



vidrala

COMPANY PRESENTATION

MARCH 2024



DISCLAIMER

This presentation includes or may include representations or estimations concerning the future about intentions, expectations or forecasts of VIDRALA or its management, which may refer to the evolution of its business performance and its results. These forward-looking statements refer to our intentions, opinions and future expectations, and include, without limitation, statements concerning our future business development and economic performance. While these forward-looking statements represent our judgment and future expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, (1) general market, macro-economic, governmental and regulatory trends, (2) movements in local and international securities markets, currency exchange rates and interest rates as well as commodities, (3) competitive pressures, (4) technological developments, (5) changes in the financial position or credit worthiness of our customers, obligors and counterparties.

The risk factors and other key factors that we have indicated in our past and future filings and reports, including those with the regulatory and supervisory authorities (including the Spanish Securities Market Authority – Comisión Nacional del Mercado de Valores - CNMV), could adversely affect our business and financial performance. VIDRALA expressly declines any obligation or commitment to provide any update or revision of the information herein contained, any change in expectations or modification of the facts, conditions and circumstances upon which such estimations concerning the future have been based, even if those lead to a change in the strategy or the intentions shown herein.

This presentation can be used by those entities that may have to adopt decisions or proceed to carry out opinions related to securities issued by VIDRALA and, in particular, by analysts. It is expressly warned that this document may contain not audited or summarised information. It is expressly advised to the readers of this document to consult the public information registered by VIDRALA with the regulatory authorities, in particular, the periodical information and prospectuses registered with the Spanish Securities Market Authority – Comisión Nacional del Mercado de Valores (CNMV).



- 1. *GENERAL OVERVIEW***
- 2. *BUSINESS FUNDAMENTALS***
- 3. *FINANCIALS***
- 4. *ANNEXES***



VIDRALA, AT A GLANCE

vidrala

SUPPLIER OF REFERENCE IN THE PACKAGING INDUSTRY

- ✓ Vidrala is a **consumer packaging company**. We make glass containers for **food and beverages products** and offer a wide range of packaging services that include logistic solutions and filling activities.
- ✓ We are one of the main **glass container manufacturers**, through **nine complementary sites** located in Iberia, UK & Ireland, and Brazil.
- ✓ We sell more than **9.0 billion bottles and jars** per year, among more than 1,600 customers. Our industrial knowledge, growing geographical presence, glass manufacturing expertise, level of service and understanding of customers' processes make us a **business partner** for many of the main food and beverages brands.
- ✓ Vidrala is a **public listed company**, with a market capitalisation around EUR 3.0 billion.

OVER
4,500
EMPLOYEES

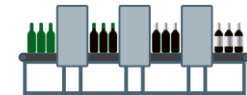


49%
USE OF
RECYCLED
GLASS*

9 GLASS
PRODUCTION
SITES



21
FURNACES



2 FILLING
FACILITIES

ANNUAL PRODUCTION
>9.0 BILLION
CONTAINERS



OVER
1,600
CUSTOMERS



**GLASS
MADE
GOOD**

Factsheet



*Does not yet include data from the recent acquiree Vidroporto.

SALES

1,558.8

EUR million
+15% YoY organic

EARNINGS

7.23

EUR per share
+53% YoY



vidrala

EBITDA

393.7

EUR million
25.3% EBITDA margin

NET DEBT

472.2

EUR million
1.1x leverage ratio

CREATING VALUE AND FUTURE IN A SUSTAINABLE WAY



The origin of Vidrala

- Vidrala begins operations in Alava (Spain)

Vidrala goes public

- IPO Madrid and Bilbao stock exchanges

Domestic expansion

- Second greenfield in Albacete (Spain)

Internationalisation

- Acquisition of one plant in Portugal
- Acquisition of two plants: Barcelona (Spain) and Italy
- Acquisition of one plant in Belgium

Transformational acquisitions

- Acquisition of Encirc (UK and Ireland)
- Acquisition of Santos Barosa (Portugal)

Geographical refocus & Differentiation

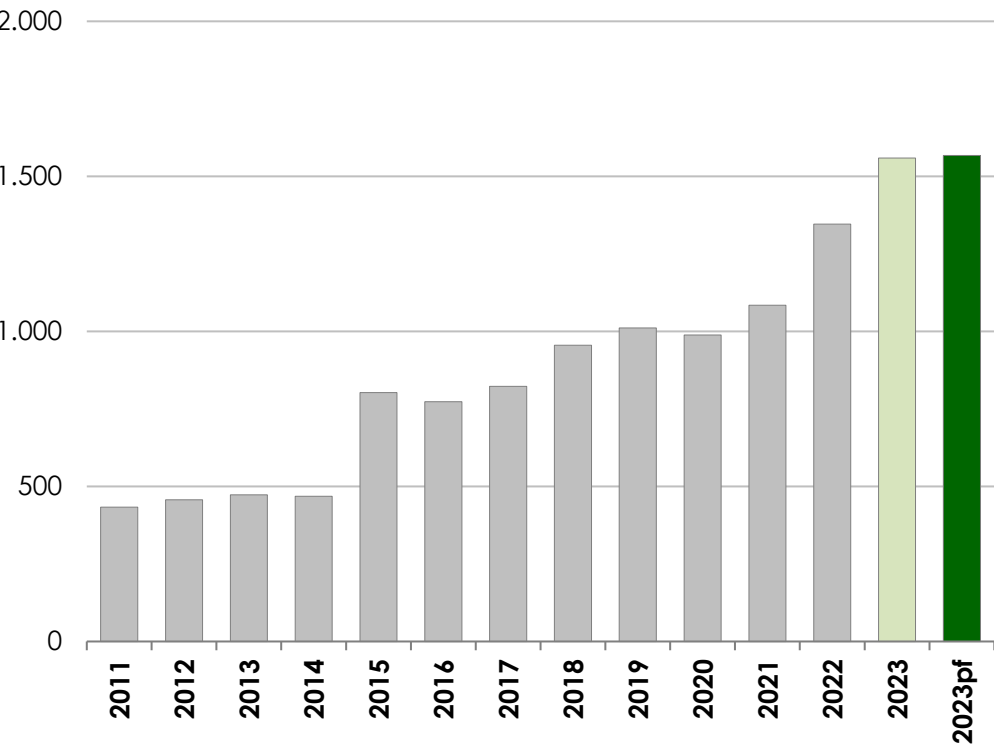
- Sale of our manufacturing activity in Belgium
- Acquisition of 'The Park' (UK) filling & logistics business
- Acquisition of Vidroporto (Brazil)
- Sale of our manufacturing activity in Italy

CUSTOMER, COMPETITIVENESS & CAPITAL
THE GUIDELINES ON WHICH WILL BE SUSTAINED OUR AMBITIOUS FUTURE



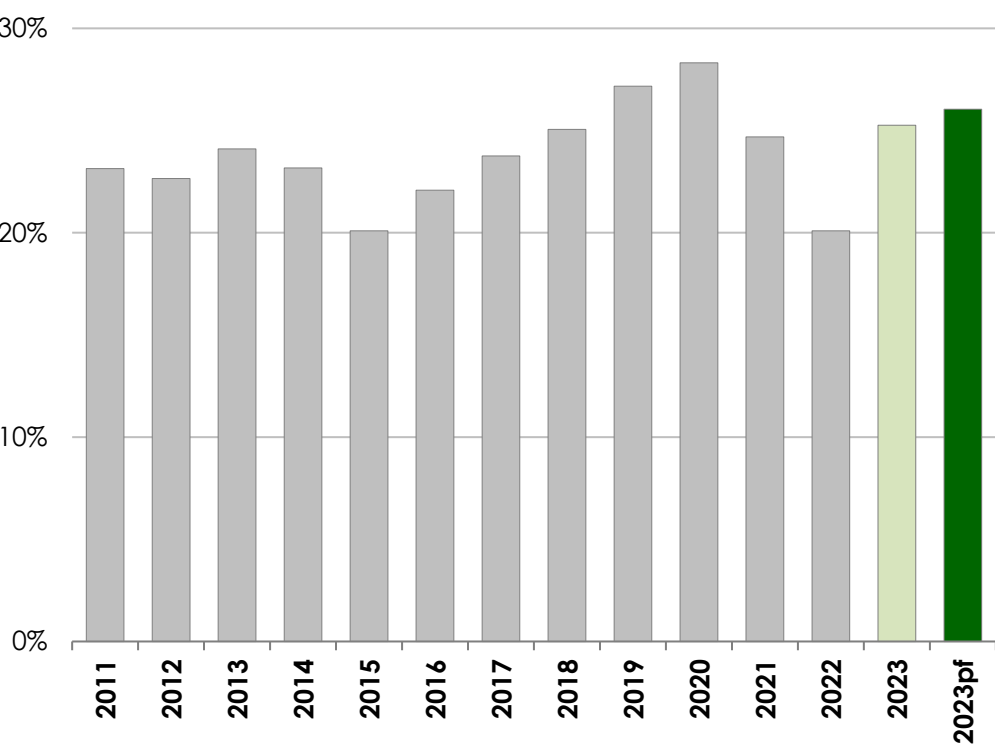
NET SALES.

