Q1 2023 trading statement

SIG Group

Samuel Sigrist, CEO

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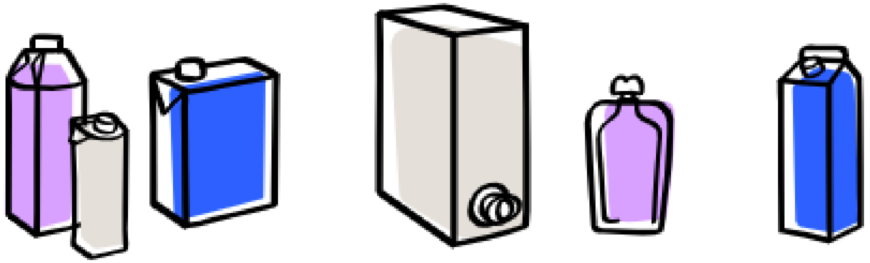
For additional information about the alternative performance measures used by management, including reconciliations to measures defined in IFRS, please refer to this link:
https://www.sig.biz/investors/en/performance/definitions

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.

Q1 2023 business highlights

Price increases underpinning margin improvement



Solid revenue performance

Price increases recovering cost inflation

Strong contribution from acquisitions, notably bag-in-box

Margin recovery coming through

Margin slightly above Q1 2022 despite dilution from price increases and acquisitions
Significant margin improvement vs. Q4 2022

Strategic investments to support future growth

Growth in non-filler capex to support expanding global footprint

First to launch digital printing capability in Europe

Increase in filler capex to meet high level of filler orders in 2022

Aseptic filling technology and format innovation

First 4th generation filling machine and new packaging format in field and on shelves

Q1 2023 financial highlights

Strong revenue growth and margin recovery

Revenue
€ 729.0 million

+44.5%
constant currency

+6.9%
organic[1]
constant currency

+46.8%
reported

Adjusted EBITDA

€ 175
million
(Q1 2022: € 119 m)

Adjusted EBITDA margin

24.0%
(Q1 2022: 23.9%)

Adjusted net income

€ 65
million
(Q1 2022: € 45 m)

Free cash flow

€ (95)
million
(Q1 2022: € (25) m)

Net capital investment

€ (87)
million
(Q1 2022: € (7) m)

Leverage

3.1x[2]
(Q4 2022: 3.1x)

(1) Organic growth represents SIG aseptic carton revenue growth, excluding the impacts of the acquisitions of bag-in-box/spouted pouch and chilled carton
(2) In the calculation of the net leverage ratio as of March 31, 2023 adjusted EBITDA includes the adjusted EBITDA of bag-in-box/spouted pouch and chilled carton from April 1, 2022.

Regional summary: Q1 2023

Europe and Middle East and Africa

€ million	Europe
Revenue	**242**
Revenue growth[1]	37.6%
Organic revenue growth[1],[2]	**11.2%**

- Strong start to the year with pricing effects accelerating
- Price increases reflect high level of cost increases in 2022 and cost inflation in 2023

€ million	Middle East and Africa
Revenue	**75**
Revenue growth[1]	17.9%
Organic revenue growth[1]	**17.9%**

- Strong volume growth in dairy in South Africa, Egypt, Saudi Arabia and Algeria
- Price increases offsetting cost inflation
- Volatile currency movements can restrict customer access to foreign currency impacting demand on a quarterly basis

(1) At constant currency
(2) Excluding the impact of bag-in-box and spouted pouch acquisition

Regional summary: Q1 2023

Asia Pacific and Americas

€ million	Asia Pacific
Revenue	**197**
Revenue growth[1]	**20.2%**
Organic revenue growth[1],[2]	**(9.8)%**

- Chinese customer demand impacted by high level of COVID-19 cases in January and early Chinese New Year holidays
- Demand picking up in Q2 in China
- Strong volume growth in Vietnam and India

