

VISTA ALEGRE

1824

CORPORATE PRESENTATION

OCTOBER 2019

VISTA ALEGRE

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1.

COMPANY OVERVIEW

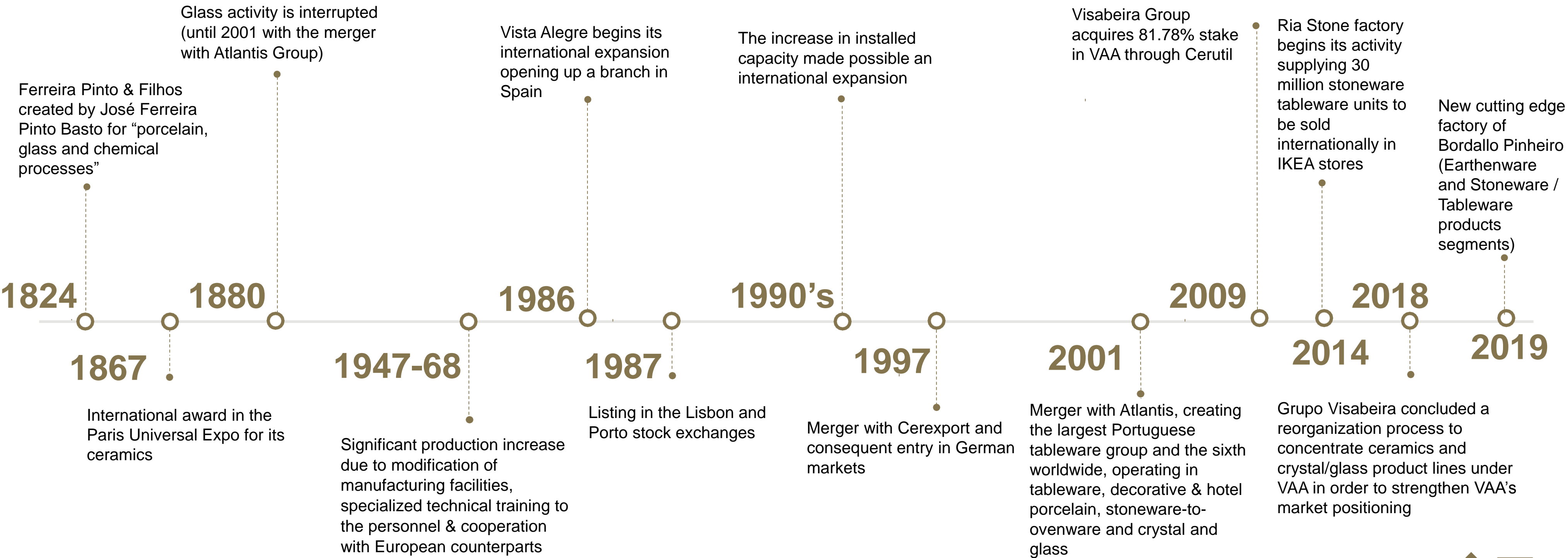
VISTA ALEGRE (“VAA”) AT A GLANCE



- Vista Alegre is best known for its luxury porcelain and lead cristal products. However, the Company produces, through 6 factories in Portugal, a **wide range of products that are differentiated by their unique design and build quality**. In 2018, VAA had **€106M of sales** and **€20.5M of EBITDA**, making the Group the sixth largest ceramic producer globally by sales and third by EBITDA. In 1H2019, Vista Alegre recorded a **turnover of €57.4M (+36.7% yoy)**, and **EBITDA of €11.5 (+64% yoy)**
- Its three main brands: Vista Alegre, Bordallo and Casa Alegre, enjoy strong brand awareness in Portugal and counts with **growing international prestige** thanks to their multiple design recognitions, museum exhibitions and partnerships with contemporary artists and world class brands
- The Company's **internationally-driven business plan** has been propelling the brand abroad, which is now sold in 82 countries. Exports represented 70% of sales in 2018
- VAA sells across different channels, distributing **57% with Own Brand (45% through Retail and 12% to Horeca) and 43% with Private Label to key clients**
- VAA's performance has strenghtened thanks to **contracts with key clients**, including: IKEA, Henessy, Rémy Martin, Club MED, among others, creating a base line of over €50M annual contracted revenues
- VAA's **strategic plan moving forward is threefold**: focusing on commercial, operational and partnerships/design areas
- The Company is committed to its expansion and enhancement, focusing on **innovation to consistently introduce more efficient and pioneering production processes**
- **Recent and upcoming investments ultimately aim to strengthen market position and making VAA a brand of reference**, by increasing competitiveness, product added-value, growing sales and achieving cost efficiencies
- VAA completed a bond issuance in October 2019 in the amount of €50.0M, used for the repayment of current loans

BRIEF HISTORY OF VISTA ALEGRE

- Established in 1824 for “porcelain, glass and chemical processes”, VAA has grown to be a leading international tableware, glassware and giftware company with globally recognized brands
- The Group has diversified from its heritage iconic porcelain in products into stoneware and earthenware and opened a private label distribution channel



COMPLETE PRODUCT RANGE

- Vista Alegre is best known for its luxury porcelain and lead crystal products. However, the Company produces, through 6 factories in Portugal, a **wide range of products that are differentiated by their unique design and build quality**. In 2018, VAA had **€106M of sales** and **€20.5M of EBITDA**, making the Group the sixth largest ceramic producer globally by sales and third by EBITDA

	PORCELAIN & OTHER PRODUCTS	STONEWARE / OVEN-TO-TABLEWARE	STONEWARE / TABLEWARE	CRYSTAL & MANUAL GLASS	EARTHENWARE
€105. 6M SALES	€45.9 M	€20.9 M	€18.5 M	€12.7 M	€7.6 M
€20.5M EBITDA	€9.1 M	€2.6 M	€6.5 M	€0.6 M	€1.7 M
EBITDA Mg.	19.8%	12.3%	35.0%	5.0%	22.7%



Tableware
Home Decor / Giftware /
Special Editions / Hotelware
Cutlery



Tableware
Hotelware



Tableware



Crystalware
Home Decor
Glassware



Tableware
Giftware
Special Editions

GLOBAL BRAND

- Its three main brands - Vista Alegre, Bordallo and Casa Alegre - enjoy strong brand awareness in Portugal and count with **growing international prestige** thanks to their multiple design recognitions, museum exhibitions and partnerships with contemporary artists and world class brands



KEY INTERNATIONAL DESIGN RECOGNITIONS

- More than 30 prizes and awards received in 2018/2019



MUSEUM EXHIBITIONS

- Museum Vista Alegre (opened in 1964)
- Museum of Modern Art (MOMA) in New York



PARTNERSHIP WITH CONTEMPORARY ARTISTS

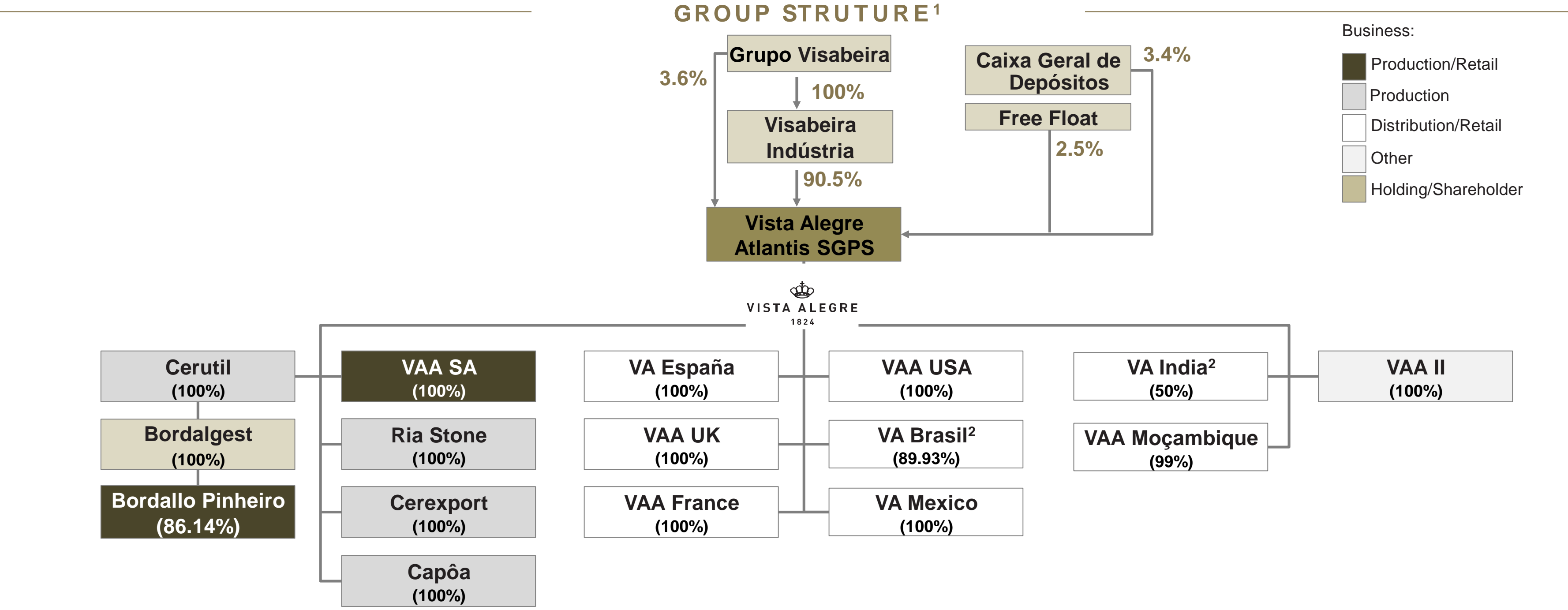
- | | |
|-------------------------------|-----------------------|
| • Ross Lovegrove | • Sempé |
| • Marcel Wanders | • Stéphane Parmentier |
| • Jaime Hayon | • Corinne Le Corre |
| • Arik Levvy | • Rebecca Dautremer |
| • Patrick Norguet | • Sacha |
| • Sam Baron | • Ecoarts |
| • Carsten Gollnick | • Amazônia (ONG) |
| • Mendel Heit & Brunno Jahara | |

PARTNERSHIP WITH WORLD-CLASS BRANDS



VAA GROUP STRUCTURE

- As of 31st August 2018, Grupo VAA concluded the **acquisition of Cerutil and Bordallo Pinheiro from Visabeira Indústria** in Exchange of the Group's non-operational Real Estate Assets (VA Grupo Vista Alegre Participações, SA)
- **These acquisitions have reinforced VAA positioning improving its business diversification with the inclusion of Earthenware (Bordalo Brand) and Stoneware Oven-to-Tableware**
- Cerutil and Bordallo contributed with €3.1M EBITDA to Pro-Forma FY 2018 VAA's consolidated accounts