Since 2011, EUR million.



EBITDA MARGIN.

Since 2011, as percentage of sales.

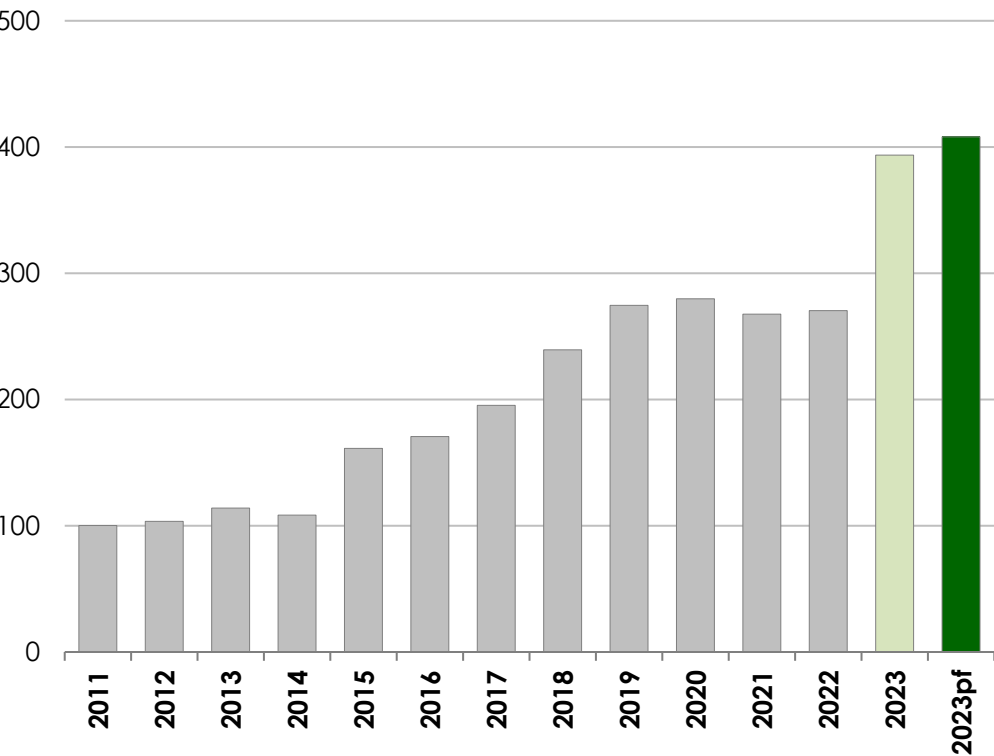


STRATEGIC DIVERSIFICATION & COHERENT GROWTH
STABILITY OF MARGINS, RESILIENT TO INTEGRATIONS AND ECONOMIC CYCLES

2023pf excludes results of Vidrala Italia and includes the contribution of the last twelve months from Vidroporto.

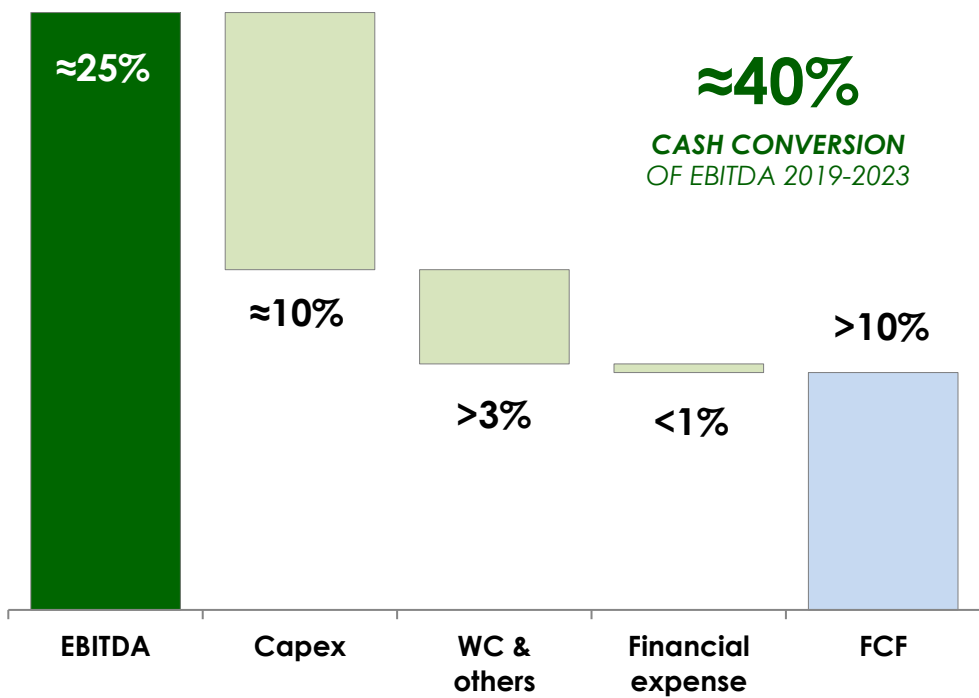
EBITDA.

Since 2011, EUR million.



FREE CASH FLOW.

5-year accumulated average rates, as percentage of sales.

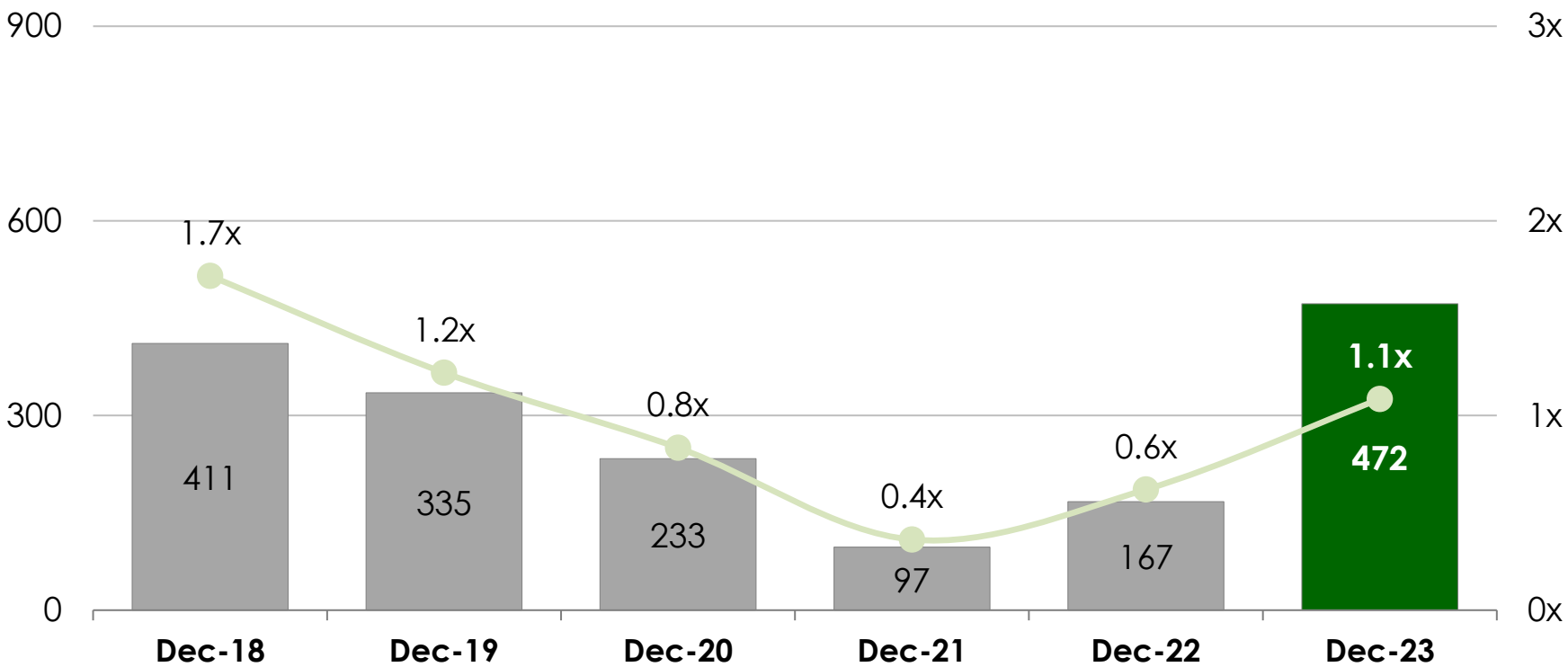


VALUE CREATION, MATERIALISED IN A
SUSTAINED CASH GENERATION

2023pf excludes results of Vidrala Italia and includes the contribution of the last twelve months from Vidroporto. Free cash flow figures exclude M&A.

