



Schoeller Allibert

# INVESTOR PRESENTATION Q1 2022

12 May 2022

## OUR TURN TO TRANSFORM

The world of smart logistics



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# TODAY'S PRESENTERS



**Ludo Gielen**  
CEO



**Hans Kerkhoven**  
CFO



# DIVERSIFIED AND RESILIENT BUSINESS

We service the market  
in which clients operate.  
And listen to their  
requirements and needs.



HANDHELD



FOLDABLE SMALL



STACK



STACK/NEST



DOLLIES



BEVERAGE



PAIS

BULK



FOLDABLE LARGE



RIDGED PALLET CONTAINER



PLASTIC PALLET



INTERMEDIATE BULK



ROTOMOULDING

# HIGHLIGHTS 2022

## SALES PRICE INCREASES OFFSET INPUT COST INFLATION; EBITDA DECREASE AS A RESULT OF LOWER VOLUMES SOLD

### SALES PERFORMANCE

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- **Q122A Revenue** of €139.6m, + €11.3m (+8.7%) above Q121A Revenue, driven by net impact of raw material and energy prices and lower volume
- **Rental business** performs above expectation
- **Price increases** effectuated and contractual clauses in place to pass on raw material and energy prices

### EBITDA DEVELOPMENT

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- **Q122A EBITDA** €13.0m, -€3.0m (-18.3%) below Q121A EBITDA of €16.0m
- **Q122A EBITDA margin** was 9.3% of Revenue, driven by a decrease in the EBITDA amount and a simultaneous revenue increase, compensating for the resin and energy cost developments

### CASH FLOW

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- **Q122A Adjusted free cash flow** of -€17.5m, -€18.3m below Q121A and negative **Net Cash Flow** of -€23.1m for Q1 2022
- **Adjusted free cash flow** decline due to lower EBITDA, higher investments in working capital caused by price increases and higher capex for growth projects

### BUSINESS ENVIRONMENT

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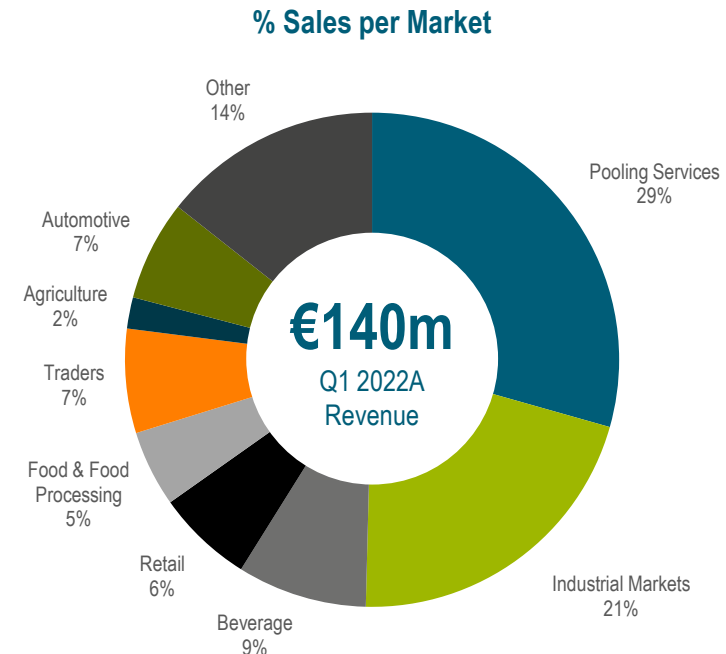
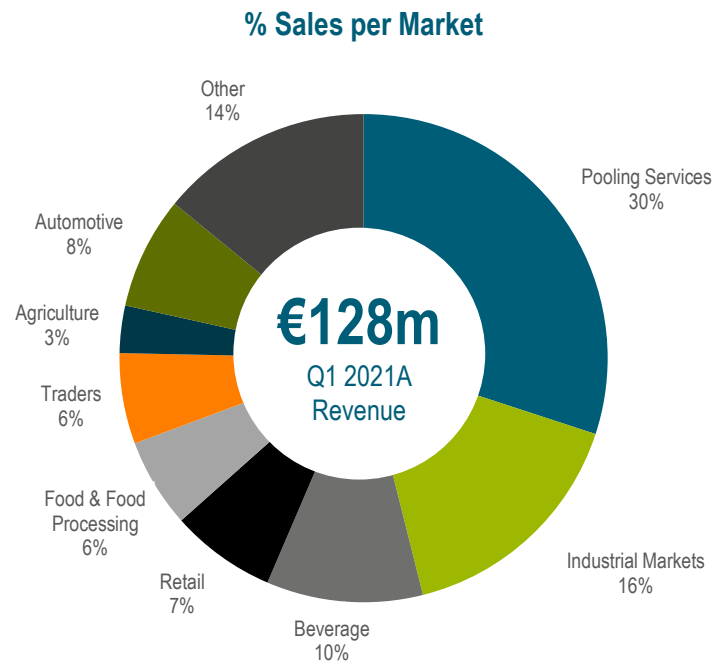
- **Limited exposure** to Russia and Ukraine of less than 0.5% of 2021 revenue; no procurement from both countries
- **Resin prices** increased 4-6% further in Q122A
- **Inflation** of other input costs had negative impact on our production result
- Direct consequences of **Covid-19** are under control