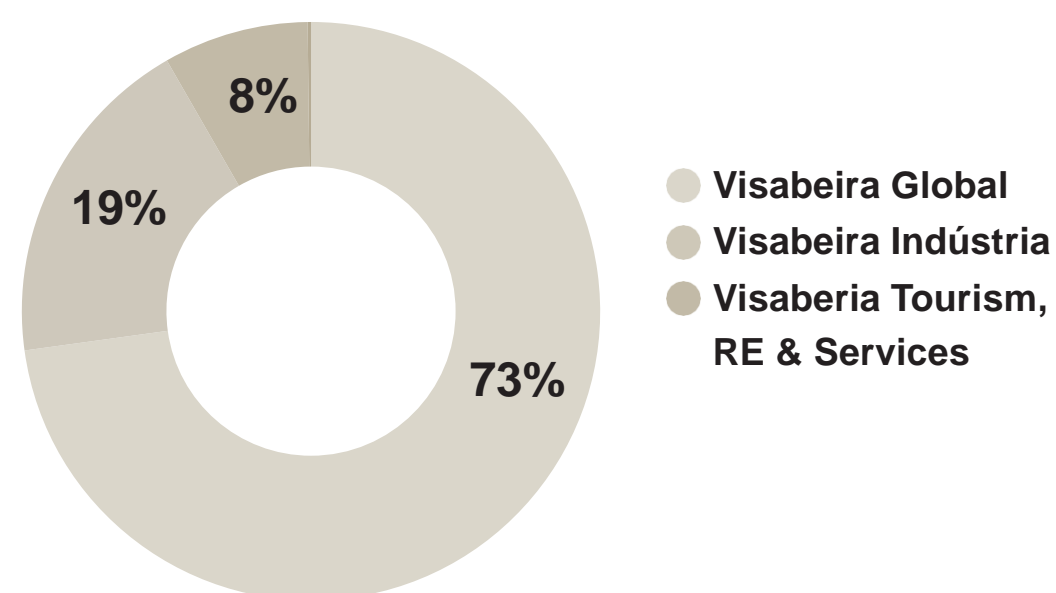


Note: 1) Excluded Financial Investments 2) Indirectly owned

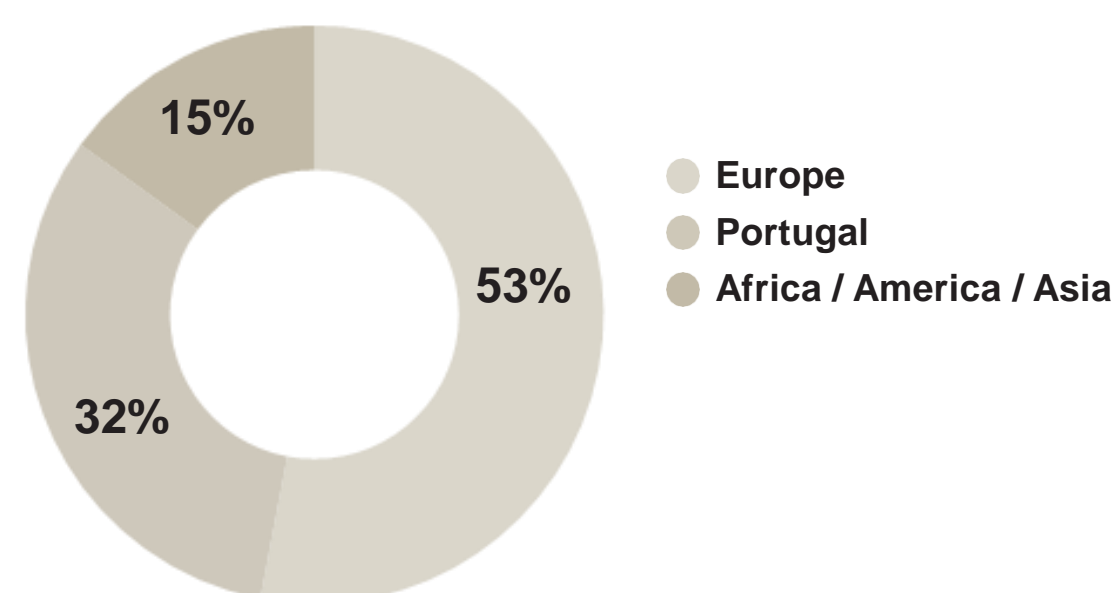
MAIN SHAREHOLDER: GRUPO VISABEIRA

- Visabeira was founded in 1980 by Fernando Campos Nunes with a focus on offering infrastructure and network engineering services for the telecom and energy sectors in Portugal. Mr. Nunes currently controls 99.45% of Grupo Visabeira SA
- Grupo Visabeira organizes its activities through three intermediary holdings:
 - Visabeira Global – Telecom, energy, construction and technology
 - Visabeira Indústria – ceramics and glassware, kitchen furniture, biofuels (pellets) and energy systems
 - Visabeira Tourism, Real Estate and Services – hotels, resorts and entertainment complexes, shopping mall and services
- Visabeira generated **€142M of EBITDA in 2018 with a financial net debt of €663M** which implies **4.7x Net Debt / EBITDA**, should we exclude debt related to real estate assets which do not generate any EBITDA **leverage ratio would be 3.8x**
- Grupo Visabeira holds a 94.1% of Vista Alegre Atlantis – 3.6% directly and 90.5% via Visabeira Indústria, which is 100% owned by Grupo Visabeira
- Vista Alegre Atlantis represents 14% of the turnover of Grupo Visabeira

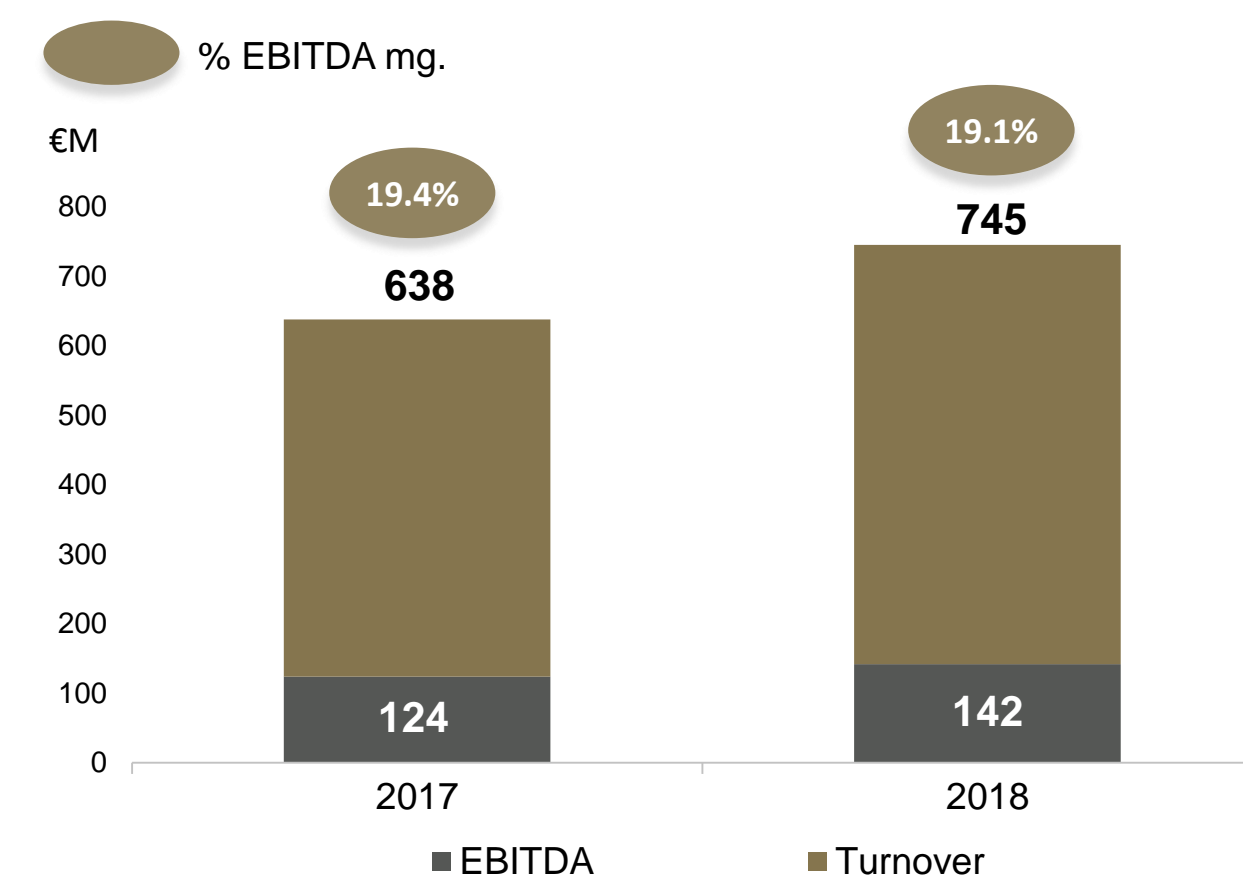
2018 TURNOVER BY BUSINESS



2018 TURNOVER BY GEOGRAPHY



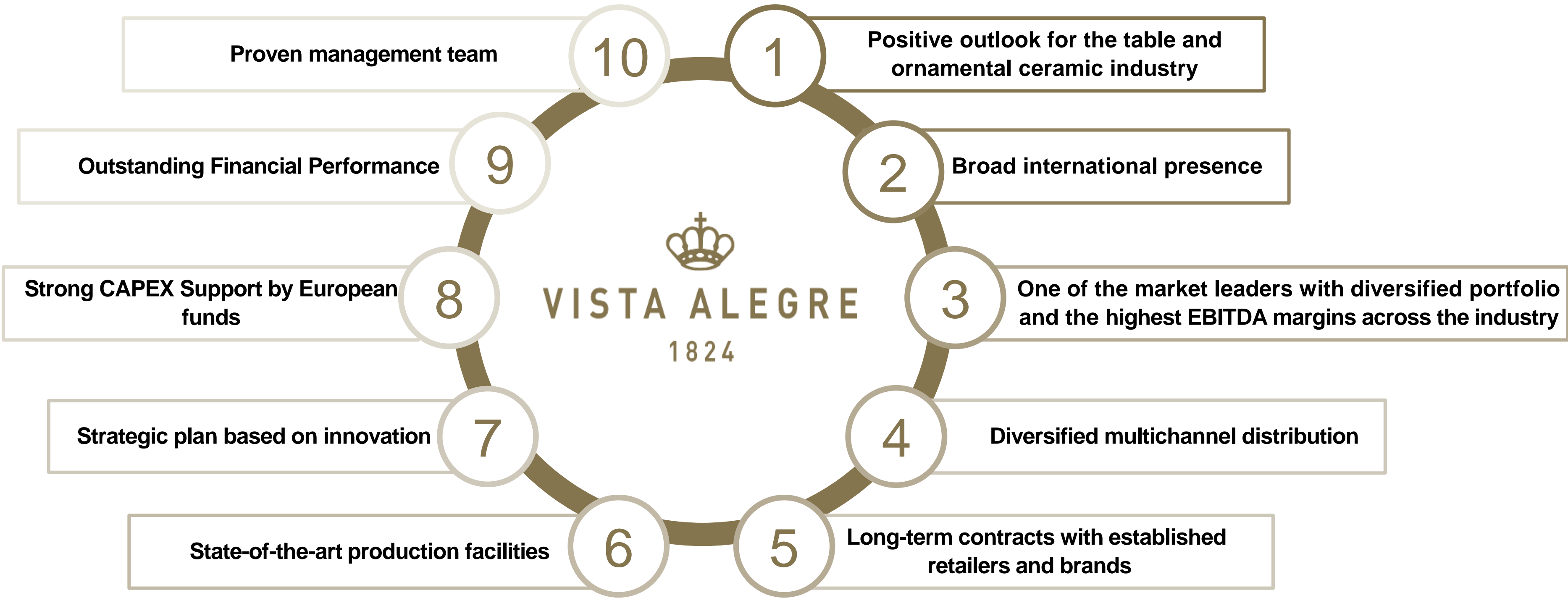
EVOLUTION OF TURNOVER & EBITDA



2.

INVESTMENT CASE

INVESTMENT CASE



POSITIVE OUTLOOK FOR THE TABLE AND ORNAMENTAL CERAMIC INDUSTRY

- Expected high growth in ceramics market of around 6.6% CAGR until 2021 is accompanied by more complex and demanding customer preferences

MAIN TRENDS

Demand:

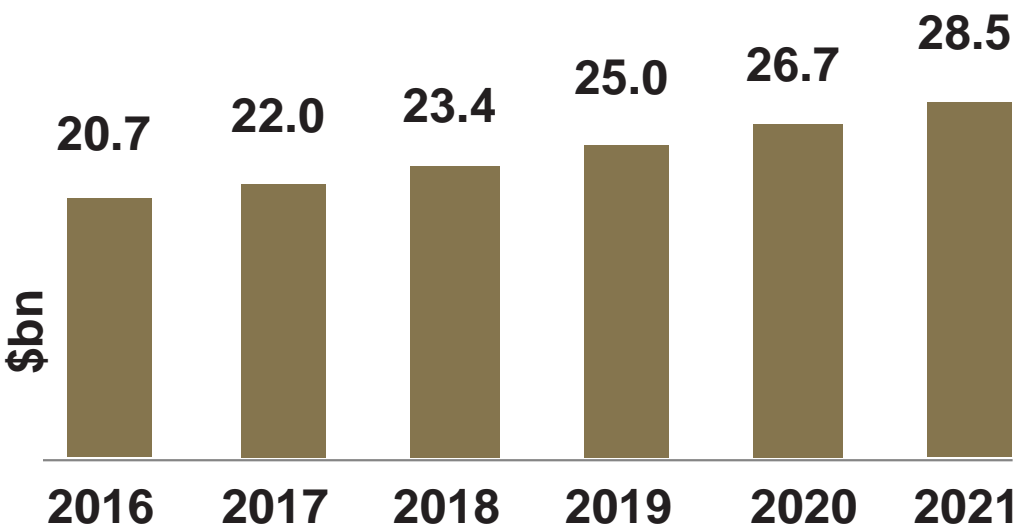
- Increasing demand most noticeable for home decoration and giftware products
- Growing disposition from consumers to follow recent and ever-changing trends for interior design and to purchase unique pieces
- Increasing demand in the hotelware tableware goods

Preferences:

- Consumer preferences shifting towards more sophisticated products, namely in terms of design
- Top Design is a “must have” to compete against the price focused companies/countries and products/brands must tell a consistent story