FINANCIAL SOLVENCY.

Year-over-year evolution of debt since 2018, EUR million and times EBITDA.



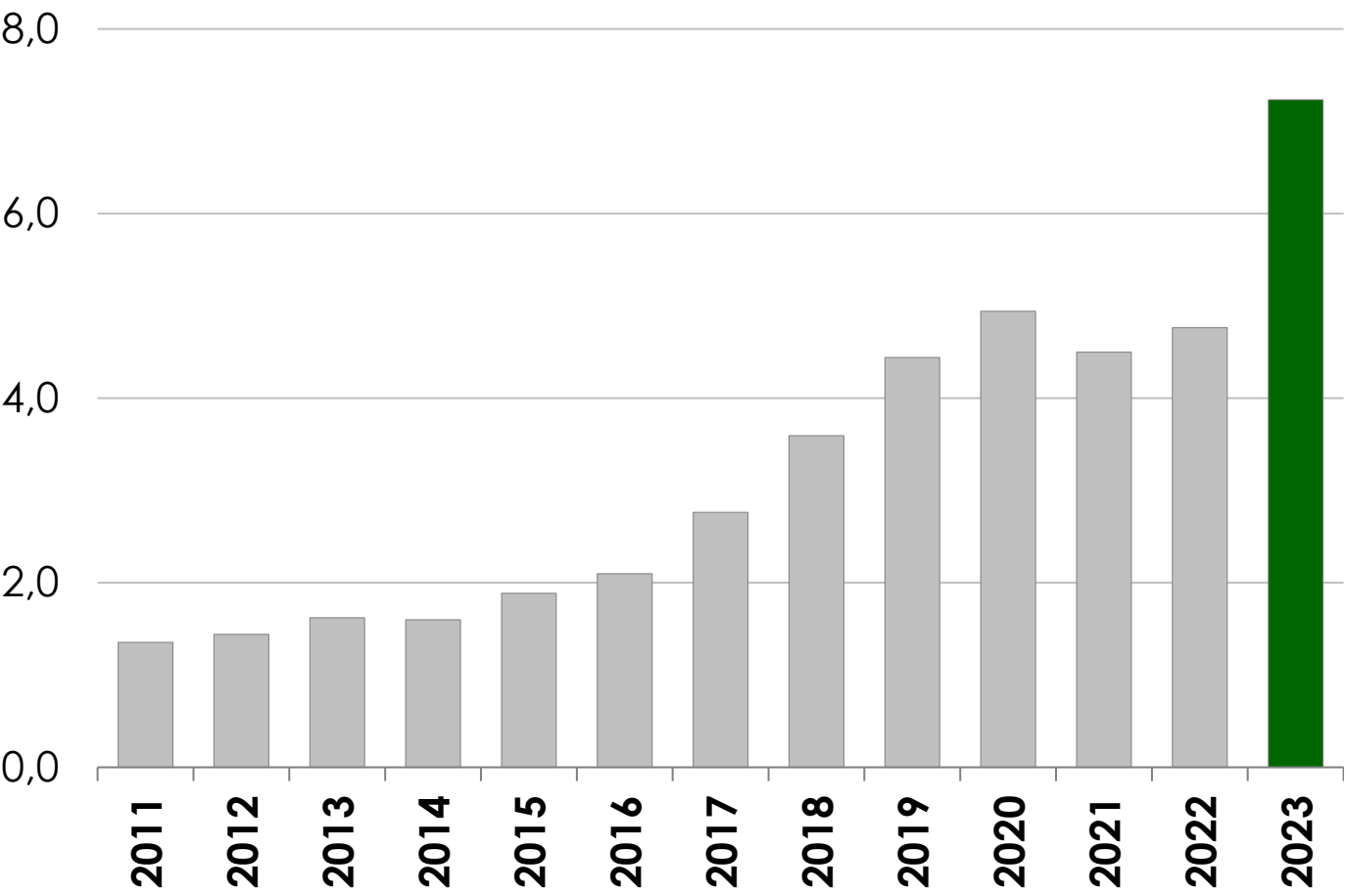
ON THE BASIS OF A
SOLVENT FINANCIAL STRUCTURE

Debt/EBITDA ratio is calculated on pro-forma basis. 2022 and 2023 debt figures and leverage ratios exclude the effect of IFRS 16 Leases.



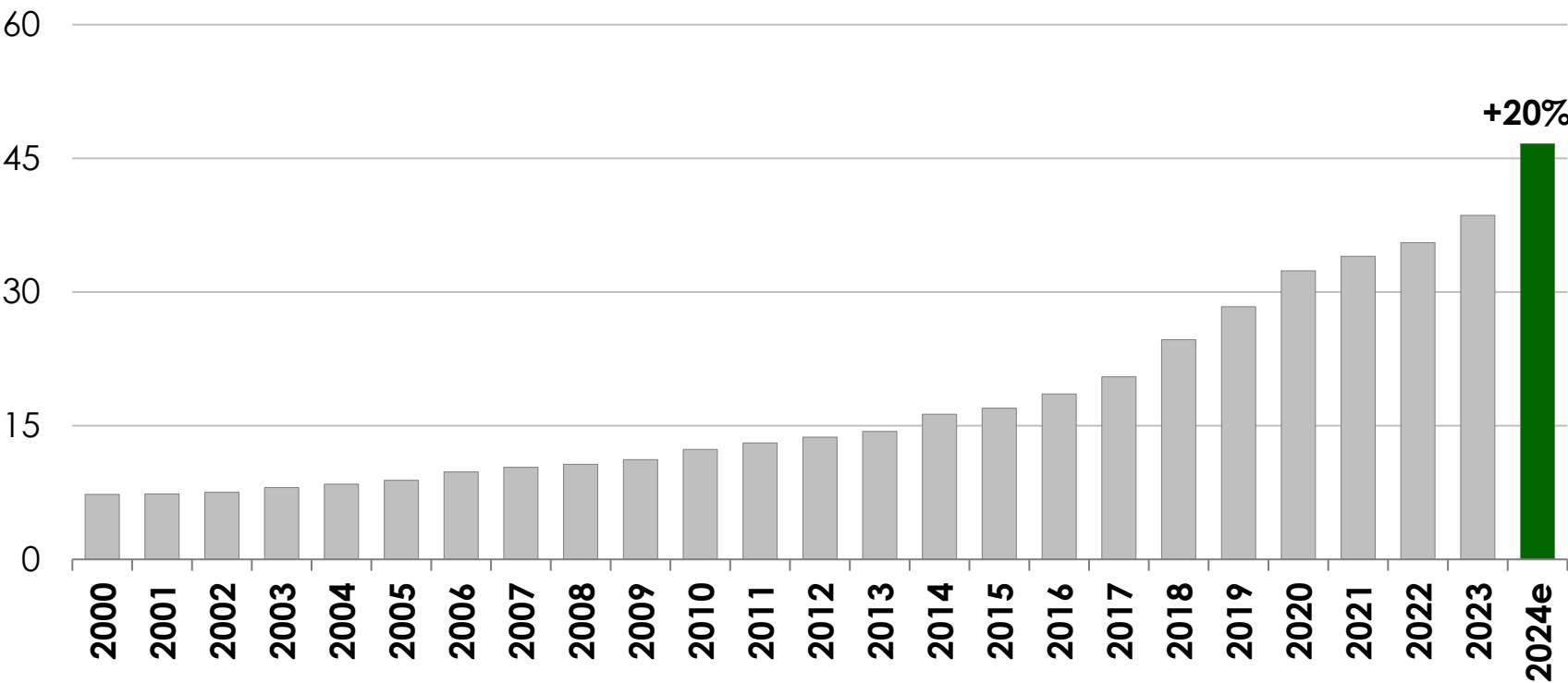
EARNINGS PER SHARE.

Since 2011, EUR per share.



CASH DIVIDENDS.

Since 2000, EUR million.



