



Results
January-June 2020

30 July 2020



COVID-19

COMMITMENT

- **Ensuring the well-being of our workers and their families.**
Protection protocols, including sanitation measures, social distance, mandatory use of face masks, higher cleaning and disinfection works, teleworking and increased communication.
- **Fulfill with our responsibility by ensuring the supply to our customers and partners.**
Productive and logistics activity to guarantee global supply to all our customers. Global geographic offer. Product flexibility and supply.
- **Limit the spread of COVID-19 and its effects.**
Protective material provided to the people that is fighting in the first line, food donations to the most disadvantaged families in this crisis. Awareness campaigns.



1H20 and 2Q20

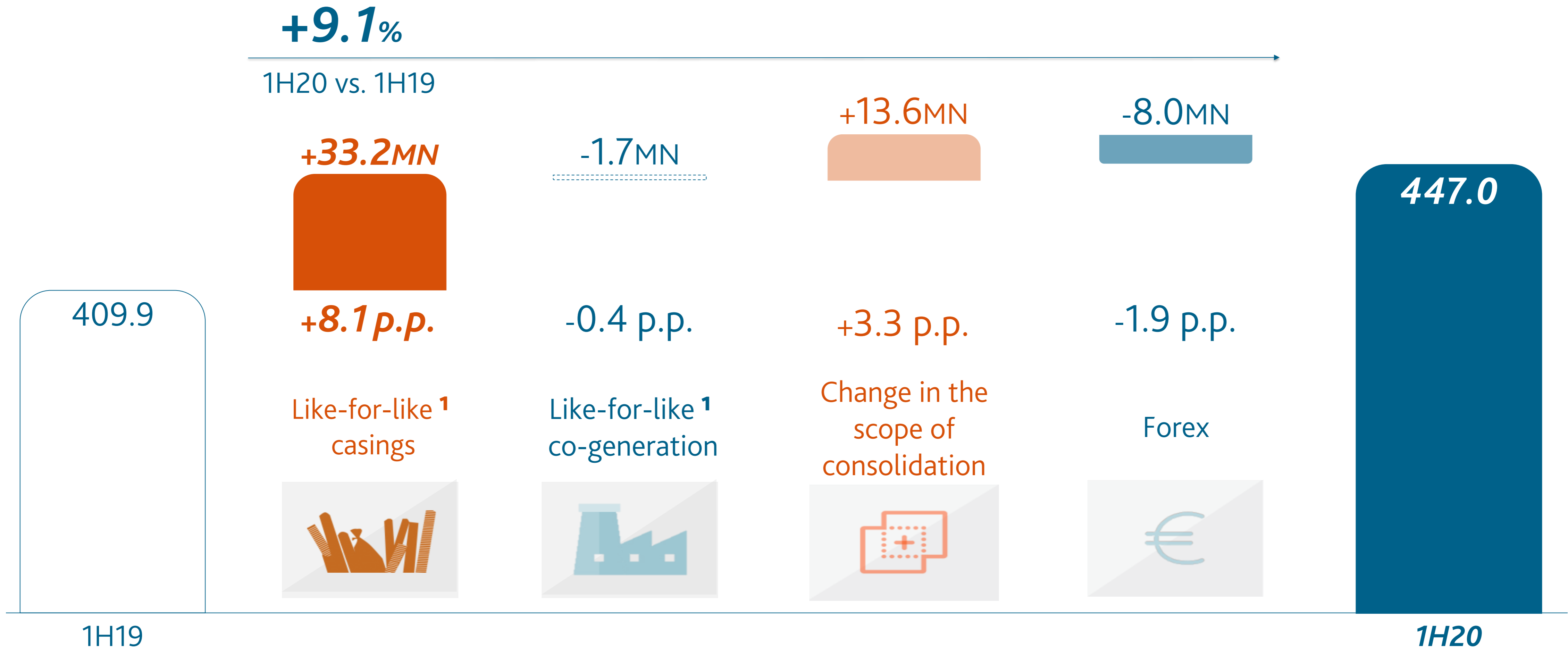
