



# Q3 2023 trading statement

SIG Group

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For additional information about the alternative performance measures used by management, including reconciliations to measures defined in IFRS, please refer to this link <https://www.sig.biz/investors/en/performance/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.

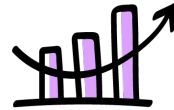
# Q3 2023 business summary

## Solid financial performance



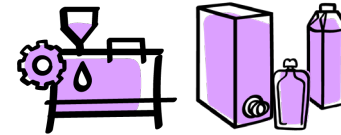
### Revenue

- ➔ Strong organic revenue growth
- ➔ Bag-in-box and spouted pouch maintaining good year to date performance
- ➔ Strong chilled carton growth in Asia



### Adjusted EBITDA margin and cash flow

- ➔ Price increases underpinning margin improvement
- ➔ Strong Q3 free cash flow generation in line with seasonality and above prior year



### Strong innovation momentum underpinning future growth

- ➔ Commercial launch of SIG DomeMini (single serve carton shaped bottle)
- ➔ Successful rollout of alu-free cartons for two large customers in China
- ➔ Testing of 2<sup>nd</sup> generation spouted pouch filling machine with large fruit puree producer



SCIENCE  
BASED  
TARGETS

### Net-Zero target approved by the Science Based Targets initiative (SBTi)

- ➔ SIG one of only 325<sup>(1)</sup> companies in the world to gain approval
- ➔ Reduction targets, incl. all substrates vs. 2020 base:

Scope	2030	2050
GHG 1+ 2	↓42% <sup>(2)</sup>	↓90% <sup>(2)</sup>
GHG 3	↓52% <sup>(2)</sup>	↓97% <sup>(2)</sup>

# Q3 2023 financial highlights

Strong organic revenue growth and free cash flow generation

Revenue  
€ 799 million

**+7.7%**

constant currency

**+8.1%**

organic<sup>(1)</sup>  
constant currency

**+3.7%**

reported

Adjusted EBITDA

**€ 198**

million  
(Q3 2022: € 179 m)

Adjusted net income

**€ 79**

million  
(Q3 2022: € 78 m)

Free cashflow

**€ 133**

million  
(Q3 2022: € 101m)

Adjusted EBITDA margin

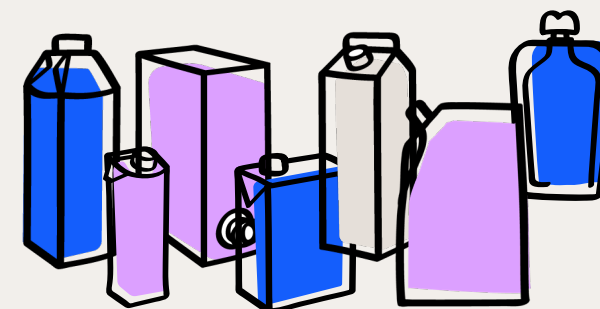
**24.8%**

(Q3 2022: 23.2%)

Net capital investment

**€ 59**

million  
(Q3 2022: € 53 m)



(1) Organic growth represents SIG aseptic carton revenue growth, excluding the impacts from the acquisitions of the bag-in-box, spouted pouch and chilled carton businesses

# 9 months 2023 financial highlights

Robust financial performance year to date



Revenue  
€ 2,339 million

**+24.3%**

constant currency

**+7.1%**

organic<sup>(1)</sup>  
constant currency

**+22.3%**

reported

Adjusted EBITDA

**€ 582**

million  
(9M 2022: € 459 m)

Adjusted net  
income

**€ 223**

million  
(9M 2022: € 203 m)

Free cashflow

**€ (80)**

million  
(9M 2022: € 92 m)

Adjusted EBITDA  
margin

**24.9%**

(9M 2022: 24.0%)

Net capital  
investment

**€ 230**

million  
(9M 2022: € 69 m)

Leverage

**3.2x**

(December 31, 2022: 3.1x)

(1) Organic growth represents SIG aseptic carton revenue growth, excluding the impacts from the acquisitions of the bag-in-box, spouted pouch and chilled carton businesses

# Q3 regional summary

## Europe and Middle East and Africa

### Europe

€ million	Q3 2023	9 months 2023
Revenue	246	737
Revenue growth <sup>(1)</sup>	7.5%	21.9%
Organic revenue growth <sup>(1),(2)</sup>	11.1%	10.7%

### Middle East and Africa

€ million	Q3 2023	9 months 2023
Revenue	80	242
Revenue growth <sup>(1)</sup>	6.7%	5.0%
Organic revenue growth <sup>(1)</sup>	6.7%	5.0%

(1) At constant currency.

