MEDIA RELEASE

5 May 2020
SIG Combibloc Group AG ("SIG")

Strong revenue growth and cash generation

First quarter 2020 highlights

- Core revenue up 8.4% at constant currency; up 8.3% as reported
- Adjusted EBITDA margin 21.3% (Q1 2019: 23.6%): underlying improvement more than offset by negative currency impact
- Adjusted net income €12.9 million (Q1 2019: €29.1 million)
- Free cash flow significantly higher
- Full year guidance maintained at present in an uncertain environment

Key performance indicators:[1] First quarter 2020

(In € million or %)	Three months ended 31 March 2020	Three months ended 31 March 2019	Change Reported currency	Change Constant currency
Core revenue	389.6	359.7	8.3%	8.4%
Adjusted EBITDA	83.7	85.9	(2.6%)	
Adjusted EBITDA margin	21.3%	23.6%		
Adjusted net income	12.9	29.1		
Free cash flow	16.2	(25.6)		

Reported measures: First quarter 2020

(In € million or %)	Three months ended 31 March 2020	Three months ended 31 March 2019	Change Reported currency	Change Constant currency
Total revenue	392.9	363.7	8.0%	8.2%
EBITDA	67.2	88.3	(23.9%)	
Net income	(25.5)	4.7		

[1] 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, refer to the link below:
https://www.sig.biz/investors/en/performance/key-figures

Rolf Stangl, CEO of SIG Combibloc, said: "Like all companies, we have faced unprecedented challenges due to the Covid-19 crisis. The health and safety of all employees has been – as ever – our priority throughout this period. We implemented a pandemic preparedness plan early on to protect our employees and prevent infections, with a coordinated network of global and regional task forces. Rigorous precautionary measures included enhanced hygiene standards, social distancing, strict travel restrictions and a ban on visitors at our sites. To ensure supply continuity, we built up safety inventories at all levels, from raw materials through to finished goods. As a result of the measures taken, all our factories continued production in the quarter without interruption. This enabled us to continue supporting our customers in delivering essential food and beverages to consumers. I should like to express my gratitude to all our employees - and particularly those working in our production plants - who have made this possible. "

Revenue by region: First quarter 2020

(In € million or %)	**Three months ended 31 March 2020**	**Three months ended 31 March 2019**	**Change**	
			Reported currency	**Constant currency**
EMEA	180.9	175.2	3.3%	3.1%
APAC	136.8	126.9	7.8%	6.2%
Americas	68.1	53.4	27.4%	34.2%
Group Functions	3.8	4.2		
Core revenue from transactions with external customers	**389.6**	**359.7**	**8.3%**	**8.4%**
Revenue from sales of folding box board	3.3	4.0		
Total revenue	392.9	363.7	8.0%	8.2%

All regions contributed to growth in the first quarter. In EMEA, core revenue growth at constant currency of 3.1% reflected the ongoing benefit of new customer wins and filler placements in Europe. March saw an increase in orders as our customers responded to hoarding by consumers. In addition, Covid-19 lockdowns in European countries have resulted in higher at-home consumption.

In APAC, sales in China were stable compared with a very strong Q1 2019. The prohibition on movement during the Chinese New Year resulted in a significant loss of the traditional gifting business. However, many customers stocked up during the quarter in view of uncertainties around future measures against the spread of Covid-19. In South East Asia sales were affected by reduced economic activity in markets where lockdowns occurred. In addition, some customers entered the year with relatively high stocks. Growth in the APAC region was augmented by the consolidation of Visy Cartons, acquired in November 2019.

The Americas registered a strong performance with a continuation of the positive trends from last year, including buoyant sales to dairy customers in Mexico and the deployment and ramping up of new fillers in Brazil.

EBITDA and adjusted EBITDA

Adjusted EBITDA was slightly lower at €83.7 million reflecting the impact of the depreciation of key currencies, notably the Brazilian Real and the Thai Baht, against the Euro. The adjusted EBITDA margin was 21.3% (Q1 2019: 23.6%). Excluding the impact of currency, the adjusted EBITDA margin was 26.2%, reflecting a strong top line contribution and lower raw material costs. The first quarter has historically been the smallest quarter in terms of adjusted EBITDA and margin.

EBITDA was €67.2 million compared with €88.3 million in the first quarter of 2019. The decrease includes an unrealised loss on commodity derivatives which is not included in adjusted EBITDA.

Net income and adjusted net income

Adjusted net income was €12.9 million compared with €29.1 million in the first quarter of 2019. The decline reflects the impact of currencies on EBITDA and on intra-group financing costs.

Net income moved from a profit of €4.7 million in the first quarter of 2019 to a loss of €25.5 million in the first quarter of 2020.

Dividend

A dividend of CHF 0.38 per share was paid out of capital contribution reserves on 16 April 2020, equating to a total distribution of €115 million.

Free cash flow

(In € million)	**Three months ended 31 March 2020**	**Three months ended 31 March 2019**
Net cash from operating activities	**73.2**	**21.2**
Dividends received from joint ventures	2.5	2.1
Acquisition of PP&E and intangible assets	(56.7)	(47.0)
Payment of lease liabilities	(2.8)	(1.9)
Free cash flow	**16.2**	**(25.6)**

Free cash flow has historically been negative in the first quarter due to the seasonality of the business which is weighted towards the second half of the year. In the first quarter of 2020, free cash flow was positive at €16.2 million due to a significant improvement in net working capital, which more than offset an increase in net capex due to the construction of a new plant in China to serve the Asia Pacific region.

