VIDRALA, S.A.
BUSINESS PERFORMANCE Q1 2023

MAIN FIGURES (THREE MONTHS ENDED)

	March 2023	March 2022	Change	Change on a constant currency basis
Sales (EUR million)	**377.9**	278.9	+35.5%	+38.3%
EBITDA (EUR million)	**100.7**	23.3	+332.6%	+339.3%
Earnings per share (EUR)	**1.91**	0.02	+7,819%	
Debt / EBITDA	**0.9x**	0.6x	+0.3x	

Important: *In order to improve comparability, earnings per share has been adjusted for the effect of the bonus share issue carried out in December 2022. For the purpose of calculating the leverage ratio, debt and EBITDA figures exclude the IFRS 16 Leases impact. For further detail, please see the explanatory annex on alternative performance measures (APM).*

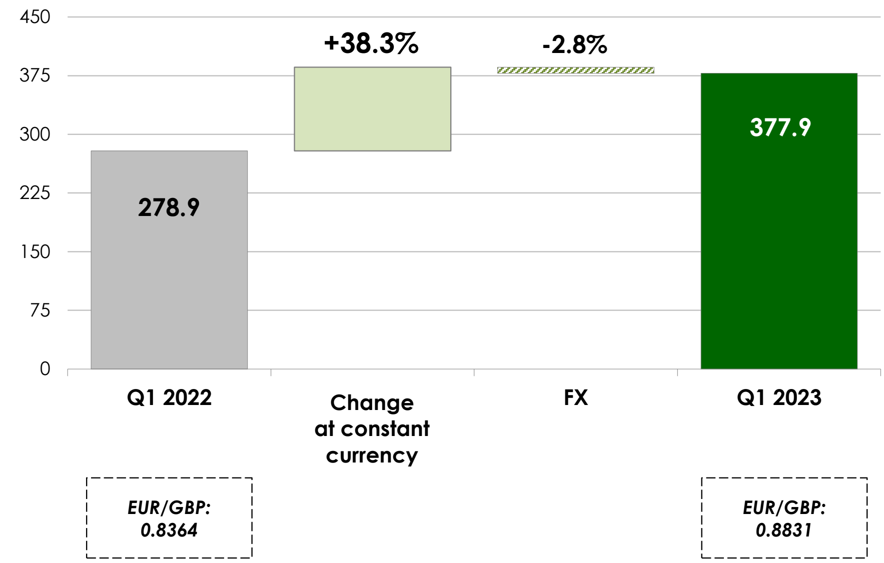
- Sales during the first three months 2023 amounted to EUR 377.9 million, showing a growth of 38.3% on a constant currency basis.
- Operating profit, EBITDA, was EUR 100.7 million representing an operating margin of 26.6%.
- Net debt at March 31, 2023 stood at 0.9 times last twelve months EBITDA.

Earnings performance

Sales

Sales reported by Vidrala during the first three months 2023 amounted to EUR 377.9 million, an increase of 35.5% over the previous year. On a constant currency basis, sales reflected a growth of 38.3%.