(2) Excluding the impact of bag-in-box and spouted pouch acquisition

- ➡ Price increases supporting revenue growth offsetting prior year cost inflation
- ➡ Continue to gain share of aseptic carton market due to new filler installations

- ➡ Strong recovery following weaker Q2
- ➡ Ramp-up of new fillers in South Africa and Saudi Arabia, increase in demand in Algeria

# Q3 regional summary

## Asia Pacific and Americas

### Asia Pacific

€ million	Q3 2023	9 months 2023
Revenue	240	690
Revenue growth <sup>(1)</sup>	14.4%	21.8%
Organic revenue growth <sup>(1),(2)</sup>	10.4%	2.8%

### Americas

€ million	Q3 2023	9 months 2023
Revenue	234	669
Revenue growth <sup>(1)</sup>	1.9%	39.5%
Organic revenue growth <sup>(1),(2)</sup>	1.4%	9.4%

(1) At constant currency

(2) Excluding the impact of bag-in-box, spouted pouch and chilled carton businesses

➡ Improving volume growth throughout quarter in SE Asia

➡ Strong volume growth for chilled and aseptic carton in China

➡ Strong prior year growth comparison

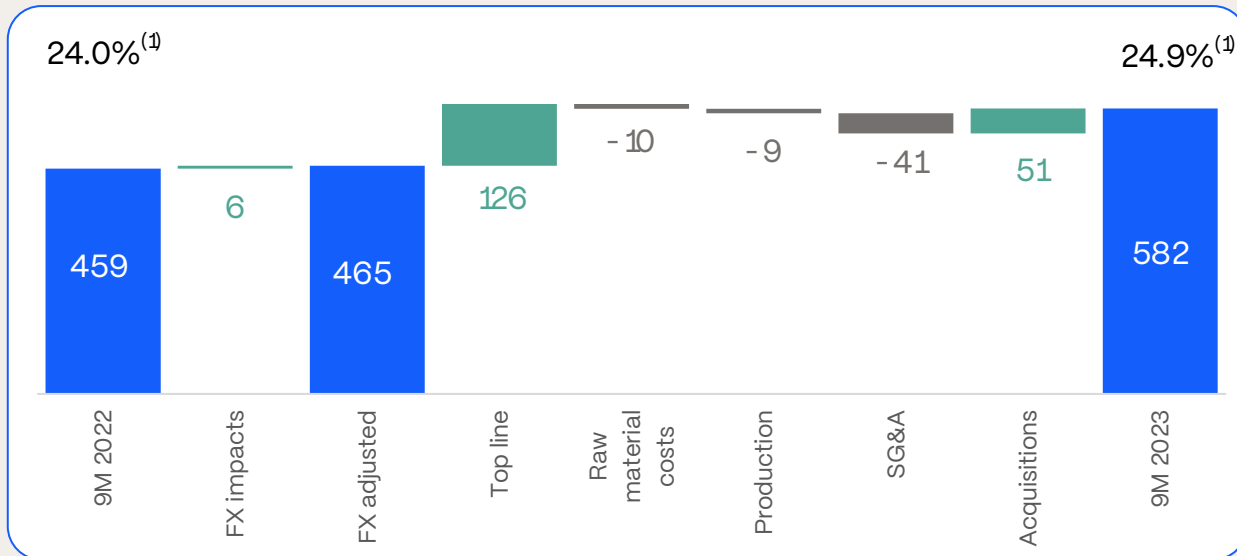
➡ In Brazil, after softer aseptic carton demand in July and August, retail price reductions increased demand in September

➡ Bag-in-box and spouted pouch above market growth, high Q3 2022 comparatives due to share gains and post Covid-19 recovery