GLOBAL OUTLOOK

Global tableware and ornamental ceramic market



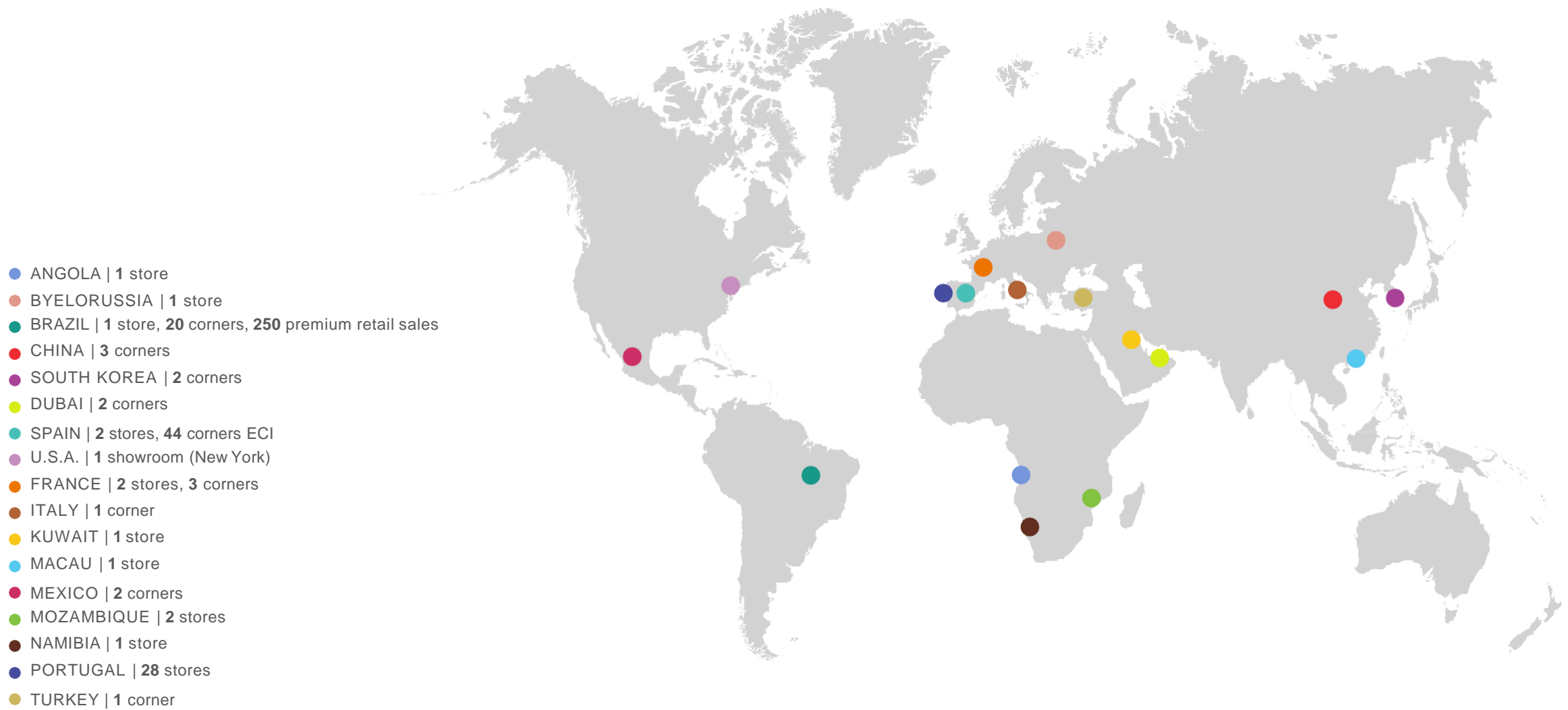
- The global market is expected to grow at a **6.6% CAGR until 2021** whereas production in Europe is expected to grow at approximately 1.4% per year until 2020
- The USA (amongst the countries in which VAA operates) is the main importer of such products with 45% of global imports (2016), while China takes the lead in exports with 58%
- Portugal has increased its exports at around 12% per year from 2012 to 2016

Source: Technavio, Global Ceramics Market: 2017-2021

BROAD INTERNATIONAL PRESENCE

- VAA is strongly export-oriented with a focus on European markets but with sales in diverse countries such as Brazil and USA
- **Exports accounted for 70% of 2018 Pro-Forma sales – France (11%), Spain (10%), the Netherlands (10%), Italy (9%), Germany (8%), rest of Europe (10%), Brazil (3%) and rest of the world (9%)**

CURRENT GLOBAL PRESENCE



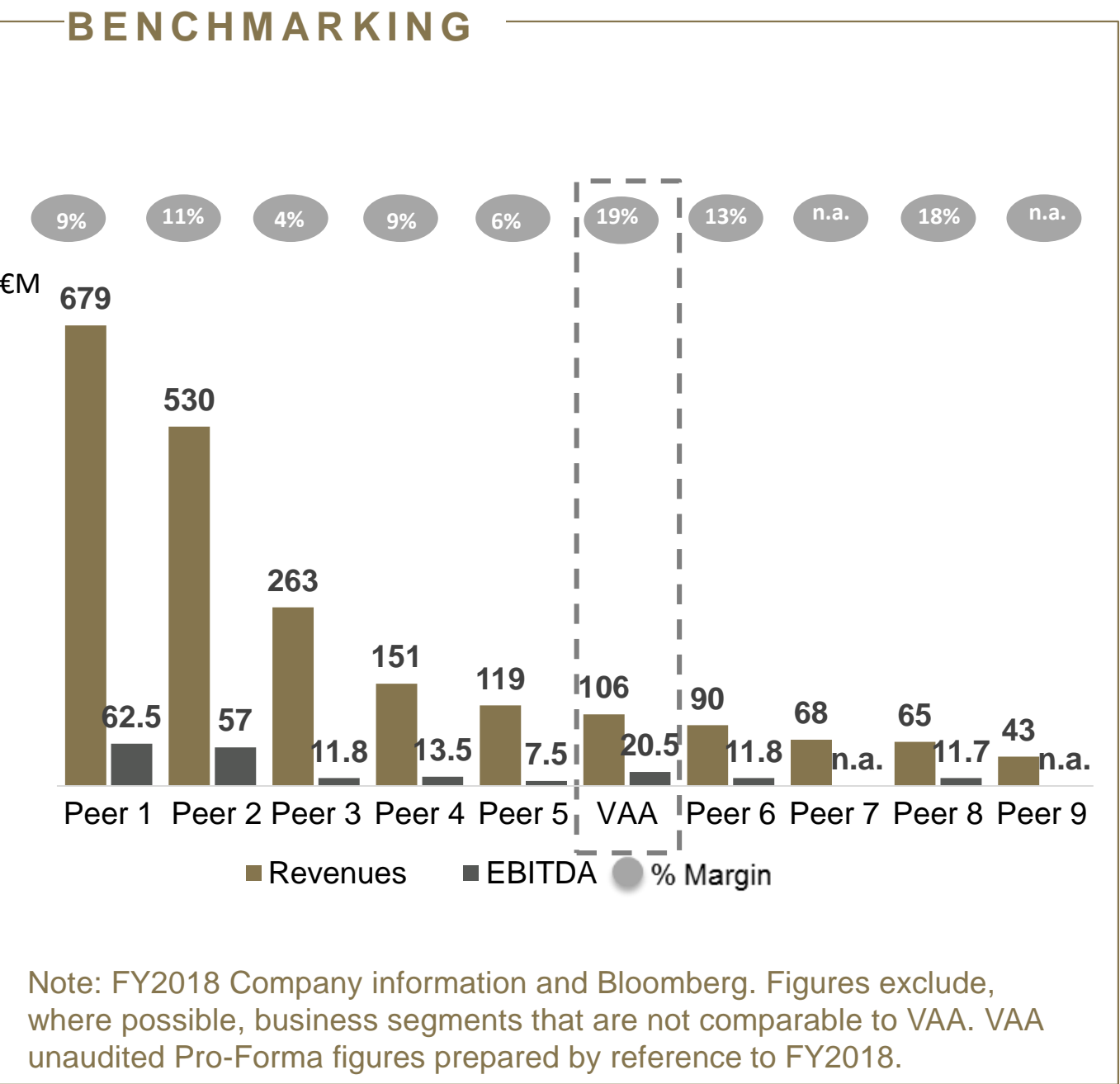
FUTURE

VAA plans to further increase its international presence by:

- Consolidating its position in markets where it is already established
- Opening new flagship stores in main cities
- Enhancing local commercial teams
- Creating great consumer experiences and social network activity
- Increasing product portfolio and entering new segments
- Developing the online sales channel
- Partnering with luxury restaurants and hotel chains
- Reinforcing commercial efforts in South Korea, China, Russia and the Middle East

MARKET LEADER WITH DIVERSIFIED PORTFOLIO

- Vista Alegre has become the **sixth largest ceramic producer globally by sales and third by EBITDA**. The Group enjoys the highest EBITDA margin across its industry



