

VIDRALA, S.A. BUSINESS PERFORMANCE H1 2021

MAIN FIGURES (SIX MONTHS ENDED)

	June 2021	June 2020	Change	Change on constant currency basis
Sales (EUR million)	529.5	474.4	+11.6%	+11.2%
EBITDA (EUR million)	149.4	122.4	+22.1%	+21.4%
Earnings per share (EUR)	2.88	2.19	+31.5%	
Debt / LTM EBITDA (multiple)	0.6x	1.1x	-0.5x	

Important: In order to improve comparability, last year's earnings per share has been adjusted for the effect of the bonus share issue carried out in December 2020.

- ✓ Sales during the first six months 2021 amounted to EUR 529.5 million, showing an organic growth of 11.6%.
- ✓ Operating profit, EBITDA, was EUR 149.4 million representing an operating margin of 28.2%.
- ✓ Earnings reached EUR 2.88 per share, an increase of 31.5% over the previous year.
- ✓ Net debt at June 30, 2021 stood at 0.6 times last twelve months EBITDA, reflecting a year-on-year reduction of 41%.



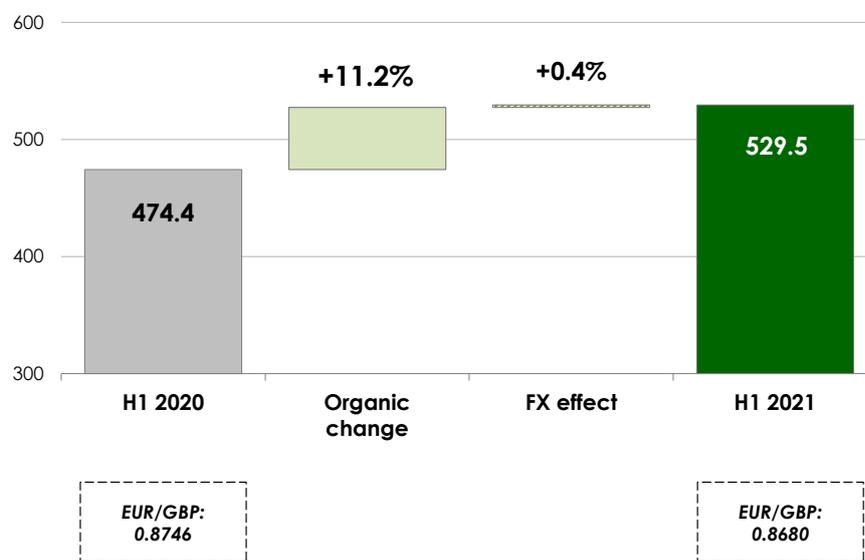
Earnings performance

Sales

Net sales reported by Vidrala during the first six months 2021 amounted to EUR 529.5 million, representing a reported change of 11.6% over the previous year. On a constant currency basis, sales increased organically 11.2%.