# MARKETS AND SEGMENTS

## DEVELOPMENTS

- Strong performance in System Integrators revenues (included in Industrial Markets) as a result of increased demand and price increases related to pass-through of higher cost base
- Beverage sales decreased as large orders from 2021 didn't repeat themselves in 2022
- Retail and Food & Food Processing revenue shares decreased in accordance with our expectations partly as a result of Covid-circumstances and high market prices
- Agriculture sales decreased as customers delayed their orders as a result of high market prices

## MARKET REVENUE SHARES





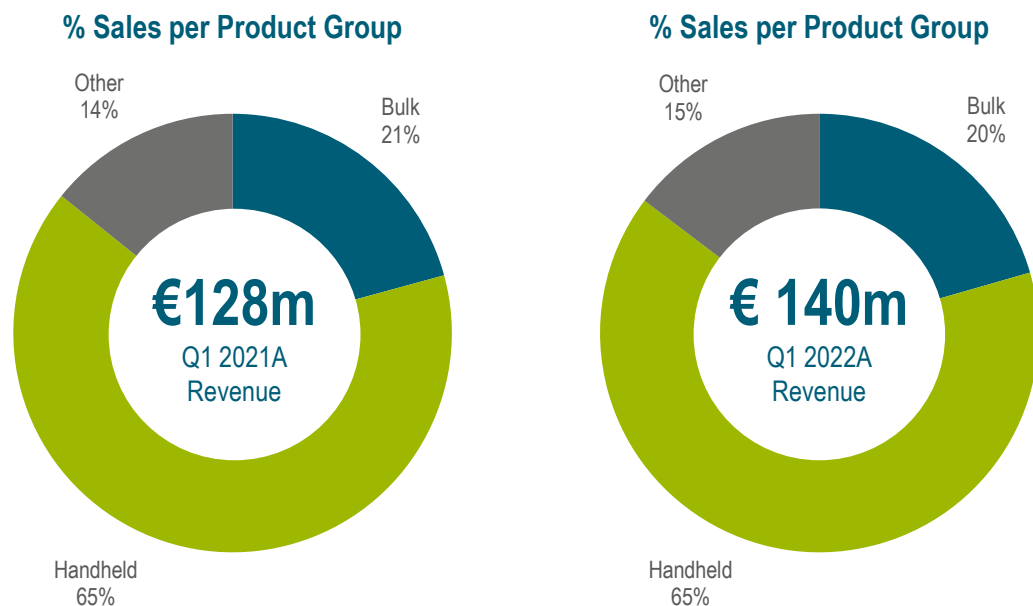


# PRODUCTS

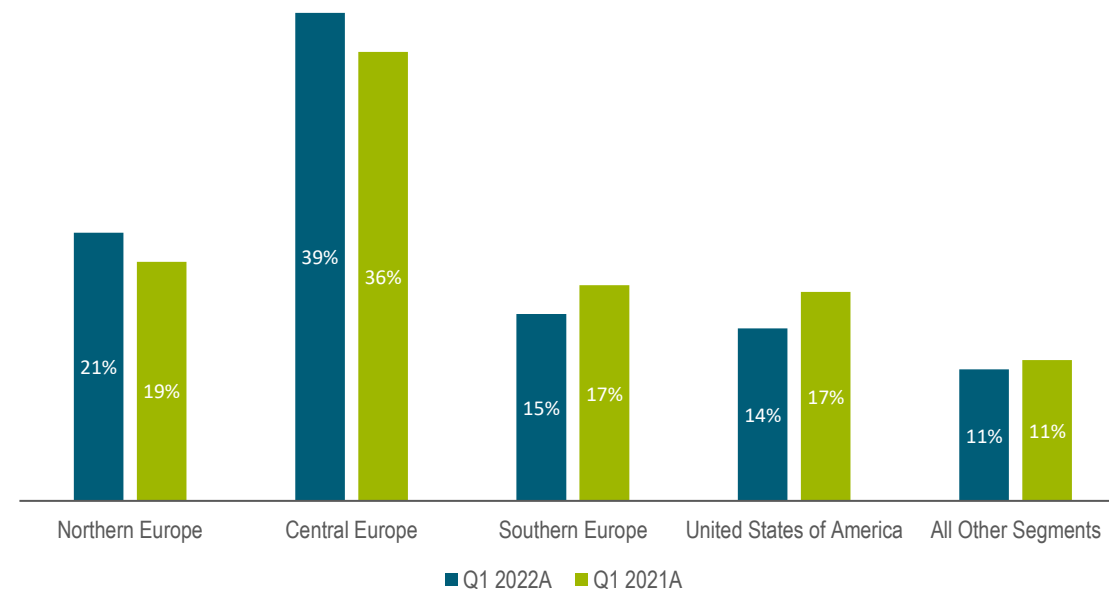
## DEVELOPMENTS

- Stable revenue shares for Handheld, Bulk and Other versus Q1 last year
- Within Handheld lower Pooling revenues offset by higher System Integrator sales
- Bulk revenues showed good performance in IBC, Pallet and RPC sales

