Q1 2021 RESULTS

April 29, 2021

AGENDA

KEY INITIATIVES
AND FINANCIAL HIGHLIGHTS

Michel GIANNUZZI
CEO

FINANCIAL RESULTS

Nathalie DELBREUVE
CFO

CONCLUSION AND
OUTLOOK

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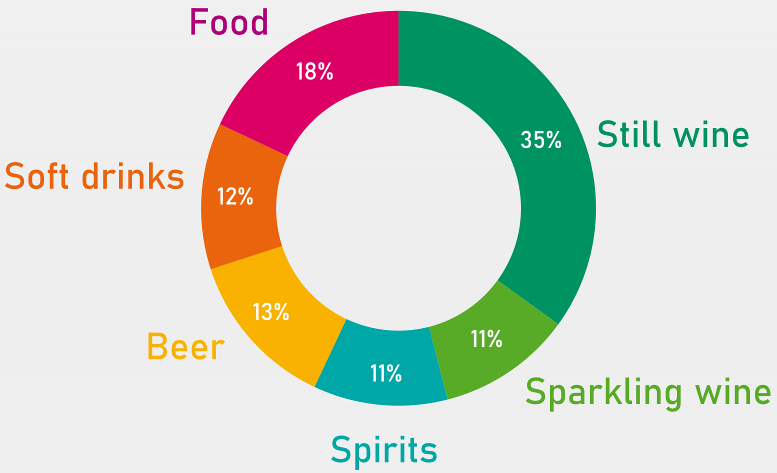
A GLOBAL LEADER IN GLASS PACKAGING

Diversified and balanced end-markets

2020 Glass packaging(*) sales split by end-market



11 countries

10,000 employees

16 bn bottles/jars p.a.

32 glass plants

9 cullet recycling centers

3 decoration plants

58 furnaces

N°1 in Europe(**)
c. 90% of 2020 sales

N°2 in Latin America(***)
c. 10% of 2020 sales

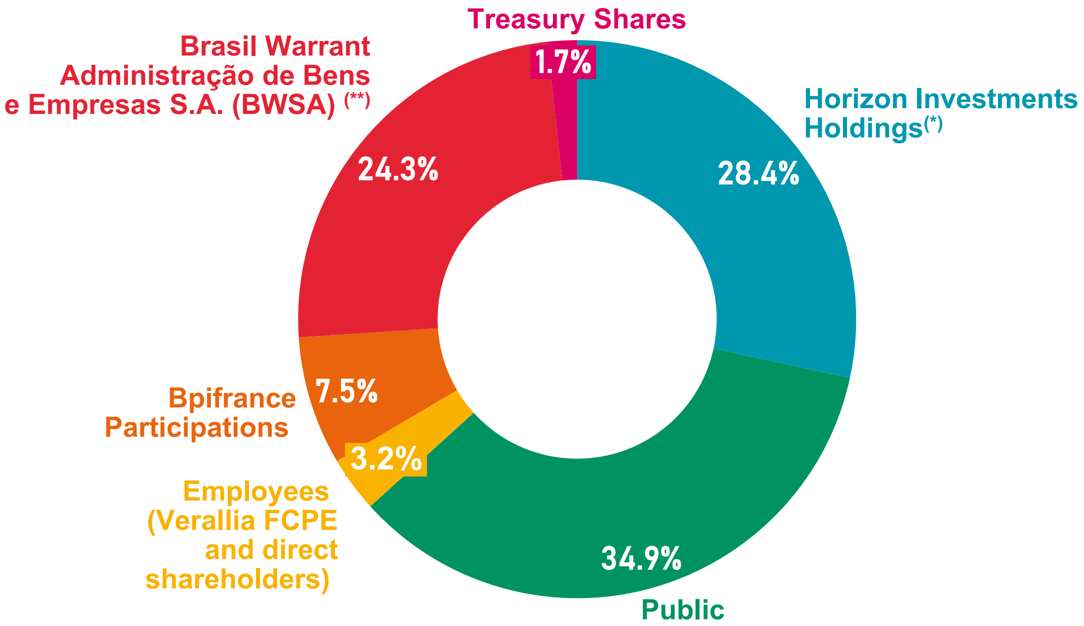
N°3 Globally

Sources: Companies public information, management estimates and Advancy (IPO related study)

Notes: (*) For bottles and jars only (98% of total Verallia sales)
(**) Based on 2020 sales; "Europe" using each company's definition and management estimates
(***) Based on 2020 volumes in Argentina, Brazil and Chile

CAPITAL STRUCTURE EVOLUTION

Shareholding Structure as of end of March 2021



Verallia bought back its own shares for a total of €60m (1.7% of the capital) in March 2021

(*) Company 100%-owned by Horizon Parent Holdings S.a.r.l, itself indirectly controlled by AIF VIII Euro Leverage, L.P., an investment fund managed by an affiliate of Apollo Global Management, Inc.
(**) Acting through a fund managed by BW Gestão de Investimentos Ltda., a wholly-owned subsidiary of BWSA.