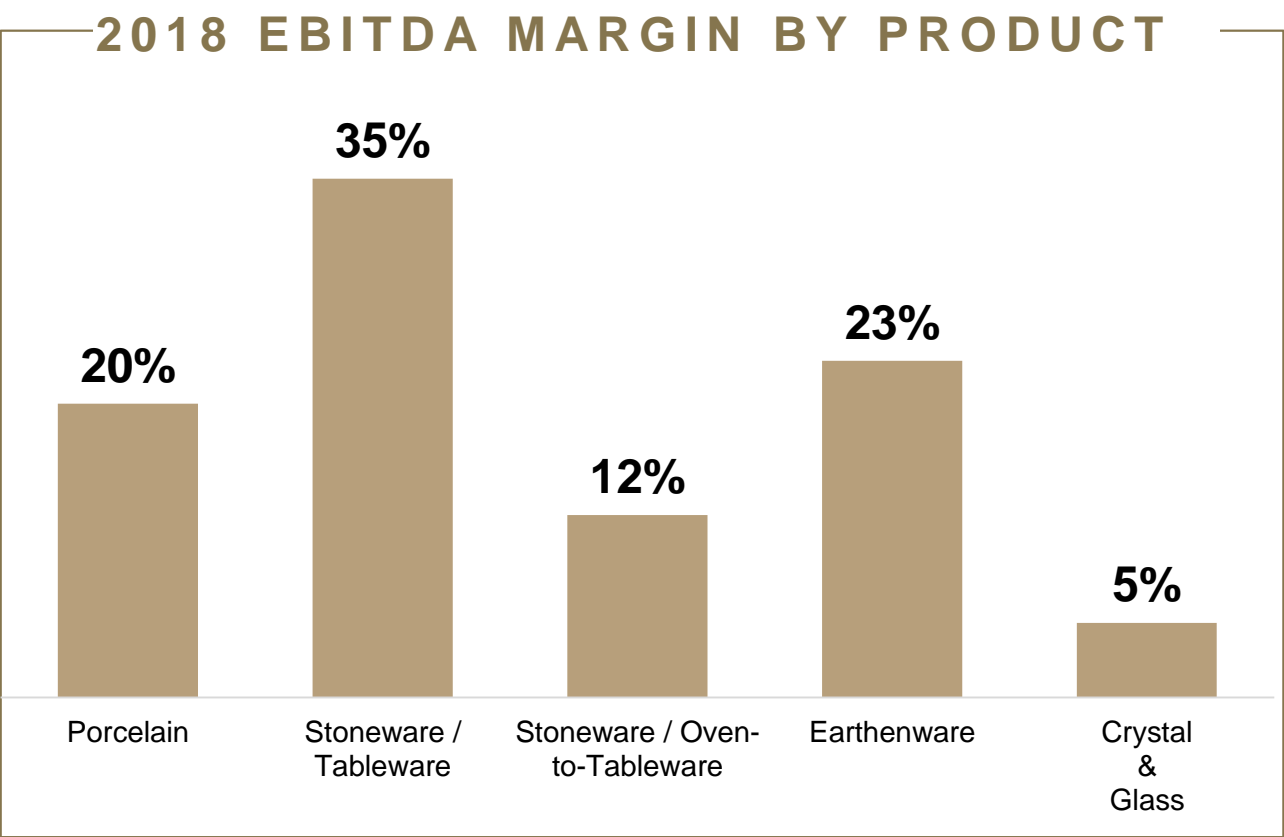
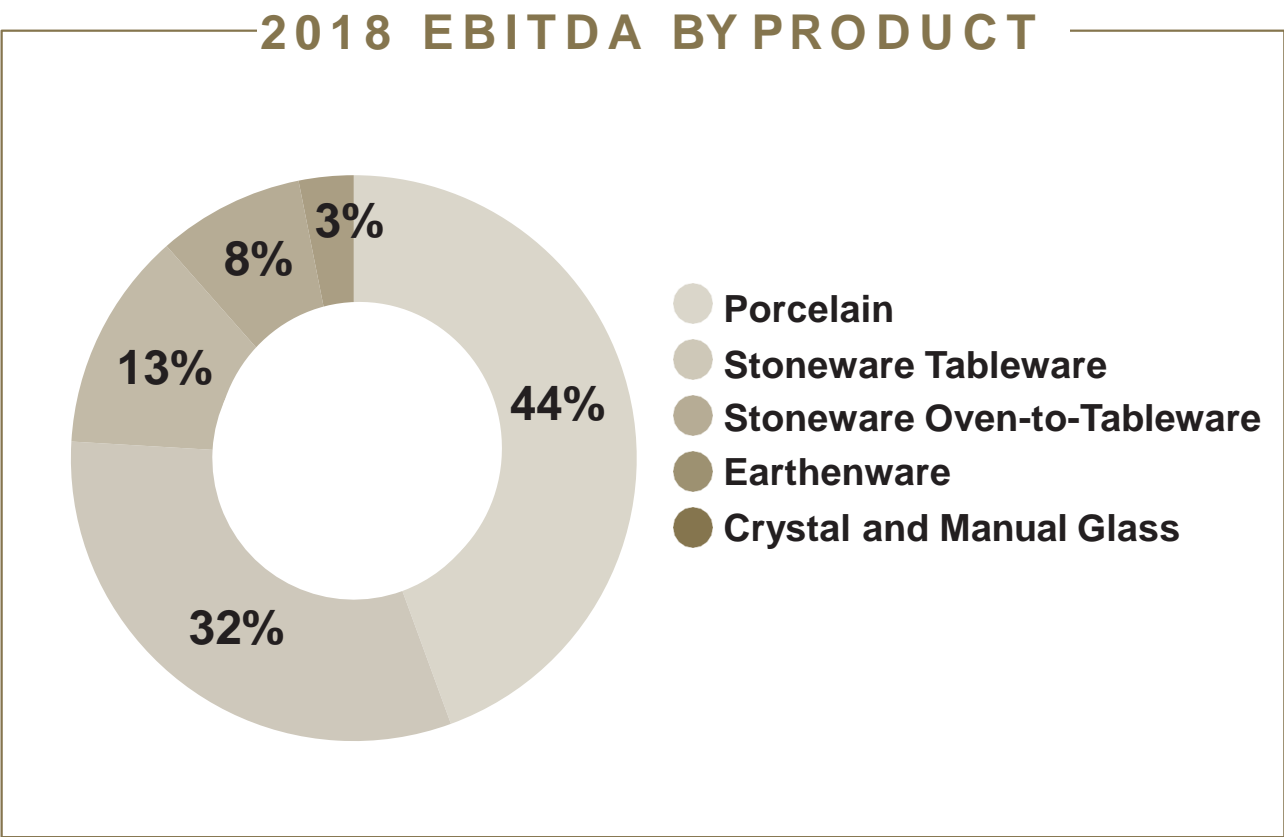
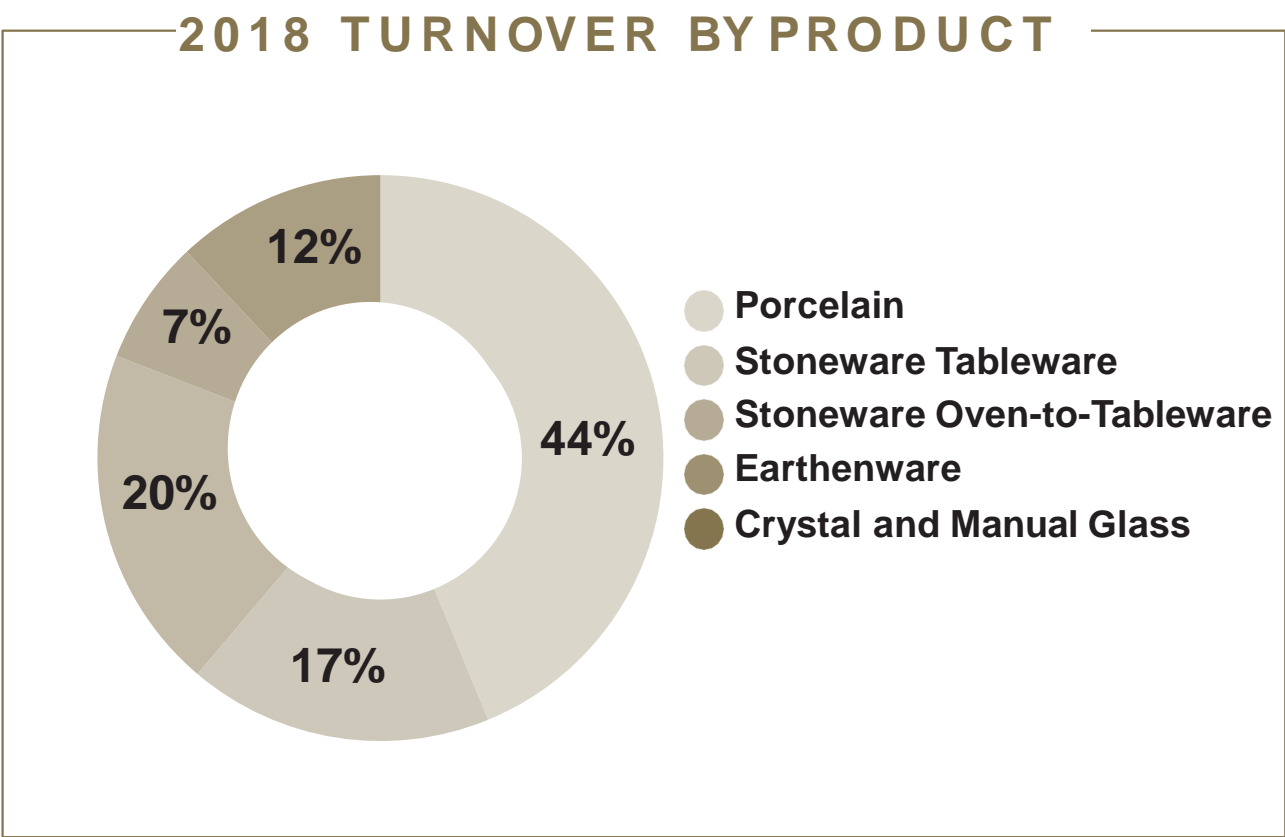
	Tableware	Glassware	Cutlery	Home Decor	Giftware	Horeca	Home accessories	Cookware	Textiles	Lighting
VAA	•	•	•	•	•	•	•	•	•	•
Peer 1	•	•				•				
Peer 2	•	•	•	•	•					
Peer 3	•	•	•	•	•	•				
Peer 4		•		•	•					•
Peer 5	•	•	•			•				
Peer 6	•			•			•	•	•	
Peer 7	•	•	•	•	•	•	•		•	
Peer 8	•	•				•	•	•		
Peer 9	•	•	•	•	•	•		•	•	

- Top sixth largest group globally in ceramics, and third in EBITDA
- Vista Alegre uses three distribution channels – retail, Horeca and private label – covering own stores, corners, independent stores, online, corporate business, decorators, hotels, restaurants, airlines, yacht and cruise ships
- In line with ever-changing preferences and consumers’ shift towards more sophisticated purchases that value more design and quality, VAA has remained faithful to its core values and principles to deliver high quality products, combining tradition and modernity
- VAA’s product portfolio spans across several different offerings and has a high potential for a brand extension to lifestyle complementary products

Source: FY2018 Company information. Peers include Libbey, Fiskars, Villeroy &Boch, Baccarat, BHS Tabletop, Portmeirion, Noritake, Churchill China and Degrenne. Pro-Forma revenues and EBITDA for VAA Group.

MARKET LEADER WITH DIVERSIFIED PORTFOLIO (CONT'D)

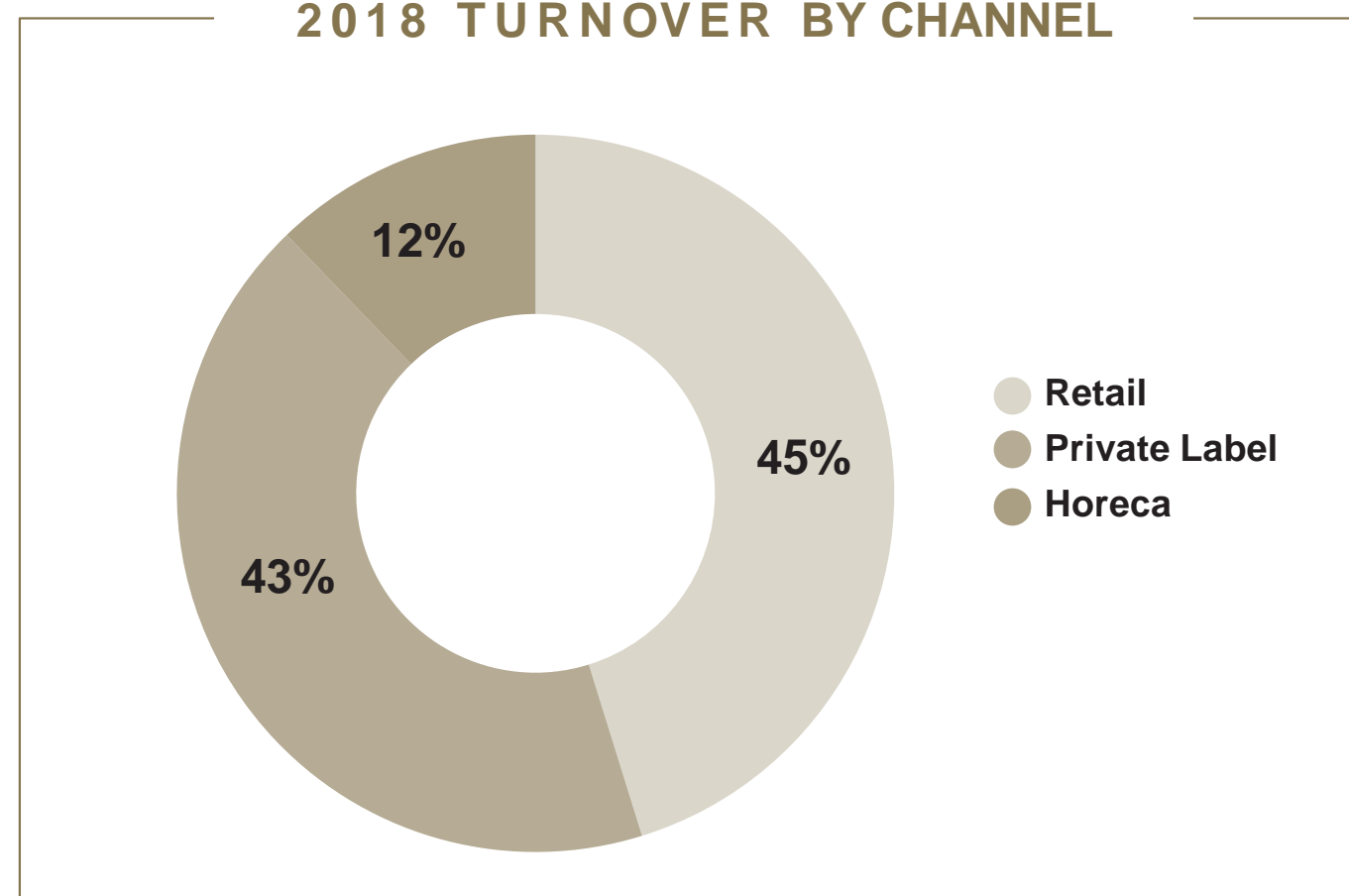
- The Porcelain segment is the greatest contributor to VAA's total turnover (44%), followed by Stoneware Oven-to-Tableware (20%) and Stoneware Tableware (17%)



Unaudited Pro-Forma figures prepared by reference to FY2018. The Pro-Forma assumes Cerutil and Bordalo Pinheiro as part of VAA Group perimeter from 1 January 2018, as well as the sale of VA Grupo at the same time

DIVERSIFIED MULTICHANNEL DISTRIBUTION

2018 TURNOVER BY CHANNEL



Unaudited Pro-Forma figures prepared by reference to FY2018. The Pro-Forma assumes Cerutil and Bordalo Pinheiro as part of VAA Group perimeter from 1 January 2018, as well as the sale of VA Grupo at the same time

- **Retail channel** comprises a network of 46 own stores (32 in Portugal), penetration of multi-brand specialty and department stores (i.e. corners in El Corte Inglés) and the eCommerce channel
 - Outside Portugal, the largest retail presence is in Brazil with a flagship store and 250 points of sale in premium multi-brand locations
 - In Spain, there are two stores and 41 multi-brand points of sale
- **The Private Label channel** offers a “contracted” line of revenues with high visibility involving quality clients such as IKEA, Hennessy, Rémy Martin, Zara Home or Masterchef
 - Stoneware Tableware activity is focused on Private Label with an EBITDA margin of 35%
- **Horeca channel** includes hotels, restaurants and cafes. This one serves primarily for Porcelain products but Stoneware Oven-to-Tableware and some Crystal & Glass are also sold through this channel
 - The Company recently signed a three year deal for porcelain to supply Club Med with tableware for 40 resorts located across 26 countries
 - Additional, VAA is working on expanding Earthenware into this channel