## PRODUCT GROUP REVENUE SHARES



## OPERATING SEGMENT REVENUE



# FINANCIAL RESULTS



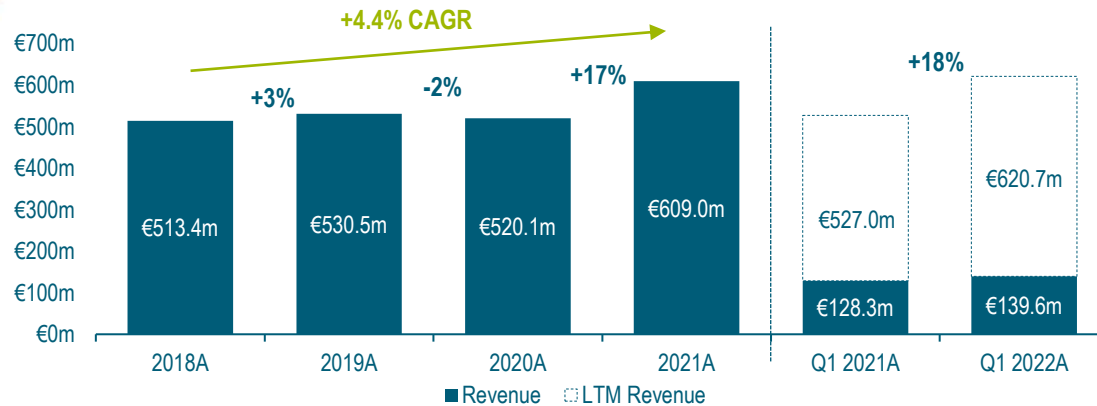




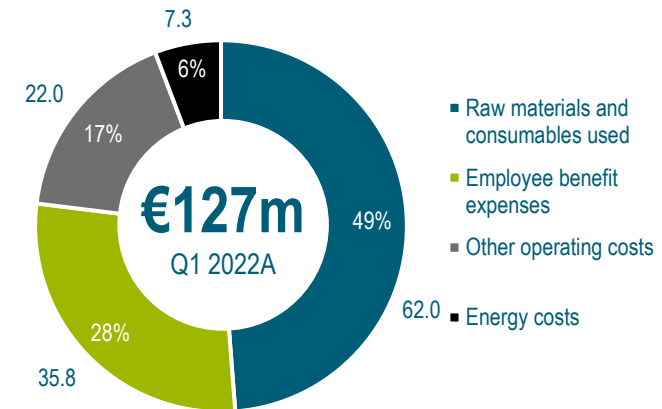
# REVENUE AND ADJUSTED EBITDA DEVELOPMENT

