
SIG COMBIBLOC Q3 2021 TRADING STATEMENT

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This presentation is not an offering circular within the meaning of the Swiss Financial Services Act, nor is it a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange or a prospectus under any other applicable laws.

In this presentation, we utilise certain alternative performance measures including, but not limited to, EBITDA, adjusted EBITDA, core revenue, adjusted net income, adjusted earnings per share, net capital expenditure, free cash flow, ROCE and cash conversion that in each case are not recognised under International Financial Reporting Standards ("IFRS"). These alternative non-IFRS measures are presented as we believe that they and similar measures are widely used in the markets in which we operate as a means of evaluating a company's operating performance and financing structure. Our definition of and method of calculating the measures stated above may not be comparable to other similarly titled measures of other companies and are not measurements under IFRS, as issued by the IASB or other generally accepted accounting principles, are not measures of financial condition, liquidity or profitability and should not be considered as an alternative to profit from operations for the period or operating cash flows determined in accordance with IFRS, nor should they be considered as substitutes for the information contained in our consolidated financial statements

EBITDA is defined as profit or loss before net finance expense, income tax expense, depreciation of property, plant and equipment and right-of-use assets, and amortisation of intangible assets.

Adjusted EBITDA is defined as EBITDA adjusted to exclude certain non-cash transactions and items of a significant or unusual nature including, but not limited to, transaction- and acquisition-related costs, restructuring costs, unrealised gains or losses on derivatives, gains or losses on the sale of non-strategic assets, asset impairments and write-downs and share of profit or loss of joint ventures, and to include the cash impact of dividends received from joint ventures.

Adjusted net income is defined as profit or loss adjusted to exclude certain items of significant or unusual nature, including, but not limited to, the non-cash foreign exchange impact of non-functional currency loans, amortisation of transaction costs, the net change in fair value of financing-related derivatives, purchase price allocation ("PPA") depreciation and amortisation, adjustments made to reconcile EBITDA to adjusted EBITDA and the estimated tax impact of the foregoing adjustments. The PPA depreciation and amortisation arose due to the acquisition accounting that was performed when the Group was acquired by Onex in 2015. No adjustments are made for PPA depreciation and amortisation other than in connection with the Onex acquisition.

Adjusted EBITDA and adjusted net income are not performance measures under IFRS, are not measures of financial condition, liquidity or profitability and should not be considered as alternatives to profit (loss) for the period, operating profit or any other performance measures determined or derived in accordance with IFRS or operating cash flows determined in accordance with IFRS.

Additionally, adjusted EBITDA is not intended to be a measure of free cash flow for management's discretionary use, as it does not take into account certain items such as interest and principal payments on our indebtedness, working capital needs and tax payments. We believe that the inclusion of adjusted EBITDA and adjusted net income in this presentation is appropriate to provide additional information to investors about our operating performance to provide a measure of operating results unaffected by differences in capital structures, capital investment cycles and ages of related assets among otherwise comparable companies. Because not all companies calculate adjusted EBITDA, core revenue, adjusted net income and other alternative performance measures in this presentation identically, they may not be comparable to other similarly titled measures in other companies.

For additional information about alternative performance measures used by management that are not defined in IFRS, including definitions and reconciliations to measures defined in IFRS, the change in our calculation methodology for constant currency and a definition of like-for-like growth rates please refer to this link: <https://reports.sig.biz/annual-report-2020/services/glossary.html>

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 2021 HIGHLIGHTS

FULL YEAR GUIDANCE
MAINTAINED

SOLID REVENUE GROWTH

AFTER STRONG FIRST HALF

COVID 19 EFFECTS CONTINUE:

POSITIVE IN EUROPE AND
AMERICAS, NEGATIVE IN APAC AND
MIDDLE EAST AFRICA

**ENERGY, SUPPLY CHAIN AND
LOGISTICS CHALLENGES**
EFFECTIVELY MANAGED

INITIATING PRICE INCREASES

TO OFFSET HIGHER COSTS

STRONG CASH FLOW

GENERATION

MOODY'S UPGRADE

FROM Ba2 to Ba1

S&P AT BBB- SINCE MARCH 2020

Q3 2021 KEY FIGURES

**STRONG CASH FLOW
GENERATION**

CORE REVENUE
€506.7 MILLION

+14.7%

AT CONSTANT
CURRENCY

UP

+15.5%

REPORTED

CORE
REVENUE UP LIKE-
FOR-LIKE ⁽¹⁾

+4.2% AT

CONSTANT
CURRENCY

ADJUSTED EBITDA

€137.1

MILLION

(Q3 2020:
€133.6m)

ADJUSTED EBITDA
MARGIN

27.1%

(Q3 2020: 30.2%)

ADJUSTED NET
INCOME

€60.6

MILLION

(Q3 2020: €77.4m)

FREE CASH FLOW

€116.7

MILLION

(Q3 2020: €96.4m)

⁽¹⁾ Like-for-like core revenue growth is based on the inclusion of Middle East JV revenue from the end of February and the elimination of SIG third party sales to the JV

9 MONTHS 2021

KEY FIGURES

MEA BUSINESS CONSOLIDATED
FOR SEVEN MONTHS

CORE REVENUE
€1,457.6 MILLION

+15.1%

AT CONSTANT
CURRENCY

UP

+13.1%

REPORTED

CORE
REVENUE UP LIKE-
FOR-LIKE ⁽¹⁾

+7.1% AT

CONSTANT
CURRENCY

ADJUSTED EBITDA

€401.2

MILLION

(9M 2020:
€349.3m)

ADJUSTED EBITDA
MARGIN

27.2%

(9M 2020: 26.8%)

ADJUSTED NET
INCOME

€170.2

MILLION

(9M 2020:
€157.0m)

FREE CASH FLOW

€141.7

MILLION

(9M 2020: €124.5m)

⁽¹⁾ Like-for-like core revenue growth is based on the inclusion of Middle East JV revenue from the end of February and the elimination of SIG third party sales to the JV

CORE REVENUE GROWTH BY REGION

AT CONSTANT CURRENCY

COVID IMPACTS
POSITIVE AND NEGATIVE

EUROPE

Q3 2021 ⁽¹⁾	9M 2021 ⁽¹⁾
3.0%	1.7%

- At home consumption remains high
- Changes in working patterns may be favourable longer term
- Consistent above market growth
- Hochwald fillers to come onstream in 2022

MIDDLE EAST & AFRICA

Q3 2021 ⁽¹⁾	7M 2021 ⁽²⁾
(18.9%)	(7.1)%

- Q3 decline largely due to large orders placed in Q3 2020
- COVID 19 affected consumption over the summer
- Year to date performance also affected by drought in South Africa

⁽¹⁾ Like- for-like

⁽²⁾ March to September

CORE REVENUE GROWTH BY REGION

AT CONSTANT CURRENCY

YEAR END RALLIES
EXPECTED TO BE LOW

ASIA PACIFIC

Q3 2021 ⁽¹⁾	9M 2021 ⁽¹⁾
9.5%	10.4%

- Demand for white milk in China remains solid
- Solid Q3 in SE Asia despite continuing restrictions; some customers building safety stocks
- New fillers ramping up in Korea and Taiwan
- Year end rally likely to be subdued

AMERICAS

Q3 2021	9M 2021
18.6%	24.8%

- High at home consumption in Brazil and Mexico but now starting to fade
- Continuing food service recovery in USA
- Strong Q4 base of comparison
- Year end rally likely to be subdued: more balanced quarterly performance in absolute terms