6th Employee Ownership Program

- Verallia will launch its 6th Employee Ownership Program in May 2021
- In line with the objective to reach 5% of shares owned by employees by 2025
- Key elements:
  - Subscription period from May 3rd to 17th
  - 8 countries
  - Around 8,000 eligible employees
  - Preferential subscription price @20% discount
  - Gross employer contribution up to €2,000

VERALLIA CO_2 AMBITION CONFIRMED AND SIGNED BY SBTI

Target Set

SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

In March 2021, SBTI confirmed and approved Verallia's CO_2 target (*previous status was "committed"*)

- Verallia has committed to reduce absolute scopes 1 and 2 GHG emissions 27.5% by 2030, with 2019 as its base year
- Verallia's targets on greenhouse gas emissions from its operations (scopes 1 and 2) are consistent with reductions required to keep global warming to Well-below 2°C

STRATEGIC PARTNERSHIP IN GERMANY TO ENHANCE CULLET TREATMENT CAPABILITIES

Remondis Strategic Partnership in Germany

- Verallia is creating a joint-venture dedicated to waste glass processing with Remondis Recycling GmbH & Co KG in Germany
- JV 40% Verallia Deutschland – 60% Remondis
- Both companies will bring two different waste glass processing plants into the JV
  - Remondis: plant in Koblenz
  - Verallia Deutschland: plant in Bad Wurzach
- The JV aims to achieve synergy between the two partners by pooling their recycling glass processing know-how, increasing technical support and ensuring better market coverage as cullet becomes a crucial raw material to produce glass

SHARE OF EXTERNAL CULLET INTEGRATED INTO OUR PRODUCTION, ALL COLORS AND MODELS COMBINED

51.6%(*)

+2.2 pts vs. 2019

(*) 2020 Figures

Reminder ESG Targets

Increase the rate of external cullet usage from 49% to 59% over 2019-2025

SUSTAINABLE PACKAGING MATERIALS HAVE BECOME A KEY PRIORITY FOR CONSUMERS

How sustainable do you think each of these packaging types is?

Packaging substrates ranked by number of respondents who indicated "extremely" or "very" strong

Ranked top 3 | Ranked 4–7 | Ranked lowest 3

	United States	United Kingdom	France	Germany	Italy	Japan	China	India	Indonesia	Brazil
Paper-based cartons	1	2	4	3	3	4	4	1	4	5
Glass bottles and jars	2	1	1	1	1	6	6	3	7	7
Plastic films made from renewable, compostable raw materials	3	4	2	2	2	1	1	4	1	1
Flexible paper	4	3	5	4	6	5	5	2	5	6
Plastic bottles and containers that are fully recyclable	5	5	3	6	4	2	2	5	2	3
Metal containers	7	6	7	8	8	8	8	7	8	8
Plastic bottles and containers made from recycled plastic materials	8	8	8	7	7	7	7	9	6	4
Aluminum foil wraps	9	9	9	9	9	9	10	8	9	9
Packaging combining plastic, paper, and aluminum foil	10	10	10	10	10	10	9	10	10	10

CONSUMERS' PERCEPTION OF GLASS AS ONE OF THE MOST SUSTAINABLE PACKAGING MATERIAL HAS INCREASED IN THE WAKE OF THE COVID-19 PANDEMIC TIME

Source: McKinsey Packaging Survey (2020)

VERALLIA'S INNOVATIVE GLASS DISHES FOR FLEURY MICHON'S READY-TO-EAT-MEALS

- Aiming to reduce the use of plastic, Fleury Michon offers new and increasingly innovative packaging alternatives to consumers
- Innovative ready-to-eat meals in 100% recyclable glass dishes
- Joint development and collaboration between Verallia France and Fleury Michon

Glass packaging offers a sustainable response to the environmental challenges faced by food brands, as well as consumer demand and expectations