PRICE INCREASES HAVE RESULTED IN COMPENSATING FOR RAW MATERIAL INFLATION, LOWER VOLUMES SOLD REDUCED EBITDA

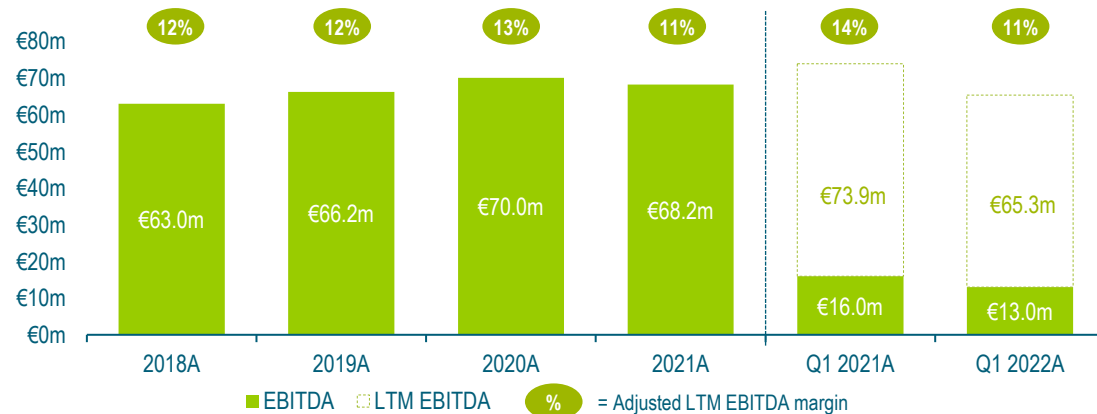
## REVENUE



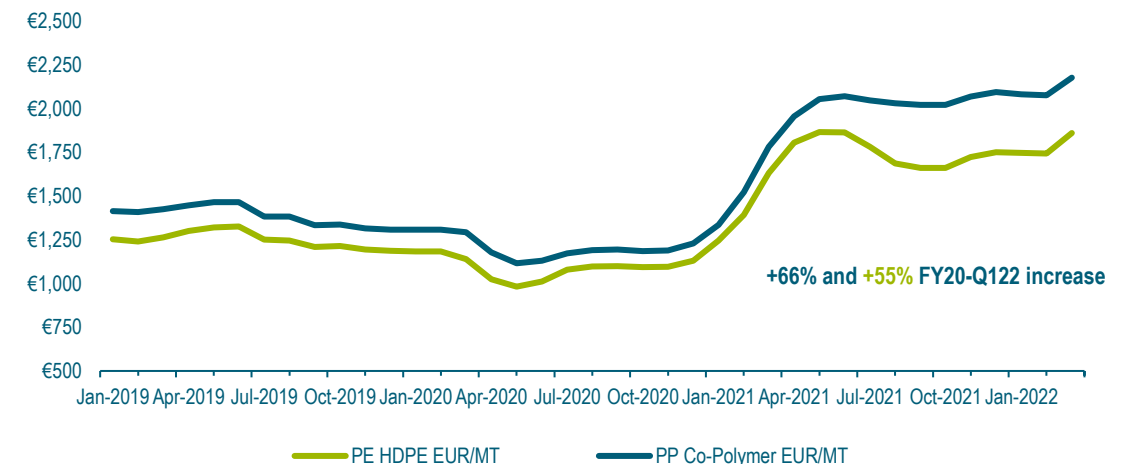
## TOTAL COST BREAKDOWN



## EBITDA



## RAW MATERIAL MARKET PRICE DEVELOPMENT



# PROFIT & LOSS

## COMMENTARY

- **Revenue** for Q1 2022 increased to €139.6m (+8.7%) compared to Q1 2021 as a result of passed through cost increases to our customers and lower volume
- **Raw materials and consumables used** increased to €62.0m (+8.4%) for Q1 2022 as a result of price increases for raw material cost variances
- **Costs of subcontracting** increased to €2.3m (+92.6%) for Q1 2022 as we continued to engage more subcontractors to timely deliver on orders in the US
- **Employee benefit expense** increased to €35.8m (+5.7%) for Q1 2022 as labor costs increased, we saw more absentees due to Covid-19 quarantines and we spent more on manual assembly of Big 3 products
- **Other operating costs** increased to €27.0m (+25.7%) for Q1 2022 due to higher energy and freight costs
- **Depreciation** increased to €10.3m (+13.0%) as a result of higher capex in 2021, mainly for growth purposes
- **Amortization** increased to €0.9m (+66.8%) for Q1 2022 as a result of investments in IT software last year
- **Management fees** remained nil in 2022