A DIVIDEND POLICY FOCUSED ON LONG-TERM STABILITY

ANNUAL GROWTH, COHERENT WITH PREVAILING BUSINESS CONDITIONS

Including cash dividends and AGM attendance bonuses.

EXPECTED 2024 DIVIDEND PAYMENTS

Proposed FY 2023 results distribution

February 15th, 2024

Interim dividend
EUR 1.0180 per share

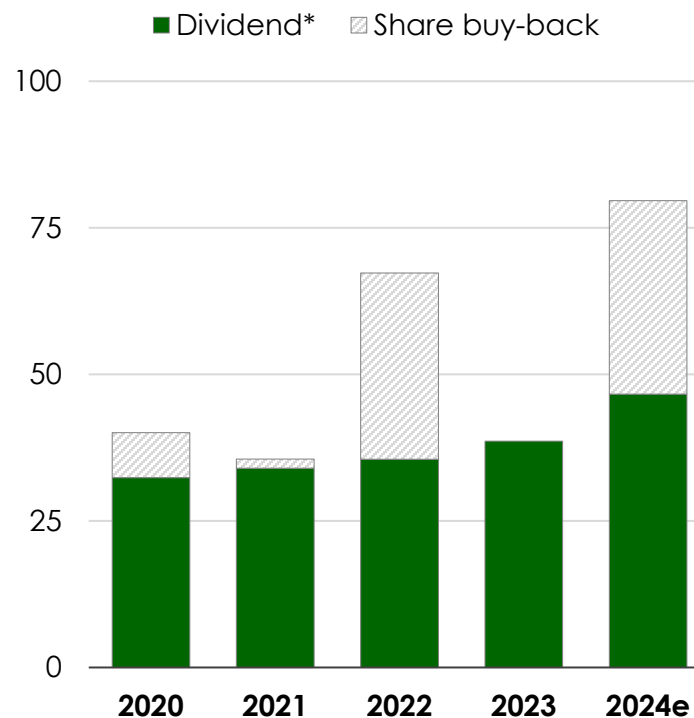
July 15th, 2024

Complementary dividend
EUR 0.3875 per share

EUR 0.0400 per share
*as attendance bonus to the
shareholders' annual general meeting*

SHAREHOLDER REMUNERATION

Since 2020, EUR million



DIVIDEND PAYMENTS REPRESENT AN INCREASE OF +20%**

SHARE BUY-BACK PROGRAMS TO REMAIN AS AN EXTRAORDINARY, COMPLEMENTARY MEASURE

*Including cash dividends and AGM attendance bonuses. **Considering the effect of the bonus share issue completed in November 2023.



BUSINESS FUNDAMENTALS

Understanding the European glass packaging industry



1

LOGISTICS. Local sales nature.

- ✓ Natural characteristics of hollow glass containers limit logistics.
- ✓ Customers' packaging activity demands service on time and supply flexibility.
- ✓ Proximity to the customer and service quality determines sales capabilities.

2

CONTINUOUS PROCESS. Capital intensive.

- ✓ Glass manufacturing is based on a continuous 24/365 activity.
- ✓ Production process is intensive in cost (labour and energy) and capital (periodical replacements). Technological development demands constant and complex adaptation.

3

OPERATING GEARING. Utilization rates.

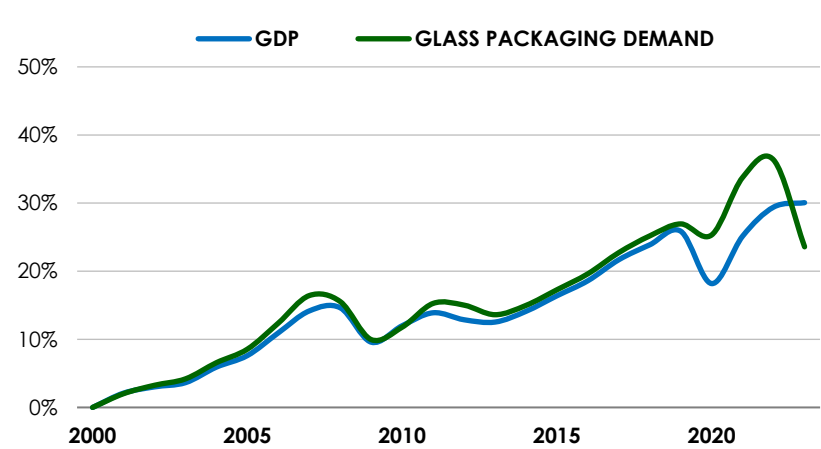
- ✓ Cost and capital intensity creates a high level of operating leverage.
- ✓ High utilization rates are crucial for profitability.

NOTEWORTHY ENTRY BARRIERS

The glass packaging market in Europe
SOLID AND STABLE



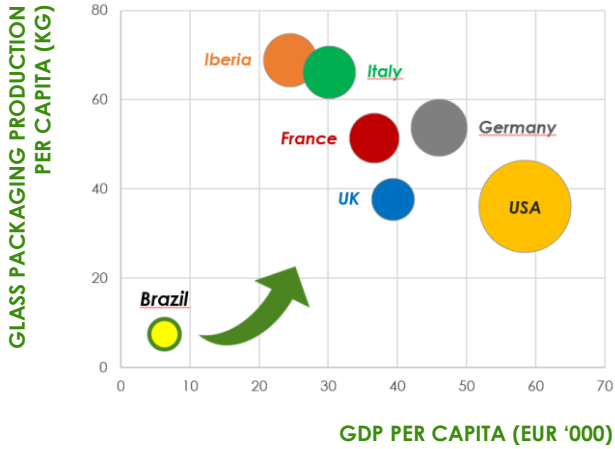
Glass containers demand in Europe vs GDP.
Annual variation (accumulated), base year 2000.



Our key geographical regions
STRATEGIC MARKETS FOR THE SECTOR



Glass packaging production vs GDP per capita.



A MATURE AND STABLE EUROPEAN DEMAND, COMPLEMENTED BY
GROWTH DYNAMICS IN THE BRAZILIAN MARKET



Environmentally friendly

Glass is a 100% recyclable material that can be shaped over and over again without losing any of its properties or advantages.

The healthiest type of packaging

It is a completely hygienic material, impervious to gases, vapour, and liquid, thereby protecting and preserving the flavour and properties of the food within.

Premiumisation trend

Glass is seen by consumers as a guarantee of quality and reliability. Brands design containers, bestowing them with different shapes and colours to give their product its own personality.

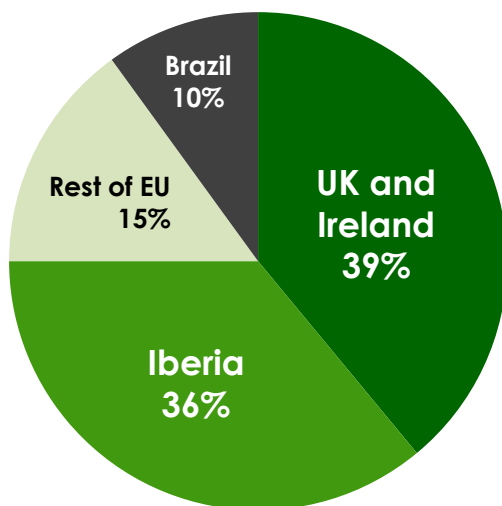
GLASS, THE PREFERRED MATERIAL

ENVIRONMENTAL, HEALTHY & BRAND PERCEPTION BENEFITS

- ✓ Vidrala's commercial positioning is focused on geographic regions and product segments of **long-term strategic value**. Vidrala sells its products to a **strong customer base** composed of a solid balance between blue chip customers, multinational brand owners and domestic packagers.

2023pf SALES BREAKDOWN.

By geography.



2023pf SALES BREAKDOWN.

By product segment.



