
SIG GROUP Q3 2022 TRADING UPDATE

28 OCTOBER 2022

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Alternative performance measures

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 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.

THIRD QUARTER 2022 HIGHLIGHTS

BROADENED PORTFOLIO
HAS HAD ENCOURAGING START

STRONG OVERALL REVENUE GROWTH

SOLID ORGANIC
REVENUE GROWTH¹
IN LINE WITH
GUIDANCE OF 7-9%

1ST FULL QUARTER
CONTRIBUTION
FROM SCHOLLE IPN
WITH STRONG BiB²
SALES IN THE USA

SUCCESSFUL IMPLEMENTATION OF PRICING STRATEGY AMID ONGOING COST INCREASES

MITIGATING HIGHER
RAW MATERIAL,
ENERGY AND
FREIGHT COSTS

DELIVERY OF PRICE
INCREASES ABOVE
EXPECTATIONS

PRICE INCREASES
INITIATED FOR 2023

MULTIPLE NEW FILLER CONTRACTS IN ALL REGIONS

FOOD AND
BEVERAGE
CUSTOMERS
INVESTING FOR THE
FUTURE

IN ASEPTIC AND
CHILLED CARTON AS
WELL AS BiB AND
SPOUTED POUCH

5 YEAR USD TERM LOAN SECURED IN JULY

COMPLETING
ACQUISITION
FINANCING

PROMOTION OF SIG SHARES INTO MSCI MID CAP INDEX

AS OF 31 AUGUST
2022

PARTNERSHIP WITH WWF SWITZERLAND

FOR THE
PROTECTION AND
RESTORATION OF
FORESTS



Together
supporting
thriving
forests



¹ Organic growth represents SIG revenue growth at constant currency, excluding the impacts of the Scholle IPN and Evergreen Asia acquisition

² Bag-in-Box

WWF SWITZERLAND PARTNERSHIP

TOGETHER SUPPORTING THRIVING FORESTS

FOCUS ON
SUSTAINABILITY

- **SIG continues to lead the carton industry in sustainability**
 - 1st carton producer to purchase only FSC-certified paperboard
 - Helping customers cater to growing consumer demand for more sustainable packaging
- **This partnership** is integral **to achieving Forest+ ambitions** of our Way Beyond Good strategy:
 - First flagship project: improved forest management of 100,000 hectares and restoration of a further 750 hectares of forest in Mexico that serve as critical habitat for the jaguar and surrounding communities
- **SIG being chosen as a partner reflects** our leadership in sustainability, our Way Beyond Good strategy and our FSC commitments and achievements



Together
supporting
thriving
forests



Q3 2022 KEY FIGURES

SOLID QUARTER AMID
INFLATIONARY PRESSURES

REVENUE

€ 770.8 MILLION

+41.2%

GROWTH AT
CONSTANT CURRENCY

+7.0%

ORGANIC GROWTH¹

+52.1%

REPORTED GROWTH

ADJUSTED EBITDA

€ 178.8

MILLION

(Q3 2021: €137.1
MILLION)

ADJUSTED EBITDA MARGIN

23.2%

(Q3 2021: 27.1%)

ADJUSTED NET INCOME

€ 68.7

MILLION

(Q3 2021:
€ 60.6 MILLION)

FREE CASH FLOW INCOME

€ 101.5

MILLION

(Q3 2021:
€ 116.7 MILLION)

¹ Organic growth represents SIG revenue growth at constant currency, excluding the impacts of the acquisition of Scholle IPN and Evergreen Asia

9 MONTHS 2022

KEY FIGURES

RESILIENT BUSINESS DELIVERING
STRONG REVENUE GROWTH

REVENUE

€ 1,913.4 MILLION

+22.5%

GROWTH AT
CONSTANT CURRENCY

+7.3%

ORGANIC GROWTH¹

+29.9%

REPORTED GROWTH

ADJUSTED EBITDA

€ 459.3

MILLION

(9M 2021: €401.2
MILLION)

