

**Press release**

Paris, July 24, 2024

**2024 first half results:  
Recovery in activity confirmed but at a slower pace than expected  
Verallia delivers solid profitability with 24.4% adjusted EBITDA margin****HIGHLIGHTS**

- **Revenue down to €1,765 million in H1 2024**, or -17.6% compared to H1 2023 (-10.4% at constant scope and exchange rates)<sup>1</sup>
- **Adjusted EBITDA<sup>2</sup> at €431 million (24.4% margin, in line with Q1 2024)** compared to €659 million in H1 2023 (30.8% margin)
- **Gradual recovery in volumes** in Q2 2024, though **slower than expected**
- **Net debt ratio up to 1.9x last 12-month adjusted EBITDA**, compared to 1.2x at December 31, 2023 and 1.3x at June 30, 2023
- **Success of the Group's 9<sup>th</sup> employee share ownership offer** in June 2024
- **Completion of the acquisition of Vidrala's glass business in Italy** in early July 2024
- **2024 adjusted EBITDA target revised down** and now expected around the same level as in 2022

"Verallia delivered solid profitability in the first half in a difficult market environment, thanks in particular to our actions to continuously improve our industrial performance (PAP) and despite the adaptation of our production capacities in order to keep a strict control over our inventories.

We saw a continued recovery in demand in the second quarter, but at a slower pace than expected. This has led us to revise our outlook for 2024, although we remain optimistic for the future given the still solid fundamentals of our business. In addition, we are pleased with the success of the recent acquisition of Vidrala's glass business in Italy. The latter is part of our development strategy in an important market for the Group." said Patrice Lucas, Chief Executive Officer of Verallia.

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<sup>1</sup> Revenue growth at constant scope and exchange rates. Revenue growth at constant exchange rates is calculated by applying the same exchange rates to the financial indicators presented for the two periods being compared (by applying the exchange rates of the previous period to the financial indicators for the current period). Growth in revenue at constant scope and exchange rates excluding Argentina was -17.8% in the first half of 2024 compared with the first half of 2023.

<sup>2</sup> 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 plan costs, disposal-related effects and subsidiary contingencies, site closure costs, and other items.

## REVENUE

<i>In millions of euros</i>	H1 2024	H1 2023	% change	Of which organic growth
Southern and Western Europe	1,184.9	1,404.8	-15.7%	-16.1%
Northern and Eastern Europe	381.6	514.6	-25.8%	-24.2%
Latin America	198.1	223.3	-11.3%	+57.4% (-12.4% excluding Argentina)
<b>Total Group</b>	<b>1,764.6</b>	<b>2,142.7</b>	<b>-17.6%</b>	<b>-10.4%</b> <b>(-17.8% excluding Argentina)</b>

**Revenue for the first half of 2024 was €1,765 million, down -17.6% on a reported basis compared to the first half of 2023.**

**Foreign exchange effect was -7.5%, or €(161.8) million.** It is almost entirely linked to the sharp depreciation of the Argentinian peso over the period.

**The scope effect**, following the acquisition of cullet processing centers in Iberia in Q4 2023, contributed **€5.7 million, or +0.3%**.

**At constant exchange rates and scope, revenue was down -10.4%** (-17.8% excluding Argentina). Sales volumes were lower than H1 2023, which represented a high basis of comparison. The decline in volumes is relatively broad-based, with good resilience in still wines, beer and food jars and conversely a sharper decline in spirits and non-alcoholic beverages (carbonated soft drinks and fruit juices in particular). This decrease in volume however reduced in Q2 2024. This sequential improvement confirms our assumptions of a gradual recovery in activity from Q4 2023 lows.

Selling prices continue to decrease across Europe compared to the peak reached in H1 2023, against a backdrop of gradually recovering demand and sharply decreasing energy prices. Argentina is the only country recording a sharp increase in prices, linked to local inflation. Product mix continues to have a negative impact on the Group's business, mainly in Italy and France, given the change in end-consumer behavior following the strong inflation.