**SALES
YEAR OVER YEAR CHANGE**

EUR million



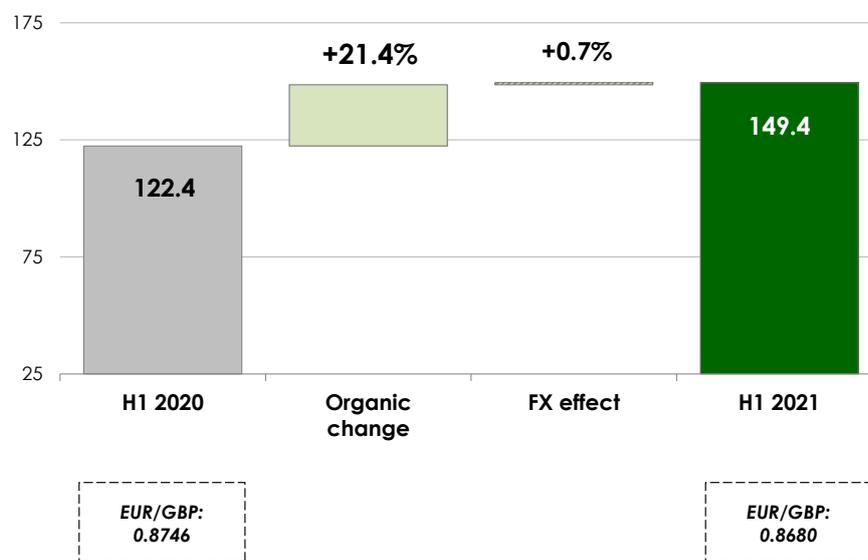
Operating results

Operating profit –EBITDA– obtained in the first six months 2021 reached EUR 149.4 million, an increase of 22.1% over the figure reported last year. On a constant currency basis, EBITDA reflected an organic growth of 21.4%.

Over sales, EBITDA margin stood at 28.2%.

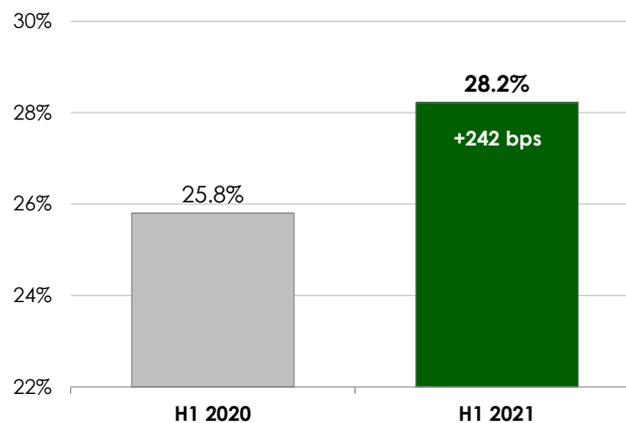
EBITDA YEAR OVER YEAR CHANGE

EUR million



OPERATING MARGINS EBITDA YEAR OVER YEAR CHANGE

As percentage of sales



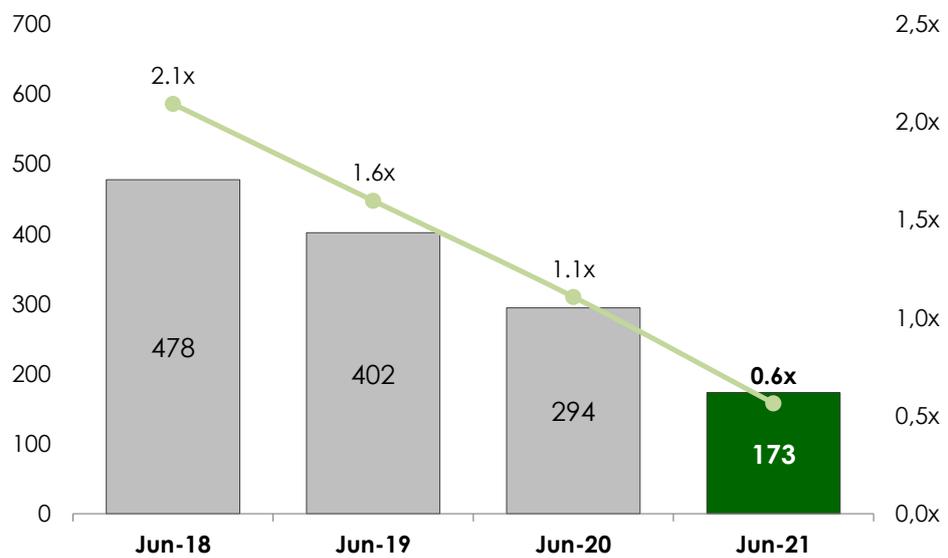
Results and financial position

Net profit in the first half 2021 amounted to EUR 81.6 million. As a result, earnings reached EUR 2.88 per share, an increase of 31.5% over the previous year.

Net debt at June 30, 2021 stood at EUR 173.2 million, reflecting a leverage ratio of 0.6 times last twelve months EBITDA.

