

Q3 2024 trading update

SIG Group AG

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October 29, 2024



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In this presentation, we utilize certain alternative performance measures, including but not limited to EBITDA, adjusted EBITDA, adjusted EBITDA margin, net capex, adjusted net income, free cash flow and net leverage ratio that in each case are not defined in IFRS accounting standards.

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For additional information about the alternative performance measures used by management please refer to this link:
<https://www.sig.biz/en/investors/financial-definitions>

Some financial information in this presentation has been rounded and, as a result, the figures shown as totals in this presentation may vary slightly from the exact arithmetic aggregation of the figures that precede them.

Q3 2024 overview

Samuel Sigrist, CEO



Q3 2024 business summary

Continue to deliver above market growth

Q3 revenue growth

Strong growth in carton continues

Bag-in-box and spouted pouch showed quarterly sequential improvement

Positive Group impact from resin¹ escalator of approximately 50 bps in Q3

Bag-in-box and spouted pouch recovery

Foodservice demand not yet recovered

Debottlenecking in North America easing capacity constraints and improving efficiencies

Further synergy wins across regions. All deals are system solutions with recurring revenue

Investments

Indian aseptic sleeves plant on track for completion end of 2024

Phase 2 of development signed off with construction of extruder. Allows for locally sourced material.

Ramp up of chilled operations in China on track

Partnership with WWF Switzerland

1st project in Mexico launched in 2022²



2nd project in Malaysia incl. forest management of 170,000 hectares



Together supporting thriving forests



Forest+ target: Improve, sustainably protect and restore 650,000 hectares of forest by 2030

Governance

Board nominates Ola Rollén for election as Chair at the 2025 AGM

Andreas Umbach, chair since IPO, announced he would not stand for re-election

Ola Rollén is Chair of Hexagon AB and CEO of Greenbridge S.A.

¹The resin escalator for the bag-in-box and spouted pouch businesses passes on movements in resin costs directly to customers and is excluded for year-on-year comparison purposes.

² Includes forest management of 100,00 hectares and restoration of 750 hectares

Q3 2024 financial summary

Revenue growth driven by carton and improvement in bag-in-box and spouted pouch

Revenue
€825 million

+3.1%

reported

+5.1%

constant currency

+4.6%

constant currency &
constant resin¹

Adjusted EBITDA

€206

million
(Q3 2023: €198 m)

Adjusted net income

€77

million
(Q3 2023: €79 m)

Free cashflow

€78

million
(Q3 2023: €133 m)

Adjusted EBITDA
margin

25.0%

(Q3 2023: 24.8%)

Net capex

€27

million
(Q3 2023: €59 m)



¹The resin escalator for the bag-in-box and spouted pouch businesses passes on movements in resin costs directly to customers and is excluded for year-on-year comparison purposes.

Nine months 2024 financial summary

On track to meet full year 2024 guidance

Revenue
€2,398 million

+2.5%

reported

+3.7%

constant currency

+3.5%

constant currency &
constant resin¹

Adjusted EBITDA

€575

million
(9M 2023: €582 m)

Adjusted net
income

€198

million
(9M 2023: €223 m)

Free cashflow

€1

million
(9M 2023: €(80) m)

Adjusted EBITDA
margin

24.0%

(9M 2023: 24.9%)

Net capex

€129

million
(9M 2023: €230 m)

Net leverage²

3.0x

(9M 2023: 3.2x)

¹The resin escalator for the bag-in-box and spouted pouch businesses, passes on movements in resin costs directly to customers and is excluded for year-on-year comparison purposes. ² Last twelve months.

Q3 2024 regional summary

Europe and India, Middle East and Africa

Europe

(€ million)	Q3 2024	9M 2024
Revenue	260	777
Revenue growth (constant currency)	6.3%	6.4%

- 9M revenue growth at constant currency and constant resin 6.6%
- Volume growth driven by previous filler placements and increased milk supply for aseptic processing; growth expected to normalize in Q4
- Bag-in-box and spouted pouch growth driven by a low base effect and new business during the quarter. Share of wallet gain with large spouted pouch customer to ramp-up in Q4

India, Middle East and Africa

(€ million)	Q3 2024	9M 2024
Revenue	110	331
Revenue growth (constant currency)	20.0%	13.9%

- 9M revenue growth at constant currency and constant resin 14.0%
- Strong customer performance in carton in Egypt and Saudi Arabia
- Further gains in market share in India due to ramp-up of newly installed filling machines