ADJUSTED EBITDA MARGIN

24.0%

POINT

(9M 2021: 27.2%)

ADJUSTED NET INCOME

€ 183.7

MILLION

(9M 2021:
€ 170.2 MILLION)

FREE CASH FLOW

€ 92.1

MILLION

(9M 2021:
€ 141.7 MILLION)

¹ Organic growth represents SIG revenue growth at constant currency, excluding the impacts of the acquisition of Scholle IPN and Evergreen Asia

REGIONAL PERFORMANCE

THIRD QUARTER 2022

ONGOING STRONG
REVENUE GROWTH

EUROPE: STRONG PERFORMANCE

- Accelerating benefit from price increases
- Strong Hochwald contribution – all 15 fillers in operation
- Broad presence in non-discretionary products
- Full quarter consolidation of Scholle IPN with strong European presence in bag-in-box for institutional food and beverage

Reported Q3 22 vs. Q3 21 growth rate ¹	+28.6%
Organic Q3 22 vs. Q3 21 growth rate ^{1,2}	+6.6%
Organic 9M 22 vs. 9M 21 growth rate ^{1,2,3}	+3.9%

MEA: EXCEPTIONAL SALES GROWTH

- Strong year to date performance demonstrates full recovery from weaker prior year
- Strong market dynamics post COVID-19, price increases and ramp up of new fillers
- Diversification strategy into liquid dairy packaging yielding results
- Sustainability and circular economy gaining traction
 - Launch of Recycle for Good in Egypt

Reported Q3 22 vs. Q3 21 growth rate ¹	+18.1%
Organic Q3 22 vs. Q3 21 growth rate ^{1,2}	+18.1%
Organic 9M 22 vs. 9M 21 growth rate ^{1,2,3}	+17.1%

¹ Constant currency

² Excluding the acquisition of Scholle IPN and Evergreen Asia

³ Growth also excludes the impact of first time MEA JV consolidation, MEA revenue compares 9M 2021 vs 9M 2022

REGIONAL PERFORMANCE

THIRD QUARTER 2022



ASIA PACIFIC: CHILLED CARTON WIN

- Reported growth includes consolidation of Evergreen Asia from August
- Integration of the chilled business progressing well
- 1st chilled carton win with existing aseptic carton customer
- China aseptic carton volumes impacted by drawdown of stocks as supply chain normalised following easing of COVID restrictions
- Lower gifting around national holidays
- Lower milk supply in Indonesia and Thailand: high feedstock costs
- YTD 32 filler wins in India and SE Asia

Reported Q3 22 vs. Q3 21 growth rate ¹	+20.2%
Organic Q3 22 vs. Q3 21 growth rate ^{1,2}	(1.9%)
Organic 9M 22 vs. 9M 21 growth rate ^{1,2,3}	+4.1%