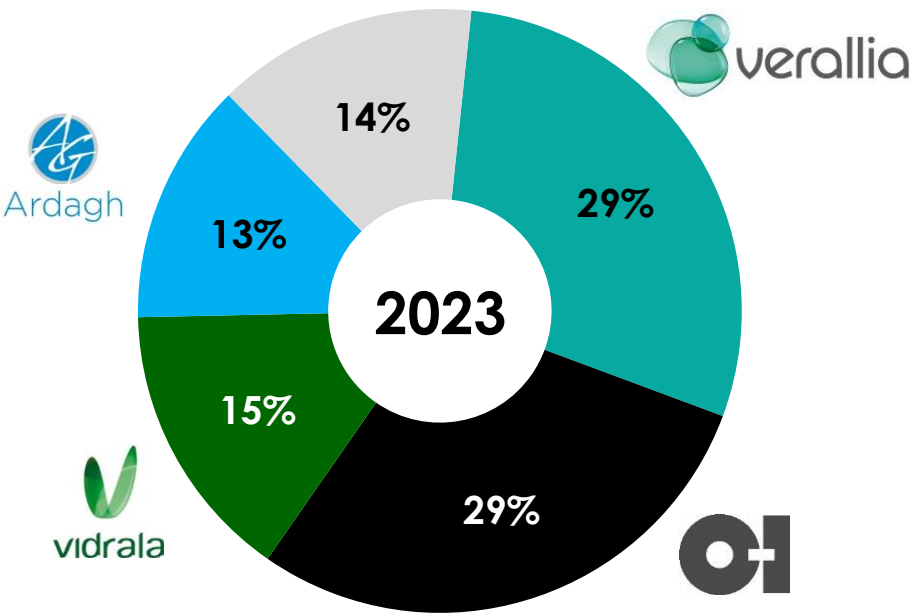
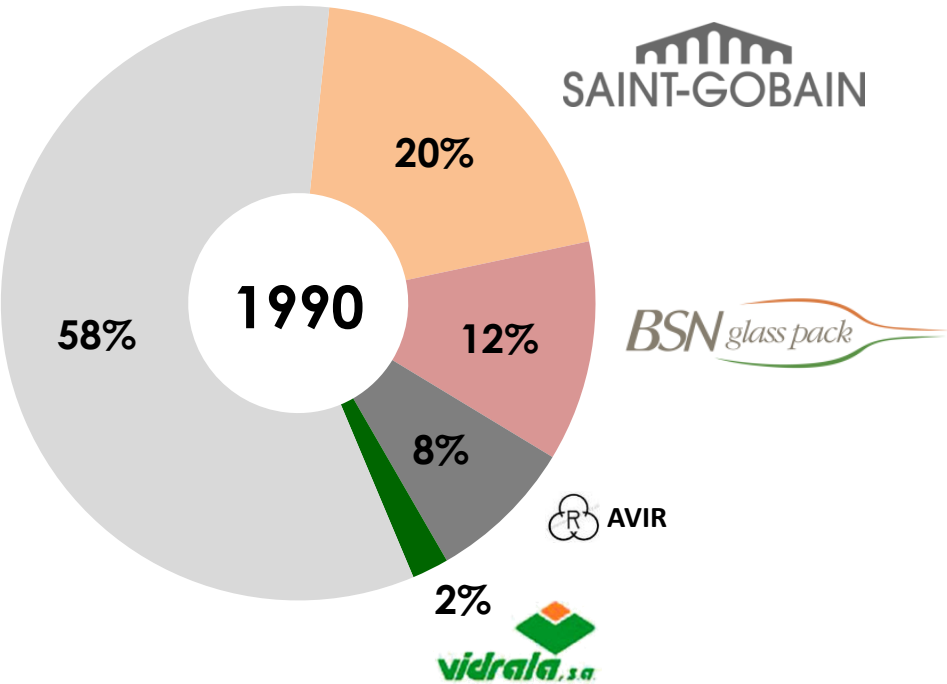
More than **1,600**
active customers

Top10 customers stand
for **≈35% of revenue**

50% of sales made
up by **≈20 customers**

TOWARDS A STRATEGIC POSITIONING IN OUR KEY MARKETS

EVOLUTION OF MARKET SHARES IN WESTERN EUROPE. 1990 vs 2023.



A DYNAMIC ATTITUDE TOWARDS CONSOLIDATION

Internal sources. Figures include Spain, Portugal, Italy, France, Germany, Benelux, UK and Ireland.

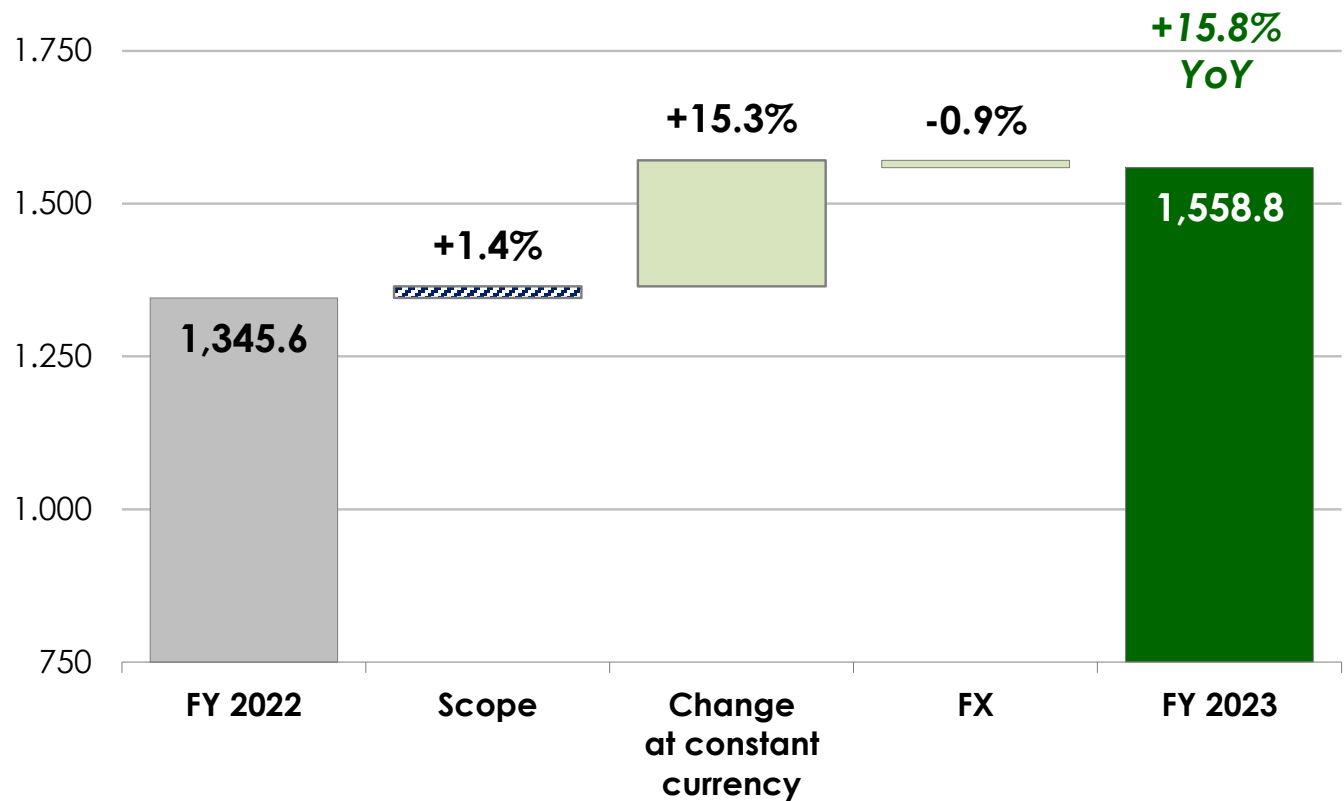


FINANCIALS

Latest earnings release

SALES.

YoY change, EUR million.

