

Verallia to acquire Allied Glass in the UK

- **Allied Glass is a market leader in the UK premium glass packaging segment, with 2022 Estimated Sales of over £150 million**
- **Verallia will expand its Northern European manufacturing footprint with UK presence and reinforce its position in premium glass bottles for the spirits' market**

Verallia, the leading European and the world's third largest producer of glass containers for food and beverages, has signed a binding agreement with an affiliate of Sun European Partners LLP for the acquisition of Allied Glass, a market leader in the UK premium glass packaging segment with a focus on the premium spirits' end market.

Expanding Verallia's premium capabilities and geographic footprint in Northern Europe

With more than 150 years of glass-making expertise each, both groups share the same strong values – especially care for customers and teamwork – that guide and inspire their behavior.

This acquisition will enable Verallia to benefit from Allied's expertise in premium glass bottles, specifically in the Scotch Whisky and Gin sectors, and from its established position on the UK market.

With this transaction, Allied Glass will integrate an international group, European leader in the glass containers for the food and beverage sector, which will allow it to take advantage of its expertise and its long-term vision.

Allied Glass, an industry-leading premium glass platform

Headquartered in Leeds, Allied Glass is a leading player in the premium glass packaging market in the United Kingdom, where it generates over 95% of its revenues, with 4 furnaces located in West Yorkshire and around 600 employees.

Allied Glass designs, develops and manufactures glass packaging, benefitting from state-of-the-art extra-white, bespoke color and decoration capability, with a strong focus on sustainability, based on an ESG policy with clear targets across all areas and a market leading use of cullet across all products.

Allied Glass has strong relationships with a diversified customer base covering blue chip, traditional and emerging brands, based on a partnership approach to new product development. Allied Glass is led by a strong management team with significant industry experience who have successfully grown the Group's profitability over the last years.

Allied Glass generated revenue of £138 million in the fiscal year ended December 2021 and over £150 million of revenues are estimated for 2022.

Verallia expects the transaction to have an accretive impact on its Adjusted EBITDA margin reflecting Allied's strong performance as well as significant synergy potential between both businesses.



Commenting on the acquisition, Patrice Lucas, CEO of Verallia, declared:

“This acquisition of Allied Glass is fully in line with our strategy which is to accelerate our investments in key markets while leveraging our industrial, technological and management expertise to generate synergies. I am convinced that Verallia and Allied Glass have an outstanding fit as we share common vision and values. This is a great milestone too, as the Group will be present on the UK market, I am confident that this combination will create sustainable value for customers, employees and shareholders. Finally, I am delighted to welcome Alan Henderson in the Executive Committee team of Verallia.”

Alan Henderson, CEO of Allied Glass, added:

“Integrating Allied into an international Group, one of the main world leaders in glass manufacturing for food and beverage, is a thrilling challenge for Allied. Based on our respective strengths, the two companies will benefit from strong synergies. Whilst our customers in the UK market will continue to benefit from the same level of quality of service locally, we believe we can further improve our market offering through the support and knowledge of the wider Verallia group.”

Transaction details

Verallia will acquire 100% of the capital of Allied Glass. The transaction is valued at approximately £315 million (enterprise value) and will be financed by Verallia’s existing cash, whilst maintaining the Verallia Group’s leverage below 2x net debt/adjusted EBITDA.

Verallia expects to complete the acquisition by mid-November.

Advisors

Legal: White & Case LLP

Financial and Tax: Ernst & Young

Environmental: ERM

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About Verallia

At Verallia, our purpose is to re-imagine glass for a sustainable future. We want to redefine how glass is produced, reused and recycled, to make it the world’s most sustainable packaging material. We work in common cause with our customers, suppliers and other partners across the value chain to develop new healthy and sustainable solutions for all. With around 10,000 people and 32 glass production facilities in 11 countries, we are the leading European and the third largest producer globally of glass containers for food and beverages, providing innovative, customized and environmentally friendly solutions to more than 10,000 businesses around the world. Verallia produced more than 16 billion bottles and jars and achieved revenues of €2.7 billion in 2021. Verallia is listed on compartment A of the Euronext Paris stock exchange (Ticker: VRLA – ISIN: FR0013447729) and belongs to the SBF 120, CAC Mid 60, CAC Mid & Small et CAC All-Tradable indexes. For more information: www.verallia.com.

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 (including the successful integration of Allied Glass within the Group) 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 filed with the AMF on 29 March 2022 under number D.22-0188 and available on the Company's website (www.verallia.com) and the AMF's website. These forward-looking information and statements are not guarantees of future performances.

This press release includes only summary information and does not purport to be comprehensive. No reliance should be placed on the accuracy or completeness of the information or opinions contained in this press release.

Information related to Allied Glass included in this press release were furnished by Allied Glass to Verallia in connection with the acquisition described herein. Financial information related to Allied Glass have been neither audited nor reviewed by Verallia's auditors.

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