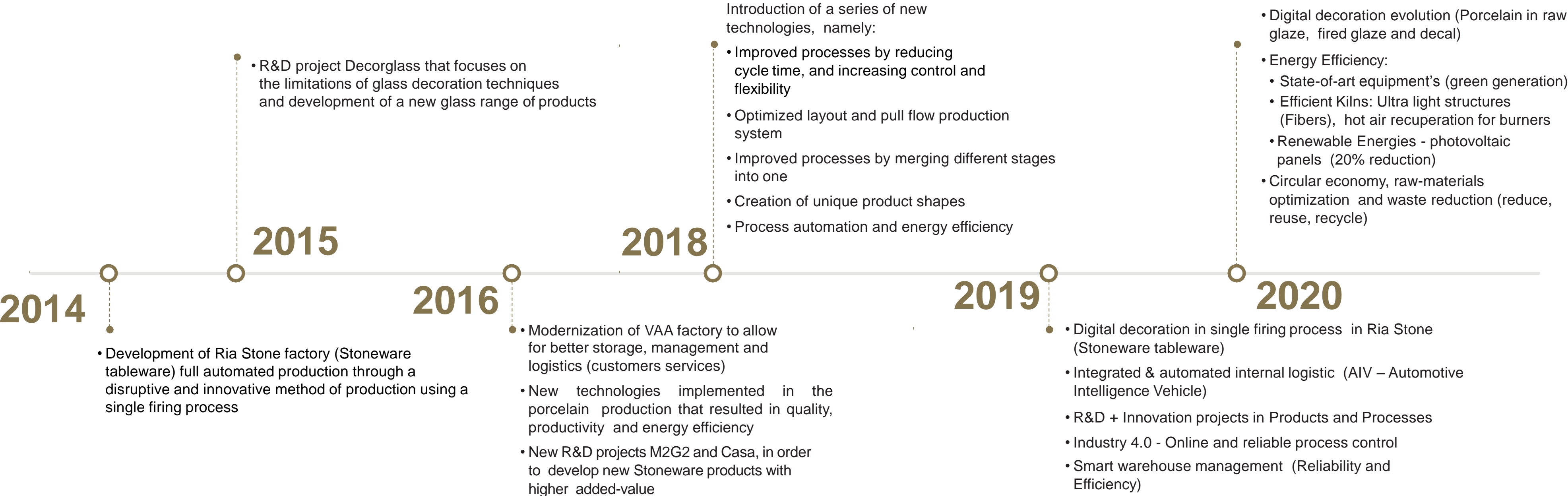
LONG-TERM CONTRACTS WITH ESTABLISHED RETAILERS AND BRANDS

- Partnerships with key clients and brands (Hennessy, Rémy Martin, Zara Home, Cervera, Club Med) are driving the improvement in operational performance
- Expected annual contracted revenues above €50M
 - Additionally, on 12 September 2019, Vista Alegre announced that it had made a formal agreement to create a line with the brand Masterchef in a total amount of €13.7M

Client	Start Date	End Date	Product	Factory	Total Agreement Value	Comments
	2014	2026	Tableware	Riastone	€250M	Contract until Dec 2026
	2018	n.a.	Crystal	Alcobaça	€16M	Annual renewal Expected product life time >10 years
	2019	n.a.	Crystal	Alcobaça	€12M	Annual renewal

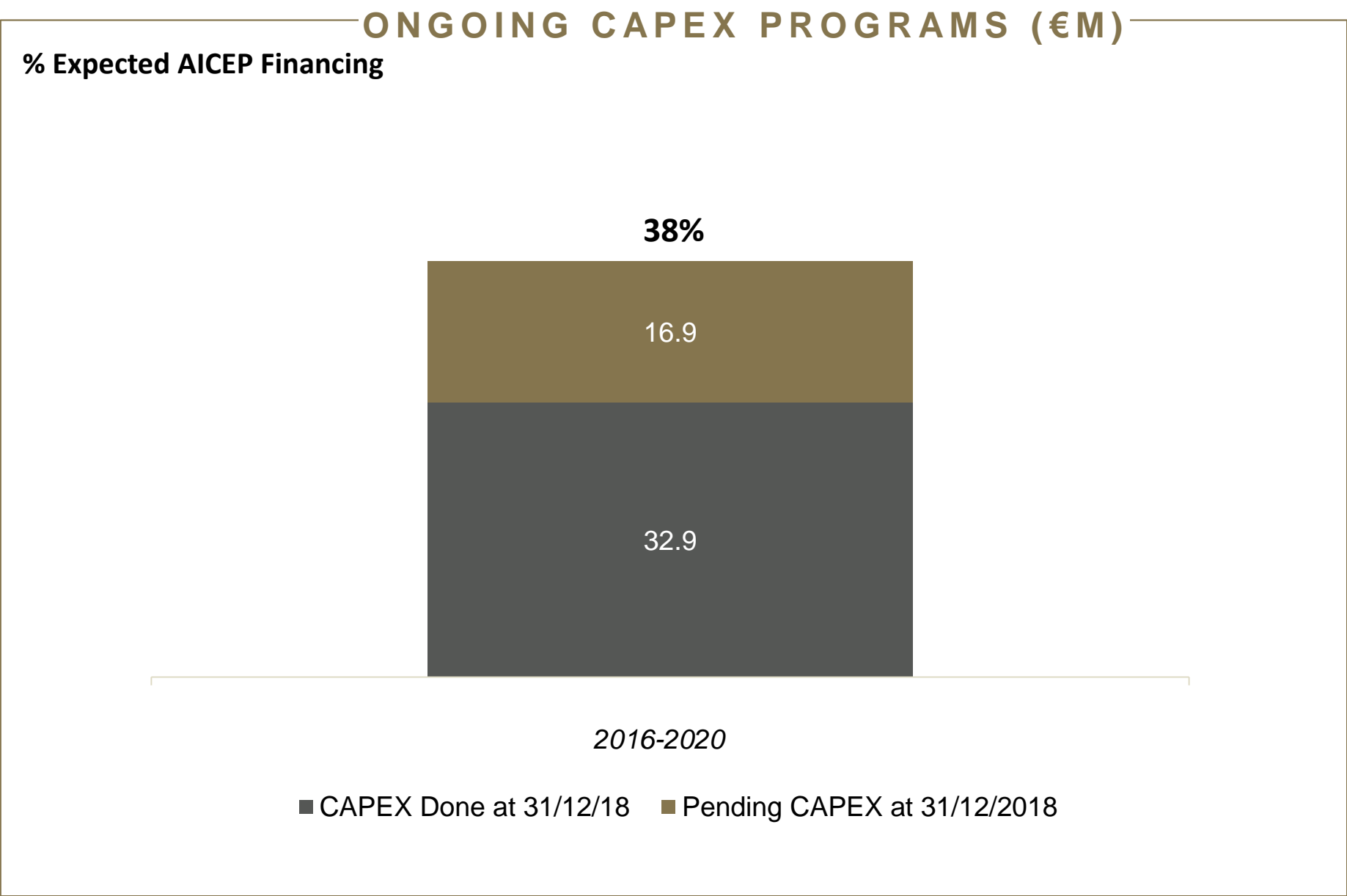
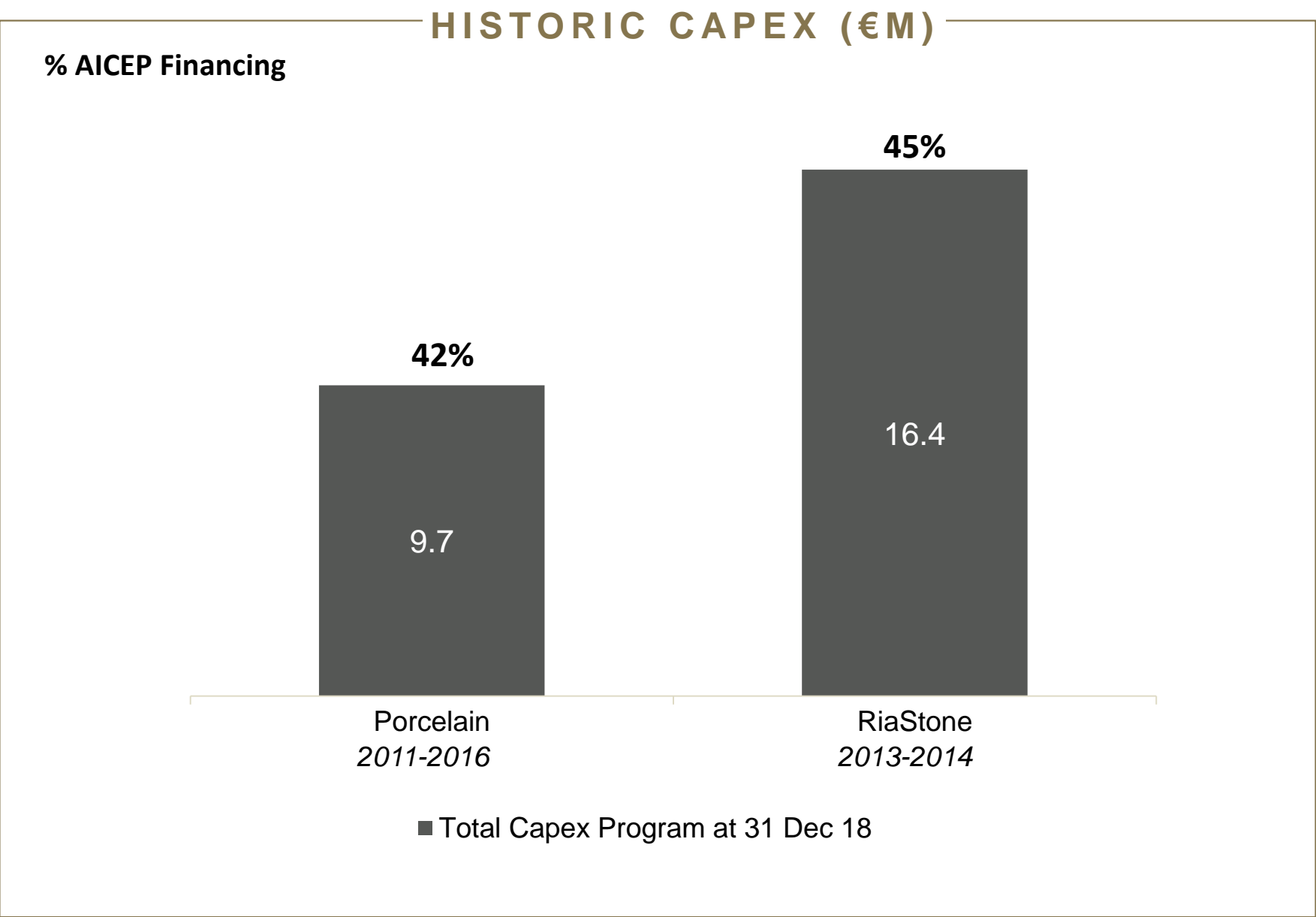
STRATEGIC PLAN BASED ON INNOVATION

- Under an increasingly competitive environment, VAA has been continuously investing with a specific focus on innovation in order to improve its production processes and sustain a standard of quality and design that seeks to one up other market participants
- VAA emphasizes a great commitment on merging artisanal methods with state-of-the-art production technology, for which it invests in Research and Development and Innovative projects, as exemplified below
- Kaizen culture in all organization (Continuous Improvement mindset)









STRONG CAPEX SUPPORT FROM EUROPEAN FUNDS

- **Agência para o Investimento e Comércio Externo de Portugal (“AICEP” – Portuguese Trade & Investment Agency)** is an independent public entity of the Government of Portugal, with the goal of attracting foreign investment to Portugal and supporting the internationalization of Portuguese companies
- **AICEP provides European funds financing of up to 45% of CAPEX dedicated to improve competitiveness and export capacity.** This financing is long-term at **0% cost**. Additionally, subject to the completion of certain pre-determined performance criteria, **approximately 50% of the subsidies can be converted in non-reimbursable (grants)**
 - The conversion of the subsidy into a grant depends on obtaining a Project Merit Indicator equal to or higher than that of the application. It is calculated by the weighted average of criteria such as turnover, qualified employment and GAV (Gross Value Added)
- As of December 2018, out of €19.4M, €3.7M of AICEP financing had already been converted into grants