Growth in the main financial figures

€ million	1H20	% y-o-y	<u>% y-o-y Like-for-like¹</u>	2Q20	% y-o-y	<u>% y-o-y Like-for-like¹</u>
Revenue	447.0	+9.1%	+7.7%	224.9	+7.8%	+8.1%
EBITDA	110.3	+18.7%	+19.7%	58.3	+23.9%	+26.7%
EBITDA margin	24.7%	+2.0 p.p.	+2.6 p.p.	25.9%	+3.4 p.p.	+4.1 p.p.
Operating profit	73.6	+28.2%		40.3	+37.3%	
Profit before taxes	75.9	+32.1%		39.9	+38.2%	
Taxes	-18.6	+57.6%		-9.9	+67.4%	
Net profit	57.3	+25.5%		30.0	+30.7%	

¹ Like-for-like: For comparative purposes, like-for-like growth excludes the impact of the different exchange rates in 2020, the change in the scope of consolidation and non-recurring impacts.

Higher revenue driven by volume growth, price/mix improvement and Nitta Casings contribution

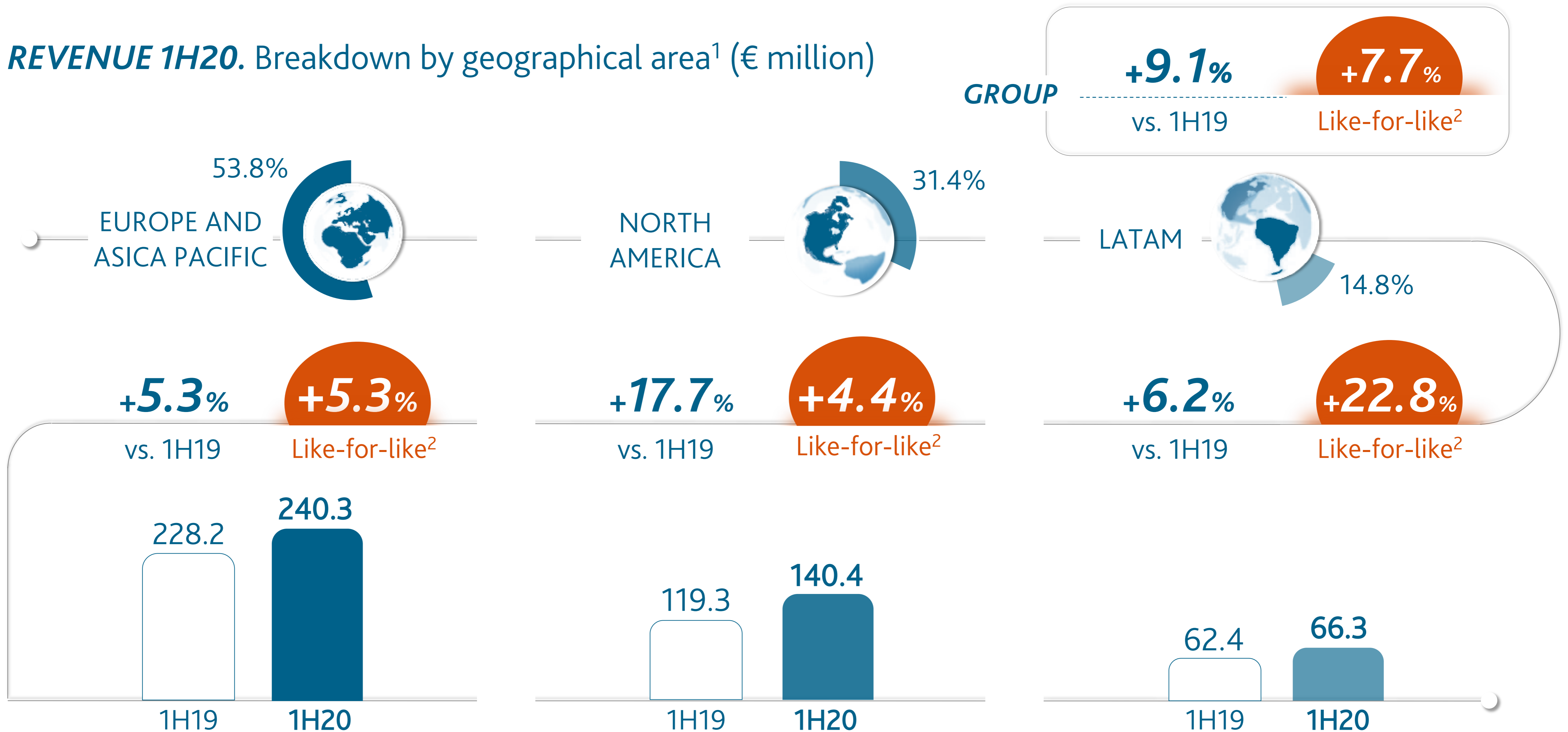
REVENUE 1H20. Growth contribution (€ million)