¹ Constant currency

² Excluding the acquisition of Scholle IPN and Evergreen Asia

³ Growth rate also excludes paper mill divestment

AMERICAS: RECORD SALES FOR BiB and POUCH

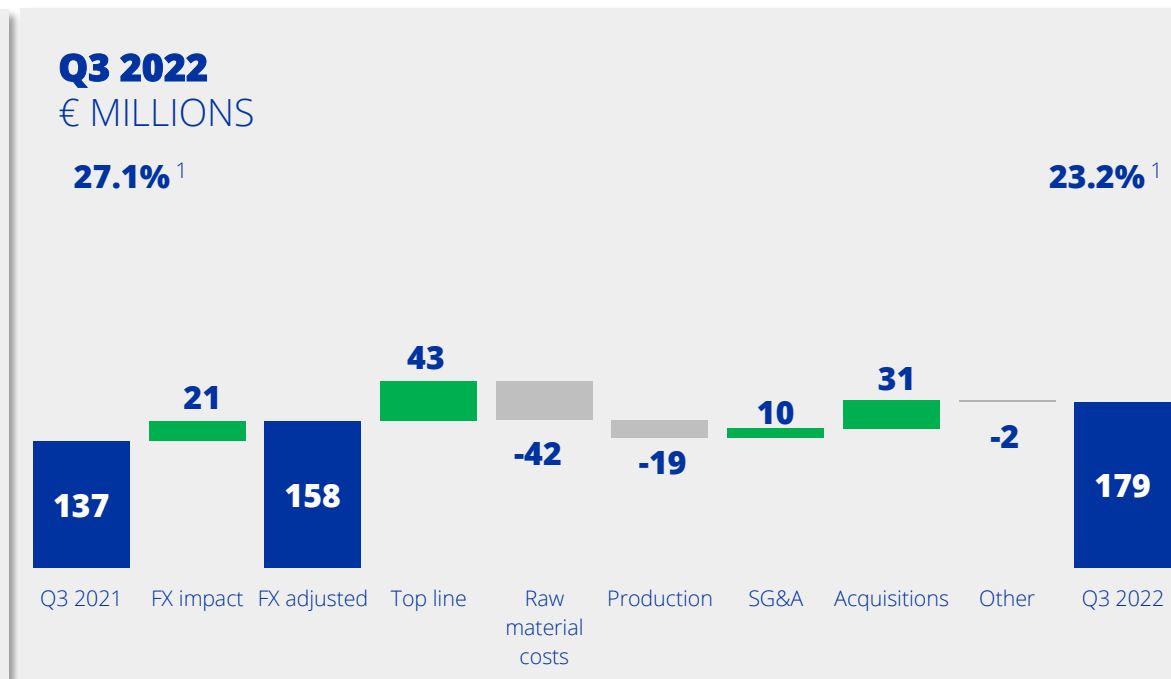
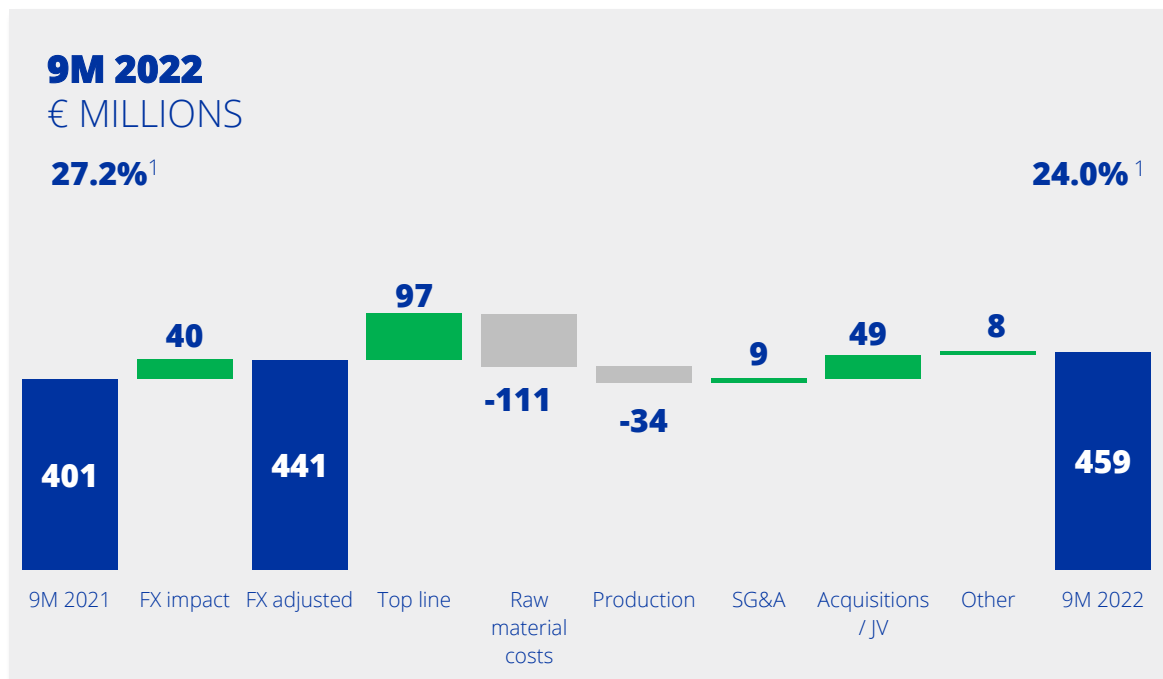
- Strong BiB and spouted pouch sales:
 - Partly reflects price pass through for higher polymer costs
 - Market share gains in N America in BiB concentrate
 - Buoyant foodservice demand
- 6 spouted pouch fillers ordered in the US with an existing customer
- Continued strong sales momentum in Brazil
 - Market share gains in NCSD, flavoured milk, sweetened condensed milk
- Aseptic carton agreement signed for supply of dairy based solutions to Scholle's largest BiB customer in Brazil.

