjusted EPS</strong></td>
<td>$0.37 per share</td>
<td>$0.38 — $0.44 per share</td>
<td>$0.75 — $0.81 per share</td>
</tr>
</tbody>
</table>

Note: Revenue growth rates are on a constant currency basis. Refer to Appendix for a reconciliation of 1st Half Actual constant currency revenue, Adjusted EBITDA and Adjusted EPS to the most comparable GAAP measure.
An investment in a leading pure play multicloud solutions company

- **End-to-end multicloud leader**
- **Accelerating Bookings growth**
- **Uniquely positioned in a large and growing market**
- **Improving profitability**
- **Relentless focus on execution**
- **Rapid FCF per share growth**
Appendix
### Adjusted EBITDA reconciliation

<table>
<thead>
<tr>
<th></th>
<th>Q2 2019</th>
<th>Q2 2020</th>
<th>1st Half 2020</th>
<th>Q2 2020 (LTM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net income (loss)</td>
<td>$62.5</td>
<td>$(32.6)</td>
<td>$(80.8)</td>
<td>$(188.1)</td>
</tr>
<tr>
<td>Interest expense</td>
<td>100.8</td>
<td>68.9</td>
<td>140.9</td>
<td>281.0</td>
</tr>
<tr>
<td>Provision (benefit) for income taxes</td>
<td>12.3</td>
<td>(12.3)</td>
<td>(15.3)</td>
<td>(38.0)</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>124.3</td>
<td>116.3</td>
<td>237.6</td>
<td>475.7</td>
</tr>
<tr>
<td>Share-based compensation expense</td>
<td>6.4</td>
<td>9.1</td>
<td>16.6</td>
<td>34.5</td>
</tr>
<tr>
<td>Special bonuses</td>
<td>6.2</td>
<td>5.8</td>
<td>14.1</td>
<td>26.5</td>
</tr>
<tr>
<td>Transaction-related adjustments, net</td>
<td>4.6</td>
<td>8.1</td>
<td>16.5</td>
<td>29.6</td>
</tr>
<tr>
<td>Restructuring and transformation expenses</td>
<td>12.5</td>
<td>22.1</td>
<td>37.1</td>
<td>65.1</td>
</tr>
<tr>
<td>Management fees</td>
<td>3.0</td>
<td>3.5</td>
<td>7.1</td>
<td>17.4</td>
</tr>
<tr>
<td>Net (gain) loss on divestiture and investments</td>
<td>(143.4)</td>
<td>(1.0)</td>
<td>(0.9)</td>
<td>43.0</td>
</tr>
<tr>
<td>Net gain on extinguishment of debt</td>
<td>(5.0)</td>
<td>—</td>
<td>—</td>
<td>(0.3)</td>
</tr>
<tr>
<td>Other (income) expense</td>
<td>(1.5)</td>
<td>(0.3)</td>
<td>0.3</td>
<td>1.3</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td><strong>$182.7</strong></td>
<td><strong>$187.6</strong></td>
<td><strong>$373.2</strong></td>
<td><strong>$747.7</strong></td>
</tr>
</tbody>
</table>
## Constant currency revenue reconciliation

### Three Months Ended June 30, 2019

<table>
<thead>
<tr>
<th>(In millions)</th>
<th>Revenue</th>
<th>Revenue</th>
<th>Foreign Currency Translation</th>
<th>Revenue in Constant Currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multicloud Services</td>
<td>$449.6</td>
<td>$519.0</td>
<td>$3.4</td>
<td>$522.4</td>
</tr>
<tr>
<td>Apps &amp; Cross Platform</td>
<td>79.0</td>
<td>79.9</td>
<td>0.2</td>
<td>80.1</td>
</tr>
<tr>
<td>Core Revenue</td>
<td>528.6</td>
<td>598.9</td>
<td>3.6</td>
<td>602.5</td>
</tr>
<tr>
<td>OpenStack Public Cloud</td>
<td>73.8</td>
<td>57.6</td>
<td>0.5</td>
<td>58.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$602.4</strong></td>
<td><strong>$656.5</strong></td>
<td><strong>$4.1</strong></td>
<td><strong>$660.6</strong></td>
</tr>
</tbody>
</table>