SALES
YEAR OVER YEAR CHANGE
EUR million

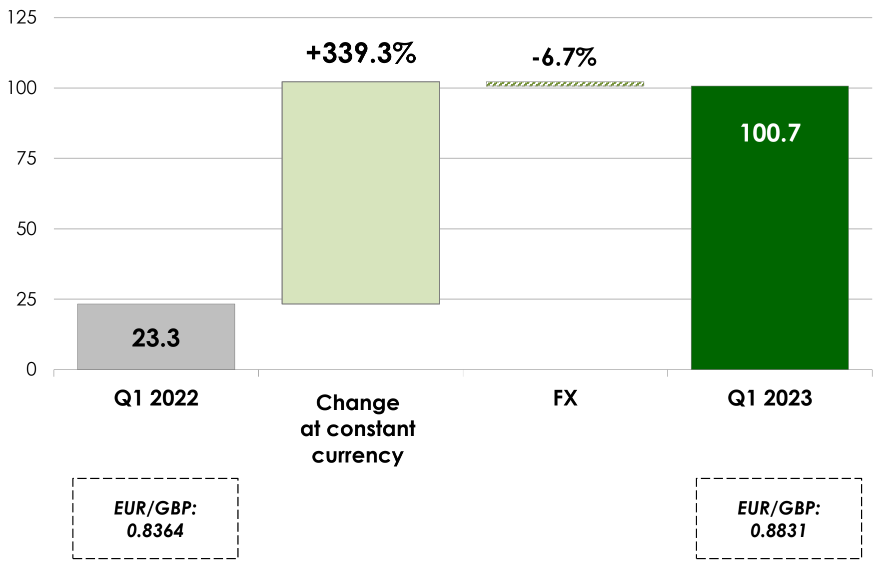


Operating results

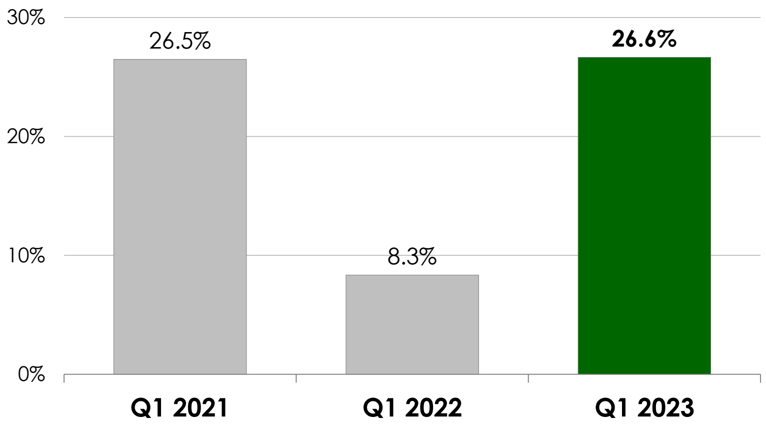
Operating profit –EBITDA– obtained in the first three months 2023 reached EUR 100.7 million, an increase of 332.6% over the figure reported last year. This represents a recovery, on a constant currency basis, of 339.3%.

Over sales, EBITDA margin stood at 26.6%.

EBITDA
YEAR OVER YEAR CHANGE
EUR million



OPERATING MARGINS EBITDA
YEAR OVER YEAR EVOLUTION SINCE 2021
As percentage of sales

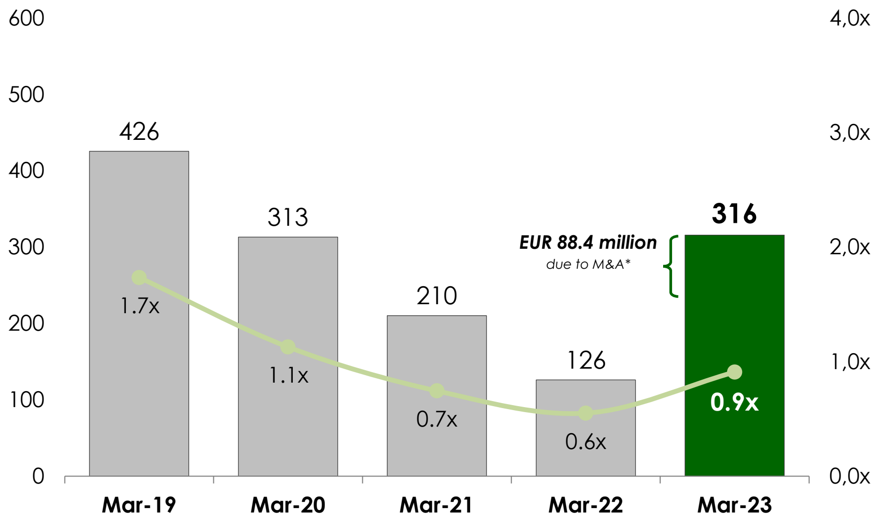


Results and financial position

Net profit in the first quarter amounted to EUR 58.6 million. As a result, earnings reached EUR 1.91 per share, an increase of 7,819% over the previous year.