- **Adjusting items** decreased to €0.6m (-60.8%) for Q1 2022
- **Adjusted EBITDA** decreased to €13.0m (-18.3%) for Q1 2022 as a result of lower volumes and supply chain complications, partly compensated by further rental deliveries

€m	Q1 2022	Q1 2021	% Change
Revenue	139.6	128.3	8.7%
Other Income	0.1	0.0	
<b>Total Revenue</b>	<b>139.7</b>	<b>128.4</b>	<b>8.8%</b>
Raw materials and consumables used	-62.0	-57.2	8.4%
Costs for subcontracting	-2.3	-1.2	92.6%
Employee benefit expense	-35.8	-33.9	5.7%
Other operating costs	-27.0	-21.5	25.7%
Depreciation expense	-10.3	-9.1	13.0%
Amortization expense	-0.9	-0.5	66.8%
<b>Operating result</b>	<b>1.3</b>	<b>4.9</b>	<b>-72.7%</b>
% margin	1.0%	3.8%	
Depreciation expense	10.3	9.1	13.0%
Amortization expense	0.9	0.5	66.8%
Management fees	0.0	0.0	-
Adjusting items	0.6	1.4	-60.8%
<b>Adjusted EBITDA</b>	<b>13.0</b>	<b>16.0</b>	<b>-18.3%</b>

# CASH FLOW

## COMMENTARY

- Q122A Operating Cash Flow decreased to -€1.8m due to lower EBITDA and an increase in working capital, mainly due to higher value of inventory
- Q122A Adjusted Free Cash Flow decreased to -€ 17.5m, -€18.3m below Q1 2021 as working capital increased and we invested €7.9m more in capex for future growth
- We attracted €4.0m in new finance leases on injection moulding machines in Q1 2022