STATE-OF-THE-ART PRODUCTION FACILITIES

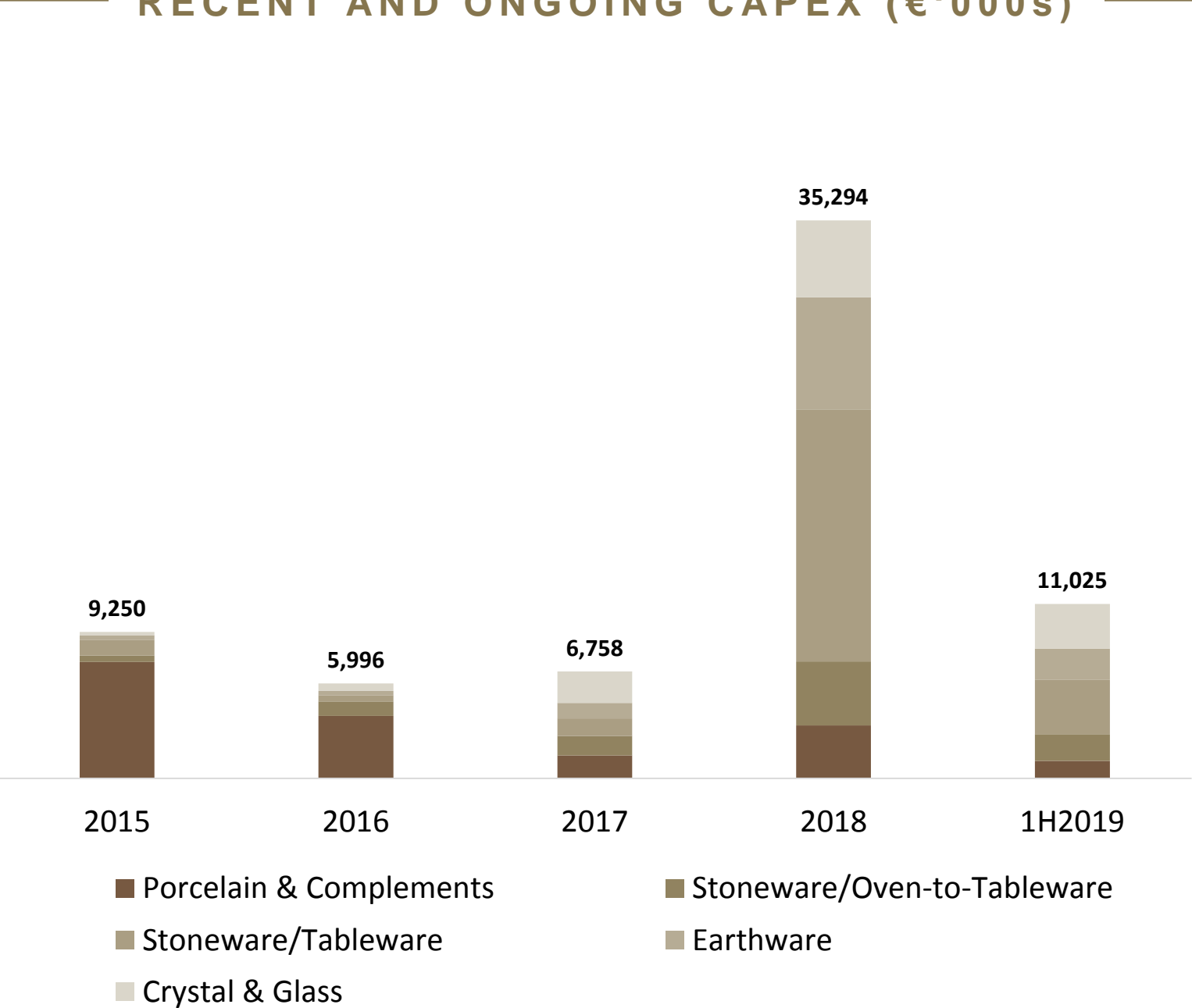
Product Line	Facility	Location	Space (sqm)	Capacity (pieces/yr)	Brands	Comments
Porcelain & complements		Ilhavo Vista Alegre	37,370	12,500,000	Vista Alegre	<ul style="list-style-type: none">• Founded in 1824 (195 Years)• Vista Alegre heritage (factory, museum, chapel, theatre, hotel, etc.)• Wide range of products (tableware, giftware, hotelware, figurines, hand painted and collectable products, etc.)
Stoneware / Oven-to-Tableware		Taboeira (Aveiro)	13,360	5,500,000	Casa Alegre Clients brand	<ul style="list-style-type: none">• Single firing production process• Ovenware and Tableware in same factory• Multifunction product: Oven-to-Table• Key clients include William Sonoma, Crate & Barrel and Anthropologie• Capacity increase of 30% to come online from May 2019
		Sátão (Viseu)	13,000	5,000,000*		
Stoneware / Tableware		Ílhavo Riastone	27,700	48,500,000*	IKEA	<ul style="list-style-type: none">• Best-in-Class single firing production process• Full automated process, working at full capacity• Optimized manufacturing cycle time – 14hr (4 days is the average time in competitors)• Capacity increase of 60% came online in January 2019
Earthenware		Calda da Rainha	12,800	1,800,000*	Bordalo	<ul style="list-style-type: none">• Founded in 1884 (134 years)• Traditional and unique products• Artistic and hand made products• Capacity increase of 60% to come online from April 2019
Crystal & Glass		Alcobaça	17,580	1,500,000	Vista Alegre Casa Alegre Clients Brands	<ul style="list-style-type: none">• Hand made and high-end crystal products• Technical products (luxury bottles)

Note: *Capacity reflects recent increased capacity

STATE-OF-THE-ART PRODUCTION FACILITIES (CONT'D)

- VAA has invested over the recent years with targeted benefits for increasing capacity across the highest margin business lines, lowering energy, labour and waste costs and technology-driven enhancement of design capability

RECENT AND ONGOING CAPEX (€'000s)



ENHANCED BUSINESS PROFILE

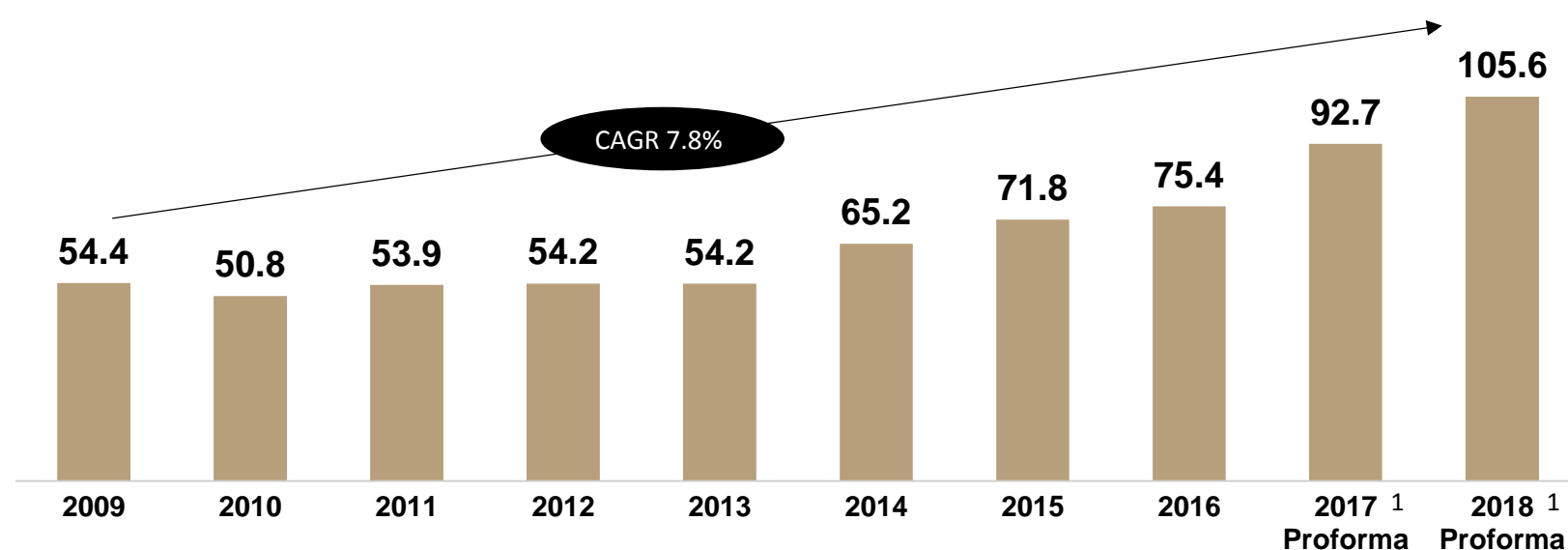
- VAA has invested in innovation to:
 - Improve their ability to engineer final products to a high standard
 - Enhance their time-to-market and flexibility to better reflect customers demand for “fast-fashion” or “fast-design”. Some examples include: single-firing, digital and isocup printing, isostatic pressing, single-pass technology
 - Reduced production costs
 - Single-firing reduces waste ratio from 50% to 10-5%
 - Energy consumption reduction
 - Automation reducing reliance on labour
 - Reducing defects in crystalware
 - Reconfiguration manufacturing layout across earthenware and stoneware to optimize timing
- VAA is now able to serve across Europe within 14 days, which is a competitive advantage vs Chinese imports which need longer manufacturing and delivery periods and involve much larger orders
- For IKEA, VAA is able to deliver its products to IKEA FCA (Free Carrier) in 7 days, which allows IKEA to have those products available, depending of the store location, within a period of 7 to 14 days

Note: Unaudited Pro-Forma consolidated CAPEX as if Cerutil and Bortalho Pinheiro had been acquired as of 1 January 2017 and VA Grupo had been sold at the same time

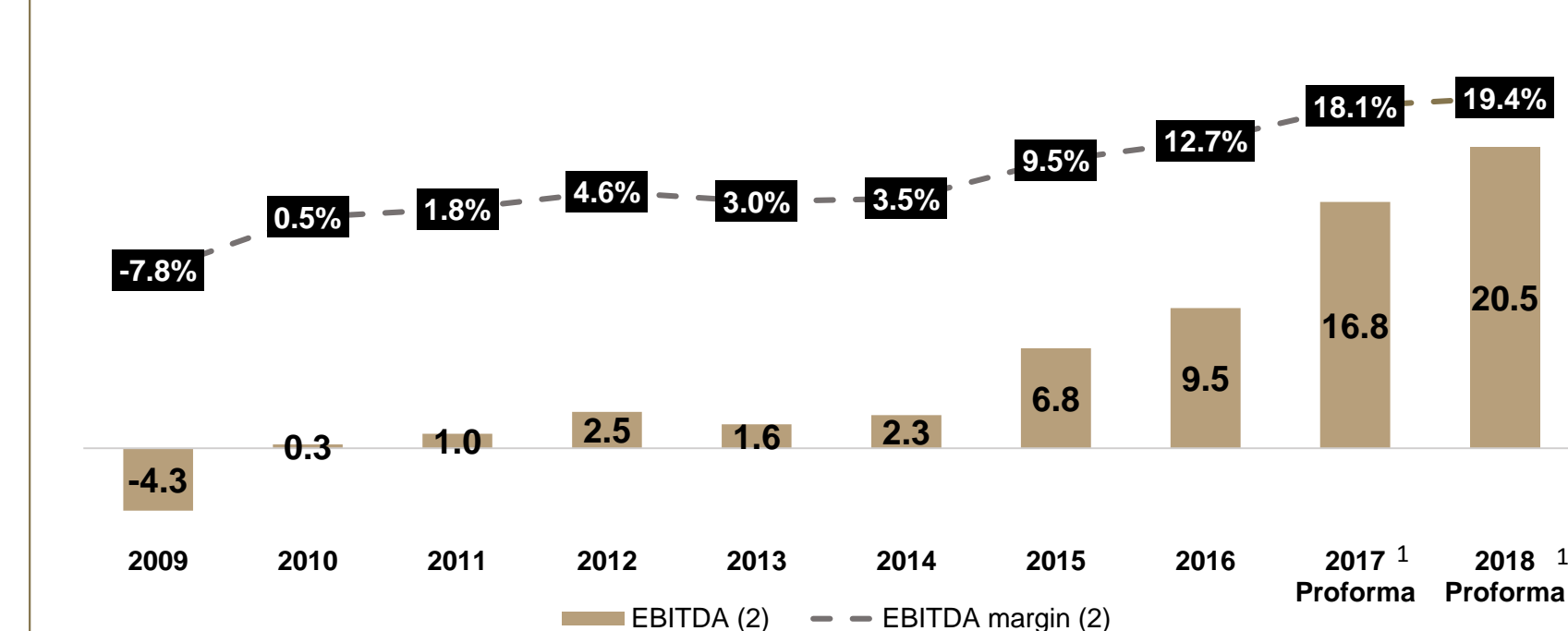
OUTSTANDING FINANCIAL PERFORMANCE

- With the acquisition of VAA by Grupo Visabeira in 2009, the company's economic performance recorded a significant improvement despite adverse market conditions
- Since 2014, the company showed particular strong growth, positively influenced by acquisitions of Cerutil and Bordallo Pinheiro in 2018
- The continuous improvement in VAA's industrial processes, productive innovation, new products design and growing commercial presence spread in the World resulted in outstanding increase in both EBITDA and EBITDA margin

TURNOVER (€M)



EBITDA (€M and % turnover)