By geographical area:

- In Southern and Western Europe, volumes saw a slight sequential improvement during the half-year. However, they remained down compared to H1 2023, with a sharp decline in non-alcoholic beverages, affected by unfavorable weather conditions (carbonated soft drinks, fruit juices).
- In Northern and Eastern Europe, half-year volumes were significantly lower than last year, impacted in particular by the strong decline in Q1 and more generally by the weakness of activity in Germany (beer, non-alcoholic beverages) and the United Kingdom (spirits). However, there was a sequential improvement driven by all end markets.
- In Latin America, volumes were slightly lower over the first half despite a sequential increase in Q2. There was a rebound in activity in Chile and a slight decline in

volumes in Brazil despite a sequential improvement. Activity was up slightly in Argentina, where price increases offset the negative foreign exchange impact.

## ADJUSTED EBITDA

<i>In millions of euros</i>	H1 2024	H1 2023
<b>Southern and Western Europe</b>		
Adjusted EBITDA	288.2	436.5
Adjusted EBITDA margin	24.3 %	31.1 %
<b>Northern and Eastern Europe</b>		
Adjusted EBITDA	76.4	141.5
Adjusted EBITDA margin	20.0 %	27.5 %
<b>Latin America</b>		
Adjusted EBITDA	66.6	81.0
Adjusted EBITDA margin	33.6 %	36.3 %
<b>Total Group</b>		
<b>Adjusted EBITDA</b>	<b>431.3</b>	<b>659.0</b>
<b>Adjusted EBITDA margin</b>	<b>24.4 %</b>	<b>30.8 %</b>

### Adjusted EBITDA was €431 million in the first half of 2024.

Impact of the decline in activity was significant at €(163) million, due to the combined effect of the decline in volumes sold (continued destocking along the value chain) and the non-recurrence of the inventory replenishment carried out by Verallia in H1 2023. Inflation spread<sup>3</sup> was negative and also weighed on EBITDA for the half-year at €(53) million despite a €50 million positive spread in Argentina.

Unfavorable impact of exchange rates amounted to €(47) million. It was mainly linked to the depreciation of the Argentinian peso and offset in absolute terms the positive impact of price increases and spread in local currency.

Lastly, the Performance Action Plan (PAP) once again delivered excellent results, generating a net reduction in cash production costs of 2.6% or €33 million over the half-year.

**Adjusted EBITDA margin was down to 24.4%** compared to 30.8% in H1 2023.

<sup>3</sup> The spread corresponds to the difference between (i) the increase in selling prices and the mix applied by the Group after passing any increase in production costs onto these selling prices and (ii) the increase in production costs. The spread is positive when the increase in selling prices applied by the Group is greater than the increase in its production costs. The increase in production costs is recorded by the Group at constant production volumes, before industrial variance and taking into consideration the impact of the Performance Action Plan (PAP).

By geographic area, adjusted EBITDA broke down as follows:

- In Southern and Western Europe, adjusted EBITDA reached €288 million (vs. €437 million in H1 2023) with a margin of 24.3% compared to 31.1%. Activity was down throughout the perimeter. Spread, which was impacted by price cuts and a negative mix that could not be fully offset by lower costs, negatively impacted EBITDA. Good PAP delivery over the period made it possible to limit this decline.
- In Northern and Eastern Europe, adjusted EBITDA reached €76 million (vs. €142 million in H1 2023), bringing margin to 20.0%, compared to 27.5%. Decline in EBITDA was strongly linked to the decline in activity, particularly in Germany and the United Kingdom. The generation of a moderately negative inflation spread also had an impact on EBITDA. PAP delivered a strong performance that was well above expectations.
- In Latin America, adjusted EBITDA decreased to €67 million (vs. €81 million in H1 2023), with a significant impact from negative currency effects in Argentina. Margin however remained at a high level (33.6% compared to 36.3% in H1 2023). Regardless of inflation and currency effects in Argentina, profitability of the three countries in the area remained very satisfactory thanks to a broadly neutral spread and a good PAP delivery.

**The decrease in net income Group share to €124 million** (€1.06 per share) was mainly due to the deterioration in adjusted EBITDA, combined with an increase in financial expenses. The reduction in the tax charge made it possible to partly offset this decrease. As usual, net income for the first half included a charge of €22 million and €0.19 per share (net of tax), which was recorded at the time of the acquisition of Saint-Gobain's packaging business in 2015 and will expire in 2027. **Excluding this charge, net income Group share would be €146 million and €1.25 per share.** This charge was €22 million and €0.19 per share in H1 2023.