Reported Q3 22 vs. Q3 21 growth rate ¹	+112.5%
Organic Q3 22 vs. Q3 21 growth rate ^{1,2}	+16.8%
Organic 9M 22 vs. 9M 21 growth rate ^{1,2}	+11.0%

ADJUSTED EBITDA EVOLUTION

9 MONTHS AND Q3

INCREASING TOP LINE
CONTRIBUTION



- Top line reflects strong contribution from price increases
 - Offsetting raw material costs in Q3
- Production includes higher freight and energy costs
- SG&A reflects phasing and strong cost discipline

- Margin dilution arises from
 - Consolidation of Scholle IPN and Evergreen Asia
 - Higher pricing protects absolute EBITDA but not margin
- Price increases staged - lag effect vs. continuing cost inflation

¹ Adjusted EBITDA as a % of revenue

9 MONTHS 2022

CASH FLOW AND LEVERAGE

CAPEX AND LEVERAGE
ON TRACK

NET CAPITAL EXPENDITURE

9M 2022: €88 M
(9M 2021: €105 M)

SLEEVES PLANT IN MEXICO ON TRACK FOR COMMERCIAL PRODUCTION IN Q1 2023

CAPEX INCLUDES 1ST TIME INCLUSION OF BiB AND SPOUTED POUCH CAPEX

GROSS FILLER INVESTMENT CONTINUED AT A GOOD PACE

NET FILLER CAPEX INCLUDES HIGH UPFRONT PAYMENTS IN EUROPE

FREE CASH FLOW

9M 2022: €92 M
(9M 2021: €142 M)

WORKING CAPITAL MOVEMENTS REFLECT HIGHER INVENTORIES

- TO MANAGE SUPPLY CHAIN CHALLENGES
- FUNCTION OF HIGHER RAW MATERIAL PRICES

ACQUISITION RELATED COSTS

NET LEVERAGE

3.2X 9M PROFORMA¹
(31 DEC 2021: 2.5X²)

\$270M TERM LOAN WITH FIXED INTEREST RATE

ACQUISITION FINANCING COMPLETED

MID-TERM NET LEVERAGE TARGET TOWARDS ~2X WITH MILESTONE OF ~2.5X BY END 2024

¹ LTM adjusted EBITDA for 2022 includes the LTM adjusted EBITDA of the Scholle IPN and Evergreen Asia acquisitions

² LTM adjusted EBITDA for 2021 includes the LTM adjusted EBITDA of the acquired joint ventures

2022 FINANCIAL GUIDANCE

STRONG REVENUE GROWTH, RESILIENT MARGIN

HEADLINE REVENUE GROWTH (constant currency)	ABOVE 24%
ADJUSTED EBITDA MARGIN	AROUND 25%
EFFECTIVE TAX RATE	26-28%¹
NET CAPEX (% REVENUE)	7-9%
DIVIDEND PAYOUT RATIO (of adjusted net income)	50-60%

UPDATE

- Full year revenue growth to be above guided range of 22-24%
- Staged price increases vs. ongoing cost inflation
- Price increases cover absolute cost rises but compress margin
- Full year adjusted EBITDA margin expected to be around 25%

¹ Represents adjusted effective tax rate

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**THANK
YOU**
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28 OCTOBER 2022