IMPROVED PROFITABILITY IN A STILL CHALLENGING HEALTH SITUATION

Net Sales

Decrease in revenue of **-6.2%** to **€605 million** in Q1 2021 and **-2.0%** at constant exchange rates and scope(*)

Adjusted EBITDA

- **Adjusted EBITDA stable** at **€152 million** compared to Q1 2020
- **Strong improvement** in the **adjusted EBITDA margin to 25.1%, up 161 basis points**

Net Debt

Reduction in net debt leverage to 2.1x adjusted EBITDA for the last 12 months, compared to 2.5x as of 30 March 2020 and 2.0x as of 31 Dec 2020

Share Buyback

Verallia bought back its own shares for a total of **€60 million (1.7%** of the capital)

2021 OBJECTIVES CONFIRMED THANKS TO VERALLIA AGILITY AND RESILIENCE

(*) Growth in revenue at constant exchange rates and scope excluding Argentina of -3.7% in Q1 2021 compared to Q1 2020

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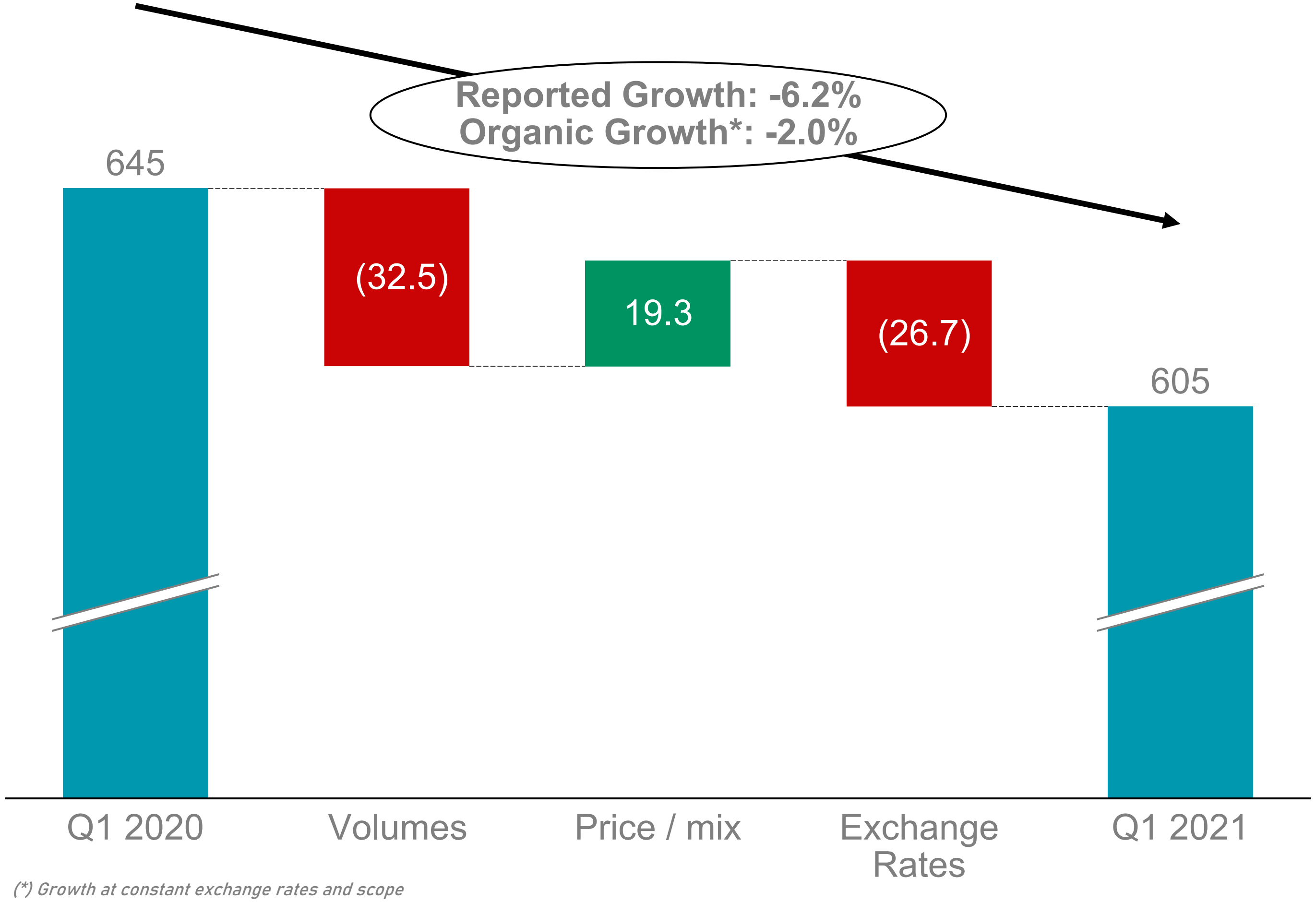
LIMITED DECREASE IN SALES DESPITE COVID PANDEMIC

