

## VIDRALA, S.A. BUSINESS PERFORMANCE H1 2022

### MAIN FIGURES (SIX MONTHS ENDED)

	June 2022	June 2021	Change	Change on constant currency basis
<b>Sales</b> (EUR million)	<b>650.8</b>	529.5	+22.9%	+21.8%
<b>EBITDA</b> (EUR million)	<b>112.0</b>	149.4	-25.1%	-25.4%
<b>Earnings per share</b> (EUR)	<b>1.90</b>	2.74	-30.8%	
<b>Debt / LTM EBITDA</b> (multiple)	<b>0.9x</b>	0.6x	+0.3x	

**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 November 2021.

- ✓ Sales during the first six months 2022 amounted to EUR 650.8 million, showing an organic growth of 21.8%.
- ✓ Operating profit, EBITDA, was EUR 112.0 million representing an operating margin of 17.2%.
- ✓ Earnings reached EUR 1.90 per share, a decrease of -30.8% over the previous year.
- ✓ Net debt as of June 30, 2022 stood at 0.9 times last twelve months EBITDA, reflecting a year-on-year increase of 24.2%.



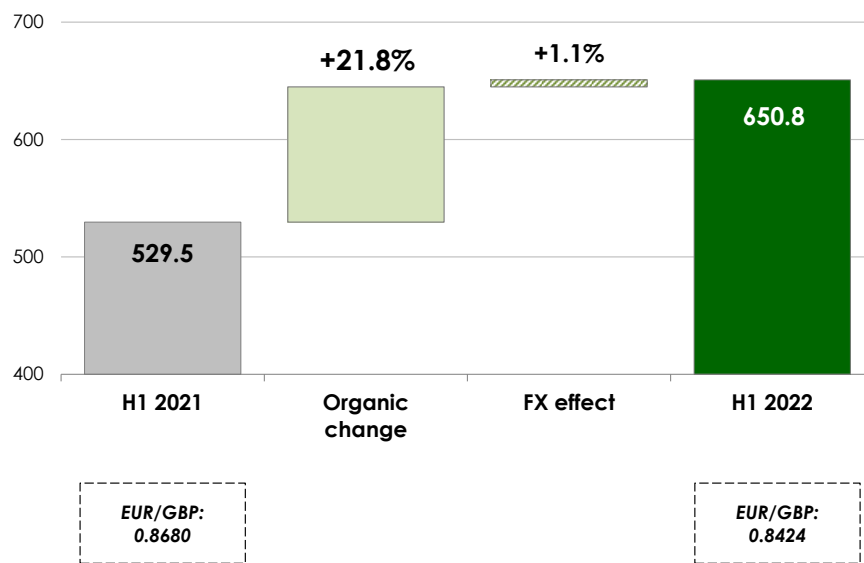
**Earnings performance**

**Sales**

Net sales reported by Vidrala during the first six months 2022 amounted to EUR 650.8 million, representing a reported change of 22.9% over the previous year. On a constant currency basis, sales increased organically 21.8%.

**SALES  
YEAR OVER YEAR CHANGE**

EUR million



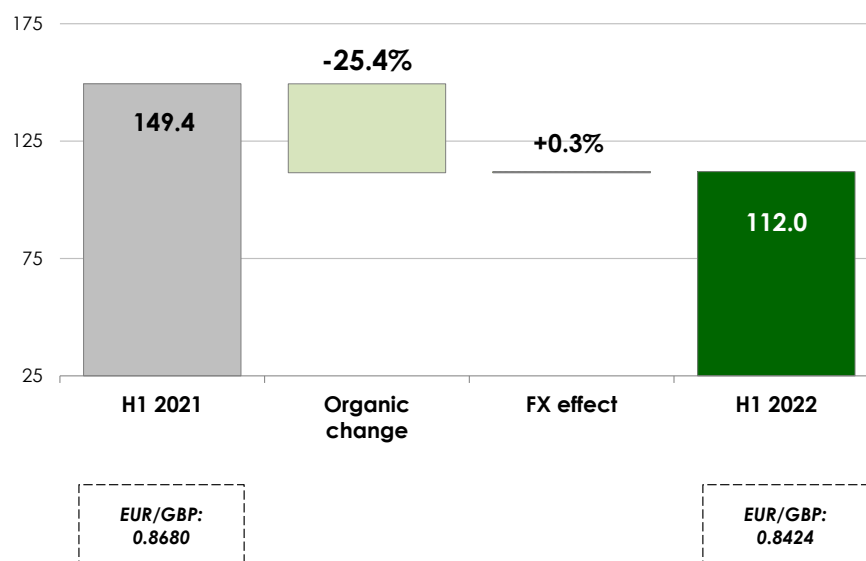
## Operating results

Operating profit –EBITDA– obtained in the first six months 2022 reached EUR 112.0 million, a variation of -25.1% over the figure reported last year. On a constant currency basis, EBITDA reflected an organic change of -25.4%.

