

## VIDRALA, S.A.

### BUSINESS PERFORMANCE 2023

#### ACCUMULATED FIGURES

	Full Year 2023	Full Year 2022	Reported change	Change on constant currency & comparable scope
<b>Sales</b> (EUR million)	1,558.8	1,345.6	+15.8%	+15.3%
<b>EBITDA</b> (EUR million)	393.7	270.4	+45.6%	+43.5%
<b>Earnings per share</b> (EUR)	7.23	4.71	+53.5%	
<b>Debt / EBITDA*</b> (multiple)	1.1x	0.6x	+0.5x	

*Important: In order to improve comparability, earnings per share has been adjusted for the effect of the bonus share issue carried out in December 2023. For the purpose of calculating the leverage ratio, debt and EBITDA figures exclude the IFRS 16 Leases impact. Change on comparable scope bases excludes the contribution from Vidroporto, which consolidates since December 1, 2023. \*Pro-forma figures.*

- Sales in the year 2023 amounted to EUR 1,558.8 million, showing a growth of +15.3% on constant currency and comparable scope.
- Operating profit, EBITDA, amounted to EUR 393.7 million representing an operating margin of 25.3%.
- Earnings per share increased +53.5% over the same period last year, to EUR 7.23 per share.
- Net debt as of December 31, 2023 stood at 472.2 million, equivalent to 1.1x times last twelve months pro-forma 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, expanding geographical presence, glass manufacturing expertise, unparalleled technologies, best-in-class level of service and understanding of customers' needs and global packaging 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 crucial role in their strategies, promoting the consumers' experiences.

Today, we produce more than 9.5 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 well-being 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 well-being of our people.*

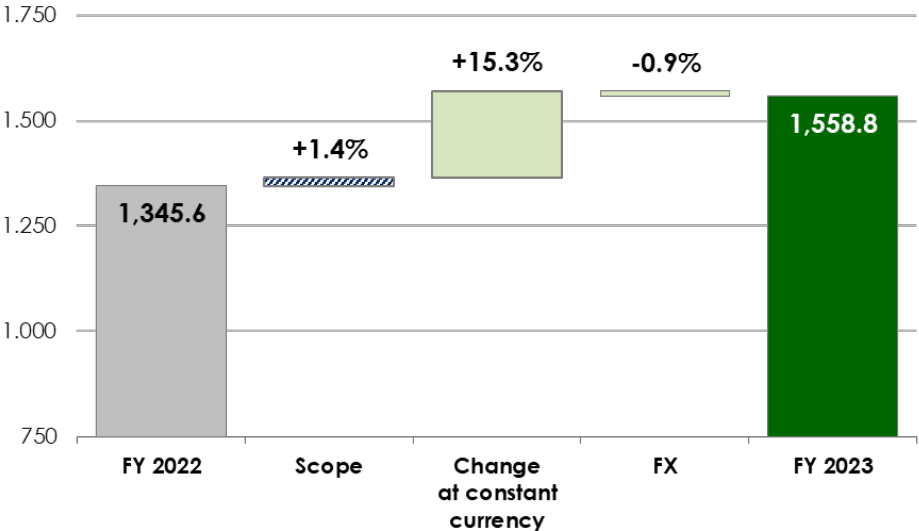


**Earnings performance**

**Sales**

Net sales registered by Vidrala during the full year 2023 amounted to EUR 1,558.8 million, representing an increase of +15.8% over the previous year. On a constant currency basis, sales grew +15.3%, before considering the contribution from the scope change due to the consolidation of Vidroporto's results since December 1, 2023.