¹ Like-for-like: For comparative purposes, like-for-like growth excludes the impact of the different exchange rates in 2020, the change in the scope of consolidation and non-recurring impacts.

Growth in all reporting areas

REVENUE 1H20. Breakdown by geographical area¹ (€ million)

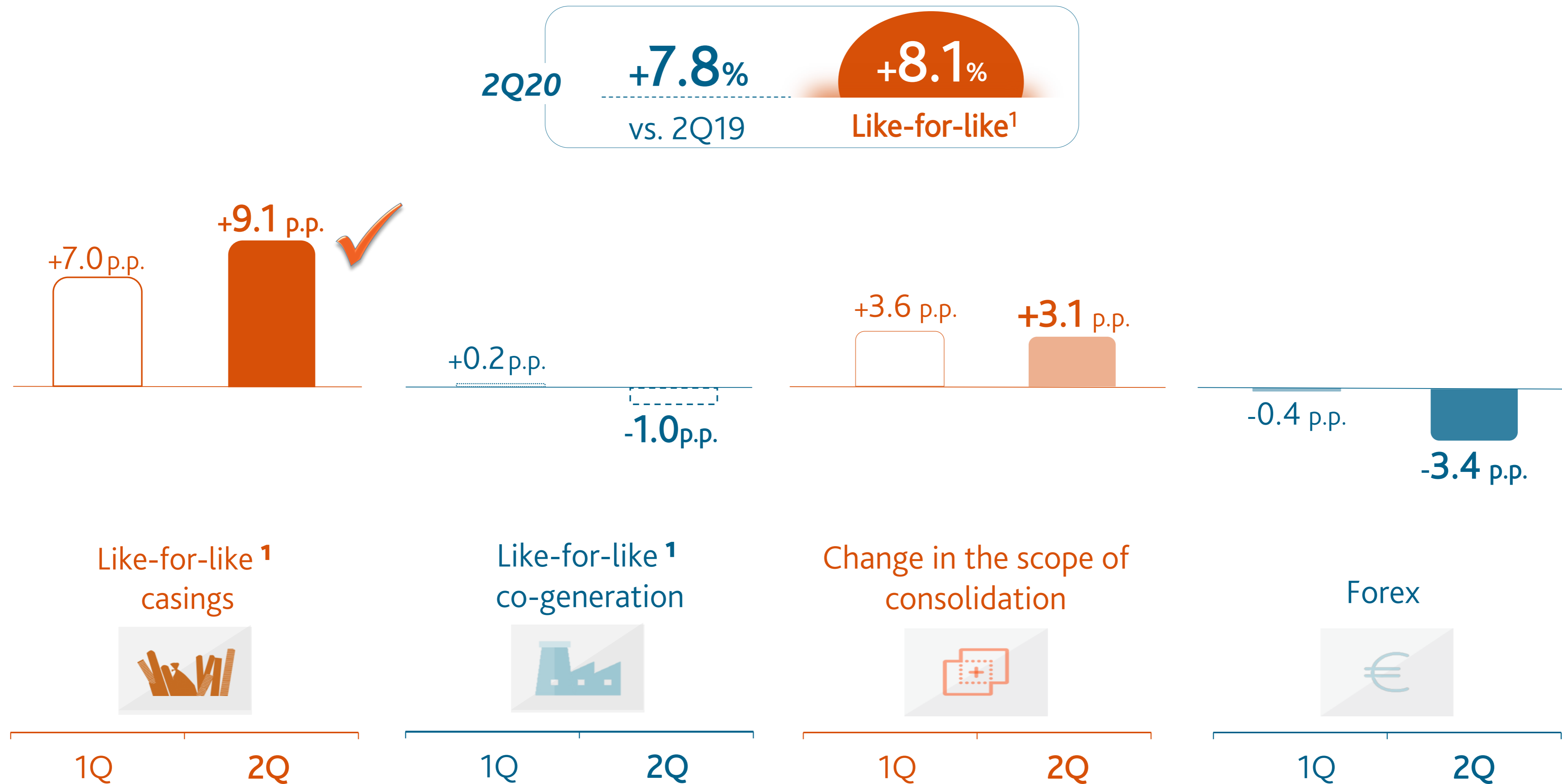


¹ Revenue per origin of sales.

Viscofan ² Like-for-like: Excludes the impact of the different exchange rates in 2020, the change in the scope of consolidation and non-recurring impacts.

Increased organic growth momentum in the second quarter ...