Reported revenue (in €m)



(*) Growth at constant exchange rates and scope
The organic growth of the Group excluding Argentina is -3.7%

COMMENTS

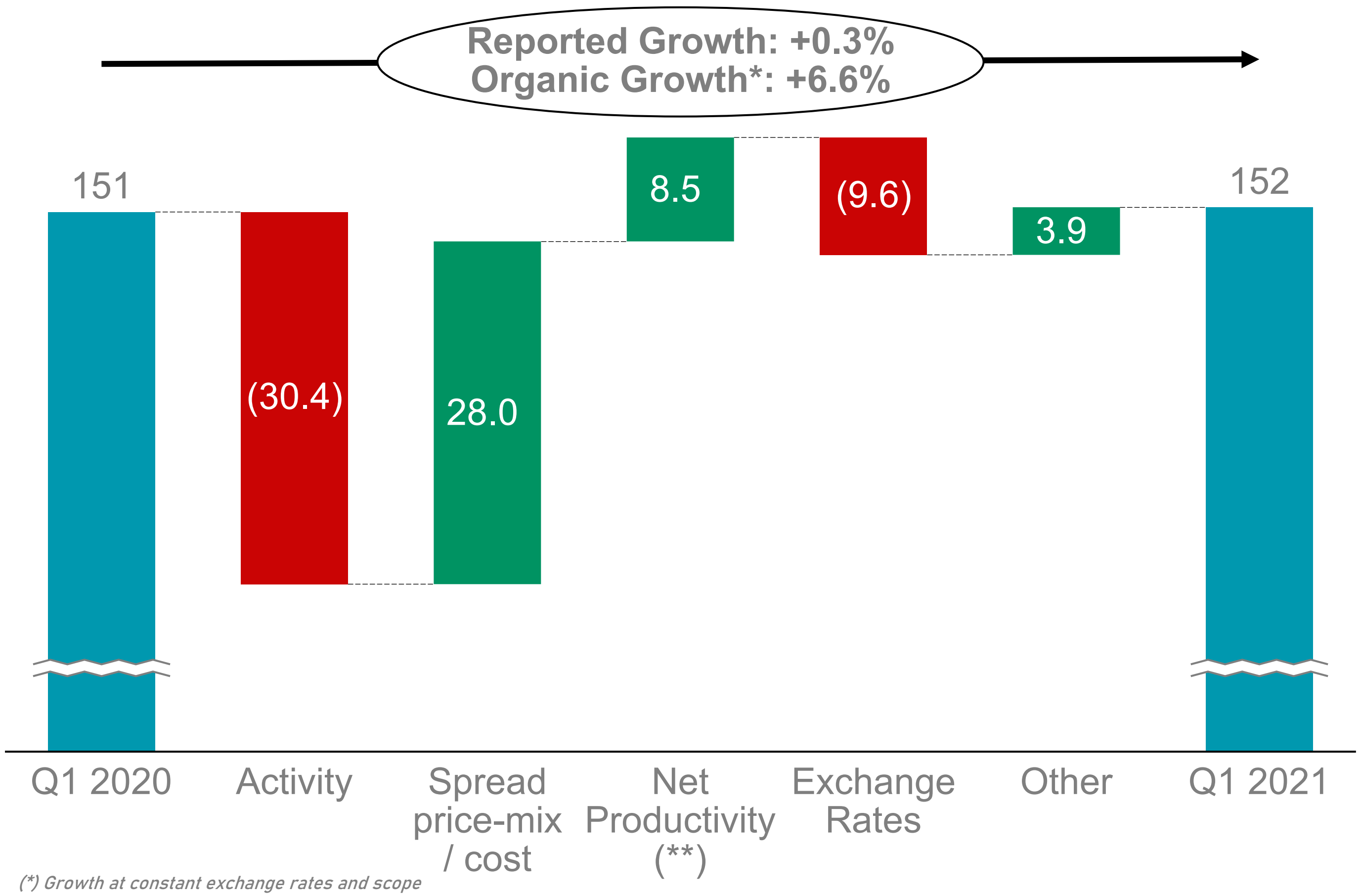
- High comparison basis from last year (+4.0% organic growth in Q1 2020 vs. Q1 2019)
- Still some disruptions due to lockdown measures in VRLA's countries
- Moderate sales price increases as planed & positive product mix
- -4.1% from exchange rates, mainly driven by LatAm currencies
- Europe: sales volumes decline vs. last year
  - France & Iberia sales hit stronger
  - French operations impacted by social movements until the end of Feb
  - Almost stable sales in Italy
  - General sales drop in NEE
- Latin America: sales growing in all countries