€m	Q1 2022	Q1 2021
Adjusted EBITDA	13.0	16.0
Change in Net Working Capital	-14.8	-4.9
Operating Cash Flow	-1.8	11.1
Operating CF as % of EBITDA	-14%	69%
Capital expenditures - Maintenance	-2.3	-4.9
Free Cash Flow	-4.1	6.2
Capital expenditures - Growth	-13.3	-5.4
Adjusted Free Cash Flow	-17.5	0.8
Adj. FCF as % of EBITDA	-134%	5%
Interest	-0.9	-1.1
Taxes	-0.6	-0.4
New finance leases	4.0	0.1
Finance Lease repayments	-2.5	-1.5
Operating Lease repayments	-3.0	-2.9
Debt repayment and proceeds	-0.3	-0.4
Recurring Net Cash Flow	-20.8	-5.4
Adjusting items	-0.6	-1.4
Other/Related parties	-1.7	-0.7
Net Cash Flow	-23.1	-7.5



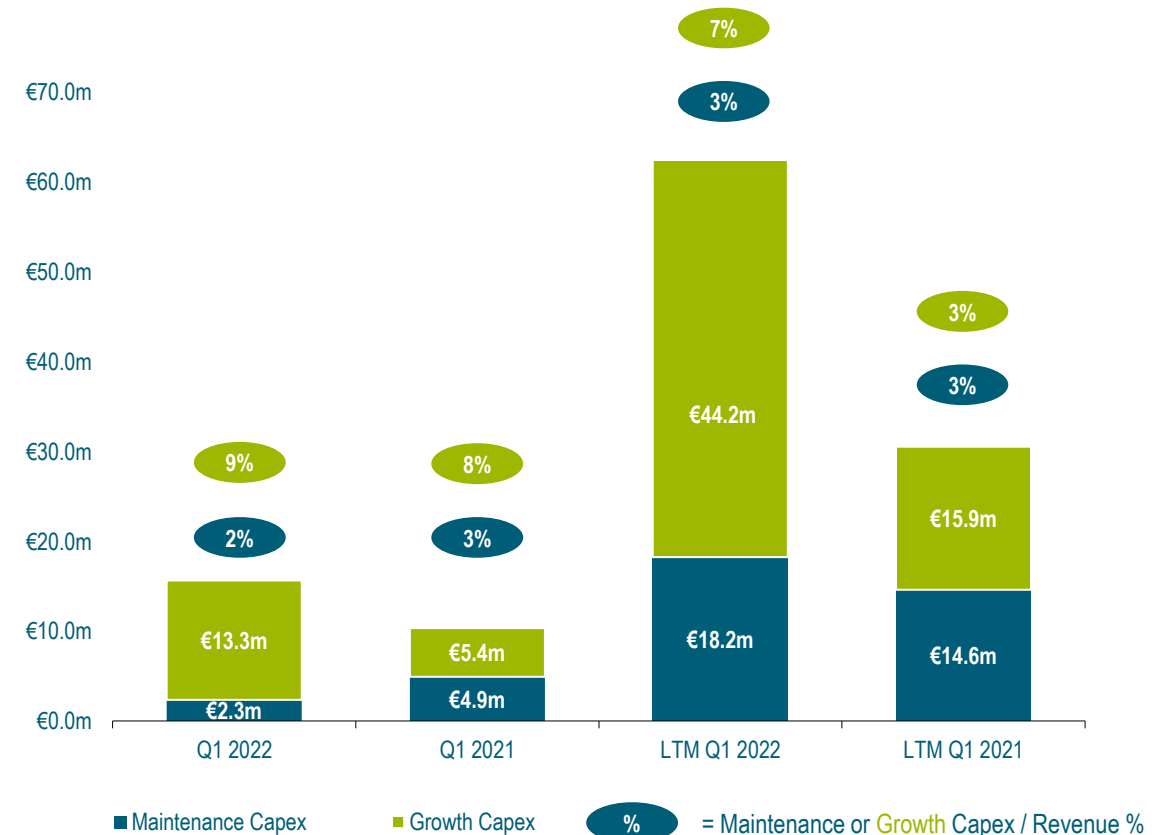
# CAPEX DEEP DIVE

MAINTENANCE CAPEX REMAINED STABLE AT LESS THAN 3% OF REVENUE, WITH ADDITIONAL GROWTH CAPEX FUNDED BY THE SHAREHOLDERS IN Q421