Q3 2024 regional summary

Asia Pacific and Americas

Asia Pacific

(€ million)	Q3 2024	9M 2024
Revenue	223	640
Revenue growth (constant currency)	(1.3)%	1.2%

- 9M revenue growth at constant currency and constant resin 1.3%
- High prior year comparison and subdued economic performance in China
- The region continues to gain share due to SIG's ability to adapt packaging sizes for key consumer price points

Americas

(€ million)	Q3 2024	9M 2024
Revenue	231	650
Revenue growth (constant currency)	4.3%	(1.2)%

- 9M revenue declined by 2.5% at constant currency and constant resin
- Strong demand for carton in Mexico and for food products in the USA. First carton customer signed in Colombia
- Bag-in-box: Quarterly improvement compared with Q2 2024. Foodservice demand not yet recovered. Progress in operational debottlenecking in bag-in-box facilities

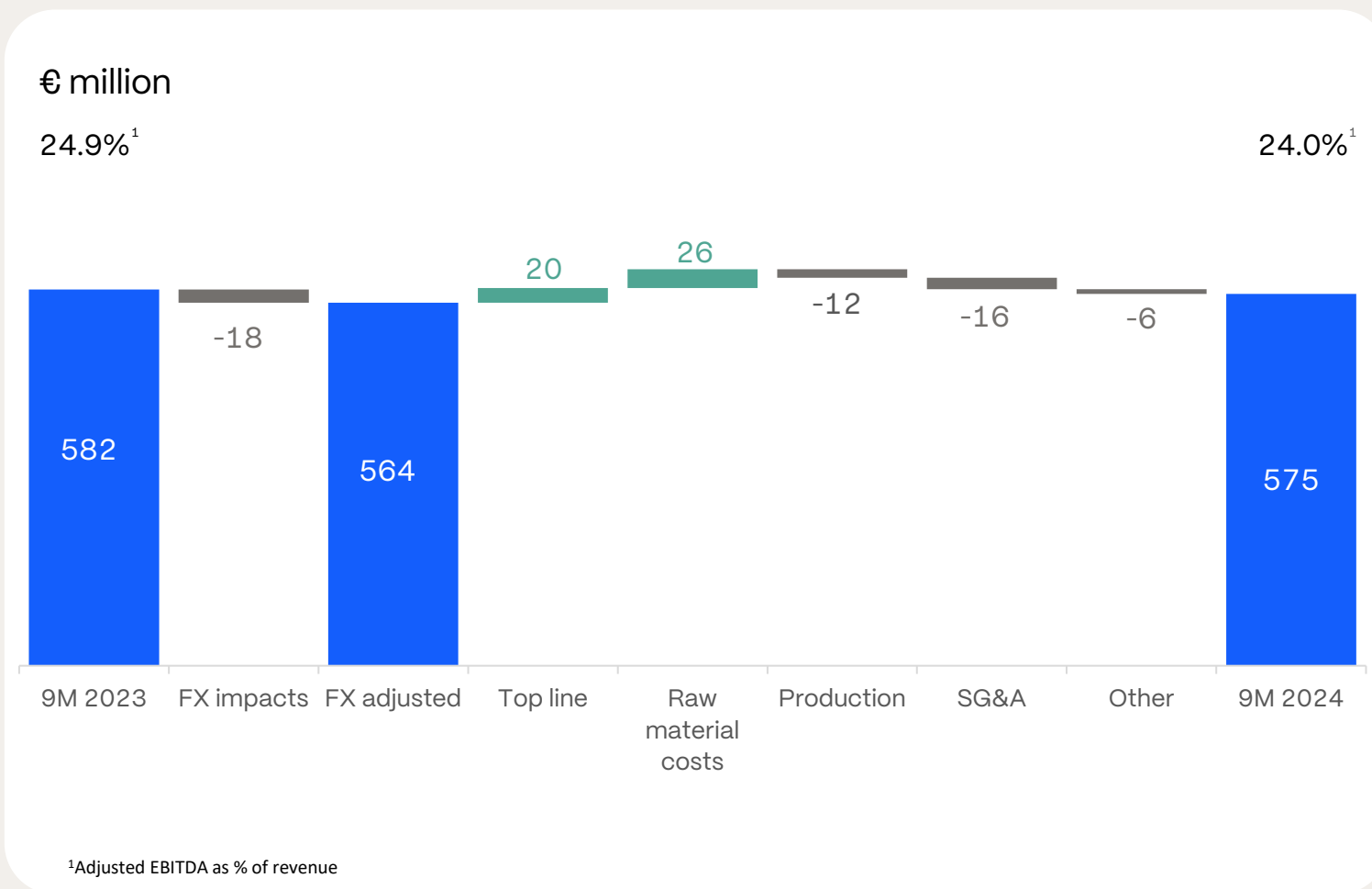
Financials

Anne Erkens, CFO



9M Adjusted EBITDA

Top line and raw material benefits with investment in growth



- Q3 margin of 25% ahead of H1 2024 of 23.5%
- Negative FX impact driven by depreciation of the Brazilian Real, Thai Baht and Chinese Renminbi against the Euro
- Top line momentum continuing to build
- Raw material benefit from lower hedged prices for polymers and aluminum
- Production costs primarily reflect operational bottlenecks in North America
- SG&A reflects growth investments, wage inflation and phasing of project related costs

EBITDA reconciliation

€ million	Nine months ended Sept. 30, 2023	Nine months ended Sept. 30, 2024
EBITDA	587	599
Unrealized (gain)/loss on operating derivatives	(4)	(13)
Restructuring costs, net of reversals	3	7
Transaction and acquisition related costs	1	3
Integration costs	9	1
Change in fair value of contingent consideration	(6)	(38)
Impairment losses	4	16
Other	(13)	1
Adjusted EBITDA	582	575

- Gain from unrealized operating derivatives reflects favorable hedging for raw materials vs. spot market development
- €19.1 million adjustment relates to restructuring and impairment charges for the relocation of the chilled carton plant (as reported in Q1 2024)
- Decline in fair value of contingent consideration reflects current growth expectations of bag-in-box and spouted pouch

Net income reconciliation

€ million	Nine months ended Sept. 30, 2023	Nine months ended Sept. 30, 2024