SIGNIFICANT INCREASE IN ADJUSTED EBITDA MARGIN

	Q1 2021	Q1 2020
Adjusted EBITDA margin	25.1%	23.5%

+161bps

Adjusted EBITDA (in €m)



(*) Growth at constant exchange rates and scope
(**) Performance Action Plan ("PAP") impact amounting to €9m

COMMENTS

- Stable adjusted EBITDA and strong margin expansion (+161 bps) thanks to:
  - Positive price-mix / cost spread
  - Strong PAP delivery: €9m net (i.e. 2.2% of production cash costs)
- "Activity":
  - Decrease in sales volume, compared to a very high Q1 2020
  - Further destocking due to several furnace repairs
- "Exchange Rates": negative impact due to LatAm and Eastern Europe currency depreciation

LEVERAGE IN LINE WITH GUIDANCE

In €m	31/03/2021	31/12/2020	31/03/2020
Net Debt	**1,296.6**	**1,278.6**	**1,574.1**
LTM Adjusted EBITDA	**626.1**	**625.7**	**624.5**
Net Debt / LTM Adjusted EBITDA	2.1x	2.0x	2.5x

- **2.1x ratio of net debt** over LTM adjusted EBITDA as of March 31, 2021:
  - Net debt at €1,297m including rights-of-use for €49m
  - March 2021 LTM Adjusted EBITDA at €626m
- Without the impact of the share buy-back (€60m), leverage ratio as of March 31, 2021 would have been 2.0x

OPTIMIZED FINANCIAL STRUCTURE

In €m	Nominal amount or maximum amount drawable	Nominal rate	Final maturity	30/03/2021
Term Loan A	1,500	Euribor +1.50%	07/10/2024	1,493.4
Revolving Credit Facility 1	500	Euribor +1.10%	07/10/2024	-
Revolving Credit Facility 2	250	Euribor +1.95%	24/04/2021	-
Commercial Papers Neu CP	400			151.8
Other debt				112.5
Total borrowings				1,757.7
Cash				(461.1)
Net Debt				1,296.6

- A significant (72%) part of the Group's floating rate exposure is hedged through interest rate swaps
- Total available liquidity(*) has reached €1,059m as of March 31, 2021. The Group's additional credit line of €250m (RCF2) has not been extended in April 2021
- As it continues to diversify funding sources, Verallia may consider "green funding", a sustainability-linked instrument in line with its ESG strategy presented in January 2021, the proceeds of which would be allocated to the refinancing of part of the Group's existing financial indebtedness

(*) Calculated as the Cash + Undrawn Revolving Credit Facilities – Outstanding Commercial Papers

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IMPROVED PROFITABILITY

- Slight organic(*) decrease in revenue of -2.0%
- Stable adjusted EBITDA & strong margin expansion (25.1%)
- Reduction in net debt leverage to 2.1x adjusted EBITDA for the last 12 months
- Good start-up of the 2 new furnaces in Spain & Italy

(*) Growth in revenue at constant exchange rates and scope excluding Argentina of -3.7% in Q1 2021 compared to Q1 2020

2021 OBJECTIVES CONFIRMED

- Volumes back to 2019 levels leading to positive organic growth
- Adjusted EBITDA ~€650m, exceeding 25% margin
- Strategic Capex: New furnace to be built in Jacutinga (Brazil) for a strategic investment of ~€60m over the next 2 years

VERALLIA MAY CONSIDER "GREEN" FUNDING (SUSTAINABILITY-LINKED INSTRUMENT)