Over sales, EBITDA margin stood at 17.2%.

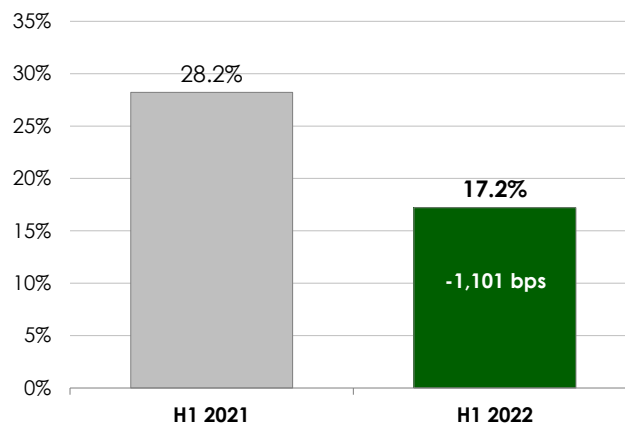
### EBITDA YEAR OVER YEAR CHANGE

EUR million



### OPERATING MARGINS EBITDA YEAR OVER YEAR CHANGE

As percentage of sales



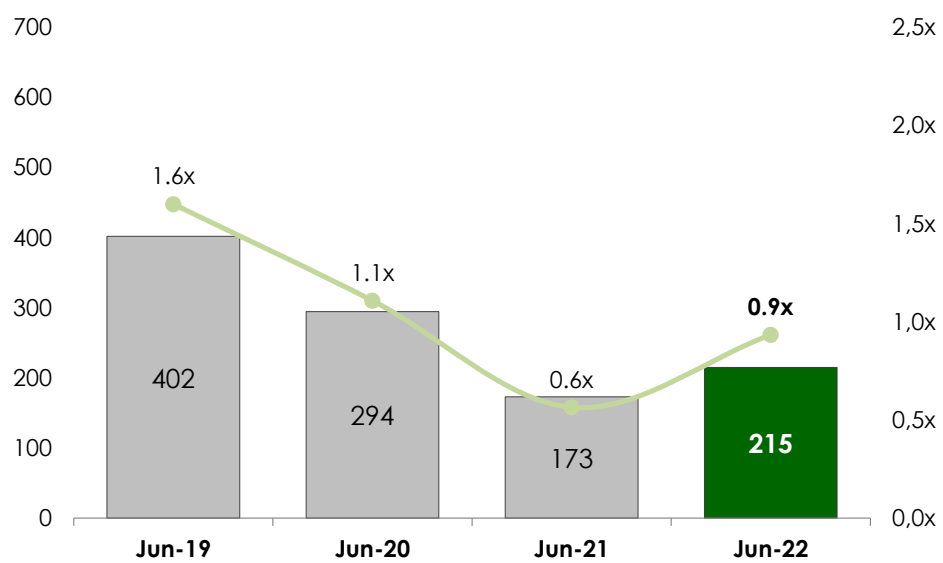
## Results and financial position

Net profit in the first half 2022 amounted to EUR 56.3 million. As a result, earnings reached EUR 1.90 per share, a decrease of -30.8% over the previous year.

Net debt as of June 30, 2022 stood at EUR 215.0 million, reflecting a leverage ratio of 0.9 times last twelve months EBITDA.

### DEBT YEAR OVER YEAR EVOLUTION SINCE JUNE 2019

*Debt in EUR million and times EBITDA*



## Key figures

	June 2022	June 2021
<b>Sales</b> (EUR million)	650.8	529.5
<b>EBITDA</b> (EUR million)	112.0	149.4
<b>EBITDA margin</b> (as percentage of sales)	17.2%	28.2%
<b>EBIT</b> (EUR million)	67.3	105.6
<b>EBIT margin</b> (as percentage of sales)	10.3%	19.9%
<b>Net profit</b> (EUR million)	56.3	81.6
<b>Earnings per share</b> (euros)	1.90	2.74
<b>Debt</b> (EUR million)	215.0	173.2
<b>Debt / EBITDA</b> (multiple)	0.9x	0.6x