**Capital expenditure amounted to €157 million** (or 8.9% of total revenue), compared to €150 million in H1 2023. This stability against a year 2023 which was skewed towards Q4 demonstrates our good control over our investments, while sustaining the company's industrial assets and continuing to implement our decarbonization strategy. These investments consisted of €99 million in recurring capex (compared to €93 million in H1 2023) and €58 million in strategic capex (€57 million in H1 2023).

**Cash flow from operations<sup>4</sup> reached €90 million**, down from €316 million in H1 2023. This was due to a lower adjusted EBITDA combined with stable capital expenditure and a seasonally negative working capital variation. Capital expenditure (8.9% of total revenue) and inventory (down €(33) million compared to year-end 2023) are strictly controlled, illustrating the Group's continued focus on cash management.

**Free cash flow<sup>5</sup> amounted to €(49) million** (compared to €248 million in H1 2023), with Q1 negative and Q2 back to positive.

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<sup>4</sup> Operating cash flow corresponds to adjusted EBITDA less capex, plus changes in operating working capital requirements including changes in payables to fixed asset suppliers

<sup>5</sup> Defined as operating cash flow - other operating impacts - interest paid & other financing costs - taxes paid

## **STRONG BALANCE SHEET**

At the end of June 2024, Verallia's net debt amounted to €1,646 million, leading to a debt ratio of 1.9x last 12 months adjusted EBITDA, compared to 1.2x at December 31, 2023 and 1.3x at June 30, 2023.

The Group had **€591 million of liquidity**<sup>6</sup> as of June 30, 2024, after paying out dividends of €252 million in May 2024.

The two rating agencies **S&P** and **Moody's** confirmed the Group's Investment Grade positioning with credit ratings of BBB-, outlook Stable in May 2024 and Baa3, outlook Stable in March 2024, respectively.

## **VERALLIA HAS SUCCESSFULLY COMPLETED THE ACQUISITION OF VIDRALA'S GLASS BUSINESS IN ITALY**

Following satisfaction of the regulatory filing and other conditions precedent, **Verallia confirms that the acquisition of Vidrala's glass business in Italy**, for an **enterprise value of €230 million**, has been finalized today. The acquisition is financed with a 3-year Term Loan set up with a pool of international banks. This loan was entirely made available to the company on July 1, 2024 and the payment of the transaction took place on July 4, 2024.

In 2023, the acquired company generated **revenue of €131 million** and **EBITDA of €33 million**.

Equipped with two recently renovated furnaces, the Corsico-based plant benefits from modern production facilities with a **capacity of 225Kt/year** and enjoys a **strong positioning, particularly in the beer, food and spirits markets**. Nearly **200 employees** will reinforce Verallia's expertise, with a view to sharing knowledge and best practices.

Following this acquisition, **the Verallia Group now operates 7 production sites in Italy**. This transaction confirms **Verallia's desire to continue its investments in a strategic Italian market, while developing its glass packaging offer for beverages and food products for the benefit of all its customers**.

## **RESULTS OF THE VOTES OF THE GENERAL ASSEMBLY OF APRIL 26, 2024**

With **a quorum representing 83.05 % of the shares of the Company**, the Shareholders' General Meeting **adopted all the resolutions** submitted to its vote.

The shareholders have notably approved the statutory and consolidated financial statements for the financial year which ended on 31 December 2023, as well as **the distribution of a dividend of €2.15 per share**, to be fully paid in cash. Such dividend will be paid on May 16, 2024.

Furthermore, the General Shareholders' Meeting approved the renewal of the terms of office of Marie-José Donsion and Pierre Vareille as Directors.

Additionally, they also appointed **PricewaterhouseCoopers Audit and BM&A** as Statutory Auditors in charge of verifying sustainability information, for a term expiring at the end of their respective terms of office.

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<sup>6</sup> Calculated as available cash + undrawn revolving credit facilities – outstanding commercial paper (Neu CP).

## **VERALLIA CONTINUES ITS COMMITMENT TO VALUE SHARING AS THE 9TH EDITION OF ITS EMPLOYEE SHAREHOLDING OFFER HAS MET WITH GREAT SUCCESS**

Following on from previous years, this 9th edition confirms the success of the Group's CSR strategy, by involving its employees in the company's development and performance. By the close of business on June 20, 2024, **more than 3,800 employees, or 41% of eligible employees in 9 countries, had invested in the Group, benefiting from an attractive unit subscription price of 29.64 euros**<sup>7</sup>. Total employee investment (including the Company's matching contribution) came to **over 18.1 million euros**.