## COMMENTARY

- Q1 2022 Growth capex was €13.3m, +€7.9m compared to Q1 2021 and contains manufacturing and rental growth capex. Growth capex increased to 9% of revenue
- Q1 2022 Maintenance capex was €2.3m, -€2.6m compared to Q1 2021 mainly driven by lower expenses on operational maintenance execution. Maintenance capex as % of revenue decreased to 2%
- LTM Q1 2022 Capex increased to 10% of revenue, mainly as we invested in additional growth capex as of Q3 2021, funded by the shareholders

## CAPEX EVOLUTION



# DEBT AND LIQUIDITY

TOTAL DEBT REMAINS AT ~€318M

## COMMENTARY

- **Stable senior debt structure** in place, matures in 2024
- **Total Debt** remained stable at €317.9m
- **Headroom** stood at € 96.7m with €15.2m of cash at bank, €26.9m in fully available RCF and €54.6m under the Brookfield facility
- **Leverage ratio** increased to 4.6x as cash at bank decreased €23.5m and EBITDA decreased €3.0m
- **Non-recourse factoring** was at €57.9m for Q1 2022 versus €35.5m for Q1 2021

€m	Q1 2022	2021 FY
6.375% SSN Indebtedness	250.0	250.0
Finance Leases	18.9	17.3
Operating Leases	28.1	29.2
Total lease obligation	47.1	46.5
Bank Loans	20.9	21.2
<b>Total Debt</b>	<b>317.9</b>	<b>317.7</b>
RCF Drawings (limit € 30m) <sup>1</sup>	-	-
Cash at bank and in hand	-15.2	-38.7
<b>Net Cash</b>	<b>-15.2</b>	<b>-38.7</b>
<b>Total Net Debt</b>	<b>302.8</b>	<b>279.1</b>
<b>Leverage ratio</b>	<b>4.6x</b>	<b>4.1x</b>
<b>Total Liquidity Headroom</b>	<b>96.7</b>	<b>120.4</b>

<sup>1</sup> Out of the € 30m, € 3m is to be used for contingent liabilities only

# CONCLUSION & OUTLOOK







# CONCLUSION & CURRENT TRADING

- Q1 2022 **Revenue** increased to €139.6m (+8.7%) and Q1 2022 **EBITDA** decreased to €13.0m (-18.8%) compared to Q1 2021
- Q1 2022 **Adjusted free cash flow** decreased to -€17.5m, -€18.3m below Q1 2021
- **Resin and energy prices** have increased further because of Ukrainian crisis and the spike in oil prices in Q1, despite our expectations that prices would remain stable before the Ukraine-war commenced in February
- **Sales and EBITDA** in 2022 are expected to be affected by the following:
  - Increase in our sales prices to compensate for inflationary pressure on resin prices, electricity prices and other input costs. Our effort is to continue to pass on most of the input cost increases to customers
  - Our order book in terms of volume is good, but we expect some of our clients to have temporarily postponed their purchase decision as a result of the higher sales prices.  
Our rental model offers a viable alternative for buying bulk containers in case customers are looking to continue their sustainability efforts
  - FY Revenue and EBITDA will benefit from the first rental deals that were signed in 2021
- Uncertainty around **Covid-19** has reduced but developments are monitored closely by management

# Q&A

Globally present

#1 Producer & Supplier of  
returnable plastic packaging

20% EU market share