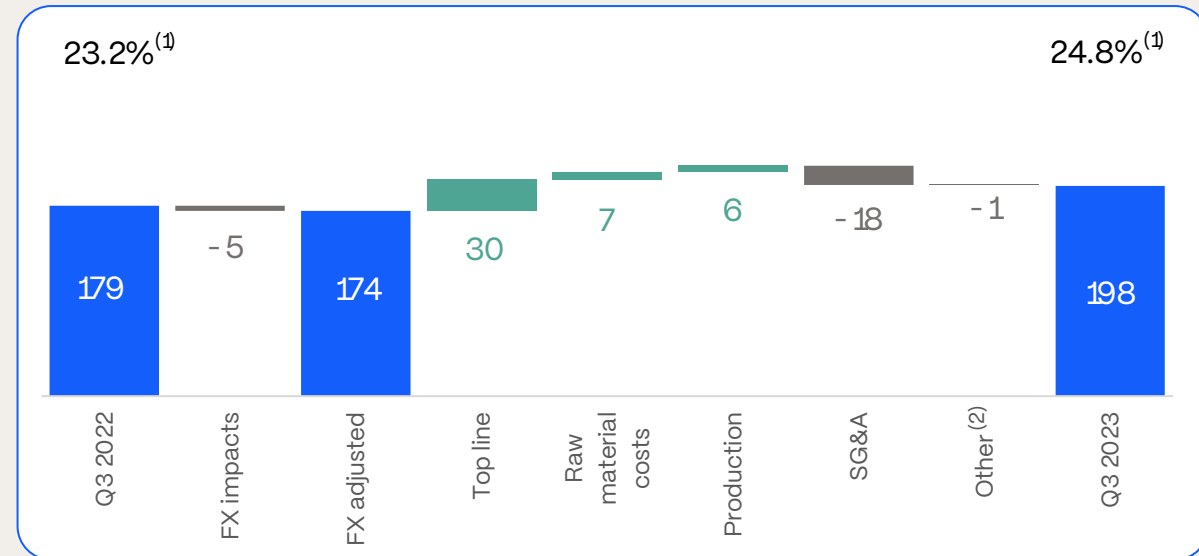
# Adjusted EBITDA bridge

## Solid margin recovery

### 9 months adjusted EBITDA bridge (€ million)



### Q3 adjusted EBITDA bridge (€ million)



- ➡ Strong top line growth with some mix reversal in Q3
- ➡ Price increases recovering cost inflation
- ➡ Raw materials hedged 53% in 2023. Q3 benefitted from lower spot prices

- ➡ Q3 production reflected strong operational performance reducing YTD costs
- ➡ SG&A reflect investment in growth included R&D and regional expansion as well as wage inflation



(1) Adjusted EBITDA as % of revenue  
 (2) Including one month of chilled carton business



# 9 months free cash flow

## Cash generation gaining momentum

€ million	Nine months ended Sep 30, 2023	Nine months ended Sep 30, 2022
<b>Net cash from operating activities</b>	<b>264</b>	<b>293</b>
Acquisition of property, plant and equipment and intangible assets (net of sales)	(308)	(176)
Payment of lease liabilities	(36)	(25)
<b>Free cash flow</b>	<b>(80)</b>	<b>92</b>
<hr/>		
PP&E and intangible assets	130	54
Filling lines and other related equipment	178	122
<b>Capital expenditure</b>	<b>308</b>	<b>176</b>
Upfront cash	(78)	(107)
<b>Net capital expenditure</b>	<b>230</b>	<b>69</b>

- ⇒ Capital expenditure reflects investments in global capacity and higher filler capex due to strong win rate
- ⇒ Q3 cash generation in line with seasonal pattern:
  - Q3 free cash flow € 133 million vs. € (213) million for H12023
- ⇒ A large portion of upfront cash payments expected in Q4 2023
- ⇒ Historically peak cash flow generated in Q4 of the year



# Leverage and financing

Net leverage lower as cash generation and adjusted EBITDA expand

€ million	Sep 30, 2023	Jun 30, 2023 <sup>(1)</sup>	Dec 31, 2022 <sup>(2)</sup>
<b>Gross debt</b>	<b>2,817</b>	<b>2,794</b>	<b>2,684</b>
Cash	346	212	504
<b>Net debt</b>	<b>2,471</b>	<b>2,583</b>	<b>2,180</b>
<b>Net leverage ratio (last 12 months proforma)</b>	<b>3.2x</b>	<b>3.4x</b>	<b>3.1x</b>

(1) In the calculation of the net leverage ratio as of June 30, 2023 adjusted EBITDA includes the adjusted EBITDA of chilled carton from July 1, 2022

(2) In the calculation of the net leverage ratio as of December 31, 2022 adjusted EBITDA includes the adjusted EBITDA of bag-in-box/spouted pouch and chilled carton from January 1, 2022

- ➡ Net leverage improvement as of September 30, vs. June 30, 2023
- ➡ Committed to reduce gross debt by year end 2023
- ➡ Expect net leverage to be below 3x by year end 2023
- ➡ Remain on track to reduce net leverage to 2.5x by year end of 2024



# 2023 financial guidance maintained

**Revenue growth**  
(constant currency)

**20-22%**

Includes organic<sup>(1)</sup>  
growth of **7-9%**

**Adjusted EBITDA  
margin**

**+50-150** bps

Range of  
**24-25%**

**Adjusted effective  
tax rate**

**26-28%**

**Net CAPEX**  
(% revenue)

**7-9%**

**Dividend payout ratio**  
(of adjusted net income)

**50-60%**

- Pass through resin escalator for bag-in-box and spouted pouch excluded from guidance
- Guidance subject to input cost and forex volatility



(1) Organic growth represents SIG revenue growth at constant currency, excluding the impacts of the bag-in-box, spouted pouch and chilled carton businesses

# Thank you!

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