At the close, **611,445 new ordinary shares, representing 0.5% of the share capital and voting rights**, were issued by the Company. As in previous years, in order to neutralize the dilutive effect of this operation, the Company also reduced its capital by cancelling 611,445 treasury shares acquired under the share buyback program<sup>8</sup>.

In just 9 years, these operations have already enabled almost **50% of the Group's employees to become Verallia shareholders, and more than 80% of French employees**, both directly and through the Verallia FCPE. **Employees now own 4.5%**<sup>9</sup> **of the Company's capital**.

### **2024 OUTLOOK**

After 2024 started in line with our expectations, recovery in demand was confirmed in the second quarter in most markets in which Verallia operates.

This recovery is however slower than anticipated and we estimate that activity in the second half should continue to improve at a slower pace than we initially expected.

In this context, we have decided to update our target of 2024 adjusted EBITDA (previously set at around €1bn), which is now expected around the same level as in 2022 (as a reminder, €866m).

The cost reduction trajectory generated by the Performance Action Plan remains fully in line with our expectations. We are resolutely pursuing our action plan to adapt our capacities, keep our inventories under control and reduce our costs.

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<sup>7</sup> i.e. a 15% discount to the average Verallia share price on the Euronext Paris regulated market over the twenty trading days preceding May 2, 2024.

<sup>8</sup> Capital increase in par value of 2,066,684.10 euros, with additional paid-in capital of 16,056,545.70 euros. The 611,445 new ordinary shares carry immediate dividend rights, have the same rights and obligations as shares already issued, and have the same rights to any sums that may be distributed, without restriction or reservation. Capital reduction through cancellation of 611,445 treasury shares acquired under the share buyback of November 3, 2021. The Company's share capital remains unchanged, with the number of shares issued corresponding to the number of shares cancelled. It amounts to 408,321,248.14 euros and is made up of 120,805,103 ordinary shares with a par value of 3.38 euros each.

<sup>9</sup> Post employee share offering 2024 and after capital increase and reduction.



An analysts' conference call will be held at **9.00 a.m.** (CET) on Thursday 25 July 2024 via an audio webcast service (live and replay) and the earnings presentation will be available on [www.verallia.com](http://www.verallia.com).

## FINANCIAL CALENDAR

- 1 October 2024: Beginning of the quiet period.
- 22 October 2024: 9M 2024 financial results - Press release after market close and conference call/presentation the following day at 9:00 a.m. CET.

## 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 together with our customers, suppliers and other partners across the value chain to develop new, beneficial and sustainable solutions for all.

With almost 11,000 employees and 35 glass production facilities in 12 countries, we are the European leader and world's third-largest producer of glass packaging for beverages and food products. We offer innovative, customised and environmentally friendly solutions to over 10,000 businesses worldwide. Verallia produced more than 16 billion glass bottles and jars and recorded revenue of €3.9 billion in 2023.

Verallia's CSR strategy has been awarded the Ecovadis Platinum Medal, placing the Group in the top 1% of companies assessed by Ecovadis. Our CO<sub>2</sub> emissions reduction target of -46% on scopes 1 and 2 between 2019 and 2030 has been validated by SBTi (Science Based Targets Initiative). It is in line with the trajectory of limiting global warming to 1.5° C set by the Paris Agreement.

Verallia is listed on compartment A of the regulated market of Euronext Paris (Ticker: VRLA – ISIN: FR0013447729) and trades on the following indices: CAC SBT 1.5°, STOXX600, SBF 120, CAC Mid 60, CAC Mid & Small and CAC All-Tradable.

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### **Disclaimer**

Certain information included in this press release is not historical data but forward-looking statements. These forward-looking statements are based on estimates, forecasts and assumptions including, but not limited to, assumptions about Verallia's present and future strategy and the economic environment in which Verallia operates. They involve known and unknown risks, uncertainties and other factors, which may cause Verallia's actual results and performance to differ materially from those expressed or implied in such forward-looking statements. These risks and uncertainties include those detailed and identified in Chapter 4 "Risk Factors" of the universal registration document approved by the AMF and available on the Company's website ([www.verallia.com](http://www.verallia.com)) and that of the AMF ([www.amf-france.org](http://www.amf-france.org)). These forward-looking statements and information are not guarantees of future performance. This press release includes summarized information only and does not purport to be exhaustive.

