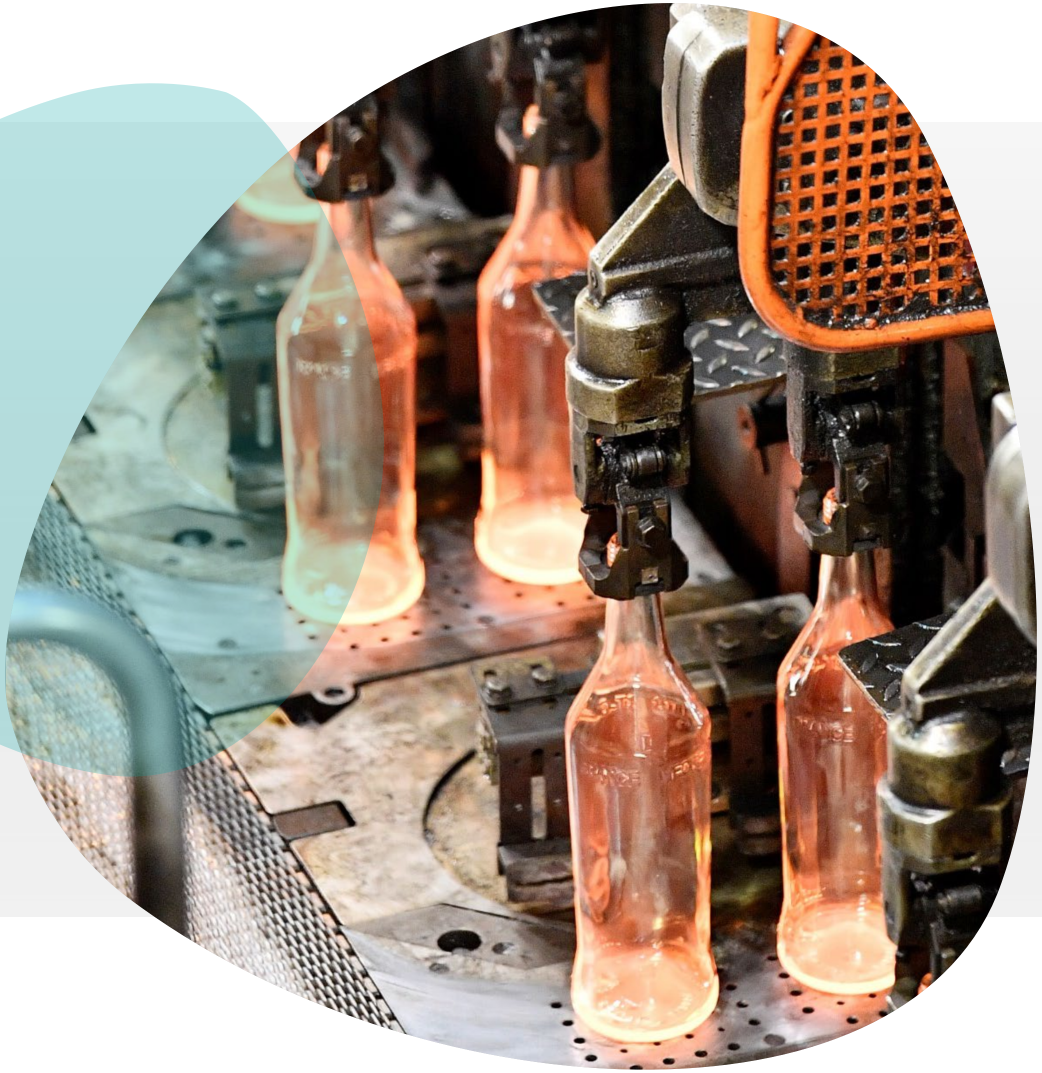
verallia

October 20th 2022

9M 2022 RESULTS

TODAY'S AGENDA



1

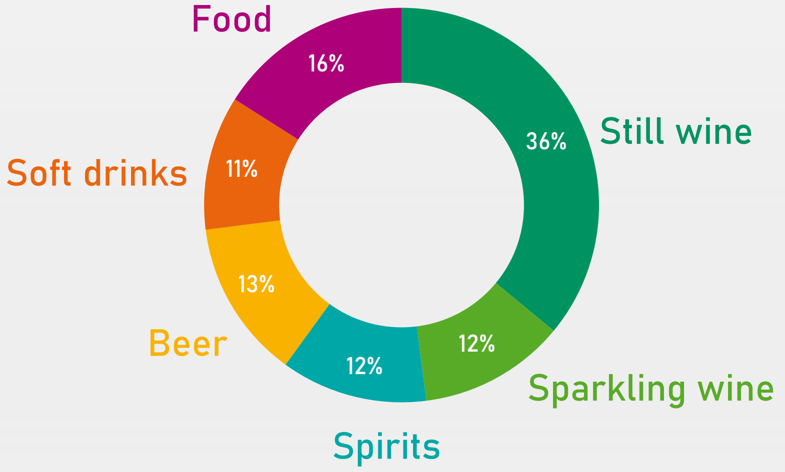
INTRODUCTION

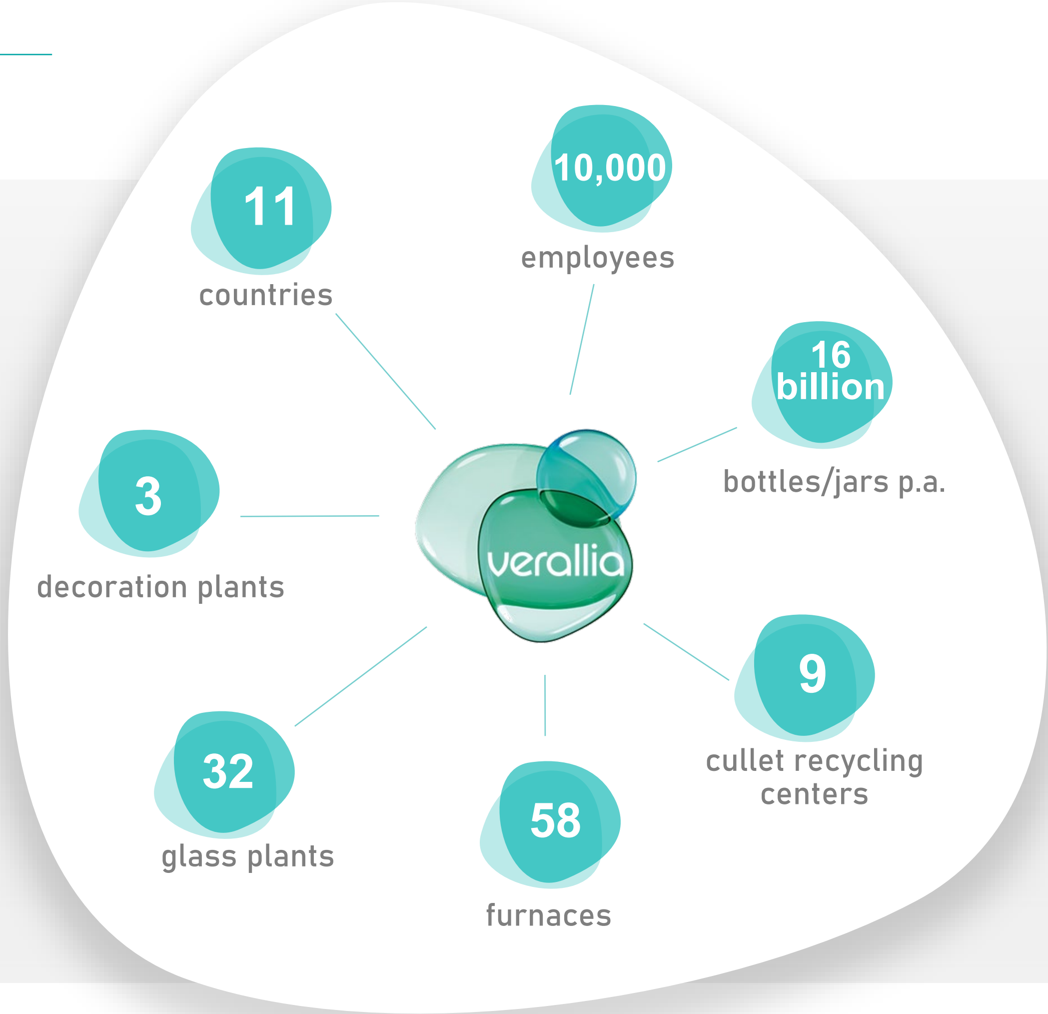
Patrice
LUCAS
CEO

A GLOBAL LEADER IN GLASS PACKAGING

DIVERSIFIED AND BALANCED END-MARKETS

2021 Glass packaging[1] sales split by end-market





N°1 in Europe[2]
89% of 2021 sales

N°2 in Latin America[3]
11% of 2021 sales

N°3 Globally