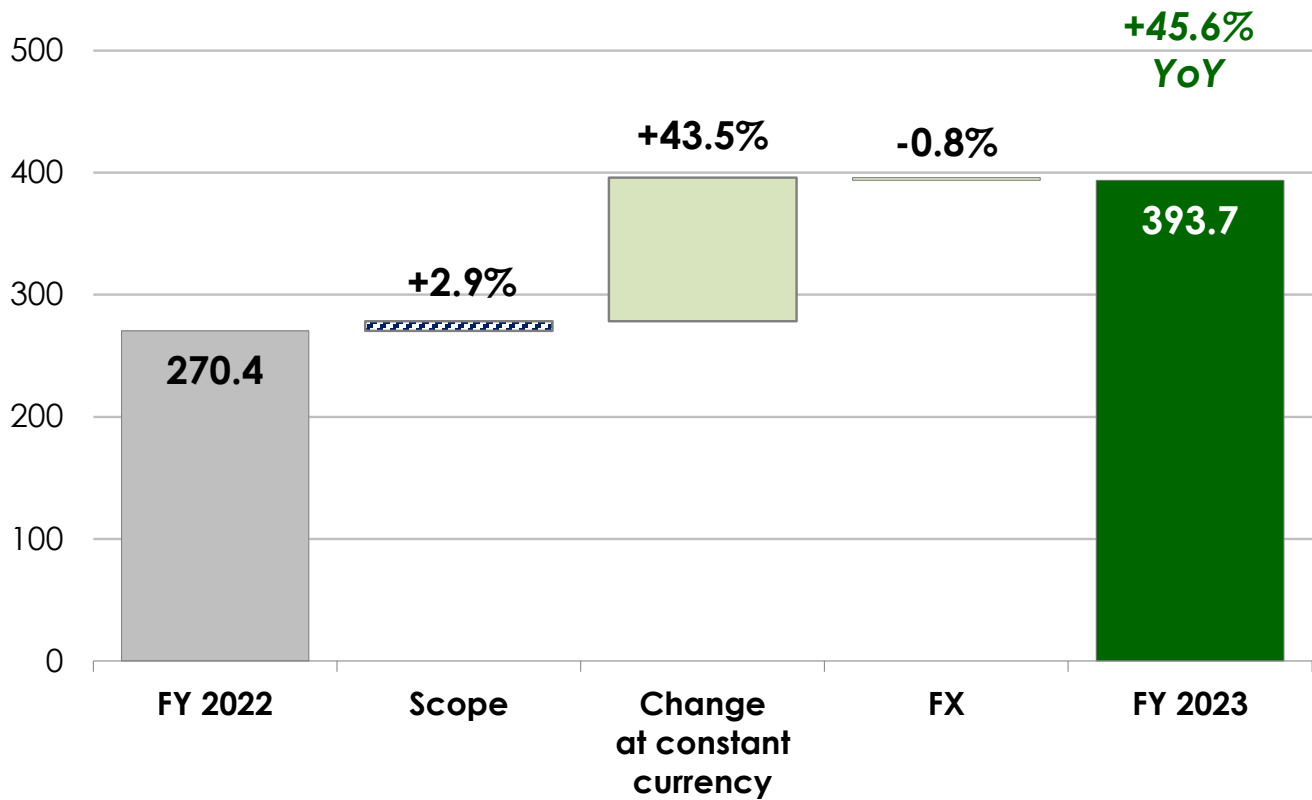


Scope refers to the contribution of EUR 19.1 million from Vidroporto, which consolidates since December 1, 2023.





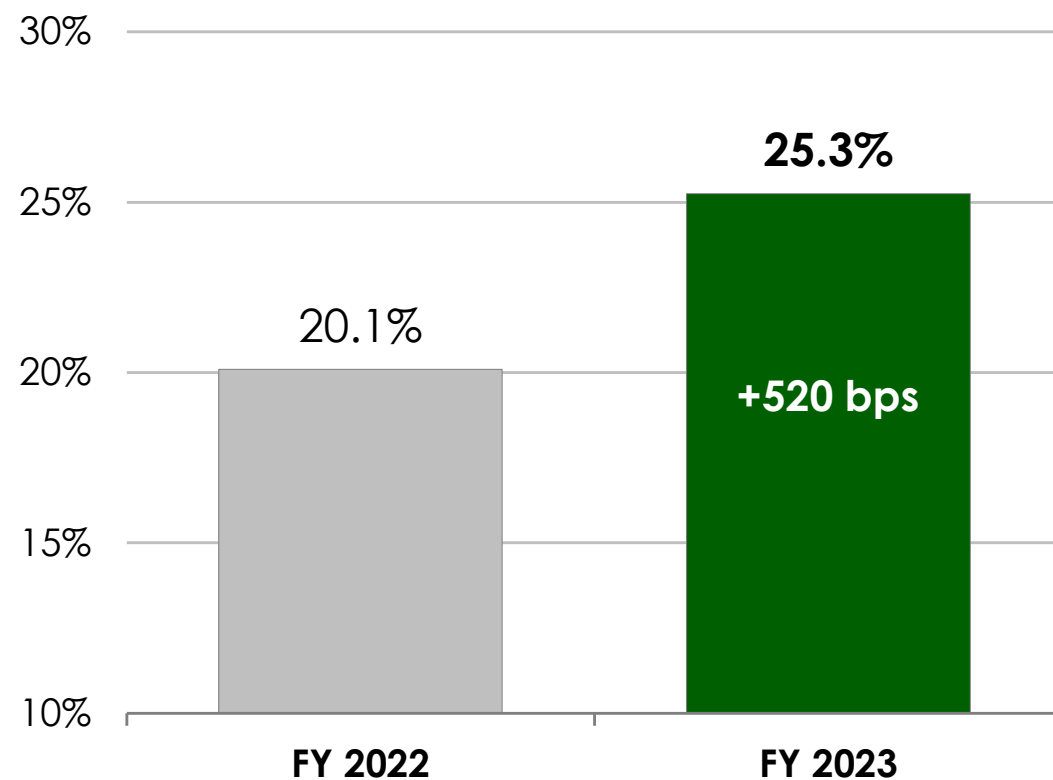
EBITDA.
YoY change, EUR million.



Scope refers to the contribution of EUR 7.8 million from Vidroporto, which consolidates since December 1, 2023.

EBITDA MARGIN.

YoY change, as percentage of sales.

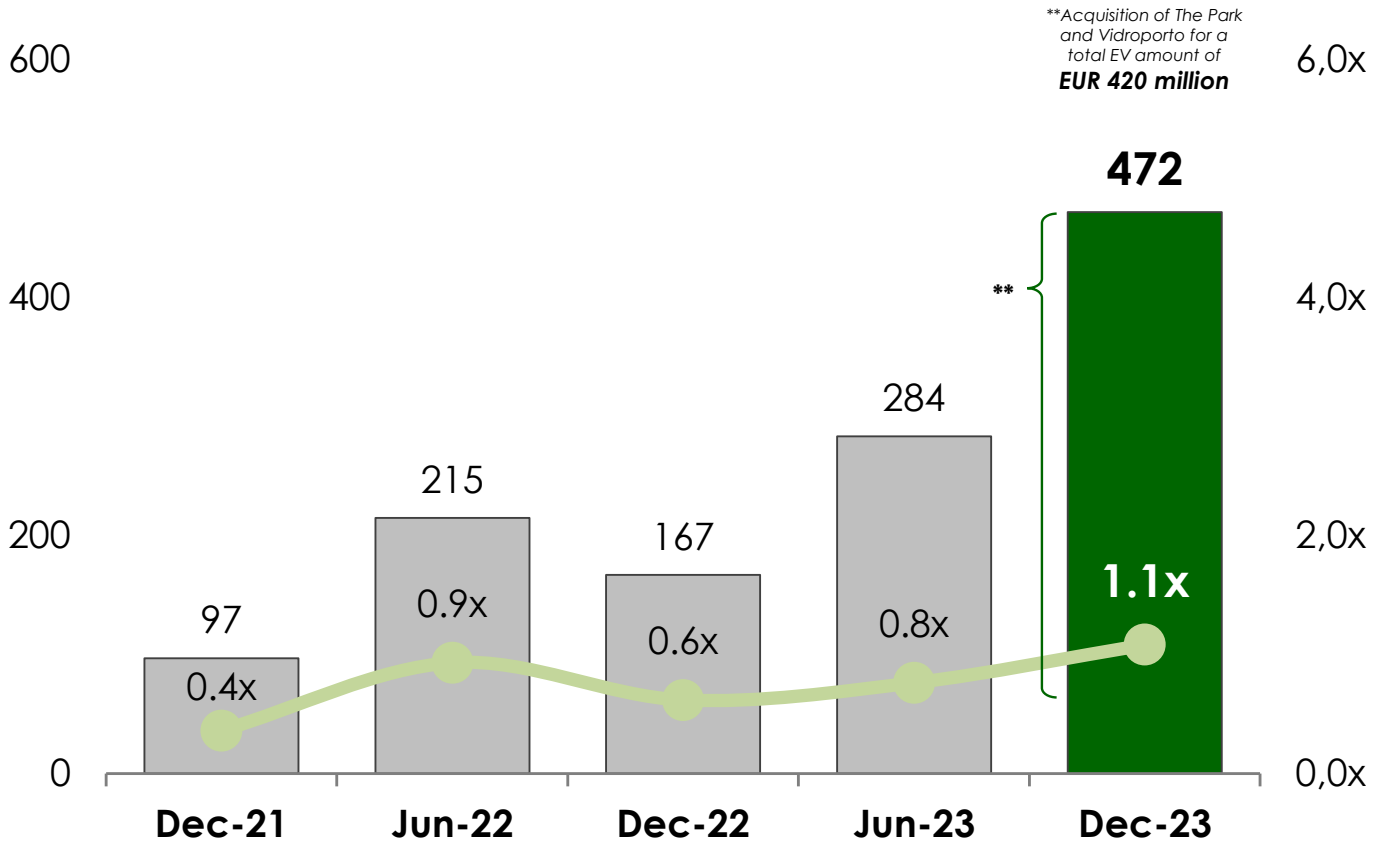


FY 2023 reported figure includes the contribution from Vidroporto, which consolidates since December 1, 2023.