The historical financial information relating to the acquired businesses presented in this press release has not been prepared by Verallia and has not been audited by its statutory auditors.

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**ANNEXES - Key figures**

In millions of euros	H1 2024	H1 2023
<b>Revenue</b>	<b>1,764.6</b>	<b>2,142.7</b>
Reported growth	-17.6%	+30.7%
Organic growth	-10.4%	+28.6%
of which Southern and Western Europe	1,184.9	1,404.8
of which Northern and Eastern Europe	381.6	514.6
of which Latin America	198.1	223.3
Cost of sales	(1,377.4)	(1,499.7)
Commercial, general and administrative expenses	(93.6)	(118.9)
Acquisition-related items	(36.7)	(34.5)
Other operating income and expenses	(12.6)	0.7
<b>Operating income</b>	<b>244.4</b>	<b>490.3</b>
Financial result	(71.8)	(55.7)
<b>Profit (loss) before tax</b>	<b>172.6</b>	<b>434.6</b>
Income tax	(49.4)	(118.0)
Share of net profit (loss) of associates	(0.4)	0.6
<b>Net income attributable to the shareholders of the company<sup>10</sup></b>	<b>124.1</b>	<b>310.8</b>
<b>Net income attributable to the shareholders of the company excluding PPA</b>	<b>146.1</b>	<b>333.2</b>
<b>Earnings per share</b>	<b>€1.06</b>	<b>€2.65</b>
<b>Earnings per share excluding PPA</b>	<b>€1.25</b>	<b>€2.84</b>
<b>Adjusted EBITDA<sup>11</sup></b>	<b>431.3</b>	<b>659.0</b>
<b>Group Margin</b>	<b>24.4%</b>	<b>30.8%</b>
of which Southern and Western Europe	288.2	436.5
Southern and Western Europe margin	24.3%	31.1%
of which Northern and Eastern Europe	76.4	141.5
Northern and Eastern Europe margin	20.0%	27.5%
of which Latin America	66.6	81.0
Latin America margin	33.6%	36.3%
<b>Net debt at end of period</b>	<b>1,645.7</b>	<b>1,401.4</b>
<b>Last 12 months adjusted EBITDA</b>	<b>880.3</b>	<b>1,099.1</b>
Net debt/last 12 months adjusted EBITDA	1.9x	1.3x
<b>Total Capex<sup>12</sup></b>	<b>156.8</b>	<b>150.1</b>
Cash conversion <sup>13</sup>	63.6%	77.2%
Change in operating working capital	(184.0)	(192.6)
<b>Operating cash flow<sup>14</sup></b>	<b>90.5</b>	<b>316.3</b>
<b>Free cash flow<sup>15</sup></b>	<b>(49.2)</b>	<b>247.8</b>
<b>Strategic capex<sup>16</sup></b>	<b>58.3</b>	<b>56.7</b>
<b>Recurring capex<sup>17</sup></b>	<b>98.6</b>	<b>93.4</b>

<sup>10</sup> Net income for H1 2024 includes an amortisation expense for customer relationships, recognised upon the acquisition of Saint-Gobain's packaging business in 2015, in the amounts of €22 million and €0.19 per share (net of taxes). This expense will remain in place until 2027. If it had not been taken into account, net income attributable to shareholders would have been €146 million and €1.25 per share. It was €22 million and €0.19 per share in H1 2023.

<sup>11</sup> 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 plan costs, disposal-related effects and subsidiary contingencies, site closure costs, and other items.

<sup>12</sup> Capex (capital expenditure) corresponds to purchases of property, plant and equipment and intangible assets necessary to maintain the value of an asset and/or adapt to market demand and to environmental, health and safety requirements, or to increase the Group's capacity. The acquisition of securities is excluded from this category.

<sup>13</sup> Cash conversion is defined as adjusted EBITDA less capex, divided by adjusted EBITDA

<sup>14</sup> Operating cash flow corresponds to adjusted EBITDA less capex, plus changes in operating working capital requirements including changes in payables to fixed asset suppliers.