Sources: Companies public information, management estimates and Advancy (IPO related study)
Notes: (1) For bottles and jars only (97% of total Verallia sales).
(2) Based on 2021 sales; "Europe" using each company's definition/management estimates.
(3) Based on 2021 volumes in Argentina, Brazil and Chile.

2 KEY HIGHLIGHTS

Patrice
LUCAS
CEO

RECOGNITION OF OUR PRODUCTS AND INNOVATIONS

- "Flute Gothic" is produced by Verallia France in Albi for Domaines Paul Mas
- Winner of the "Formes de Luxe 2022 award" organized by Luxe Packaging Insight, in the "Wine & Spirits Bottles" category

- Laiterie Rians (Over 10 years of collaboration)
- Switch of its jars from aluminum to glass (since February 2022)

FIRST ENVIRONMENT DAY IN ALL OUR PLANTS & OFFICES

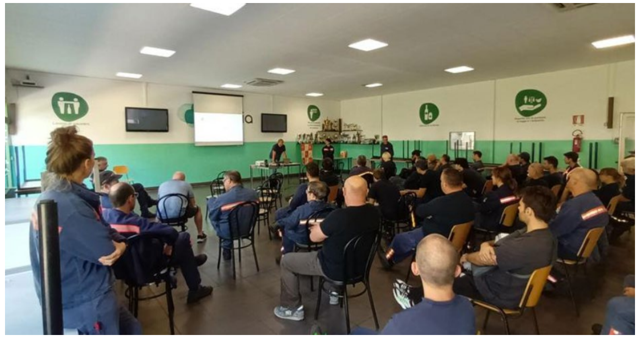
verallia DAYS Environment

A great variety of activities set up by local teams & very positive feedbacks for this first edition