**SALES**  
**YEAR OVER YEAR CHANGE**  
*EUR million*

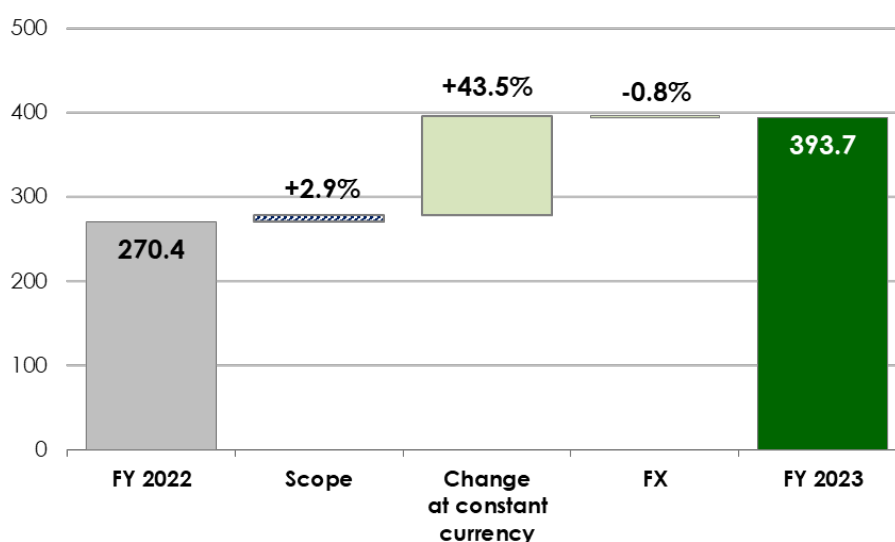


## Operating results

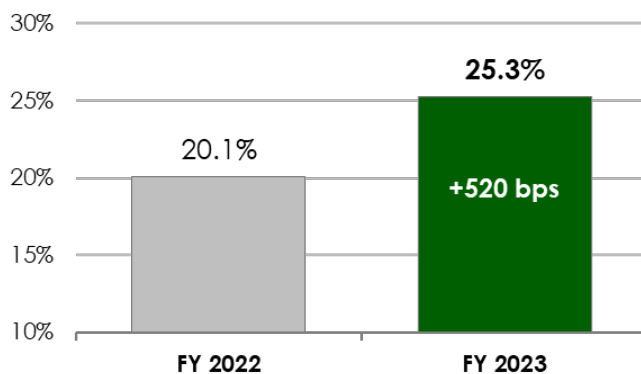
Operating profit –EBITDA– obtained over 2023 reached EUR 393.7 million. This represents an increase of +45.6% over the figure reported last year, reflecting a growth -on constant currency and comparable scope- of +43.5% with Vidroporto contributing an additional +2.9%.

EBITDA margins reached 25.3% over sales. This represents an expansion of approximately 520 basis points over the previous year.

### EBITDA YEAR OVER YEAR CHANGE *EUR million*



### EBITDA MARGINS YEAR OVER YEAR CHANGE *As percentage of sales*



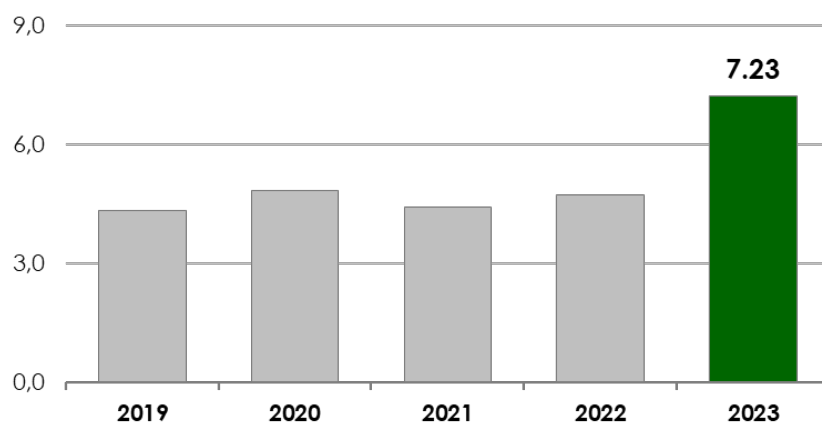
## Results and financial position

Net profit for the full year 2023 amounted to EUR 233.4 million. As a result, earnings per share during the period reached EUR 7.23 per share. This represents an increase of +53.5% over the previous period.