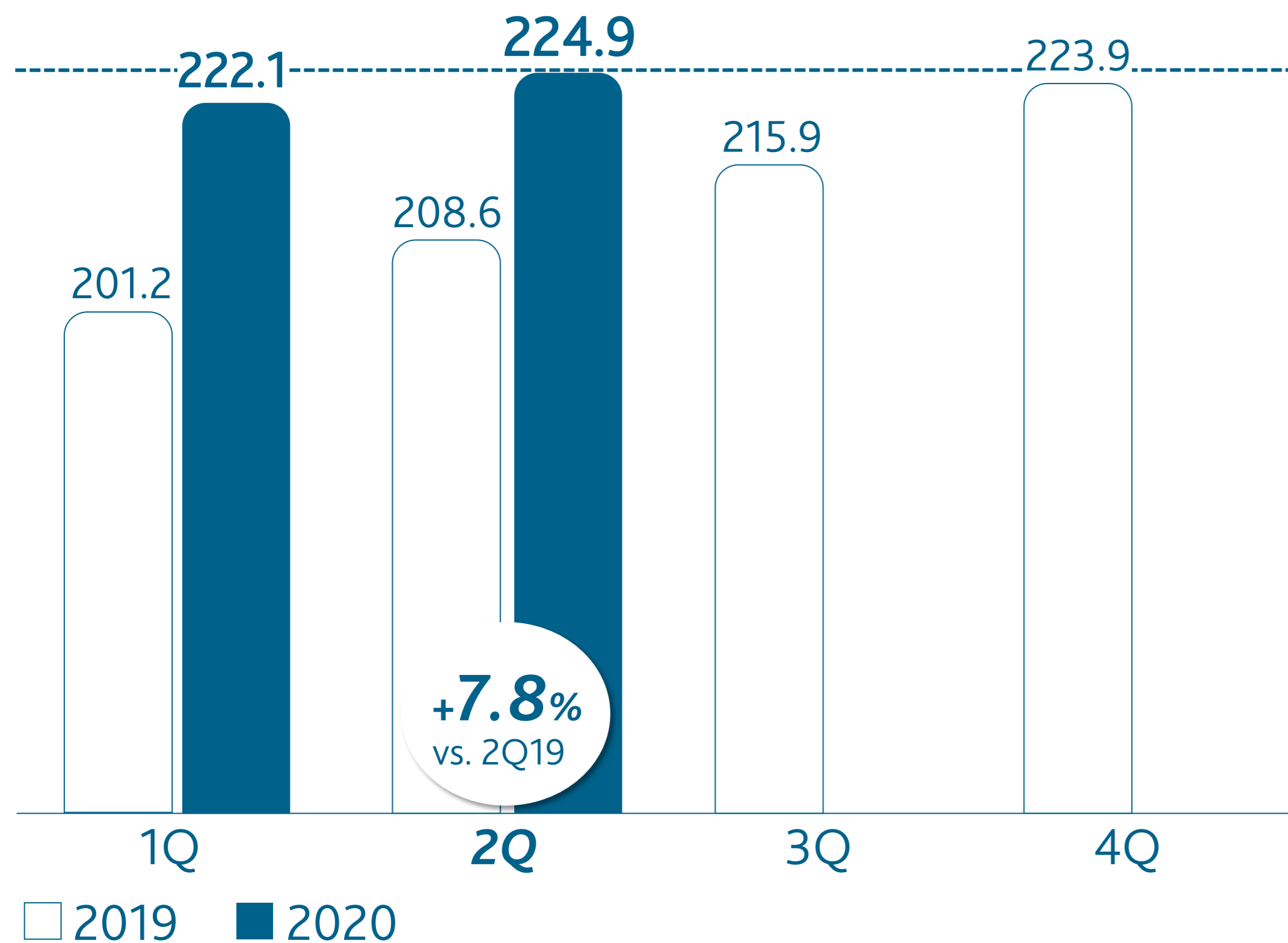
REVENUE. Quarterly growth contribution



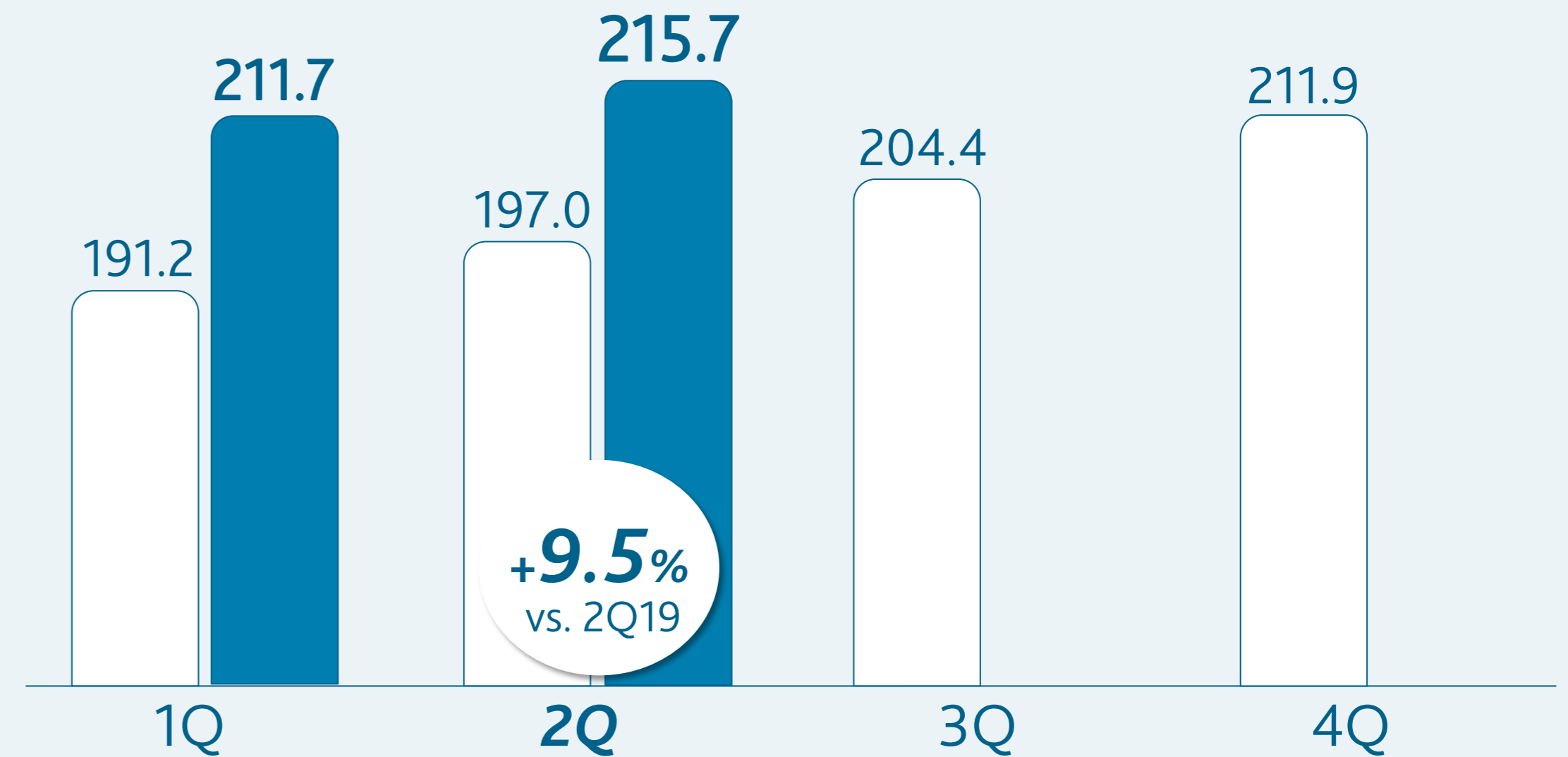
¹ Like-for-like: Excludes the impact of the different exchange rates in 2020, the change in the scope of consolidation and non-recurring impacts.