Employee theater Group – Porto Ferreira Brazil

Basket sorting – Cognac France

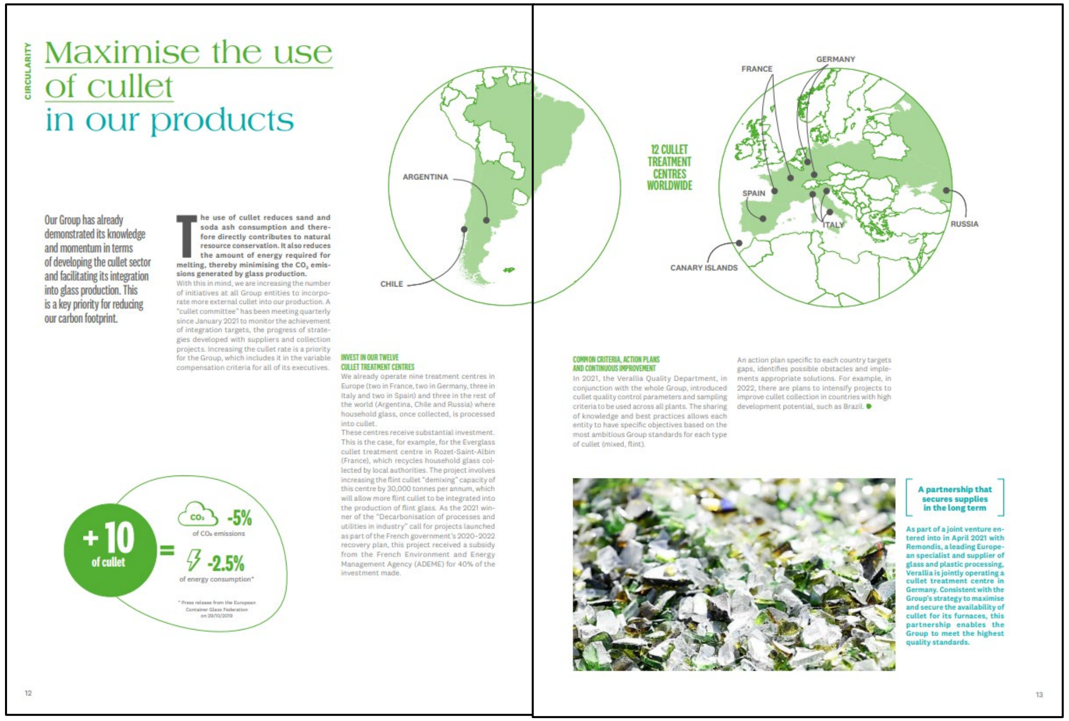
Volunteer tree planting activity – Spain



Video from a climate scientist + carbon footprint calculation for employees – Italy

Trade show booth and about reuse and lightweight – Germany

CSR REPORT 2021



A key document to understand our **CSR strategy** (available on our website)

→ concise, informative, enlightened with local examples

VERALLIA'S COMMITMENT TO THE ENVIRONMENT

Lagnieu plant, France

- Verallia commits to decarbonization with the installation of ORC (Organic Rankine* Cycle) at the Lagnieu plant
- This technology allows the **waste heat** from the furnace fumes to be **converted into electricity**, representing **10% of the plant's consumption**

Mondego plant, Iberia

- **5 plants in Italy** and the **plant of Mondego in Portugal** to be equipped with photovoltaic systems in 2023

- **Reduction** in **CO_2 emissions** per year:
  → **7,700 tons** in **Italy**
  → **3,200 tons** in **Portugal**

- **Energy autonomy** provided:
  → **4%** in **Italy**
  → **14%** in **Portugal**

*The Rankine cycle is named after William John Macquorn Rankine, a Scottish polymath professor at Glasgow University.

UPDATE ON KEY INDUSTRIAL PROJECTS

Debottlenecking

- **Inauguration of the new line 44 in Vauxrot plant in France**

➔ Leading to an additional production capacity of +/- 10 million bottles per year for customers in the wine, spirits,… markets

Capacity increase – on track to increase capacity by 400 kt per year by 2024 = IN LINE WITH PLANS

- **Jacutinga 2 – Brazil**

➔ **Lighting of the new furnace on November 9th & production start-up in December 2022**

- **Campo Bom 2 – Brazil**

➔ Furnace design and technology finalized: oxy-combustion furnace
➔ 18% reduction of CO_2 emissions vs. traditional
➔ Start of production planned for beginning of 2024

- **Pescia 2 – Italy**

➔ Furnace design and technology finalized: oxy-combustion furnace
➔ 18% reduction of CO_2 emissions vs. traditional
➔ Start of production planned for Q2 2024