### Six Months Ended June 30, 2019

<table>
<thead>
<tr>
<th>(In millions)</th>
<th>Revenue</th>
<th>Revenue</th>
<th>Foreign Currency Translation</th>
<th>Revenue in Constant Currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multicloud Services</td>
<td>$902.4</td>
<td>$1,026.9</td>
<td>$4.9</td>
<td>$1,031.8</td>
</tr>
<tr>
<td>Apps &amp; Cross Platform</td>
<td>157.1</td>
<td>161.4</td>
<td>0.3</td>
<td>161.7</td>
</tr>
<tr>
<td>Core Revenue</td>
<td>1,059.5</td>
<td>1,188.3</td>
<td>5.2</td>
<td>1,193.5</td>
</tr>
<tr>
<td>OpenStack Public Cloud</td>
<td>149.8</td>
<td>120.9</td>
<td>0.5</td>
<td>121.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1,209.3</strong></td>
<td><strong>$1,309.2</strong></td>
<td><strong>$5.7</strong></td>
<td><strong>$1,314.9</strong></td>
</tr>
</tbody>
</table>
## Adjusted Earnings Per Share

(In whole dollars) | Six Months Ended June 30, 2020
---|---
GAAP net loss per share diluted | $(0.49)
Per share impacts of adjustments to net loss | 0.86
Impact of shares dilutive after adjustments to net loss | (0.00)
Adjusted EPS | $0.37
Definitions

**Bookings**

We calculate Bookings for a given period as the annualized monthly value of our recurring customer contracts entered into during the period from (i) new customers and (ii) net upgrades by existing customers within the same workload, plus the actual (not annualized) estimated value of professional services consulting, advisory or project-based orders received during the period. “Recurring customer contracts” are any contracts entered into on a multi-year or month-to-month basis, but excluding any professional services contracts for consulting, advisory or project-based work.

Bookings for any period may reflect orders that we perform in the same period, orders that remain outstanding as of the end of the period and the annualized value of recurring month-to-month contracts entered into during the period, even if the terms of such contracts do not require the contract to be renewed. Bookings include net upgrades by existing customers within the same workload, but exclude net downgrades by such customers within that workload. Any customer that contracts for a new workload is considered a new customer and the entire value of the contract or upgrade is recorded in Bookings, irrespective of whether the same customer canceled or downgraded other workloads. Bookings also do not include the impact of any known contract non-renewals or service cancellations by our customers, except for positive net upgrades by existing customers. In cases where a new or upgrading customer enters into a multi-year contract, Bookings include only the annualized contract value. Bookings do not include usage-based fees in excess of contracted minimum commitments until actually incurred.

We use Bookings to measure the amount of new business generated in a period, which we believe is an important indicator of new customer acquisition and our ability to cross-sell new services to existing customers. Bookings are also used by management as a factor in determining performance-based compensation for our sales force. While we believe Bookings, in combination with other metrics, is an indicator of our near-term future revenue opportunity, it is not intended to be used as a projection of future revenue. Our calculation of Bookings may differ from similarly titled metrics presented by other companies.

**Core**

Core reflects the results or otherwise pertain to the performance of our Multicloud Services and Apps & Cross Platform segments, in the aggregate. Our Core financial measures exclude the results and performance of our OpenStack Public Cloud segment.

**Pro Forma Revenue Growth**

Pro forma revenue growth is calculated on a constant currency basis, assuming the Onica acquisition was consummated on January 1, 2019.

**Adjusted EBITDA Margin**

Adjusted EBITDA margin is calculated by dividing Adjusted EBITDA by revenue for the same period.

**Capital Intensity**

Capital intensity reflects capital expenditures divided by revenue for the same period.