Q&A

APPENDICES

GLOSSARY

- **Activity category**: corresponds to the sum of the volumes variations plus or minus changes in inventories variation.
- **Organic growth**: corresponds to revenue growth at constant exchange rates and scope. Revenue growth at constant exchange rates is calculated by applying the average exchange rates of the comparative period to revenue for the current period of each Group entity, expressed in its reporting currency.
- **Adjusted EBITDA:** This is a non-IFRS financial measure. It is an indicator for monitoring the underlying performance of businesses adjusted for certain expenses and/or non-recurring items liable to distort the company's performance. The Adjusted EBITDA is calculated based on operating profit adjusted for depreciation, amortisation and impairment, restructuring costs, acquisition and M&A costs, hyperinflationary effects, management share ownership plans, subsidiary disposal-related effects and contingencies, plant closure costs and other items.
- **Capex:** Short for "capital expenditure", this represents purchases of property, plant and equipment and intangible assets necessary to maintain the value of an asset and/or adapt to market demand or to environmental and health and safety constraints, or to increase the Group's capacity. It excludes the purchase of securities.
- **Recurring investments:** Recurring Capex represent acquisitions of property, plant and equipment and intangible assets necessary to maintain the value of an asset and/or adapt to market demands and to environmental, health and safety requirements. It mainly includes furnace renovation and maintenance of IS machines.
- **Strategic investments:** Strategic investments represent the acquisitions of strategic assets that significantly enhance the Group's capacity or its scope (for example, the acquisition of plants or similar facilities, greenfield or brownfield investments), including the building of additional new furnaces. From 2021 onwards, they will also include investments related to the implementation of the plan to reduce CO_2 emissions.
- **Cash conversion:** refers to the ratio between cash flow and adjusted EBITDA. Cash flow refers to adjusted EBITDA less Capex.
- **The segment Southern and Western Europe** comprises production plants located in France, Spain, Portugal and Italy. It is also denominated as "SWE".
- **The segment Northern and Eastern Europe** comprises production plants located in Germany, Russia, Ukraine and Poland. It is also denominated as "NEE".
- **The segment Latin America** comprises production plants located in Brazil, Argentina and Chile.
- **Liquidity:** calculated as the Cash + Undrawn Revolving Credit Facilities – Outstanding Commercial Papers.
- **Amortisation of intangible assets acquired through business combinations:** Corresponds to the amortisation of customer relations recorded during the acquisition of the Saint-Gobain packaging business in 2015 (initial gross value of €740 million over a useful life of 12 years).

RECONCILIATION OF OPERATING PROFIT TO ADJUSTED EBITDA

In €m	Q1 2021	Q1 2020
Operating profit	83.5	79.5
Depreciation, amortisation and impairment (i)	66.9	70.0
Restructuring costs	(0.3)	0.5
IAS 29 Hyperinflation (Argentina) (ii)	(0.1)	0.2
Management share ownership plan and associated costs	1.7	1.0
Other	0.0	0.1
Adjusted EBITDA	151.7	151.0

(i) Includes depreciation and amortisation of intangible assets and property, plant and equipment, amortisation of intangible assets acquired through business combinations and impairment of property, plant and equipment, including those linked to the transformation plan implemented in France
(ii) The Group has applied IAS 29 (Hyperinflation) since the second half of 2018

IAS 29: HYPERINFLATION IN ARGENTINA

- Since the second half of 2018, the Group has applied IAS 29 in Argentina. The adoption of IAS 29 requires the restatement of non-monetary assets and liabilities and of the income statement to reflect changes in purchasing power in the local currency, leading to a gain or loss on the net monetary position included in the finance costs.
- Financial information of the Argentinian subsidiary is converted into euros using the closing exchange rate for the relevant period.
- In Q1 2021, the net impact on revenue amounted to +€0.4m. The hyperinflation impact has been excluded from Group adjusted EBITDA as shown in the table “Reconciliation of operating profit to adjusted EBITDA”.

DISCLAIMER

Certain information included in this press release does not constitute historical data but constitutes forward-looking statements. These forward-looking statements are based on current beliefs, expectations and assumptions, including, without limitation, assumptions regarding present and future business strategies and the environment in which Verallia operates, and involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements, or industry results or other events, to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include those discussed or identified under Chapter 3 "Risk Factors" in the Universal Registration Document approved by the AMF and available on the Company's website (www.verallia.com) and the AMF's website (www.verallia.com). These forward-looking information and statements are not guarantees of future performances.

This presentation includes only summary information and does not purport to be comprehensive.