Net debt and leverage

(In € million)	As of 31 March 2020	As of 31 Dec. 2019
Gross total debt	1,612	1,614
Cash and cash equivalents	263	261
Net total debt	1,349	1,353
Total net leverage ratio (last twelve months) [1]	**2.8x**	**2.8x**

[1] Net total debt divided by adjusted EBITDA

Full year outlook

At present it is not possible to reliably predict the effects of the Covid 19 crisis or currency movements for the remainder of the year. However, the Company remains confident in its ability to grow and to generate substantial free cash flow. Following a very strong first quarter, the second quarter is likely to be weak. This is primarily due to the consumption of stocks in Asia and to continuing lockdowns in many countries affecting on the go consumption. However, on the assumption that consumption will revert to more normal levels in the second half of the year, the Company regards its full year guidance of constant currency growth at the lower end of a 6 to 8% range as achievable. Assuming more normal consumption in the second half and subject to currency movements, guidance of an adjusted EBITDA margin at the lower end of the 27-28% range is also maintained.

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About SIG

SIG is a leading systems and solutions provider for aseptic carton packaging. We work in partnership with our customers to bring food and beverage products to consumers around the world in a safe, sustainable and affordable way. Our unique technology and outstanding innovation capacity enable us to provide our customers with end-to-end solutions for differentiated products, smarter factories and connected packs, all to address the ever-changing needs of consumers.

Founded 1853, SIG is headquartered in Neuhausen, Switzerland. The skills and experience of our approximately 5,500 employees worldwide enable us to respond quickly and effectively to the needs of our customers in over 60 countries. In 2019, SIG produced 38 billion carton packs and generated €1.8 billion in revenue. For more information, visit www.sig.biz.

Disclaimer & cautionary statement

The information contained in this media release and in any link to our website indicated herein is not for use within any country or jurisdiction or by any persons where such use would constitute a violation of law. If this applies to you, you are not authorised to access or use any such information.

This media release contains "forward-looking statements" that are based on our current expectations, assumptions, estimates and projections about us and our industry. Forward-looking statements include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and may contain the words "may", "will", "should", "continue", "believe", "anticipate", "expect", "estimate", "intend", "project", "plan", "will likely continue", "will likely result", or words or phrases with similar meaning. Undue reliance should not be placed on such statements because, by their nature, forward-looking statements involve risks and uncertainties, including, without limitation, economic, competitive, governmental and technological factors outside of the control of SIG Combibloc Group AG ("SIG", the "Company" or the "Group"), that may cause SIG's business, strategy or actual results to differ materially from the forward-looking statements (or from past results). For any factors that could cause actual results to differ materially from the forward-looking statements contained in this media release, please see our offering memorandum for the IPO. SIG undertakes no obligation to publicly update or revise any of these forward-looking statements, whether to reflect new information, future events or circumstances or otherwise. It should further be noted that past performance is not a guide to future performance. Please also note that quarterly results are not necessarily indicative of the full-year results. Persons requiring advice should consult an independent adviser.

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

n this media release, we utilise certain alternative performance measures, including but not limited to core revenue, 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 International Financial Reporting Standards ("IFRS"). These 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 alternative performance measures stated above may not be comparable to other similarly titled measures of other companies and are not measurements under IFRS 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. You are cautioned not to place undue reliance on any alternative performance measures and ratios not defined in IFRS included in this media release. For definitions of alternative performance measures and their related reconciliations that are not included in this media release, please refer to the following link www.sig.biz/investors/en/performance/key-figures

The following table reconciles profit or loss to EBITDA and adjusted EBITDA.

(In € million)	Three months ended 31 March 2020	Three months ended 31 March 2019
Profit / (loss) for the period	**(25.5)**	**4.7**
Net finance expense	19.7	9.0
Income tax expense	1.9	3.7
Depreciation and amortization	71.1	70.9
EBITDA	**67.2**	**88.3**
Adjustments to EBITDA:		
Replacement of share of profit or loss of joint ventures with cash dividends received from joint ventures	(0.9)	1.1
Restructuring costs, net of reversals	0.3	0.9
Unrealised (gain) / loss on derivatives	15.3	(5.2)
Transaction- and acquisition-related costs	0.8	0.7
Other	1.0	0.1
Adjusted EBITDA	**83.7**	**85.9**

The table below is a summary of the reconciliation of profit or loss for the period to adjusted net income.

(In € million)	Three months ended 31 March 2020	Three months ended 31 March 2019
Profit / (loss) for the period	**(25.5)**	**4.7**
Non-cash foreign exchange impact of non-functional currency loans and realised foreign exchange impact due to refinancing	-	(3.6)
Amortisation of transaction costs	0.7	0.7
Net change in fair value of derivatives	(1.0)	1.4
PPA depreciation and amortization	33.5	35.2
Adjustments to EBITDA (1)	16.5	(2.4)
Tax effect on above items	(11.3)	(6.9)
Adjusted net income	**12.9**	**29.1**

[1] The adjustments made to EBITDA are detailed in the “EBITDA and adjusted EBITDA” table above.