<sup>15</sup> Defined as operating cash flow - other operating impacts - interest paid & other financing costs - taxes paid

<sup>16</sup> Strategic capex corresponds to purchases 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 associated with implementing the plan to reduce CO2 emissions

<sup>17</sup> Recurring capex corresponds to purchases of property, plant and equipment and intangible assets necessary to maintain the value of an asset and/or adapt to market demand and to environmental, health and safety requirements. They mainly include furnace renovations and maintenance of IS machines

### Change in revenue by type in millions of euros over the first half

<i>In millions of euros</i>	
<b>H1 2023 Revenue</b>	<b>2,142.7</b>
Activity	(168.5)
Price / Mix	(53.5)
Foreign exchange impact	(161.8)
Scope effect	+5.7
<b>H1 2024 Revenue</b>	<b>1,764.6</b>

### Change in Adjusted EBITDA adjusted by type in millions of euros over the first half

<i>In millions of euros</i>	
<b>H1 2023 Adjusted EBITDA</b>	<b>659.0</b>
Activity contribution	(162.9)
Price-mix /Cost spread	(53.4)
Net productivity	+32.6
Foreign exchange impact	(47.2)
Other	+3.2
<b>H1 2024 Adjusted EBITDA</b>	<b>431.3</b>

### Key figures by quarter

<i>In millions of euros</i>	<b>Q1 2024</b>	<b>Q1 2023</b>
<b>Revenue</b>	<b>836.4</b>	<b>1,051.6</b>
Reported growth	-20.5%	+40.2%
Organic growth	-12.7%	+34.7%
<b>Adjusted EBITDA<sup>18</sup></b>	<b>203.9</b>	<b>307.4</b>
<b>Adjusted EBITDA margin</b>	<b>24.4%</b>	<b>29.2%</b>

<i>In millions of euros</i>	<b>Q2 2024</b>	<b>Q2 2023</b>
<b>Revenue</b>	<b>928.2</b>	<b>1,091.1</b>
Reported growth	-14.9%	+22.7%
Organic growth	-8.1%	+23.4%
<b>Adjusted EBITDA</b>	<b>227.4</b>	<b>351.6</b>
<b>Adjusted EBITDA Margin</b>	<b>24.5%</b>	<b>32.2%</b>

<sup>18</sup> 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, disposal related effects and subsidiary contingencies, site closure costs, and other items.

## Reconciliation of operating profit (loss) to adjusted EBITDA

<i>In millions of euros</i>	H1 2024	H1 2023
<b>Operating profit/(loss)</b>	<b>244.4</b>	<b>490.3</b>
Depreciation and amortization <sup>19</sup>	171.2	162.9
Restructuring costs	11.7	2.0
Company acquisition costs and earn-out	1.3	0.2
IAS 29 Hyperinflation (Argentina) <sup>20</sup>	(2.0)	(1.0)
Management share ownership plan and associated costs	3.4	4.6
Other	1.3	-
<b>Adjusted EBITDA</b>	<b>431.3</b>	<b>659.0</b>

### IAS 29: hyperinflation in Argentina

The Group has applied IAS 29 in Argentina since 2018. The adoption of this standard requires the restatement of non-monetary assets and liabilities and of the statement of income to reflect changes in purchasing power in the local currency. These restatements may lead to a gain or loss on the net monetary position included in financial income and expense.

Financial items for the Argentinian subsidiary are converted into euros using the closing exchange rate for the relevant period.

**In H1 2024, the net impact on revenue was €6.1 million.** The hyperinflation impact has been excluded from consolidated adjusted EBITDA as shown in the table "Reconciliation of operating profit (loss) to adjusted EBITDA".

### Financial structure

<i>In millions of euros</i>	Nominal or max. drawable amount	Nominal rate	Final maturity	June 30, 2024
Sustainability-Linked Bond May 2021 <sup>21</sup>	500	1.625 %	May 2028	499.3
Sustainability-Linked Bond November 2021 <sup>21</sup>	500	1.875 %	Nov. 2031	499.7
Term Loan B – TLB <sup>21</sup>	550	Euribor +1.25%	Apr 2028	550.1
Revolving credit facility - RCF	550	Euribor +0.75%	Apr 2029 + one-year extension	-
Negotiable commercial paper (Neu CP) <sup>21</sup>	500			408.1
Other debt <sup>22</sup>				141.1
<b>Total debt</b>				<b>2,098.2</b>
Cash and cash equivalents				(452.5)
<b>Net debt</b>				<b>1,645.7</b>