⁽¹⁾ Like-for-like

SUSTAINABILITY OF CARTONS DRIVES NEW LAUNCHES

**FIRST LAUNCH OF SIGNATURE
PACKAGING IN EASTERN
EUROPE**

**EUROMILK SWITCHING FROM
PET TO CARTON FOR
KUKKONIA MILK**



**LAUNCH OF COMBISMILE
IN JAPAN WITH COSMO FOODS
COPACKER OF BEVERAGES IN
PLASTIC PACKAGING
WILL INSTALL HIGH SPEED
FILLER WITH DRINKSPUS
TECHNOLOGY**



NEW RECYCLING INITIATIVES OUTSIDE EUROPE

>50% OF CARTONS
RECYCLED IN EUROPE



AUSTRALIA

NEW FACILITY TO
TURN BEVERAGE
CARTONS INTO
HIGH
PERFORMANCE
BUILDING
MATERIALS

INDUSTRY INITIATIVE
WITH STATE AND
GOVERNMENT
FUNDING



INDONESIA

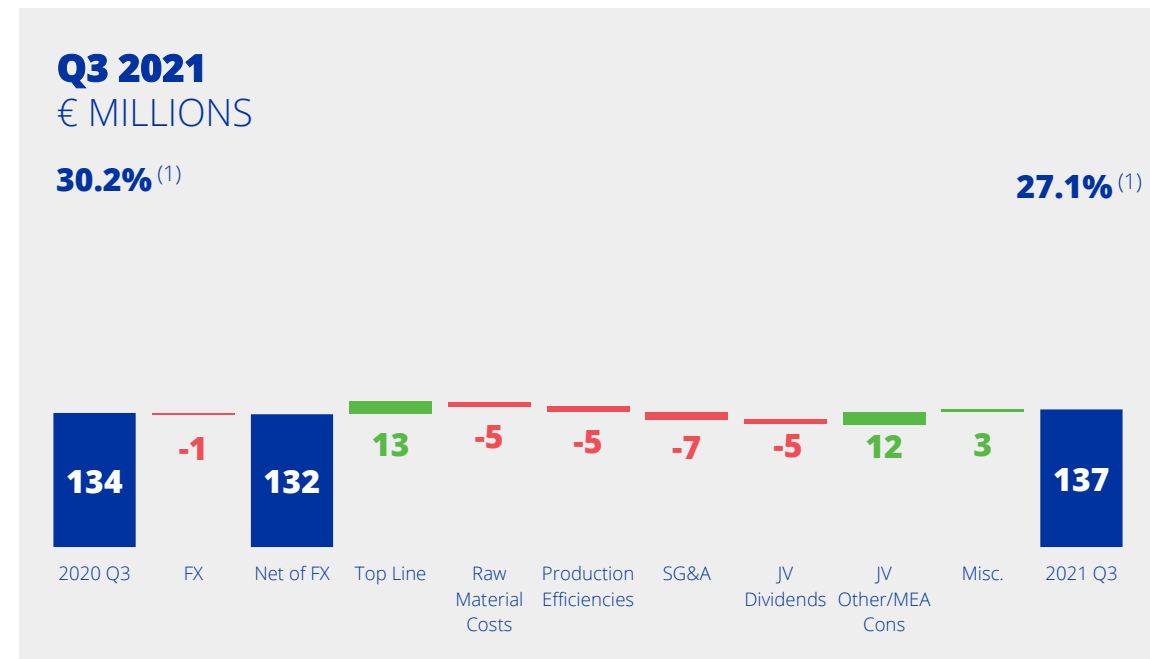
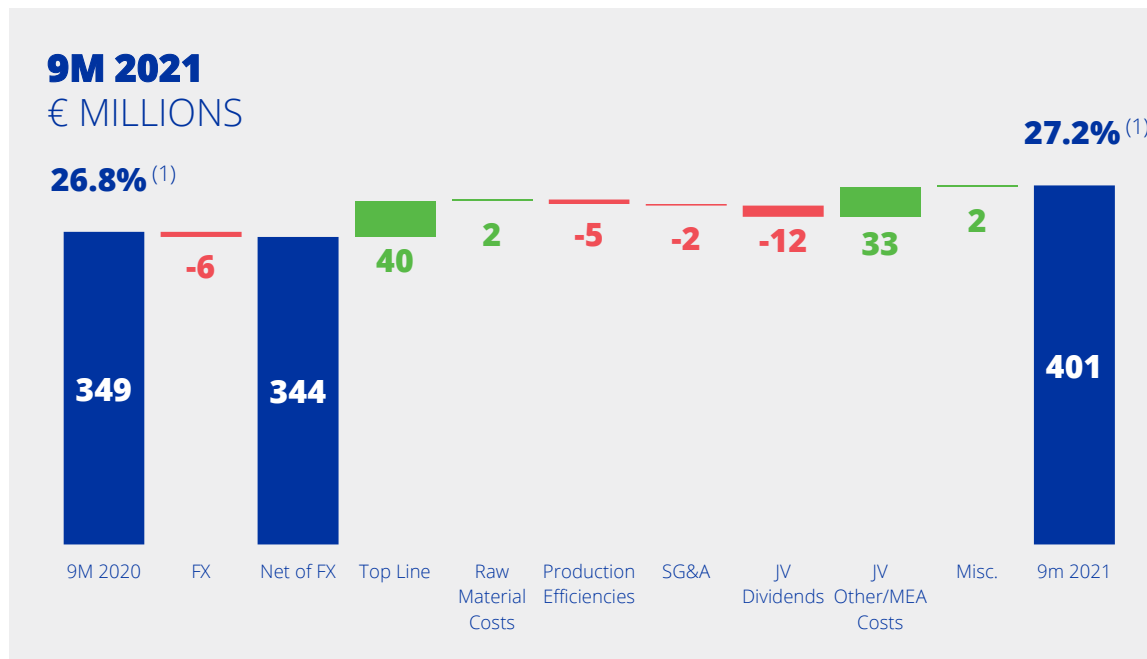
CARTON
COLLECTION AT
SCHOOLS, WASTE
BANKS AND
SUPERMARKETS