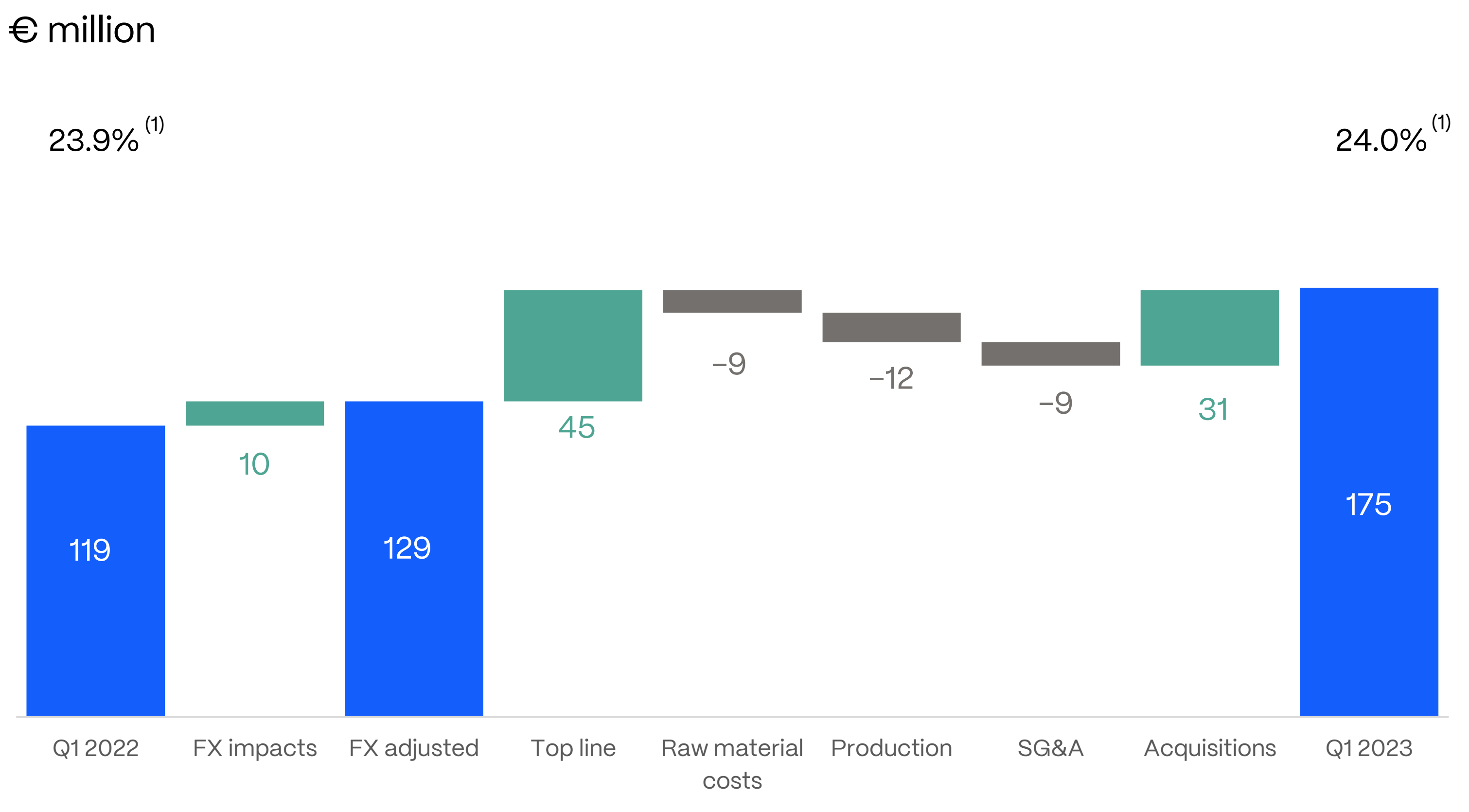
€ million	Americas
Revenue	**215**
Revenue growth[1]	**112.9%**
Organic revenue growth[1],[2]	**19.8%**

- Strong volume performance in Brazil and the USA
- Price increases offsetting cost inflation
- New cross selling win with large carton customer in Brazil for aseptic bag-in-box

(1) At constant currency
(2) Excluding the impact of bag-in-box and spouted pouch acquisition

Improving adjusted EBITDA margin

Topline contribution offsetting cost inflation



- Pricing increases ahead of cost curve: recovering cost inflation
- Production costs include higher wage, freight and energy costs
- SG&A includes higher growth investments
- First time contribution from acquisitions on a Q1 basis
- Sequential improvement in quarterly margin:

  Q1 2023 margin 24.0% vs. Q4 2022 22.3%

(1) Adjusted EBITDA as % of revenue

Free cash flow

Reflects seasonal cash outflows in Q1 and higher capex investment

€ million	Three months ended March 31, 2023	Three months ended March 31, 2022
Net cash from operating activities	**30**	**30**
Acquisition of property, plant and equipment and intangible assets (net of sales)	(114)	(46)
Payment of lease liabilities	(11)	(9)
Free cash flow	**(95)**	**(25)**
PP&E and intangible assets (net of sales)	51	12
Filling lines and other related equipment	63	34
Capital expenditure	**114**	**46**
Upfront cash	(27)	(39)
Net capital expenditure	**87**	**7**

Higher net capital expenditure vs Q1 2022 includes:

- Ramp up of sleeves plant in Mexico, reducing lead times for North American customers
- Investment in sleeves plant in India to meet exceptional demand growth
- Digital printing in Europe providing design flexibility and fast customer response times
- Higher net filler capex reflecting strong pipeline
- 2023 capex weighted towards H1

Leverage and financing

Leverage in line with 31 December 2022

€ million	Mar 31, 2023(1)	Dec 31, 2022(2)
Gross debt	**2,681**	**2,684**
Cash	394	504
Net debt	**2,287**	**2,180**
Net leverage ratio (last 12 months proforma)	**3.1x**	**3.1x**

- Stable leverage reflects strong adjusted EBITDA generation
- Cash flow seasonally low in H1
- Refinancing in place for June 2023 €450M bond maturity
- Committed to reduce gross debt by year end 2023

(1) In the calculation of the net leverage ratio as of March 31, 2023 adjusted EBITDA includes the adjusted EBITDA of bag-in-box/spouted pouch and chilled carton from April 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

2023 financial guidance maintained

Revenue growth (constant currency)	20–22%	Includes organic[1] 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 acquisitions.

Thank you!

for better