<sup>19</sup> Includes depreciation and amortization of intangible assets and property, plant and equipment, amortization of intangible assets acquired through business combinations, and impairment of property, plant and equipment

<sup>20</sup> The Group has applied IAS 29 (Hyperinflation) since 2018

<sup>21</sup> Including accrued interest

<sup>22</sup> o/w IFRS16 leasing (€74.5m)

## Consolidated income statement

<i>In millions of euros</i>	<b>H1 2024</b>	<b>H1 2023</b>
<b>Revenue</b>	<b>1,764.6</b>	<b>2,142.7</b>
Cost of sales	(1,377.4)	(1,499.7)
Selling, General and Administrative Expenses	(93.6)	(118.9)
Acquisition-related items	(36.7)	(34.5)
Other operating income and expenses	(12.6)	0.7
<b>Operating profit/(loss)</b>	<b>244.4</b>	<b>490.3</b>
<b>Financial income/(expense)</b>	<b>(71.8)</b>	<b>(55.7)</b>
<b>Profit (loss) before tax</b>	<b>172.6</b>	<b>434.6</b>
Income tax	(49.4)	(118.0)
Share of net income of associates	(0.4)	0.6
<b>Net profit/(loss)</b>	<b>122.8</b>	<b>317.3</b>
Attributable to the Company's shareholders	124.1	310.8
Attributable to non-controlling interest	(1.3)	6.5
<b>Net profit/(loss) excluding PPA<sup>23</sup></b>	<b>144.8</b>	<b>339.7</b>
Attributable to the Company's shareholders	146.1	333.2
Attributable to non-controlling interest	(1.3)	6.5
<b>Basic earnings per share (in €)</b>	<b>1.06</b>	<b>2.65</b>
<b>Basic earnings per share excluding PPA (in €)<sup>23</sup></b>	<b>1.25</b>	<b>2.84</b>
<b>Diluted earnings per share (in €)</b>	<b>1.06</b>	<b>2.65</b>
<b>Diluted earnings per share excluding PPA (in €)<sup>23</sup></b>	<b>1.25</b>	<b>2.84</b>

<sup>23</sup> Net income for H1 2024 includes an amortisation expense for customer relationships, recognised upon the acquisition of Saint-Gobain's packaging business in 2015, in the amounts of €22 million and €0.19 per share (net of taxes). This expense will remain in place until 2027. If it had not been taken into account, net income attributable to shareholders would have been €146 million and €1.25 per share. It was €22 million and €0.19 per share in H1 2023.

## Consolidated balance sheet

<i>In millions of euros</i>	June 30, 2024	Dec 31, 2023
<b>ASSETS</b>		
Goodwill	685.8	687.8
Other intangible assets	383.2	416.2
Property, plant and equipment	1,840.1	1,795.6
Investments in associates	6.6	6.7
Deferred tax	25.6	33.6
Other non-current assets	67.7	57.8
<b>Non-current assets</b>	<b>3,009.0</b>	<b>2,997.7</b>
Current portion of non-current and financial assets	10.4	1.4
Inventories	678.3	711.5
Trade receivables	200.3	144.3
Current tax receivables	16.5	15.1
Other current assets	113.4	115.7
Cash and cash equivalents	452.5	474.6
<b>Current assets</b>	<b>1,471.4</b>	<b>1,462.6</b>
<b>Total assets</b>	<b>4,480.4</b>	<b>4,460.3</b>
<b>LIABILITIES</b>		
Share capital	408.3	413.3
Consolidated reserves	454.4	494.6
<b>Equity attributable to shareholders</b>	<b>862.7</b>	<b>907.9</b>
Non-controlling interests	64.2	50.6
<b>Equity</b>	<b>926.9</b>	<b>958.5</b>
Non-current financial liabilities and derivatives	1,636.2	1,610.5
Provisions for pensions and similar benefits	86.3	88.9
Deferred tax	154.3	141.9
Provisions and other non-current financial liabilities	35.9	45.5
<b>Non-current liabilities</b>	<b>1,912.7</b>	<b>1,886.8</b>
Current financial liabilities and derivatives	489.6	249.2
Current portion of provisions and other non-current financial liabilities	45.7	49.8
Trade payables	542.5	627.1
Current tax liabilities	72.8	66.3
Other current liabilities	490.3	622.6
<b>Current liabilities</b>	<b>1,640.8</b>	<b>1,615.0</b>
<b>Total equity and liabilities</b>	<b>4,480.4</b>	<b>4,460.3</b>