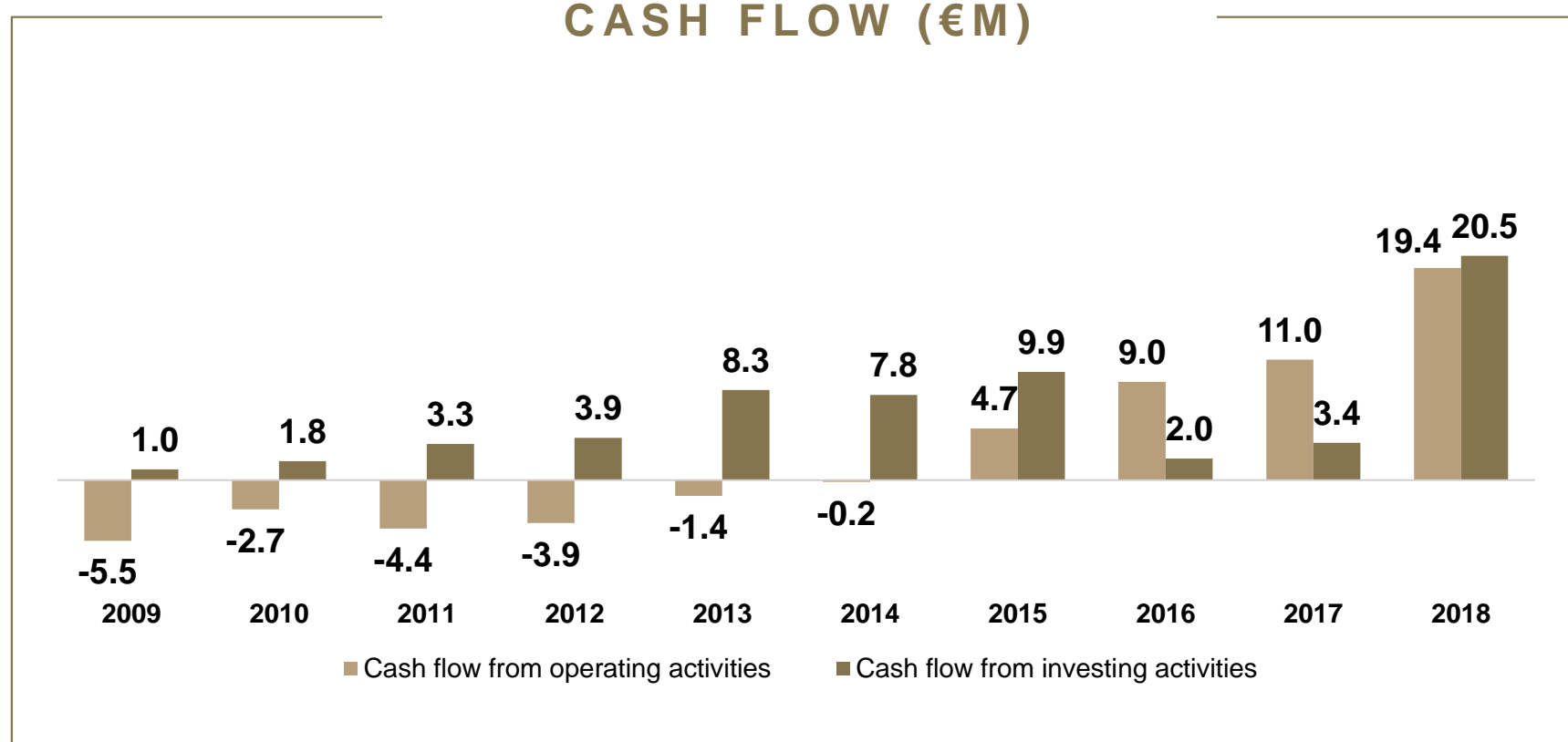
Note: 1) Proforma 2017 and 2018 were adjusted as if Cerutil and Faianças Artísticas Bordallo Pinheiro, Lda ("Bordalo Pinheiro") had been incorporated as of 1 January 2017 2) EBITDA calculated as operating results before amortizations and depreciations, imparities, provisions changes in fair value. Proforma 2018 EBITDA adjusted (i) for the costs of the re-organization €0.578M and (ii) Capital Increase's offering costs

Source: Company's Annual Reports

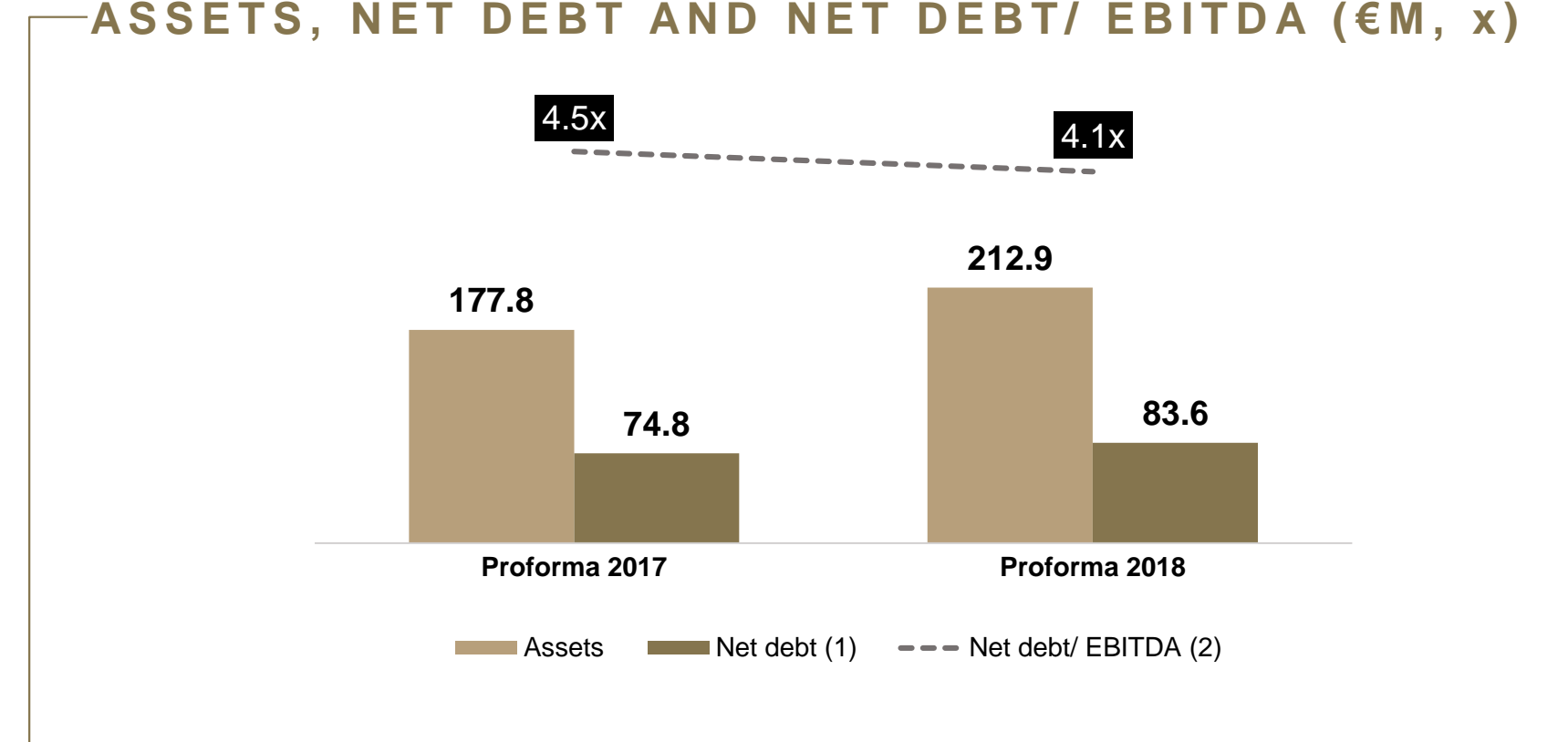
OUTSTANDING FINANCIAL PERFORMANCE (CONT'D)

- VAA's significant growth in sales and improved operational efficiency led to enhanced operating cash flows
- The company's constant effort to enhance productivity and product quality, as well as to expand to new markets, implied significant investments over the period
- The acquisition of Cerutil and Bordallo Pinheiro and 2018's capex impacted 2018 net debt, having reached a Proforma Net Debt / EBITDA of 4.1x

CASH FLOW (€M)



ASSETS, NET DEBT AND NET DEBT/ EBITDA (€M, x)



Note: 1) Net debt calculated as obtained loans (from financial institutions and others) added by operational leases and shareholders loans 2) Proforma 2017 and 2018 were adjusted as if Cerutil and Faianças Artísticas Bordallo Pinheiro, Lda ("Bordalo Pinheiro") had been incorporated as of 1 January 2017. EBITDA calculated as operating results before amortizations and depreciations, imparities, provisions changes in fair value. Proforma 2018 EBITDA adjusted (i) for the costs of the re-organization €0.578M and (ii) Capital Increase's offering costs

Source: Company's Annual Reports

PROVEN MANAGEMENT TEAM



**Nuno
Marques**

CHAIRMAN

20 years of
experience

- Degree in Electrotechnical Engineering
- Master in Business Administration
- Specialization in Management Control & Performance Evaluation
- Previously CEO of Visabeira Global and Managing Director at Constructel France and Constructel Belgique



**Paulo
Pires**

CEO

23 years of experience

- Responsibility: Operations manager
- Works for VAA since 1997
- Previously General Ceramic Production Manager for Ria Stone
- Previously worked at General Electric - Continuous Improvement Manager
- Degree in Manufacturing Engineering
- Advanced Management Program for Executives



**Paulo
Soares**

**EXECUTIVE
BOARD MEMBER**

21 years of experience

- Responsibility: Head Of International Sales & Expansion
- Previously VAA Commercial Director responsible for the Retail, Horeca and B2B channels
- Previously Commercial Director at Cristal de Sèvres
- Previously Export Sales Director at Crisal
- Degree in Business, Specialization in Marketing



**Nuno
Barra**

**EXECUTIVE
BOARD
MEMBER**

21 years of experience

- Responsibility: Marketing & Design management
- Previously CMO at Visabeira Group
- Prior to that, worked as consultant at KPMG and PwC
- Degree in Economics, MBA with Marketing and international business specialization



**Teodorico
Pais**

**EXECUTIVE
BOARD MEMBER**

27 years of experience

- Responsibility: Porcelain and Cristal Operational Manager
- Works for VAA since 1995
- Degree in Ceramics and Glass Engineer
- MBA in Business and Administration



**Alexandra
Lopes**

**EXECUTIVE
BOARD MEMBER**

19 years of experience

- Responsibility: Financial, Accounting, Tax, Legal and HR management
- Works for VAA since 2013
- Works for Visabeira Group since 1999
- Previously Manager for Operational Efficiency and Cost Reduction
- Degree in Economics
- Post-graduation in Management



**Alda
Costa**

**EXECUTIVE
BOARD MEMBER**

27 years of experience

- Responsibility: Internal audit, Process improvement
- Works for VAA since 1994
- Previously Financial Manager
- Degree in Business Organisation and Management, MBA

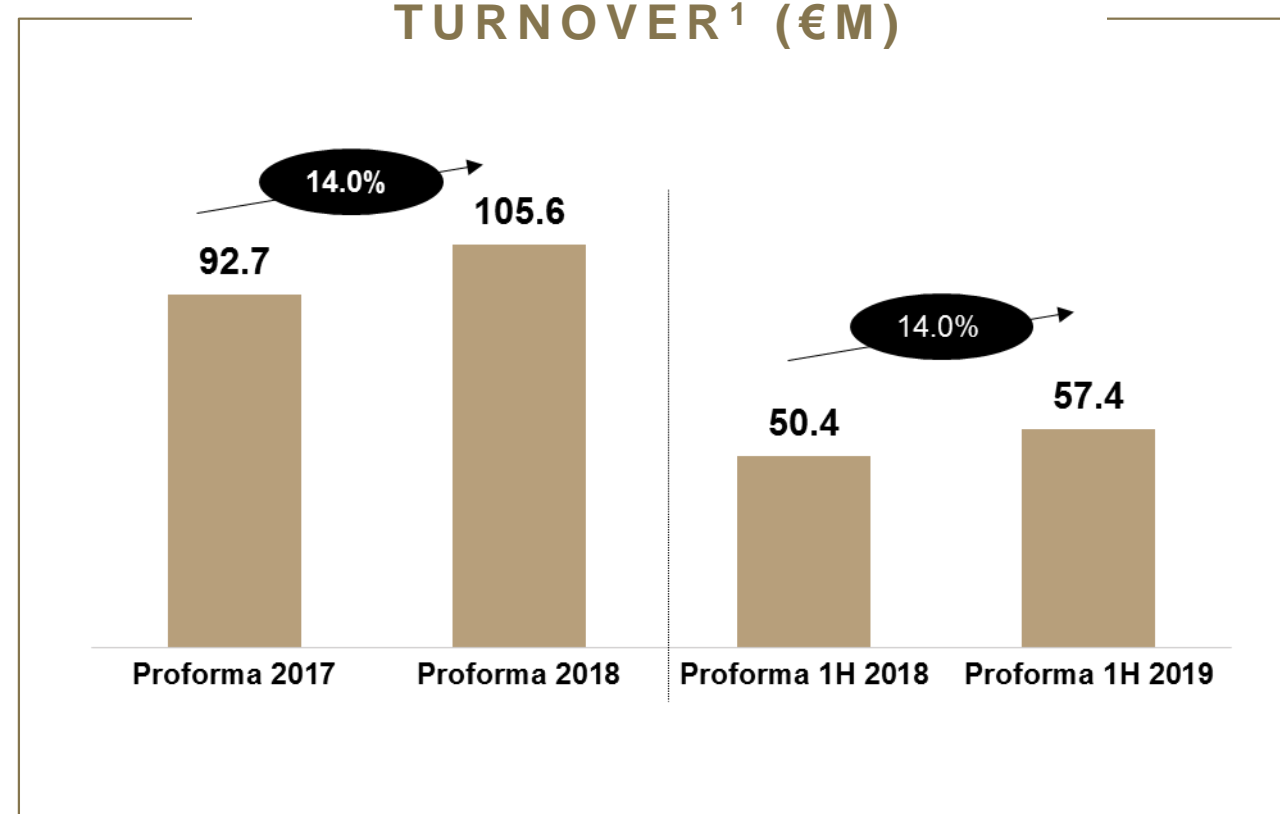
3.