Profit for the period	137	130
Non-cash foreign exchange impact of non-functional currency loans and realized foreign exchange impact due to refinancing	(1)	1
Amortization of transaction costs	3	2
Net change in fair value of financing-related derivatives	(2)	3
PPA depreciation and amortization – Onex acquisition	77	77
PPA amortization – Other acquisitions	35	35
Net effect of early repayment of loan	0	2
Adjustments to EBITDA	(5)	(24)
Tax effect on above items	(22)	(30)
Adjusted net income	223	198



Capital expenditure and free cash flow

Capital expenditure (€ million or %)	Nine months ended Sept. 30, 2023	Nine months ended Sept. 30, 2024
PP&E and intangible assets	130	90
Filling lines and other related equipment	178	137
Capital expenditure	308	227
Upfront cash	(78)	(98)
Net capital expenditure	230	129

Free cash flow (€ million or %)	Nine months ended Sept. 30, 2023	Nine months ended Sept. 30, 2024
Net cash from operating activities	264	269
Acquisition of property, plant and equipment and intangible assets (net of sales)	(308)	(227)
Payment of lease liabilities	(36)	(41)
Free cash flow	(80)	1

- Lower PP&E expenditure following significant investment period
- Earlier phasing of upfront cash this year vs. prior year
- Q3 cash generation in line with seasonal pattern:
 - Q3 free cash flow €78 million vs. €(77) million for H1 2024
- Typically, peak cash flow generated in Q4 of the year

Leverage

Reflects cash flow seasonality

€ million	Sept. 30, 2023	Dec 31, 2023	Sept. 30, 2024
Gross debt	2,817	2,458	2,676
Cash	346	281	274
Net debt	2,471	2,177	2,402
Net leverage ratio¹	3.2x	2.7x	3.0x

- Net leverage improvement compared with same period 2023
 - ~€70 million reduction in net debt
- Net leverage target of around 2.5x by year-end 2024

¹ Last twelve months

Guidance

Anne Erkens, CFO



2024 guidance confirmed

Revenue growth
(constant currency)

Around 4%

+/- 50 bps

Adjusted EBITDA margin

24-25%

At lower end of range

Adjusted effective tax rate

26-28%

Net CAPEX
(% revenue)

7-9%

Within lower half of range

Dividend payout ratio
(of adjusted net income)

50-60%

- Resin escalator for bag-in-box & spouted pouch not included in guidance
- Guidance subject to end-market conditions, input cost and forex volatility

Thank you!

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