New Furnace technologies – on track to support our 2030 CO_2 reduction roadmap

- **Electrical Furnace Cognac 1**

➔ Strategic partnership with FIVES Group
➔ Start of production end of 2023

- **Hybrid Furnace**

➔ **Location chosen: Zaragoza, Spain**
➔ Project development on track
➔ Start of production end of 2024

Zaragoza plant, Spain

STRONG GROWTH IN REVENUE AND SOLID CASH GENERATION

1

Revenue

- 9M 2022: +24.5% to €2,518 million and +24.4% organic growth(1)
- Q3 2022: +26.5% to €879 million and +27.5% organic growth(1)

2

Adjusted EBITDA

- €654 million over 9M 2022 (+24.0% compared to 9M 2021)
- Margin at 26.0%

3

Net Debt

Reduction in net debt ratio to 1.1x adjusted EBITDA for the last 12 months, against 1.8x end of September 2021 and 1.5x at the end of June 2022

(1) Growth in revenue at constant exchange rates and scope (excluding Argentina) was +21.5% over 9M 2022 compared to 9M 2021, and +21.4% in Q3 2022 compared to Q3 2021.

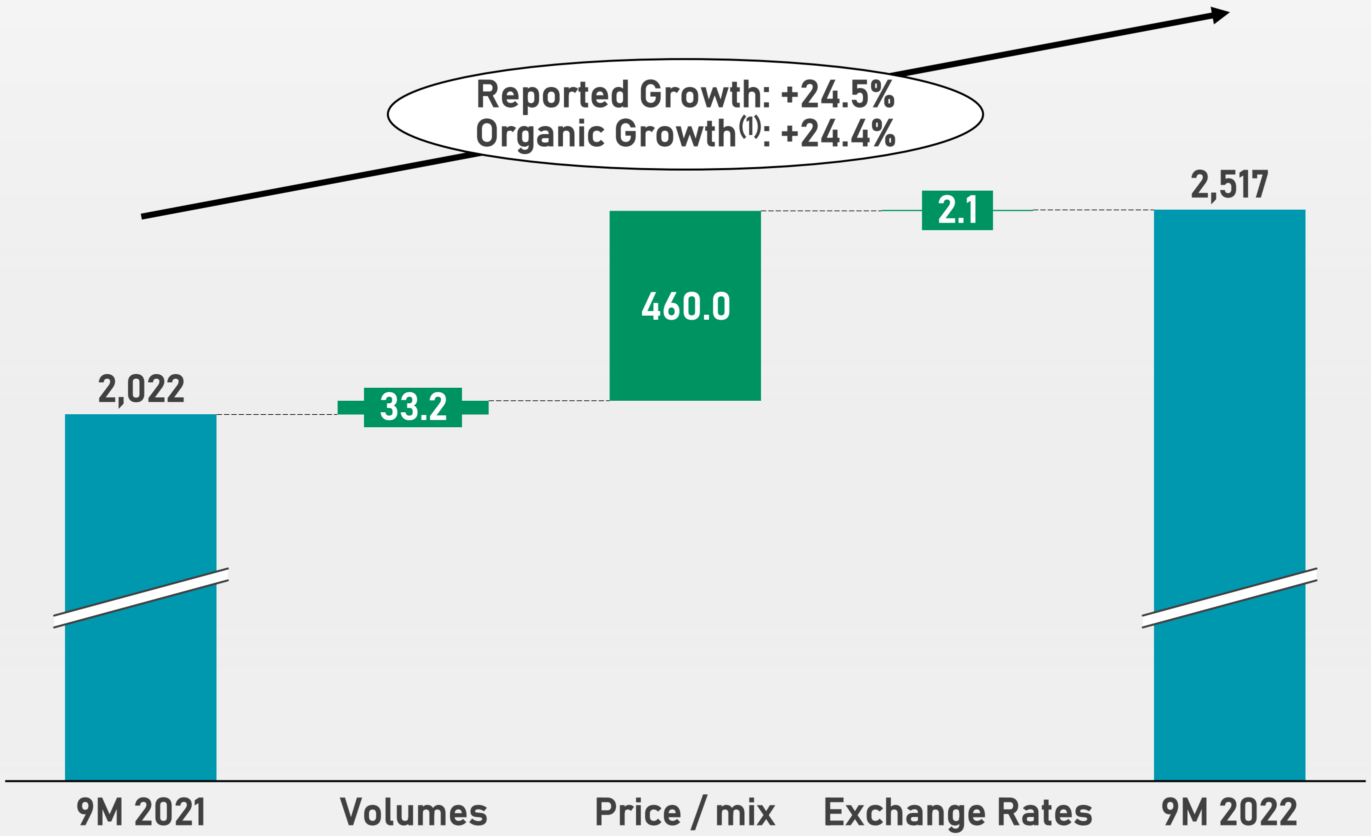
3

9M 2022 FINANCIAL RESULTS

Nathalie
DELBREUVE
CFO

STRONG ORGANIC GROWTH

REPORTED REVENUE (IN €M)