DEBT YEAR OVER YEAR EVOLUTION SINCE JUNE 2018

Debt in EUR million and times EBITDA



Key figures

	June 2021	June 2020
Sales (EUR million)	529.5	474.4
EBITDA (EUR million)	149.4	122.4
EBITDA margin (as percentage of sales)	28.2%	25.8%
EBIT (EUR million)	105.6	76.9
EBIT margin (as percentage of sales)	19.9%	16.2%
Net profit (EUR million)	81.6	62.2
Earnings per share (euros)	2.88	2.19
Debt (EUR million)	173.2	294.5
Debt / EBITDA (multiple)	0.6x	1.1x



Business outlook

It has been more than a year since the pandemic affected lives, businesses, and activities across the globe. Our priority since then has been to secure the health of our people, to serve our customers efficiently and to invest more for our future. The results obtained over this period confirm the agility of the Vidrala organisation, the strength of our diversified business profile and the bright future glass has as the preferred and most sustainable packaging option for food and beverages.

Despite social contexts are still far from normal, demand for glass across our markets remained solid in the first half of 2021, grounded on the strong underlying fundamentals of food and beverages consumption, the progressive reopening of activities and the continuous support from packagers, brand owners and consumers to glass as the ultimate sustainable packaging material. Also, Vidrala's year-on-year sales growth during the second quarter of 2021 was partially explained on the prior year's low base of comparison. The favourable market conditions were operationally combined with the results of the investment plans executed last years and the internal actions focused on securing customer service, improving manufacturing efficiencies and mitigating cost inflation. As a result, Vidrala's operational margins expanded in the period.

Looking at the remainder of the year 2021, the outlook is broadly unchanged. Demand remains today strong and structural trends look favourable, while real conditions will unavoidably depend on the evolution of the pandemic and its impact over consumers habits. Also, the base effect will have less relevance and the group is evolving at high utilisation rates, so year-on-year variations on sales will be moderate. In terms of margins, cost inflation started to grow rapidly once our sales prices had been fixed for the year. The effects from inflationary pressures will somewhat limit the results from internal efficiencies, so margins are expected to remain stable at current levels.

In any case, the strategic guidelines will remain firmly committed to our long-term priorities. We will invest more than ever, with our customers in mind, to expand our capabilities with the aim to supply our services and make our products in the most sustainable way. And we will do it securing a strict capital discipline.



Relevant information for shareholders

In accordance with the agreement of the last Annual General Meeting, a complementary cash dividend from 2020 results was paid on July 14, 2021 for a gross amount of EUR 32.09 cents per share.

Overall, cash dividends received by the Shareholders during 2021, including AGM attendance bonus, amounted to EUR 1.2039 per share. This annual distribution represents an increase of 5% over the same payment of the prior year, considering the effect of the new shares assigned free of charge after the bonus share issue completed in December 2020.

This is consistent with the dividend policy defined in Vidrala, focusing on the long term stability and the target of a sustained growth in the annual remuneration coherent with prevailing business conditions.

	2021
<i>Interim dividend (Feb-2021)</i>	0.8430
<i>Complementary dividend (Jul-2021)</i>	0.3209
<i>AGM attendace bonus (Apr-2021)</i>	0.0400
Cash remuneration (EUR per share)	1.2039

+5% vs PREVIOUS YEAR

considering the effect of the bonus share issue completed in December 2020.



Annex I. Alternative Performance Measures (APM).

Vidrala publishes this information in order to promote comparability and interpretation of its financial information and in compliance with the Directive of the European Securities and Markets Authority (ESMA) on Alternative Performance Measures (APM).

See below, the alternative performance measures used by Vidrala, as well as its basis of calculation. For further detail, please check the reference document published on the corporate website ([link](#)).

EBITDA. Vidrala calculates EBITDA as earnings before interest, taxes, depreciation and amortization (as reported in the consolidated income statement).

Consolidated net debt. Vidrala calculates consolidated net debt as the sum of all long-term liabilities and short-term obligations, and then subtracting cash and cash equivalents (as reported in the consolidated balance sheet).

Free cash flow. Vidrala calculates free cash flow by adding –to the real variation in net debt balances (as reported in the consolidated balance sheet)– payments during the period dedicated to dividends and net treasury stock purchases (as reported in the consolidated statement of cash flows).