## Consolidated cash flow statement

<i>In millions of euros</i>	<b>H1 2024</b>	<b>H1 2023</b>
<b>Net profit/(loss)</b>	<b>122.8</b>	<b>317.3</b>
Depreciation, amortisation and impairment of assets	171.2	162.9
Interest expense on financial debts	32.6	23.8
Changes in inventories	33.1	(117.7)
Change in trade receivables, trade payables & other receivables & payables	(132.4)	4.1
Current tax expense	47.7	125.6
Cash tax paid	(41.2)	(57.5)
Changes in deferred taxes and provisions	(11.3)	15.3
Other	26.7	28.1
<b>Net cash flow from (used in) operating activities</b>	<b>249.3</b>	<b>501.9</b>
Acquisition of property, plant and equipment and intangible assets	(156.8)	(150.1)
Increase (Decrease) in capital debts	(81.7)	(77.6)
Acquisitions of subsidiaries, takeovers, net of cash acquired	(0.4)	(8.0)
Other	(6.7)	3.1
<b>Net cash flows from investing activities</b>	<b>(245.5)</b>	<b>(232.6)</b>
Capital increase (reduction)	18.1	18.6
Dividends paid	(248.9)	(163.8)
Increase (decrease) in own shares	(0.8)	(38.1)
<b>Transactions with the shareholders of the parent company</b>	<b>(231.6)</b>	<b>(183.3)</b>
<b>Transactions with non-controlling interests</b>	<b>(3.0)</b>	<b>(3.1)</b>
Increase (decrease) in bank overdrafts and other short-term debt	235.2	69.1
Increase in long-term debt	31.7	561.7
Reduction in long-term debt	(25.4)	(536.5)
Financial interest paid	(31.9)	(22.1)
<b>Changes in gross debt</b>	<b>209.6</b>	<b>72.2</b>
<b>Net cash flows from financing activities</b>	<b>(24.9)</b>	<b>(114.2)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(21.2)</b>	<b>155.2</b>
Impact of changes in foreign exchange rates on cash and cash equivalents	(0.9)	(22.4)
<b>Opening cash and cash equivalents</b>	<b>474.6</b>	<b>330.8</b>
<b>Closing cash and cash equivalents</b>	<b>452.5</b>	<b>463.4</b>

## GLOSSARY

**Activity:** corresponds to the sum of the change in volumes plus or minus the change in inventories.

**Organic growth:** corresponds to revenue growth at constant scope and exchange rates. Revenue growth at constant exchange rates is calculated by applying the same exchange rates to the financial indicators presented for the two periods being compared (by applying the exchange rates of the previous period to the financial indicators for the current period).

**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 income which are non-recurring or liable to distort the Company's performance. Adjusted EBITDA is calculated on the basis of 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 subsidiary contingencies, site closure costs, and other items.

**Capex:** short for "capital expenditure", this corresponds to purchases of property, plant and equipment and intangible assets necessary to maintain the value of an asset and/or adapt to market demand and to environmental, health and safety requirements, or to increase the Group's capacity. The acquisition of securities is excluded from this category.

**Recurring capex:** recurring capex corresponds to purchases of property, plant and equipment and intangible assets necessary to maintain the value of an asset and/or adapt to market demand and to environmental, health and safety requirements. It mainly includes furnace renovations and maintenance of IS machines.

**Strategic capex:** strategic capex corresponds to purchases 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 it has also included investments associated with implementing the plan to reduce CO<sub>2</sub> 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 operating cash flow - other operating impacts - interest paid & other financing costs - taxes paid.

**The Southern and Western Europe segment** comprises production sites located in France, Spain, Portugal and Italy. It is also designated by its acronym "SWE".

**The Northern and Eastern Europe segment** comprises production sites located in Germany, the United Kingdom, Russia, Ukraine and Poland. It is also designated by its acronym "NEE".

**The Latin America segment** comprises production sites located in Brazil, Argentina and Chile and, since January 1, 2023, Verallia's operations in the USA.

**Liquidity:** calculated as available cash + undrawn revolving credit facilities – outstanding negotiable commercial paper (Neu CP).

**Amortisation of intangible assets acquired through business combinations:** corresponds to the amortisation of customer relationships recognised upon acquisition.