TRADING UPDATE AND RECENT EVENTS

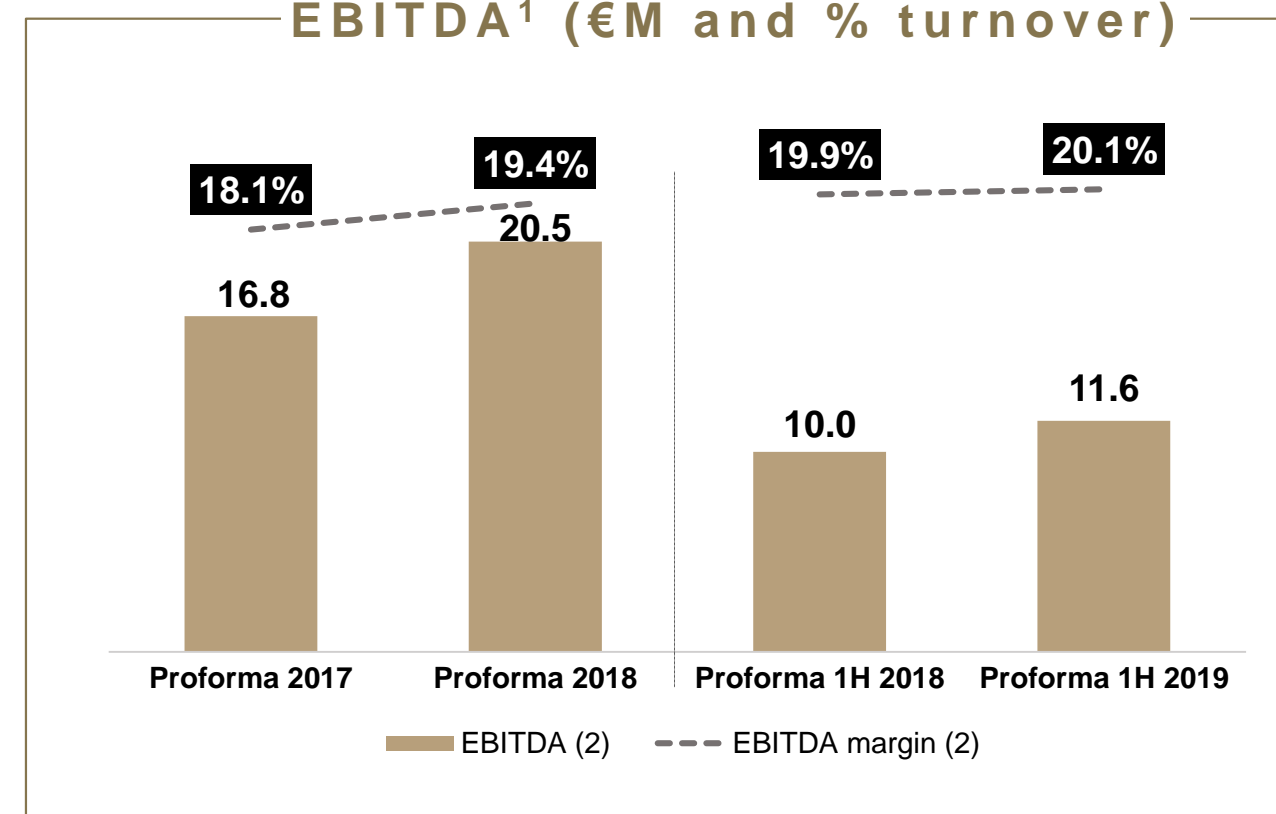
1H2019 ECONOMIC PERFORMANCE

- Vista Alegre accomplished its best operating performance during a semester: turnover reached €57.4M (+14.0% yoy) and EBITDA €11.6 (+14.0% yoy), maintaining the excellent results achieved over the last years. This increase is explained by the growth in the European markets, namely in the Netherlands, Italy and France, the fastest growing countries

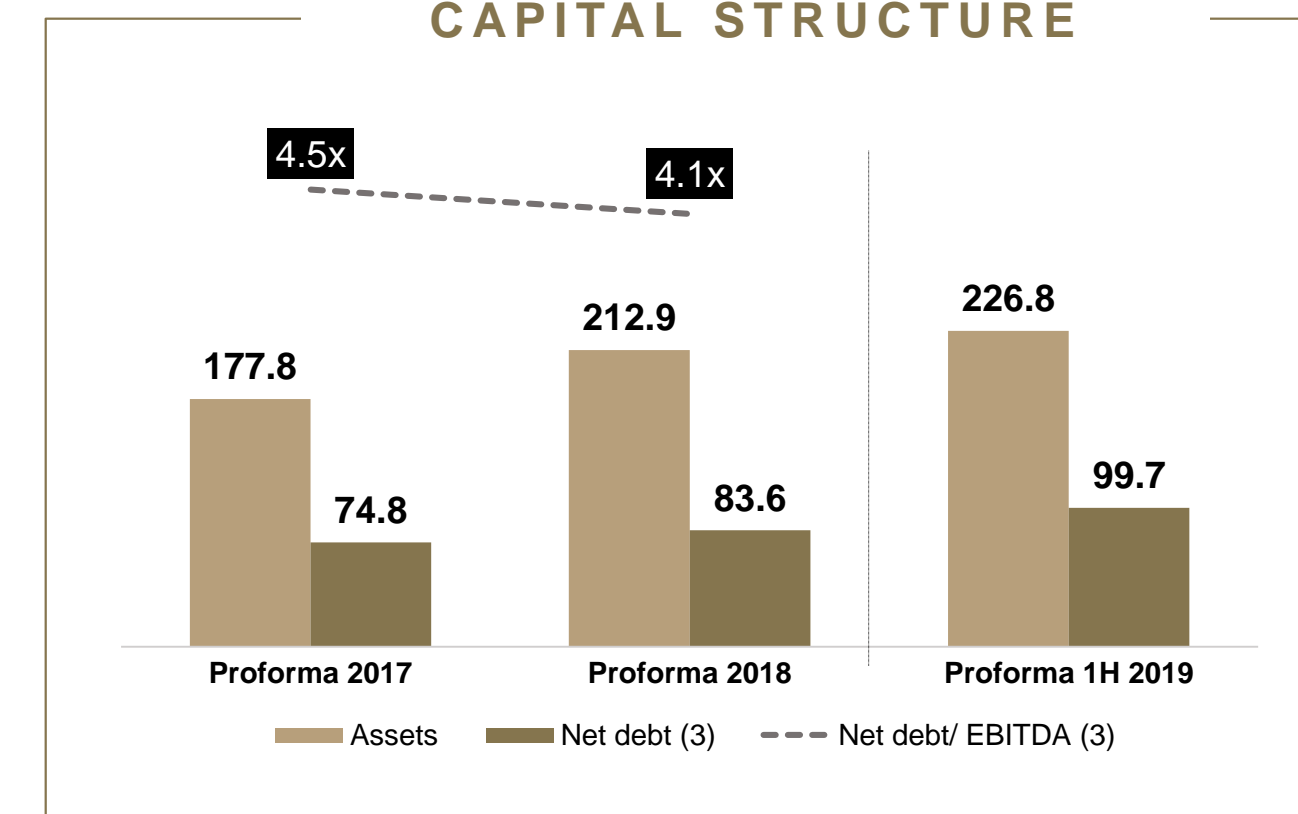
TURNOVER¹ (€M)



EBITDA¹ (€M and % turnover)



CAPITAL STRUCTURE



(1) Proforma adjusted as if Cerutil and Faianças Artísticas Bordallo Pinheiro, Lda ("Bordalo Pinheiro") had been incorporated as of 1 January 2017 (2) EBITDA calculated as operating results before amortizations and depreciations, impairments, provisions changes in fair value. Proforma 2018 EBITDA adjusted (i) for the costs of the re-organization €0.578M and (ii) Capital Increase's offering costs. Proforma 1H 2018 EBITDA was adjusted (positively influenced in €1.5M) with the reclassification of rents to depreciations and interest expenses due to the adoption of IFRS 16 from the 1st January 2019 (3) Net debt calculated as obtained loans (from financial institutions and others) added by operational leases and shareholders loans. The adoption of IFRS 16 led to an increase of assets and debt by €6.1M and of depreciations by €1.6M

Source: Company's Annual Reports

BOND ISSUANCE

- VAA completed a bond issuance in October 2019 of i) secured guaranteed bonds in the amount of €45.0M, with a fixed annual rate of 4.5% and maturity in October 2024 and ii) secured guaranteed bonds in the amount of €5.0M with a fixed annual rate of 3.5% and final maturity in October 2024

SOURCES & USES

Sources (€M)		Uses (€M)	
Class A Notes	45.0	Shareholders Loans repayments	25.0
Class B Notes	5.0	Vista Alegre loans repayments/ Release of Guarantees	5.0
		Ria Stone loans repayments/ Release of Guarantees	9.1
		Other repayments	5.9
		Transaction Expenses	1.0
		Cash	4.0
Total Sources	50.0	Total Uses	50.0

- The issuer used the bond issuance for:
 - The repayment of existing shareholders loan of €25M from Visabeira, which is a deferred payment for the acquisition of Cerutil and Bordallo Pinheiro. In turn, Visabeira Indústria intends to fully repay the Syndicated Loan agreement with BCP and Caixa Geral and request the full release of the respective securities (i.e. pledge over trademarks and assets held by VAA Group)
 - Repayment of existing senior financing at Vista Alegre for €5M and release existing guarantees
 - Repayment of existing senior financing with security over Riastone for €9.1M
 - Repayment of other financing within VAA Group
 - Transaction expenses assumed to amount to €1M
 - Cash for general corporate purposes which will be mainly used for ongoing capex

4.

ANNEX

CAPITAL STRUCTURE OVERVIEW

JUN-2019 CAPITAL STRUCTURE

Capital Structure as of June 2019 (€M)			
	Long-Term	Short-Term	Total
Bank Financing	26.5	13.2	39.7
Other Loans	11.9	2.0	13.9
Operational leases	4.9	1.3	6.1
Financial Leases	0.2	0.1	0.4
Credit Lines	0.0	17.6	17.6
Third Party Financing	43.5	34.3	77.8
Shareholders Loans	26.9	0.0	26.9
Gross Debt	70.4	34.3	104.7
Cash & Cash Equivalents			(5.0)
Net Debt			99.7
Proforma EBITDA LTM 1H 19			23.1
Net financial Debt/Ebitda			4.3x
Portugal 2020 (Grants)			(6.4)

Note: Pro-Forma Adjusted EBITDA LTM 1H 2019 include i) the increase in Ria Stone's production capacity by 60% (to serve the IKEA contract); ii) the improvement of the Cristal & Manual Glass segment operational performance supported by the upgrade in equipment and the ongoing contract with Hennessy. Pro-Forma Adjusted EBITDA and AICEP Grants are not audited

JUN-2019 CAPITAL STRUCTURE – Proforma after the Bonds Issuance

Capital Structure as of June 2019 (€M)			
	Long-Term	Short-Term	Total
Bank Financing	12.0	6.6	18.7
Bond loan	50.0		50.0
Other Loans	11.9	2.0	13.9
Operational leases	4.9	1.3	6.1
Financial Leases	0.2	0.1	0.4
Credit Lines	0.0	17.6	17.6
Third Party Financing	79.0	27.7	106.7
Shareholders Loans	0.0	0.0	0.0
Gross Debt	79.0	27.7	106.7
Cash & Cash Equivalents			(7.0)
Net Debt			99.7
Proforma EBITDA LTM 1H 19			23.1
Net financial Debt/Ebitda			4.3x
Portugal 2020 (Grants)			(6.4)

- VAA had €11.9M of loans with AICEP as of June 2019 at 0% interest rate. Out of the total financing amount received from AICEP, €3.7M¹ have already been converted into grants and further €6.4M are expected to come at the completion of a predetermined criteria. Hence, net debt would be reduced by this amount upon AICEP granting

¹ As of 31 December 2018, and already converted into grants amounts are no longer accounted as financial debt



VISTA ALEGRE

1824

VISTA ALEGRE