

## VIDRALA, S.A. BUSINESS PERFORMANCE 2021

### ACCUMULATED FIGURES

	Full Year 2021	Full Year 2020	Reported change	Change on a constant currency basis
<b>Sales</b> (EUR million)	<b>1,084.2</b>	988.4	+9.7%	+8.2%
<b>EBITDA</b> (EUR million)	<b>267.7</b>	279.8	-4.3%	-5.7%
<b>Earnings per share adjusted</b> (EUR)	<b>4.88</b>	5.35	-8.8%	
<b>Debt / EBITDA</b> (multiple)	<b>0.4x</b>	0.8x	-0.4x	

**Important:** In order to improve comparability, earnings per share has been adjusted for the effect of the bonus share issue carried out in December 2021.

- ✓ Sales in the year 2021 amounted to EUR 1,084.2 million, showing an organic growth of 8.2%.
- ✓ Operating profit, EBITDA, amounted to EUR 267.7 million representing an operating margin of 24.7%.
- ✓ Earnings per share declined 8.8% over the same period last year, to EUR 4.88 per share.
- ✓ Cash generation allowed for a 58% debt reduction during the year, to a level of EUR 97.1 million at year-end, equivalent to 0.4 times last twelve months EBITDA.



## Introduction

Vidrala is a consumer packaging company. We make glass containers for food and beverage products and offer a wide range of packaging services that include logistic solutions and beverages filling activities.

Our industrial knowledge, growing geographical presence, glass manufacturing expertise, best-in-class level of service and understanding of customers' processes, make us a business partner for many of the main food and beverages brands. Our products and our services help maintain our customers' reputation and play a role in their strategies, helping to develop the end consumers' brand experiences.

Today, we produce more than 8 billion bottles and jars per year, which are sold to over 1,600 customers. Our aim is to make glass containers, the ultimate fully recyclable material, and to serve packaging services as efficiently, profitably, and sustainably as possible, meeting the expectations of our customers whilst ensuring the safety and wellbeing of our people.

***Global consumer trends are changing. It not only matters what we eat and drink but where we do it, how the experience is, as well as the impact it has on our health, social interactions and the environment. This process gives importance to the container, from which we now expect contributions above traditional expectations as a simple container. In this progress towards the modern consumer world, the glass container offers decisive advantages that will lead it to play an essential role.***

***Our job is to meet the needs of our customers making our glass containers and supplying our packaging services as **efficiently, profitably and sustainably** as possible, while ensuring the safety and wellbeing of our people.***



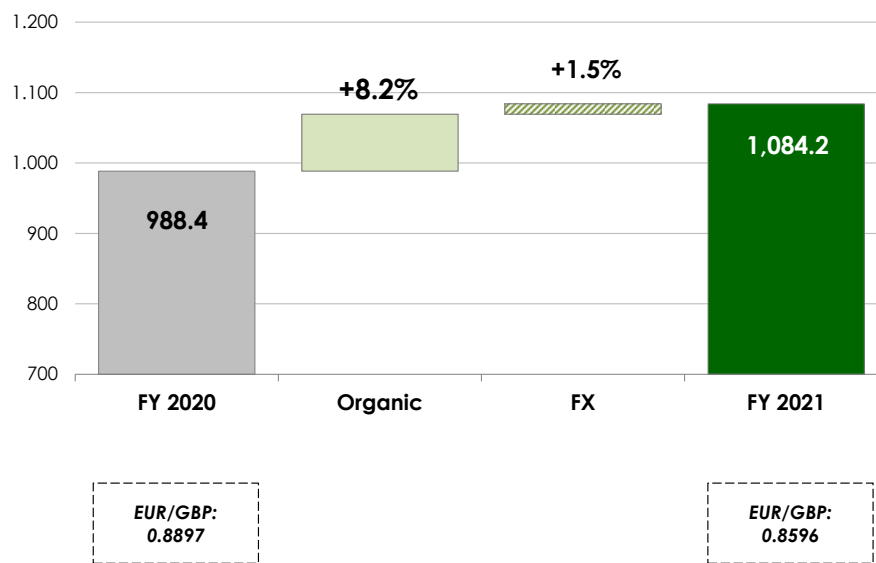
**Earnings performance**

**Sales**

Net sales registered by Vidrala during the full year 2021 amounted to EUR 1,084.2 million, representing an increase of 9.7% over the previous year. On a constant currency basis, sales grew organically 8.2%.