PARTNERSHIP WITH
DUITIN TO RECYCLE
CARTONS SORTED
IN THE HOME

ADJUSTED EBITDA EVOLUTION

9 MONTHS AND Q3

MARGIN SEASONALITY
LESS MARKED IN 2021



- Topline is the main driver of EBITDA growth
- Raw materials starting to have a negative impact on EBITDA in Q3
- Full year impact expected to be broadly neutral despite ongoing high spot prices for aluminium and polymers

- Production efficiencies include higher freight and energy costs
- SG&A increase due to resumption of growth investments, major R&D projects and phasing out of COVID-related cost measures

⁽¹⁾ Adjusted EBITDA as % of total revenue. Differences due to rounding.

MANAGING SUPPLY CHAINS AND AN INFLATIONARY ENVIRONMENT

SUPPLY CHAINS

WELL DIVERSIFIED SUPPLIER
BASE

RESILIENT LOCAL SUPPLY
CHAINS AND EFFECTIVE
LOGISTICS MANAGEMENT

RAW MATERIALS

MULTI-YEAR LIQUID PAPER
BOARD CONTRACTS ENSURE
SECURITY OF SUPPLY AND
PROVIDE PROTECTION
AGAINST INFLATIONARY
PRESSURES

HEDGING POLICY IN PLACE
FOR ALUMINIUM AND
POLYMERS

PRICING

INITIATING PRICE INCREASES
TO OFFSET HIGHER COSTS

PERSISTENT INFLATION:
STAGED PRICE MOVES
RATHER THAN A SINGLE STEP

PRICE NEGOTIATIONS ALSO
TAKE INTO ACCOUNT VALUE
DELIVERED TO THE
CUSTOMER AND
COMPETITIVE ENVIRONMENT

ADJUSTED NET INCOME

FIRST NINE MONTHS

€million	9M 2021	9M 2020
PROFIT FOR THE PERIOD	128	56
Financing costs and exchange rate impacts and net effect of early repayment of secured term loans	(6)	42
Onex acquisition PPA depreciation and amortisation	78	95
Other	(2)	-
Adjustments to EBITDA:	(12)	(2)
<i>Of which:</i>		
Acquisition-related adjustments (gain on pre-existing interest in joint ventures and fair value adjustments on inventories)	(38)	-
Restructuring costs, net of reversals (including Whakatane Mill and closure of Australian manufacturing operations)	23	4
Loss on sale of Whakatane Mill	12	-
Unrealised gain on derivatives (primarily commodity hedges)	(17)	(9)
Tax effect on above items	(16)	(34)
ADJUSTED NET INCOME	170	157

Differences due to rounding

CAPITAL EXPENDITURE

INCREASING INVESTMENT
IN FILLERS

€million	9M 2021	9M 2020	2020A
PROPERTY, PLANT & EQUIPMENT	50	47	77
GROSS FILLER CAPEX	121	93	122
UPFRONT CASH	(67)	(30)	(54)
NET FILLER CAPEX	55	63	68
TOTAL NET CAPEX	105	109	145
TOTAL NET CAPEX AS % REVENUE	7.1%	8.4%	8.0%

Differences due to rounding

LEVERAGE

STABLE LEVERAGE YOY
AFTER FINANCING ACQUISITION

€million	9M 2021	9M 2020	2020A
CASH ⁽¹⁾	228	249	355
TERM LOANS	550	550	550
CREDIT FACILITY	50	-	-
NOTES ISSUES	1'000	1'000	1'000
LEASE LIABILITIES	181	74	147
NET TOTAL DEBT	1'553	1'375	1'342
TOTAL NET LEVERAGE RATIO ⁽²⁾	2.7x	2.7x	2.7x

⁽¹⁾ Includes restricted cash

⁽²⁾ Net total debt divided by LTM adjusted EBITDA. LTM adjusted EBITDA for 2021 includes the LTM adjusted EBITDA of the acquired joint ventures and SIG and deducts the dividend SIG received from the joint ventures in the LTM period
Differences due to rounding

FINANCIAL GUIDANCE

**FULL YEAR GUIDANCE
MAINTAINED**

FY 2021E

CORE REVENUE GROWTH	4 - 6% (CONSTANT CURRENCY)
ADJ. EBITDA MARGIN	27 - 28%
EFFECTIVE TAX RATE	27 - 28%⁽¹⁾
NET CAPEX (% REVENUE)	8 - 10%
DIVIDEND PAYOUT	50 - 60% OF ADJUSTED NET INCOME⁽²⁾

MID-TERM

CORE REVENUE GROWTH	4 - 6% (CONSTANT CURRENCY)
ADJ. EBITDA MARGIN	~29%
EFFECTIVE TAX RATE	27 - 29%⁽¹⁾
NET CAPEX (% REVENUE)	8 - 10%
DIVIDEND PAYOUT	50 - 60% OF ADJUSTED NET INCOME⁽²⁾
NET LEVERAGE	TOWARDS ~2X

This presentation includes mid-term goals that are forward-looking, are subject to significant business, economic, regulatory and competitive uncertainties and contingencies, many of which are beyond the control of the Company and its management, and are based upon assumptions with respect to future decisions which are subject to change. Actual results will vary and those variations may be material. Nothing in this presentation should be regarded as a representation by any person that these goals will be achieved and the Company undertakes no duty to update its goals.

Note: Guidance assumes constant currency; adjusted EBITDA margin and net capex percentage based on total revenue

⁽¹⁾ Represents management's estimated adjusted effective tax rate

⁽²⁾ Dividend based on prior year adjusted net income and based on planned payout ratio

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THANK
YOU
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