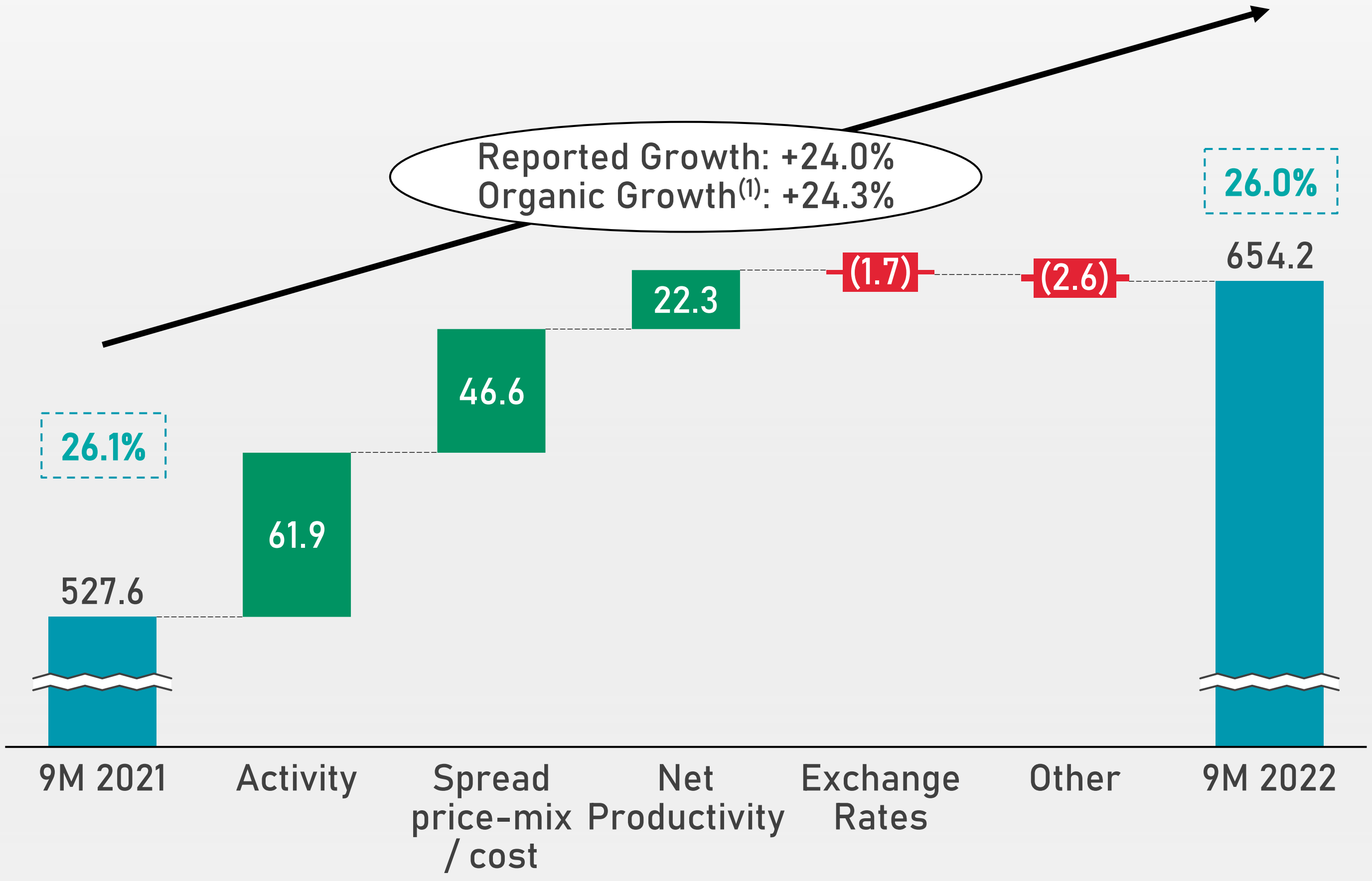


- Volumes
  - Still up in 9M'22 but slightly down in Q3 due to furnace repairs
- Price / mix
  - Around 20%+ effect in 9M
  - Benefit from H1'22 selling price increases in Europe
  - Dynamic selling prices variation in LatAm to adapt to local inflation
  - Positive contribution from mix
- Positive FX impact

(1) Growth at constant exchange rates and scope.
The revenue growth at constant exchange rates and scope, excluding Argentina, was +21.5% over 9M 2022 compared to 9M 2021, and +21.4% in Q3 2022 compared to Q3 2021.

GOOD EBITDA PERFORMANCE

ADJUSTED EBITDA (IN €M AND % OF SALES)



- Activity / Operating leverage
  - Positive volume impact in H1, slight decrease in Q3 due to furnace repairs
  - Positive impact of stock variation
- Positive price-mix / cost spread
  - Continuing costs' inflation, mostly linked to raw materials and energy in Q3
  - Europe: H1'22 selling price increases benefit
  - LatAm: dynamic selling prices variation
  - Positive mix contribution
- Net PAP
  - 1.9% production cash cost reduction
- FX and Other
  - Slightly negative FX due to Argentina
- Adjusted EBITDA margin at 26%

(1) Growth at constant exchange rates and scope.

CONTINUED DELEVERAGING

In € million	30/09/2022	30/06/2022	31/12/2021	30/09/2021	30/06/2021
Net Debt	921.6	1,146.6	1,268.4	1,213.4	1,266.2
