



verallia

November 2<sup>nd</sup>

2022

## ACQUISITION OF ALLIED GLASS

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## ALLIED: AN INDUSTRY LEADING PREMIUM GLASS PLATFORM

LEADING PLAYER IN THE GROWING  
UK PREMIUM MARKET

- Longstanding **UK market** presence (est. 1874)
- Clear focus on **premium segment** with advanced design, manufacturing and decoration capabilities
- Primary focus on **fast-growing premium spirits market**, notably **gin** and **whisky**
- **4 furnaces** located in **Yorkshire**

DIVERSIFIED CUSTOMER BASE &  
HIGH-END SERVICE

- **Diversified customer base** covering blue chip, traditional and emerging brands
- Sustained **new product development** pipeline
- **Highly flexible operational setup** to meet bespoke needs (job changes, extra-white and color, decoration)
- High **customer retention**

STRONG TEAM AND TRACK  
RECORD

- Around **600 employees** with 12 years' average tenure
- **Strong management team** with significant industry experience (135+ years of which **100+ at Allied**)
- **Highly profitable platform** with industry-leading margins and a strong growth track record
- **Clear sustainability focus** with a clear action plan and targets in place
- **Standalone platform** with a **factory optimization** program well under way



# TRANSACTION RATIONALE

## STRENGTHENING VERALLIA'S PREMIUM POSITIONING WHILE GAINING EXPOSURE TO THE GROWING UK SPIRITS MARKET

- Capitalize on Allied's unique positioning and expertise in luxury glass containers and further strengthen Verallia's premium leadership
- Complement VRLA's geographic footprint while gaining exposure to the fast-growing UK spirits' market
- Broaden VRLA's customer base towards resilient and loyal gin and whisky customers and pursue cross-selling opportunities
- Expand extra-white, color, decoration and other premium capabilities
- Leverage common ESG commitments, priorities and best practices
- Enhance VRLA's average price point and EBITDA margin
- Exploit further synergy opportunities by developing sales team' efficiencies, optimizing SG&A and procurement and deploying VRLA's PAP methodology to continue operational improvement



# SUMMARY FINANCIAL TERMS

- 100% stake acquired for an Enterprise Value c.£315m
- Fully financed by existing cash
- Leverage maintained below 2x net debt/adjusted EBITDA
- Current dividend and shareholder return policies confirmed
- Closing expected mid-November





## VERALLIA PRESERVES ITS STRONG FINANCIAL PROFILE

LIMITED RISK AND SIGNIFICANT  
LONG-TERM UPSIDE

- Margin-accretive transaction
- Significant synergy potential
- Standalone asset (seamless integration) enjoying strong growth potential

STRONG CREDIT PROFILE  
MAINTAINED

- Leverage maintained below 2x net debt/adjusted EBITDA

CONFIRMED SHAREHOLDER  
RETURN POLICY

- Does not change Verallia's shareholder return policy based on:
  - Dividend / share growth > 10% per annum
  - Accretive share buy-backs





# Q&A

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