Other magnitudes referred to in this report:

- **EBITDA margin** is calculated as accumulated EBITDA during the reported period divided by net sales.
- **Organic** refers to the variation on a like-for-like (comparable perimeter) and constant currency basis.
- **Debt/EBITDA** ratio is calculated as consolidated net debt at the end of the reported period divided by EBITDA obtained in the last 12 months.

Annex II. 2021 events calendar.**Past events**

February 15, 2021

Payment of a first interim cash dividend from 2020 results

February 26, 2021

FY 2020 Earnings Release (8:00h CET)

April 27, 2021

Q1 2021 Earnings Release (8:00h CET)

April 27, 2021

Annual General Meeting (12:00h CET)

July 14, 2021

Payment of a complementary cash dividend from 2020 results

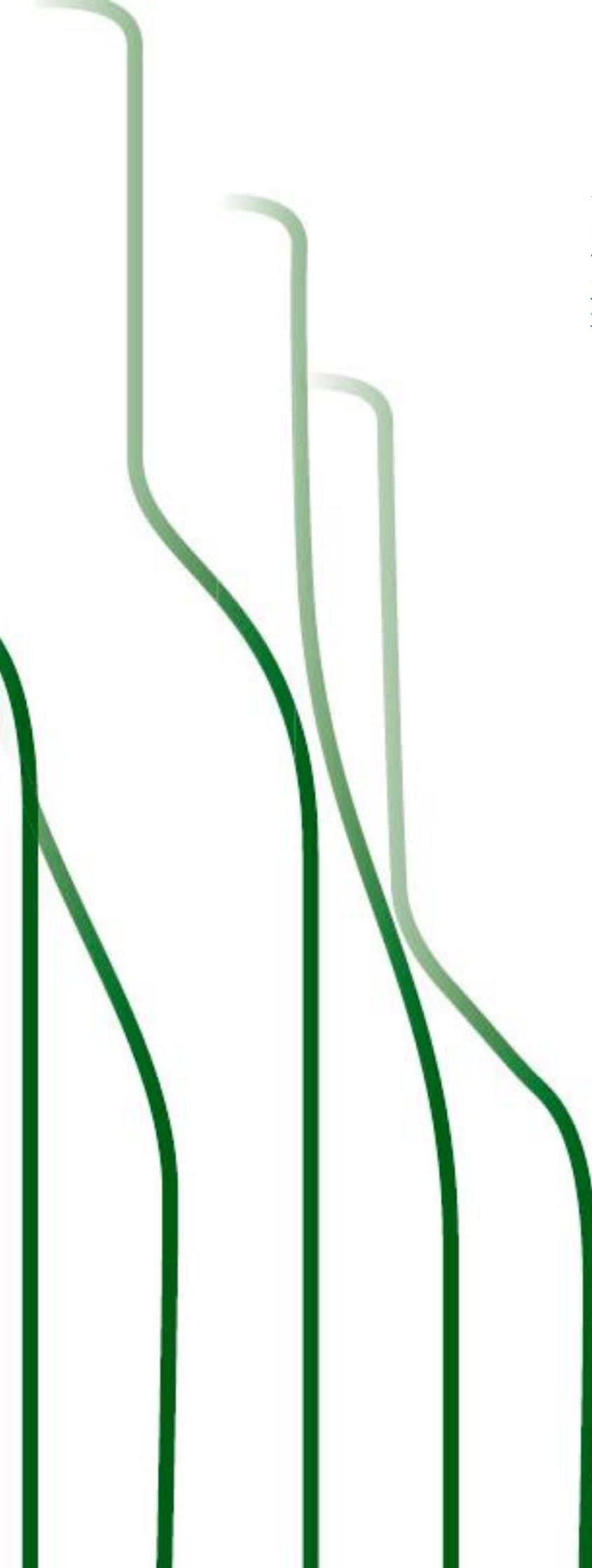
July 23, 2021

Q2 2021 Earnings Release (8:00h CET)

Upcoming events

October 29, 2021

Q3 2021 Earnings Release (8:00h CET)

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