LTM Adjusted EBITDA	804.7	758.8	678.1	678.8	671.7
Net Debt / LTM Adjusted EBITDA	1.1x	1.5x	1.9x	1.8x	1.9x

- 1.1x ratio of net debt over LTM adjusted EBITDA as of Sept 30, 2022:
  - Net debt at €922m including rights-of-use for €46m
  - Sept 2022 LTM Adjusted EBITDA at €805m
- Investment grade trajectory

OPTIMIZED FINANCIAL STRUCTURE

In € million	NOMINAL AMOUNT OR MAX. AMOUNT DRAWABLE	MATURITY	NOMINAL RATE	30 September 2022
Sustainability-Linked Bond – May 2021 (1)	500.0	May 2028	1.625%	500.5
Sustainability-Linked Bond – November 2021 (1)	500.0	November 2031	1.875%	500.5
Term Loan A (TLA)(1)	500.0	October 2024	Euribor+1.25%	499.1
Revolving Credit Facility (RCF1)	500.0	October 2024	Euribor+0.85%	-
Neu CP(1)	400.0			130.4
Other debt(2)				144.1
Total borrowings				1,774.7
Cash				853.1
Net Debt				921.6

- A significant part of the Group's floating rate exposure is hedged through interest rate CAPs (i.e. 81% of total long-term debt is fixed either by being at fixed rate or by being hedged)
- Total available liquidity(3) reaches €1,223 million as of Sept. 30, 2022

(1) Including accrued interests.
(2) o/w IFRS16 leasing (€45.8m), cash collateral (€50.0m), local debts (€43.5m), factoring recourse and double cash (€19.9m).
(3) Calculated as the Cash + Undrawn Revolving Credit Facilities – Outstanding Commercial Papers.