**SALES  
YEAR OVER YEAR CHANGE**

EUR million



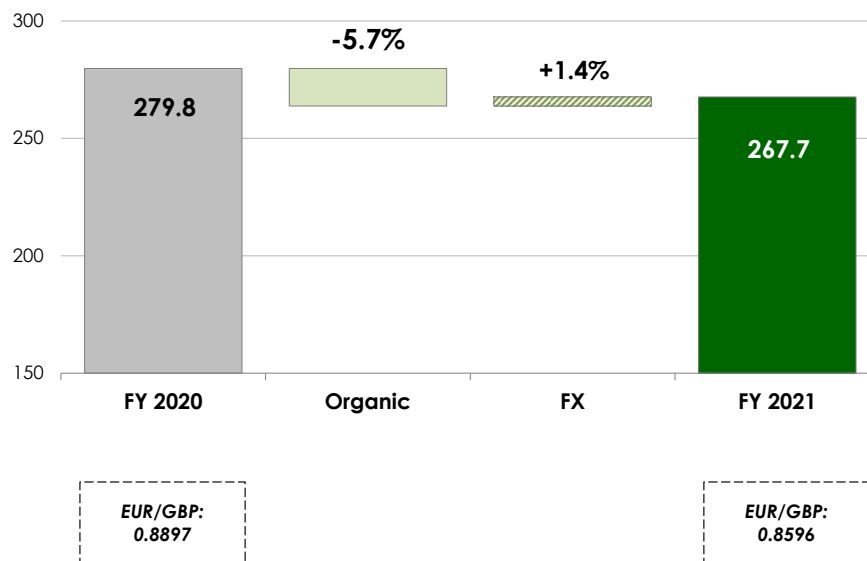
## Operating results

Operating profit –EBITDA– obtained over 2021 reached EUR 267.7 million. This represents a variation of -4.3% over the figure reported last year reflecting an organic change, on a constant currency basis, of -5.7%.

EBITDA margins reached 24.7% over sales. This represents a contraction of approximately 360 basis points over the previous year, as a result of growing inflationary pressures in glass manufacturing costs not reflected in sales prices.

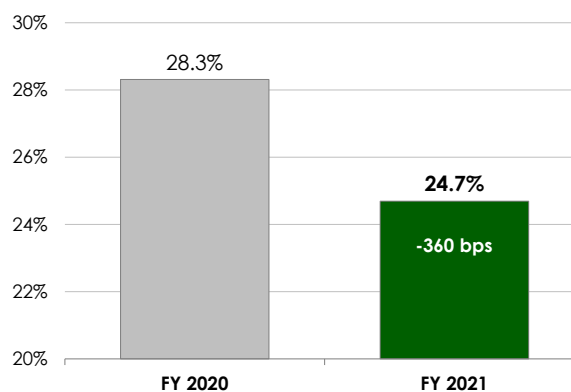
### EBITDA YEAR OVER YEAR CHANGE

EUR million



### OPERATING MARGINS EBITDA YEAR OVER YEAR CHANGE

As percentage of sales



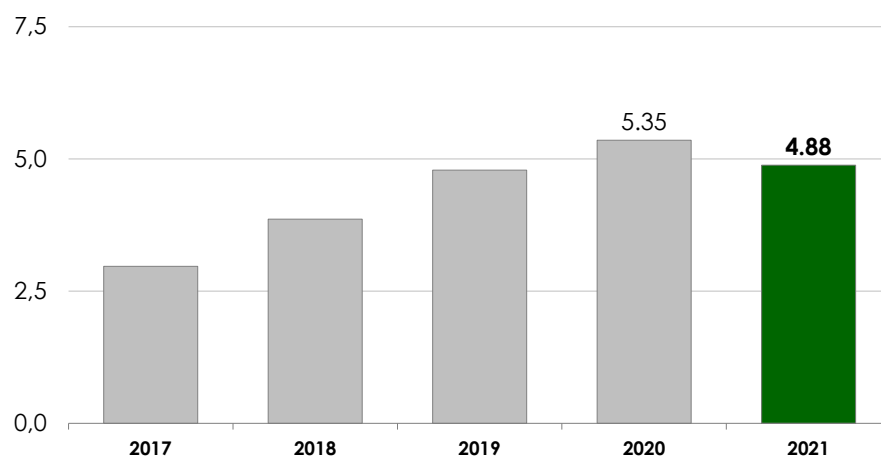
## Results and financial position

Net profit for the full year 2021 amounted to EUR 145.2 million. As a result, earnings per share during the period reached EUR 4.88 per share. This represents a decrease of 8.8% over the previous period.

The solid cash generation obtained in the year was mainly allocated, with financial discipline, to debt reduction. As a result, net debt stood at EUR 97.1 million as of December 31, 2021, 58% below the previous year. Leverage ratio stood at 0.4 times twelve months EBITDA.