Net debt at March 31, 2023 stood at EUR 315.7 million, reflecting a leverage ratio of 0.9 times last twelve months EBITDA.

DEBT
YEAR OVER YEAR EVOLUTION SINCE 2019
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 47.4 million in debt and EUR 0.8 million in consolidated EBITDA (EUR 0.8 and 0.0 million, respectively, in Q1 2022). *Includes the payment of EUR 88.4 million for the acquisition of The Park and the non-controlling minority stake of 29.36% in the share capital of Vidroporto.*

Conclusions and outlook

Demand for glass packaging remains stable, despite macroeconomic uncertainties, grounded on strong underlying fundamentals and the continuous support from packagers, brand owners and consumers to glass as the ultimate sustainable packaging material.

Therefore, our ambitious investment program initiated in 2019 progresses firmly, particularly with regards to the specific projects directed to better serve our customers, grow the business, offer differential services, selectively enhance our manufacturing facilities 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 satisfactory levels.

Under this business context, our business margins, that were widely affected in 2022 due to the elevated cost inflation, gradually recover as a result of internal actions, a sustained solid manufacturing performance, the first effects of our ambitious investment plan and the adaptation of our sales prices. Recent improvements in operating margins are expected to be consolidated during the year 2023.

In any case, the fundamentals of our business stay strong and our strategic guidelines remain firmly committed to our long-term priorities: customer, cost and capital. We will invest to diversify and grow the business 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 evidence of the above, Vidrala has recently completed two significant corporate transactions.

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.

Moreover, in early February 2023, Vidrala announced the acquisition of a minority stake of 29.36% in the Brazilian company 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 first step remarkably represents for Vidrala a very deliberate strategic development, 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.

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). Reported net debt excludes the impact of IFRS 16 Leases (see note 15 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:

- ***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.*

EBITDA

EUR '000	**Q1 2023**	**Q1 2022**	***Source of data***
Profit before income tax from continuing operations	74,082	362	*Consolidated Income Statement*
Amortisation and depreciation	+25,837	+21,878	*Consolidated Income Statement*
Finance income	-1,386	-38	*Consolidated Income Statement*
Finance costs	+3,577	+640	*Consolidated Income Statement*
Impairment of non-current assets	+371	+431	*Consolidated Income Statement*
Participation accounted through equity method	-1,810	-0	*Consolidated Income Statement*
Reported EBITDA	**100,672**	**23,272**	/

NET DEBT

EUR '000	**Q1 2023**	**Q1 2022**	***Source of data***
Loans and borrowings (non-current liabilities)	374,120	258,787	*Consolidated Balance Sheet*
Loans and borrowings (current liabilities)	+41,454	+67,777	*Consolidated Balance Sheet*
Cash and cash equivalents	-52,458	-200,452	*Consolidated Balance Sheet*
IFRS 16 Leases impact	-47,423	-776	*Note 15 – Financial Liabilities*
Reported consolidated net debt	**315,693**	**125,337**	/

Annex II. 2022 events calendar.

Past events

February 15, 2023
Payment of a first interim cash dividend from 2022 results

February 28, 2023
FY 2022 Earnings Release (21:00h CET)

April 27, 2023
Q1 2023 Earnings Release (10:00h CET)

April 27, 2023
Annual General Meeting (12:00h CET)

Upcoming events

July 14, 2023
Payment of a complementary cash dividend from 2022 results

July 19, 2023
Q2 2023 Earnings Release (8:00h CET)

October 18, 2023
Q3 2023 Earnings Release (8:00h CET)

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