Net debt at December 31, 2023 stood at EUR 472.2 million. This is equivalent to a leverage ratio of 1.1x times last twelve months pro-forma EBITDA. This figures include disbursements for M&A transactions, The Park and Vidroporto, for a total amount of EUR 420 million, including the acquired debt.

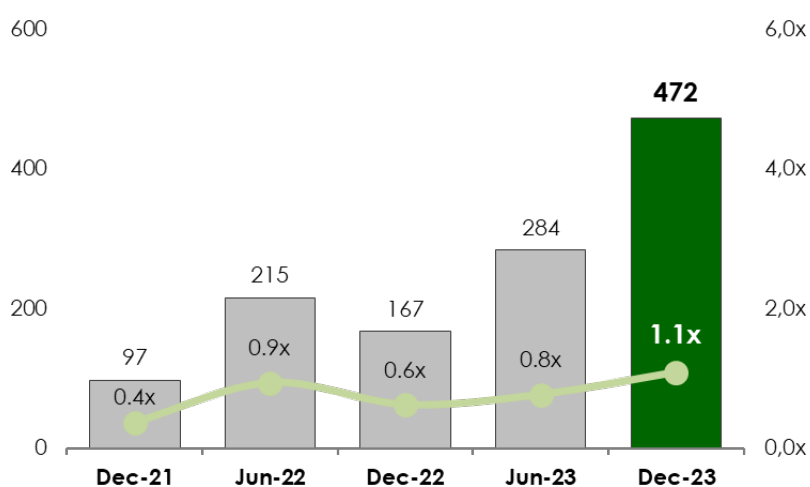
### EARNINGS PER SHARE SINCE 2019

EUR per share



### DEBT SIX-MONTHLY EVOLUTION SINCE 2021

Debt in EUR million and times EBITDA\*



Debt figure and leverage ratio do not include the effect of IFRS 16 Leases, which entails an increase of EUR 45.4 million in debt and EUR 5.9 million in consolidated EBITDA (EUR 2.4 and 0.6 million, respectively, in 2022). \*Pro-forma EBITDA is considered for the December 2023 ratio calculation, including the contribution of the last twelve months from Vidroporto.

## Key figures

	Full Year 2023	Full Year 2022
<b>Sales</b> (EUR million)	1,558.8	1,345.6
<b>EBITDA</b> (EUR million)	393.7	270.4
<b>EBITDA margin</b> (percentage over sales)	25.3%	20.1%
<b>EBIT</b> (EUR million)	289.8	184.2
<b>Net profit</b> (EUR million)	233.4	153.7
<b>Free cash flow</b> (EUR million)	153.5	-5.1
<b>Debt</b> (at the end of the reporting period, EUR million)	472.2	167.2
<b>Debt / EBITDA*</b> (multiple)	1.1x	0.6x
<b>Debt / shareholder's equity</b> (multiple)	0.4x	0.2x
<b>EBITDA* / net financial expenses*</b> (multiple)	21.1x	147.9x
<b>Total assets</b> (EUR million)	2,481.9	1,953.5
<b>Shareholder's equity</b> (EUR million)	1,224.3	1,033.6

\*Pro-forma figures.



## Conclusions and outlook

Our results during the year 2023 evidenced the strong fundamentals of the Vidrala business.

Under a particularly weak demand context, operating margins recovered, earnings grew and the business generated the expected level of cash. These are the benefits of a strategic plan that has been firmly directed to grow and diversify the business, offer differential services, realign our industrial footprint, and selectively enhance our manufacturing facilities with a firm focus on our customers.