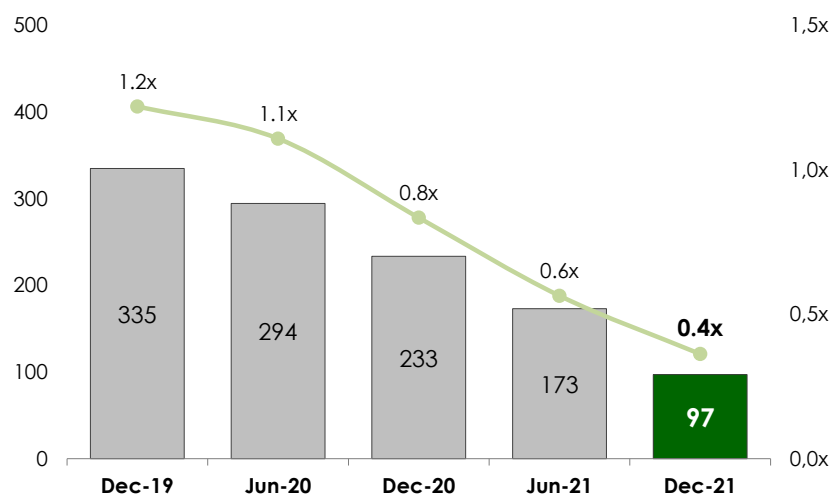
### EARNINGS PER SHARE SINCE 2017

EUR per share



### DEBT SIX-MONTHLY EVOLUTION SINCE 2019

Debt in EUR million and times EBITDA



## Key figures

	Full Year 2021	Full Year 2020
<b>Sales</b> (EUR million)	1,084.2	988.4
<b>EBITDA</b> (EUR million)	267.7	279.8
<b>EBITDA margin</b> (as percentage of sales)	24.7%	28.3%
<b>EBIT</b> (EUR million)	178.6	194.3
<b>Net profit</b> (EUR million)	145.2	159.5
<b>Free cash flow</b> (EUR million)	172.0	140.0
<b>Debt</b> (EUR million)	97.1	233.5
<b>Debt / EBITDA</b> (multiple)	0.4x	0.8x
<b>Debt / shareholders' equity</b> (multiple)	0.1x	0.3x
<b>EBITDA / net financial expenses</b> (multiple)	79.01x	50.74x
<b>Total assets</b> (EUR million)	1,703.2	1,521.4
<b>Shareholders' equity</b> (EUR million)	966.9	816.2



## Conclusions and outlook

Demand for glass packaging across our regions of activity is growing solidly, grounded on the strong underlying fundamentals for consumption of food and beverages, the progressive normalization of social activities and the continuous support from packagers, brand owners and consumers to glass as the ultimate sustainable packaging material.

Under this favourable market context, our ambitious capex program initiated in 2019 is progressing well, including specific selective investment plans directed to better serve our customers, grow the business, offer differential services, enhance our manufacturing facilities, realign our capacity and improve the sustainability of our operations. In return, our industrial footprint is today stronger and the way we serve our customers evolves at comparable good levels even though external supply chain conditions remain challenging and inventories are tight across the industry.

As a result of all the above, our sales are expected to keep on continuously growing at double digit levels over the next following quarters.

Despite these solid internal conditions, external cost pressures remain abnormally accelerated and will unavoidably affect our margins in the short term until inflation progressively stabilize and our sales prices adapt.

In any case, the structural business fundamentals will remain strong and our strategic guidelines firmly committed to our long-term priorities: customer, competitiveness and capital. We will invest to grow and to improve our levels of competitiveness with our customers in mind, expanding our capabilities and diversifying our business 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

The shareholder remuneration policy implemented by Vidrala is based on the gradual growth in cash dividends as the main way of distributing benefits. The shareholder remuneration policy implemented by Vidrala is based on the gradual growth in cash dividends as the main way of distributing benefits. Annual payments are typically increased by attendance bonuses to the shareholders' annual general meeting. In addition, Vidrala tries to define complementary tools for shareholder remuneration that are considered efficient and consistent with prevailing business conditions.

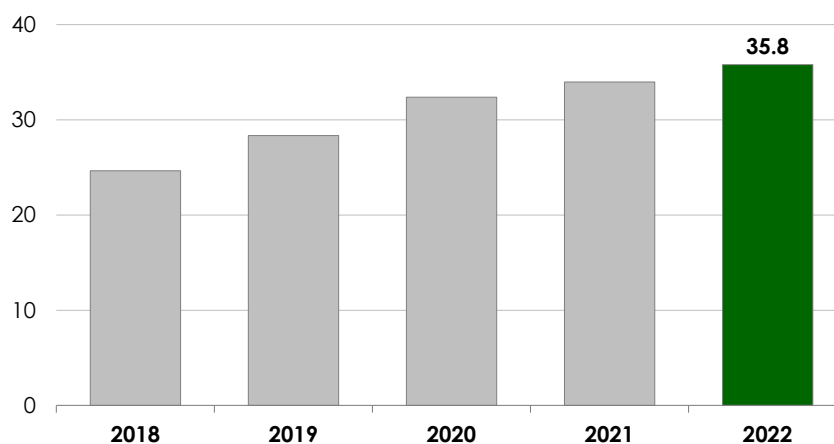
Consistent with that policy, cash dividends distributed during the year 2021 amounted to EUR 1.1639 per share, and EUR 4.00 cents per share were offered as attendance bonus to the general meeting, accumulating an annual cash distribution of EUR 1.2039 per share.