NET DEBT.

Six-monthly evolution since December 2021, in EUR million and times EBITDA.



Important: Debt figure and leverage ratio do not include the effect of IFRS 16 Leases.
Pro-forma EBITDA is considered for the December 2023 ratio calculation, including the contribution of the last twelve months from Vidroporto.



✓ **TOP-LINE GROWTH OF 15.8%**

Sales in the year 2023 amounted to EUR 1,558.8 million, showing a reported growth of +15.8%

✓ **OPERATING MARGIN OF 25.3%**

Operating profit, EBITDA, amounted to EUR 393.7 million representing an operating margin of 25.3%

✓ **STRONG FREE CASH FLOW**

Cash generation as of December 31, 2023 reached EUR 153.5 million, exceeding the latest released guidance

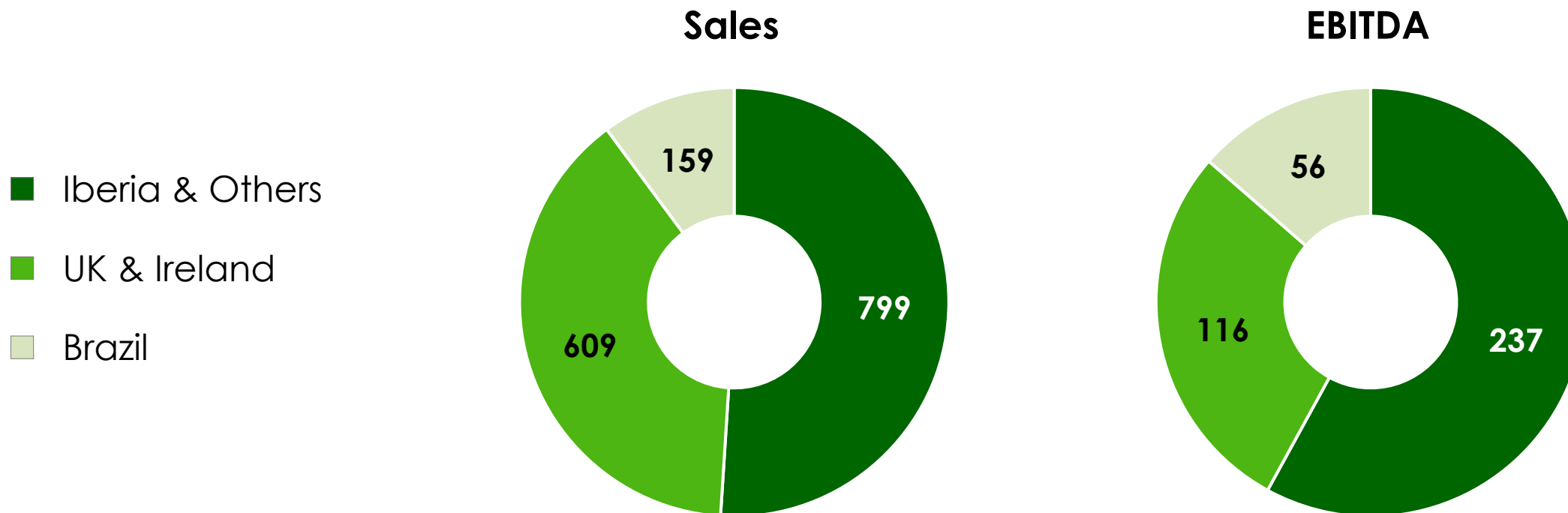
✓ **RECENT M&A**

Acquisition of 'The Park' bottling and logistic facilities in the UK, divestment from Italy, and entry into Brazil after the full acquisition of Vidroporto



FY 2023 PRO-FORMA FIGURES

EUR million



THE NEW VIDRALA GROUP
RESHAPED GEOGRAPHICAL FOOTPRINT



ANNEXES

Financial structure and recent corporate transactions

ANNEX I. Financing structure.

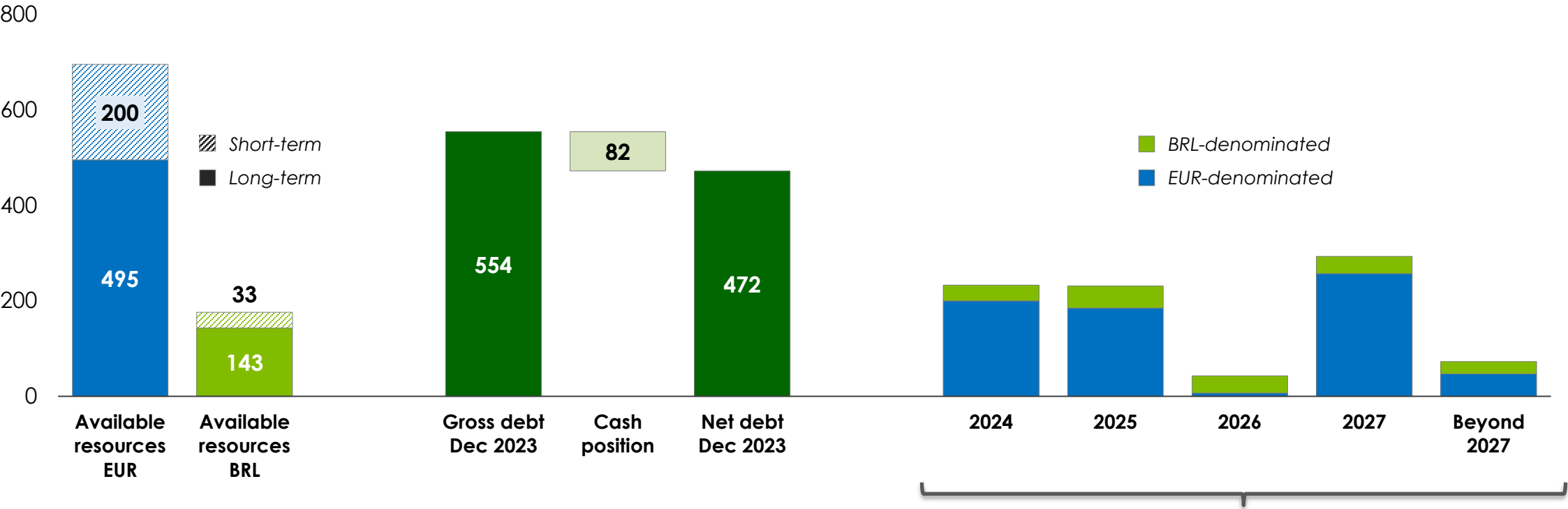
Current financing structure
As at December 31, 2023

Debt / EBITDA ratio
≈1.1x

Average maturity
≈3 years

Estimated EUR cost, all-in
≈1.0% annual

Estimated BRL cost, all-in
≈13.0% annual



Maturity profile of long-term available resources.
Per year, EUR million.

ANNEX II. Acquisition of The Park.



Since January 31, 2023 our subsidiary in the UK Encirc Ltd. owns the **beverages filling facilities and the logistic infrastructure** in Bristol, known as '**The Park**' that were acquired to the renowned global wine producer Accolade Wines.

The business purchased further improves the range of services we provide in the UK market, securing glass volumes, **helping our existing customers to grow**, improving logistics, increasing flexibility, **minimising carbon footprint** and reinforcing Encirc's unparalleled fundamentals as the only company to offer a **full 360 approach to the beverage supply chain**.



'The Park' beverages filling and logistics facilities in Bristol, England.

ANNEX III. Acquisition of Vidroporto (1).



In December 2023, Vidrala announced the full acquisition of **Vidroporto**, a **renowned competitive Brazilian manufacturer of glass containers** that operates two high quality sites from where it serves some of the main brands in Brazil in segments like beer, spirits or soft drinks.