The prevailing demand softness in Europe, that reflects macroeconomic factors, high previous year comparisons and temporary destocking effects, will make us control capacity to adapt inventories in some sites, while this shouldn't affect significantly the quality and competitiveness of our customer service. More important, the strategic rationale of our recent corporate activity will become particularly evident under this more modest context in Europe and, in conclusion, our underlying profits are expected to remain solid, progressively demonstrating that our business profile and the way we serve our customers is today stronger than ever.

Looking beyond, the basics of our strategic guidelines will remain firmly committed to our long-term priorities: customer, cost and capital. We will consciously allocate capital to create future and we will grow our operations with our customers in mind and the aim to supply our services and make our products in the most competitive and sustainable way. And we will do it securing a strict capital discipline.

As an evidence of the above, Vidrala has recently completed significant corporate transactions.

Our subsidiary in the UK Encirc Ltd. last year integrated the beverages filling facilities and the logistic infrastructure in Bristol, known as 'The Park'. The business purchased has further improved 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.

Moreover, late in 2023, Vidrala completed the acquisition of Vidroporto, S.A., 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 remarkable step represents for Vidrala a very deliberate strategic movement, diversifying the business towards the growing Brazilian market and creating a driver for future growth in regions that will offer interesting opportunities with an aim of reinforcing long-term partnerships with global customers.

Finally, as a proof of the clarity in our strategic mindset, Vidrala yesterday announced an agreement to sell the Italian subsidiary. A divestment that comes after an in deep strategic reflection and that will help Vidrala re-focus on the core regions while crystallise the opportunity to realise the value created.





## Shareholder remuneration

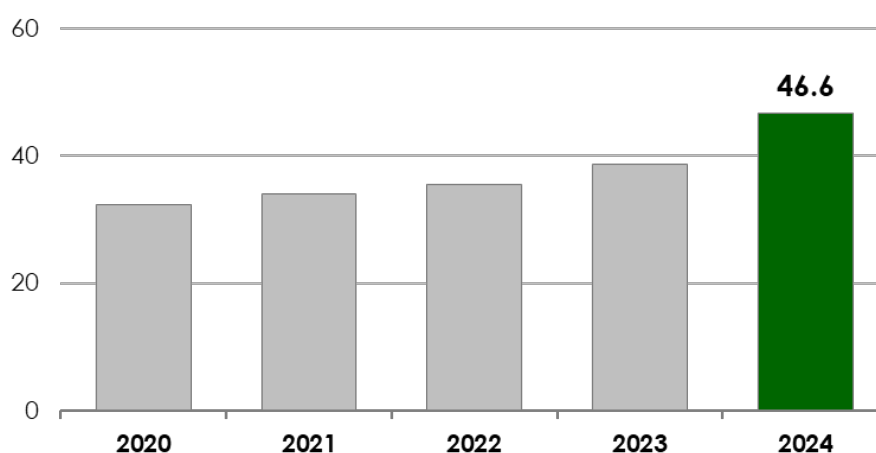
The shareholder remuneration policy implemented by Vidrala is based on the gradual growth in cash dividends as the main way of distributing benefits. The shareholder remuneration policy implemented by Vidrala is based on the gradual growth in cash dividends as the main way of distributing benefits. Annual 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 2023 amounted to EUR 1.2221 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 1.2621 per share.

Likewise, during November 2023, 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 2024, Vidrala has proposed a results distribution that represents –considering the effect of the new shares assigned free of charge after the bonus share issue– an increase in the annual dividend of 20%. The first interim payment was paid on February 15, 2024 for EUR 1.0180 per share. A second complementary payment is proposed to be paid on July 15, 2024 for an amount EUR 0.3875 per share. Additionally, EUR 4.00 cents per share will be offered as attendance bonus to the general meeting. Overall, cash remuneration during 2024 would accumulate EUR 1.4455 per share.