## **Business outlook**

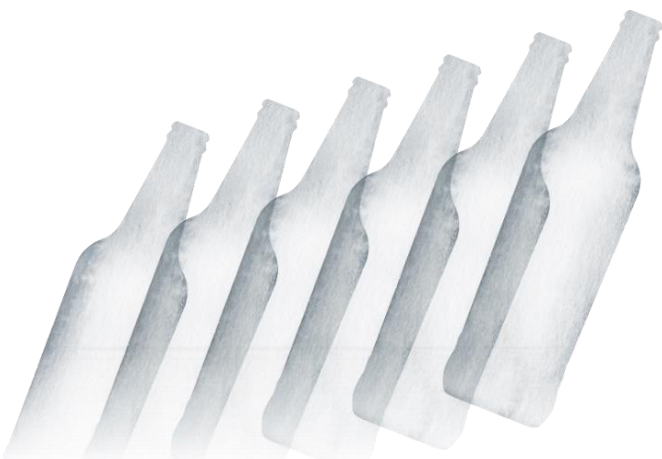
The global business environment, under the context of an armed conflict in Eastern Europe and the end of the pandemic, is determined by particularly relevant factors that guide our internal management priorities.

Firstly, consumption trends and the future demand evolution in a potentially more uncertain economic background. At this point, demand for glass packaging in our business regions remains solid and prospects are favorable driven by growing support from packagers, brand owners and consumers to glass as the ultimate sustainable packaging material. In coherence, as evidenced in our sales performance, we have put in place specific internal actions aimed at selectively adapting production capacity, reinforcing our service, and aligning customer sensitivity. Thus, in a context of tight inventory levels throughout the industry, sales forecasts for the second half of the year remain stable.

Second, the highly inflationary context in industrial production costs and the industry's ability to progressively pass it through into sales prices. In this sense, the existing protection measures and the gradual adaptation of our prices have allowed us to partially recover more normalised business margins during the second quarter. However, the recent tensions in natural gas and power prices, given their abnormal intensity, should they persist, could cause temporary deterioration of margins until energy markets stabilise or our sales prices are adapted.

Finally, within the aforementioned business context, Vidrala is progressing in the execution of the investment plan started in 2019, which includes specific projects aimed at reducing costs, growing the business, offering differential services and selectively realigning our production structure to strengthen our competitiveness and promote the sustainability of our operations. As a result, our industrial footprint is today stronger than ever. This ambitious modernisation plan is reflected in the already anticipated intense capex figures, which will limit cash generation in the short term.

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, and the aim to supply our services and make our products in the most sustainable way. We will gradually adapt our management to guarantee the profitability of our sales, supported by a naturally solid demand structure. And we will do it securing a strict capital discipline and an attractive shareholder remuneration policy.



## Relevant information for shareholders

In accordance with the agreement of the last Annual General Meeting, a complementary cash dividend from 2021 results was paid on July 14, 2022 for a gross amount of EUR 32.09 cents per share.

Overall, cash dividends received by the Shareholders during 2022, 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 November 2021.

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.

	<b>2022</b>
<i>Interim dividend (Feb-2022)</i>	0.8430
<i>Complementary dividend (Jul-2022)</i>	0.3209
<i>AGM attendace bonus (Apr-2022)</i>	0.0400
<b>Cash remuneration (EUR per share)</b>	<b>1.2039</b>

### **+5% vs PREVIOUS YEAR**

*considering the effect of the bonus share  
issue completed in November 2021.*

As an additional measure, on May 16, 2022, Vidrala announced a new share buy-back programme, having reached the maximum number of 270,000 shares to be acquired under the previous program. Through the new program, up to a maximum of 300,000 shares will be acquired for a maximum cash amount of EUR 30 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.



## 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)

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 20, 2022

Q2 2022 Earnings Release (8:00h CET)

**Upcoming events**

October 21, 2022

Q3 2022 Earnings Release (8:00h CET)

The left side of the page features several vertical, wavy green lines of varying shades, ranging from a light sage green to a dark forest green. These lines are positioned on the left edge and extend from the top to the bottom of the page, creating a modern, organic graphic element.

**VIDRALA, S.A.**

**Investor relations**

Tel: +34 94 671 97 50

[investors@vidrala.com](mailto:investors@vidrala.com)

[www.vidrala.com](http://www.vidrala.com)