4

2022 GUIDANCE

Patrice
LUCAS
CEO

2022 GUIDANCE (1)

Thanks to a higher visibility over the rest of the year, 2022 guidance is:

1 Revenue

- Reported annual revenue growth should be around ~+25%

2 Adjusted EBITDA

- Adjusted EBITDA target above €820m

+ New furnace in Brazil (Jacuntinga) will start on November 9th

- Full Year Adjusted EBITDA guidance upgraded
- ESG Roadmap on track

(1) It should be noted that the direct and indirect consequences of the conflict in Ukraine could still change substantially, which is likely to affect forecasts.

Q&A

APPENDICES

OUR PURPOSE

ESG more than ever at the heart of Verallia's purpose and strategy

DISCIPLINED AND DYNAMIC RISK HEDGING POLICY

ENERGY

- Disciplined fuel, gas and electricity hedging policy limiting energy cost volatility in Western Europe and levelling market bursts
  - Hedging horizon: next 3 years for a target of 85% of our needs
  - Progressive hedging during year N with targeted hedge rates in October year N of: 100% of target in year N+1, 50% in year N+2, 25% in year N+3

CO_2

- Disciplined carbon emission quotas hedging policy in Western Europe
  - Hedging horizon: next 3 years
  - Phase IV (2021-2030): €101m carbon quotas forward purchases in view of expected annual deficit during Phase IV
  - Forward purchases during year N with targeted deficit hedge rates in October year N of: 100% in year N+1, 75% in year N+2, 50% in year N+3

EXCHANGE RATES & INTEREST RATE

- Very limited transactional FX risk with ca 2% of the Group's receivables / payables exposed
- Strict hedging policy applied with targeted hedge rates of:
  - 100% for all firm commitments
  - 75% for budgeted cash flows over a 12-month rolling period (subject to specific local regulations)
- 80% of total Group's long-term debt is fixed either by being at fixed rate or by being hedged

Source: Company.

RECONCILIATION OF OPERATING PROFIT TO ADJUSTED EBITDA

In €m	9M 2022	9M 2021
Operating profit	432.2	317.0
Depreciation, amortisation and impairment (i)	215.6	207.4
Restructuring costs	0.4	(1.8)
IAS 29 Hyperinflation (Argentina) (ii)	(2.2)	(2.1)
Management share ownership plan and associated costs	6.7	7.2
Other	1.4	(0.1)
Adjusted EBITDA	654.2	527.6

(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 2018.

IAS 29: HYPERINFLATION IN ARGENTINA

- Since 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 9M 2022, the net impact on revenue amounted to €8.0m. The hyperinflation impact has been excluded from Group adjusted EBITDA as shown in the table “Reconciliation of operating profit to adjusted EBITDA”.

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. Since 2021, they have also included 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.
- Free Cash-Flow: defined as the Operating Cash Flow - Other operating impact - Interest paid & other financing costs - Cash Tax.
- 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).

DISCLAIMER

Certain information included in this presentation are not historical facts but are forward-looking statements. These forward-looking statements are based on current beliefs, expectations and assumptions, including, without limitation, assumptions regarding Verallia's present and future business strategies and the economic environment in which Verallia operates. They involve known and unknown risks, uncertainties and other factors, which may cause actual performance and results to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include those discussed and identified in Chapter 4 "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.amf-france.org). These forward-looking information and statements are no guarantee of future performance.

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