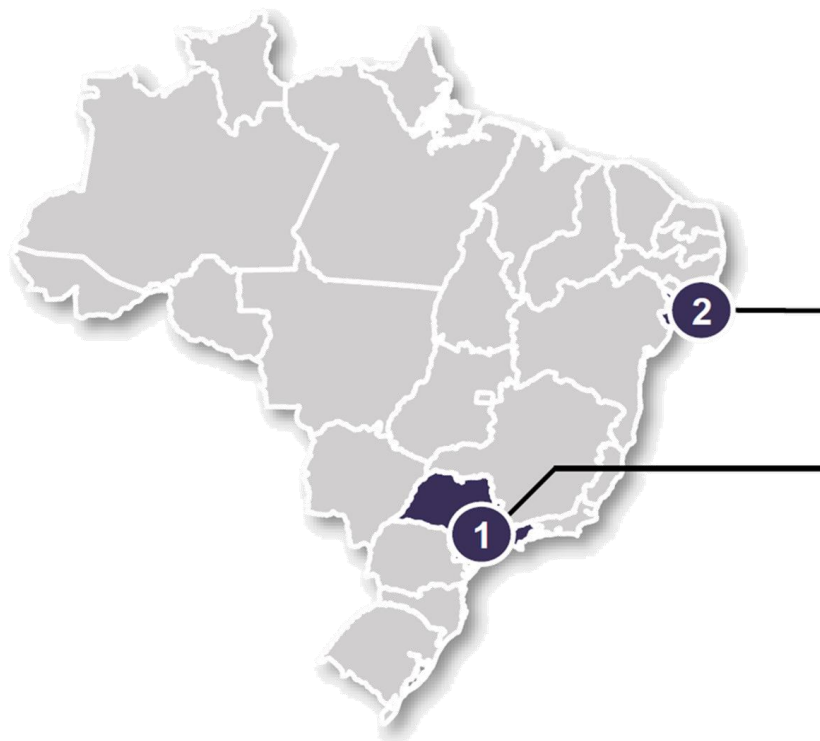
This acquisition represents a **first step in the Vidrala's strategic path**, diversifying the business towards the growing Brazilian market, creating a **driver for future growth** in regions that will offer interesting opportunities with an aim of **reinforcing long-term partnerships with some of the main global beer customers**.



Manufacturing facilities of Vidroporto in Porto Ferreria, state of São Paulo.

ANNEX III. Acquisition of Vidroporto (2).

A competitive player with 2 strategically located plants, representing ≈20% of total market production



Northeast Unit

Location: Estância, state of Sergipe

Start of operations: Feb-2019

1 furnace



Southeast Unit

Location: Porto Ferreira, state of São Paulo

Start of operations: Apr-1981

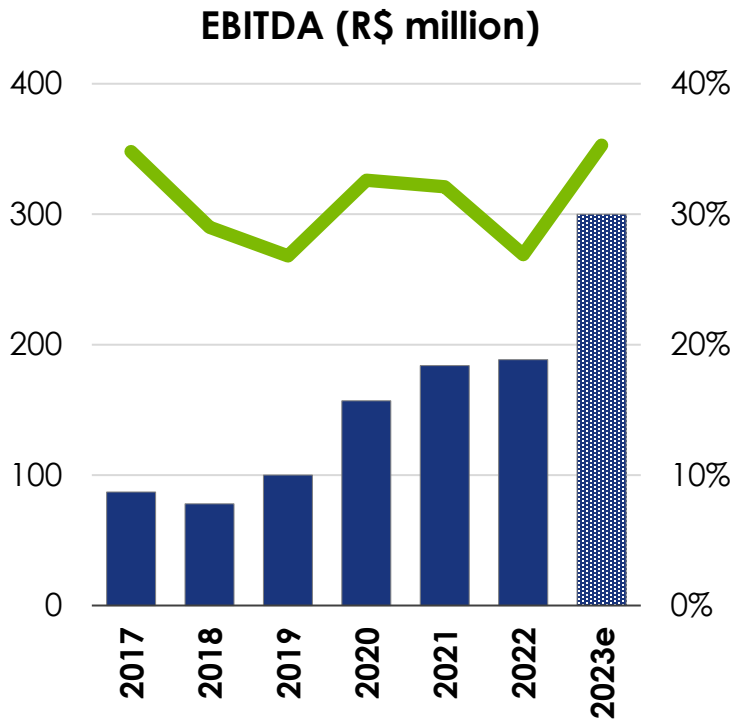
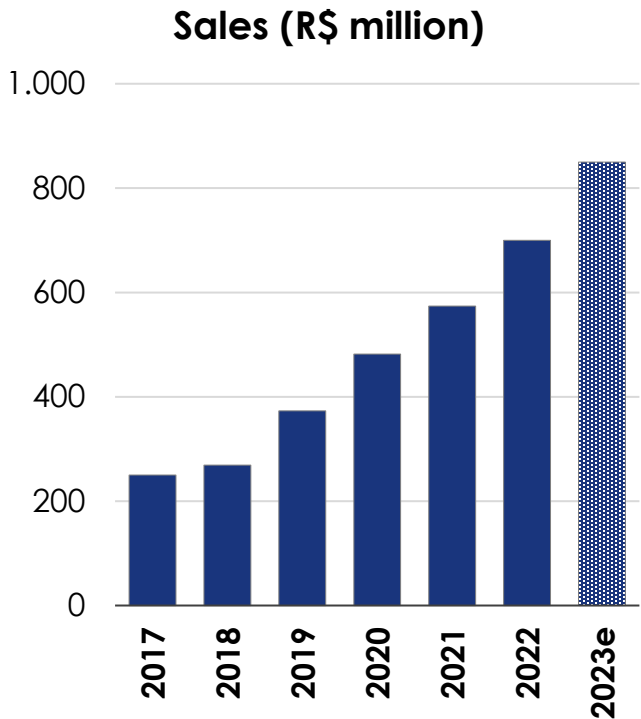
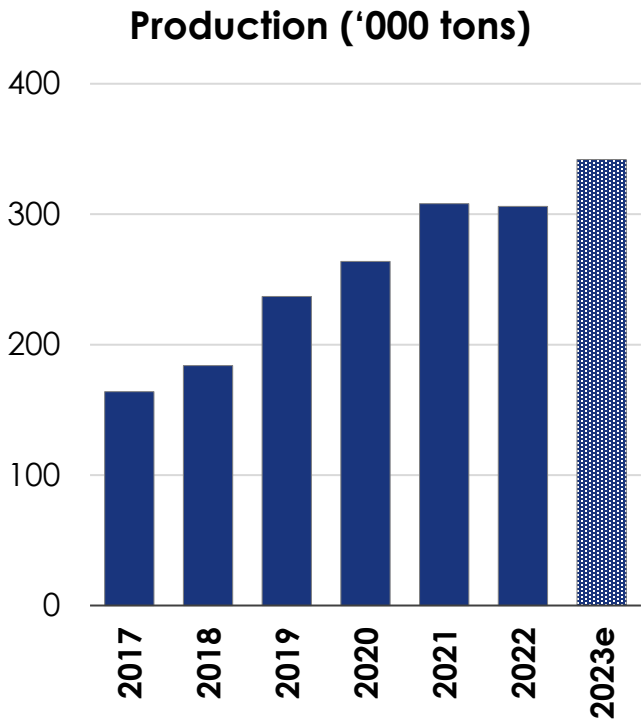
4 furnaces

MODERN, WELL-INVESTED FACILITIES

WITH RECENT EXPANSIONARY INVESTMENTS ALREADY IN PLACE

ANNEX III. Acquisition of Vidroporto (3).

A proven business model, driven by strong customer relationships, solid operational performance and cost competitiveness



STRONG GROWTH TRACK RECORD
DELIVERING SUPERIOR PROFITABILITY LEVELS

ANNEX III. Acquisition of Vidroporto (4).

Strategic rationale



✓ Geographic **diversification** towards less mature markets



✓ Platform for future **growth**



✓ Impressive **business industrial legacy** and highly experienced **management team**



✓ **Strengthened relationships** with global customers



✓ **Best-in-class technological level**, with high production efficiency levels



✓ Proven business model delivering sales growth and **superior EBITDA margins**

EXPANDING OUR GEOGRAPHIC FOOTPRINT

WHILE GAINING EXPOSURE TO THE FAST-GROWING BRAZILIAN MARKET



In February 2024, Vidrala announced an agreement with Verallia to **sell the Italian subsidiary Vidrala Italia S.r.l.** for a consideration of **EUR 230 million**, subject to the customary closing adjustments.

The closing of the transaction is **subject to the customary approvals**, including the Italian antitrust authorities, and is estimated to take place between the second and the third quarter of 2024.

The divestment comes after an in deep strategic reflection. It will help Vidrala **re-focus on core regions** and crystallise the opportunity to realise the value created.

STRATEGIC RATIONALE



Refocus the business in three **core areas**



Crystallise the opportunity to realise the **value created**



Reinforce financial position and **return** cash to **shareholders**



choose
tomorrow,
today

VIDRALA, S.A.

Investor Relations

Tel: +34 94 671 97 50

investors@vidrala.com

www.vidrala.com