Likewise, during November 2021, Vidrala executed a free share capital increase in a proportion of one new share for every twenty existing shares to be freely allocated between all shareholders. All outstanding company shares, without distinction, were fully granted for this 5% bonus share issue.

Regarding the dividend payments for 2022, Vidrala has proposed a results distribution that represents –considering the effect of the new shares assigned free of charge after the bonus share issue completed in December 2021– an increase in the annual dividend of 5%. The first interim payment was paid on February 15, 2022 for EUR 84.30 cents per share. A second complementary payment is proposed to be paid on July 14, 2022 for an amount EUR 32.09 cents per share. Additionally, EUR 4.00 cents per share will be offered as attendance bonus to the general meeting. Overall, cash remuneration during 2022 would accumulate EUR 1.2039 per share.

### **SHAREHOLDERS' REMUNERATION CASH DIVIDENDS AND AGM ATTENDANCE BONUSES**

*EUR million, since 2018*





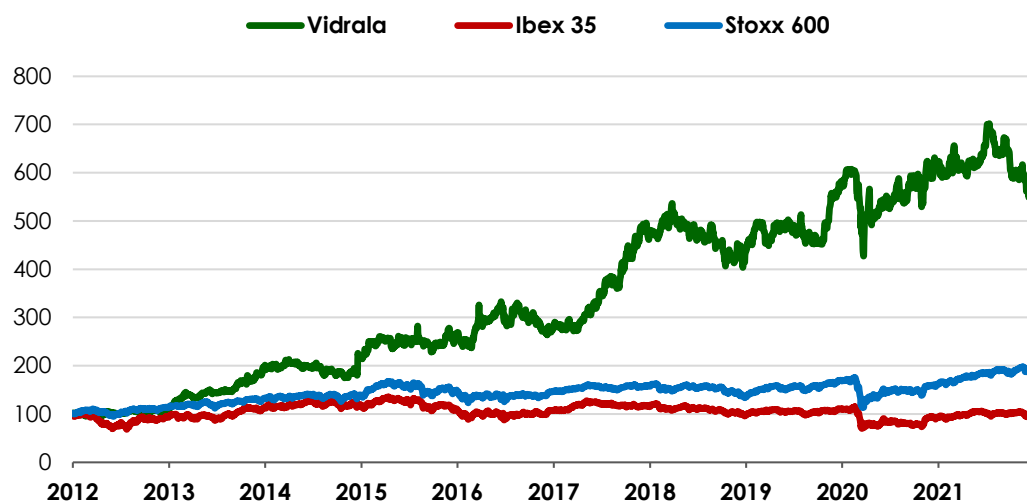
As an additional extraordinary measure, on December 17, 2021, the Company announced the extension of the previous share buy-back program, through which up to a maximum of 270,000 shares will be acquired for a maximum cash amount of EUR 27 million. The purpose of the programme is to reduce the share capital of Vidrala by the redemption of own shares, with the aim of contributing to the shareholders' remuneration policy through the increase in earnings per share.

### Share performance

The share price closed 2021 at EUR 86.60, equivalent to a market capitalisation at the end of the year of EUR 2,584 million.

#### SHARE PRICE PERFORMANCE

Comparative performance in percentage terms, base 2012



	Full Year 2021
Price at the end of the period (EUR)	86.60
Market capitalisation (EUR million)	2,584
Cash remuneration (EUR per share)	1.2039
Interim (Feb-2021)	0.8430
AGM attendance bonus (May-2021)	0.0400
Complementary (Jul-2021)	0.3209

## 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. 2022 events calendar.****Past events**

February 15, 2022

Payment of a first interim cash dividend from 2021 results

February 28, 2022

FY 2021 Earnings Release (8:00h CET)

**Upcoming events**

April 27, 2022

Q1 2022 Earnings Release (8:00h CET)

April 27, 2022

Annual General Meeting (12:00h CET)

July 14, 2022

Payment of a complementary cash dividend from 2021 results

July 22, 2022

Q2 2022 Earnings Release (8:00h CET)

October 21, 2022

Q3 2022 Earnings Release (8:00h CET)



**VIDRALA, S.A.**

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