### SHAREHOLDER REMUNERATION CASH DIVIDENDS AND AGM ATTENDANCE BONUSES *EUR million, since 2020*



As an additional extraordinary measure, on December 20, 2023, the Company announced a share buy-back program, through which up to a maximum of 330,000 shares will be acquired for a maximum cash amount of EUR 33 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 corresponding to each shareholder.

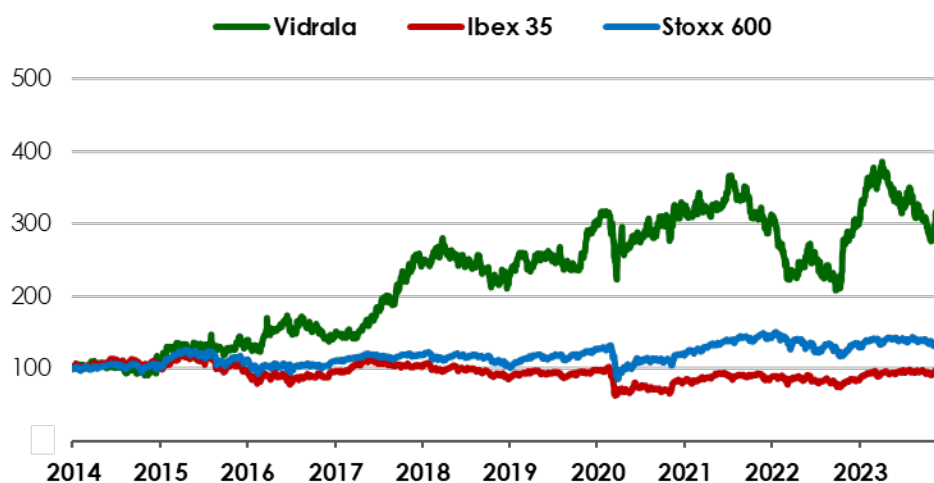


## Share performance

The share price closed 2023 at EUR 93.80, equivalent to a market capitalisation at the end of the year of EUR 3,026 million.

### SHARE PRICE PERFORMANCE

Comparative performance in percentage terms, base 2014



	Full Year 2023
Price at the end of the period (EUR)	93.80
Market capitalisation (EUR million)	3,026
Cash remuneration (EUR per share)	1.2621
<i>Interim (Feb-2023)</i>	0.8852
<i>AGM attendance bonus (May-2023)</i>	0.3369
<i>Complementary (Jul-2023)</i>	0.0400

## Annex I. Reportable Segment Information.

<b>Iberia and rest of Europe</b>	<b>Q4 2022</b>	<b>FY 2022</b>	<b>Q4 2023</b>	<b>FY 2023</b>
Sales	179.9	752.2	161.6	799.4
EBITDA	80.4	169.4	37.1	236.6
EBITDA margin	44.7%	22.5%	22.9%	29.6%

<b>Italy</b>	<b>Q4 2022</b>	<b>FY 2022</b>	<b>Q4 2023</b>	<b>FY 2023</b>
Sales	19.9	106.0	22.5	131.3
EBITDA	5.0	16.3	2.6	33.3
EBITDA margin	25.4%	15.4%	11.5%	25.4%

<b>United Kingdom and Ireland</b>	<b>Q4 2022</b>	<b>FY 2022</b>	<b>Q4 2023</b>	<b>FY 2023</b>
Sales	128.8	487.4	161.6	609.0
EBITDA	26.1	84.7	30.7	116.0
EBITDA margin	20.2%	17.4%	19.0%	19.0%

<b>Brazil (pro-forma)</b>	<b>Q4 2022</b>	<b>FY 2022</b>	<b>Q4 2023</b>	<b>FY 2023</b>
Sales	36.2	127.5	58.8	158.6
EBITDA	8.4	35.1	23.0	55.5
EBITDA margin	23.2%	27.6%	39.1%	35.0%

*Figures in the tables may not match due to rounding.*

## Annex II. 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:

[https://www.vidrala.com/default/documentos/746\\_es-medidas\\_alternativas\\_de\\_rendimiento\\_apm.pdf](https://www.vidrala.com/default/documentos/746_es-medidas_alternativas_de_rendimiento_apm.pdf)

**EBITDA.** Vidrala calculates EBITDA as earnings before interest, taxes, depreciation and amortisation (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). Reported net debt excludes the impact of IFRS 16 Leases (see note 16 of the consolidated financial statements for further details).

**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:*

1. **EBITDA margin** is calculated as accumulated EBITDA during the reported period divided by net sales.
2. **Organic** refers to the variation on a like-for-like (comparable perimeter) and constant currency basis.
3. **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.

## EBITDA

EUR '000	Full Year 2023	Full Year 2022	Source of data
Profit before income tax from continuing operations	287,493	187,748	Consolidated Income Statement
Amortisation and depreciation	+97,865	+85,460	Consolidated Income Statement
Finance income	-8,483	-2,819	Consolidated Income Statement
Finance costs	+16,435	+3,435	Consolidated Income Statement
Impairment of non-current assets	+5,992	+724	Consolidated Income Statement
Impairment of financial instruments	0	+488	Consolidated Income Statement
Change in fair value of financial instruments	0	-4,638	Consolidated Income Statement
Participation accounted through equity method	-5,607	0	Consolidated Income Statement
<b>EBITDA</b>	<b>393,695</b>	<b>270,398</b>	N/A
Vidroporto - EBITDA December 2023	-7,778	0	Note 5 - Business Combinations
Vidroporto - EBITDA last 12 months	+55,457	0	Note 5 - Business Combinations
IFRS 16 Leases impact	-5,861	-613	Note 8(iii) - Intangible Assets
<b>Pro-forma EBITDA</b>	<b>435,513</b>	<b>269,785</b>	N/A

## NET DEBT

EUR '000	Full Year 2023	Full Year 2022	Source of data
Loans and borrowings (non-current liabilities)	414,277	273,464	Consolidated Balance Sheet
Loans and borrowings (current liabilities)	+184,771	+50,089	Consolidated Balance Sheet
Cash and cash equivalents	-81,506	-154,029	Consolidated Balance Sheet
IFRS 16 Leases impact	-45,382	-2,347	Note 16 - Financial Liabilities
<b>Consolidated net debt</b>	<b>472,160</b>	<b>167,177</b>	N/A

## FREE CASH FLOW

EUR '000	Full Year 2023	Full Year 2022	Source of data
Year-over-year change in net debt balances	-348,018	-71,152	Consolidated Balance Sheet
Dividends paid	+37,551	+34,607	Consolidated Statement of Cash Flows
Annual General Meeting attendance bonus	+1,050	+1,015	Note 14(m) - Equity
Proceeds from issue of treasury shares and own equity instruments	0	0	Consolidated Statement of Cash Flows
Payments to redeem own shares and other own equity instruments	0	+31,764	Consolidated Statement of Cash Flows
Acquisition of a subsidiary, net of the cash	+254,086	0	Consolidated Statement of Cash Flows
Gross debt acquired from a subsidiary	+165,824	0	Note 5 - Business Combinations
Year-over-year change in IFRS 16 Leases impact	+43,035	-1,296	Note 16 - Financial Liabilities
<b>Free Cash Flow</b>	<b>153,528</b>	<b>-5,062</b>	N/A

## Annex III. 2024 events calendar.

### **Past events**

February 15, 2024

Payment of a first interim cash dividend from 2023 results

February 29, 2024

FY 2023 Earnings Release (8:00h CET)

### **Upcoming events**

April 30, 2024

Q1 2024 Earnings Release (10:00h CET)

April 30, 2024

Annual General Meeting (12:00h CET)

July 15, 2024

Payment of a complementary cash dividend from 2023 results

July 26, 2024

Q2 2024 Earnings Release (8:00h CET)

October 25, 2024

Q3 2024 Earnings Release (8:00h CET)