...leading to an all-time high in quarterly revenue

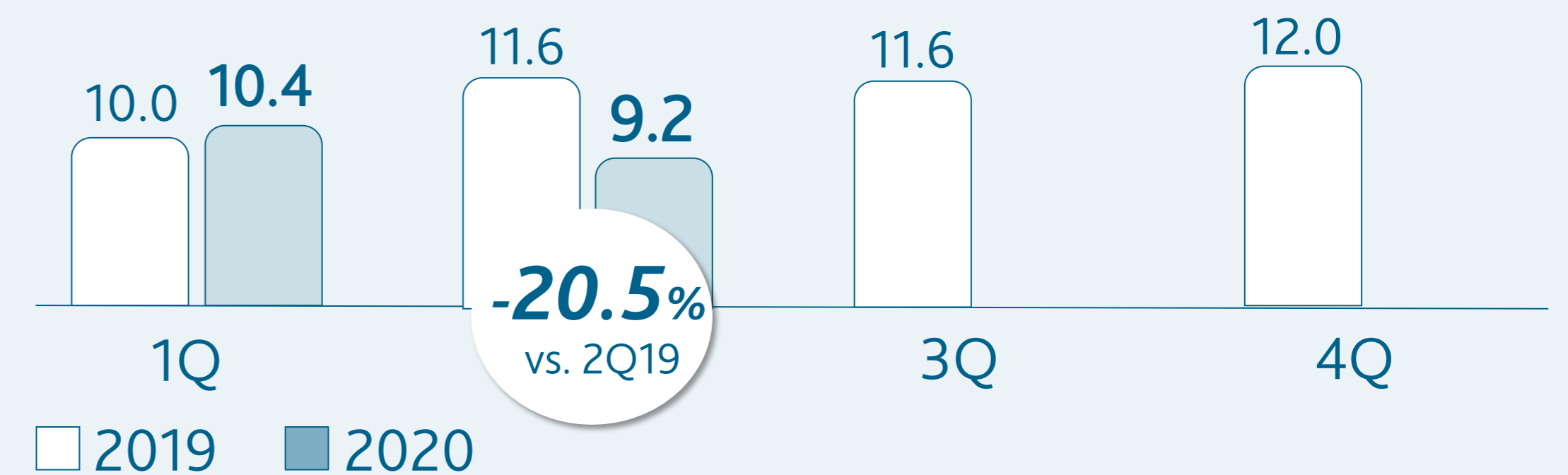
REVENUE. Viscofan Group (€ million)



CASINGS SALES (€ million)

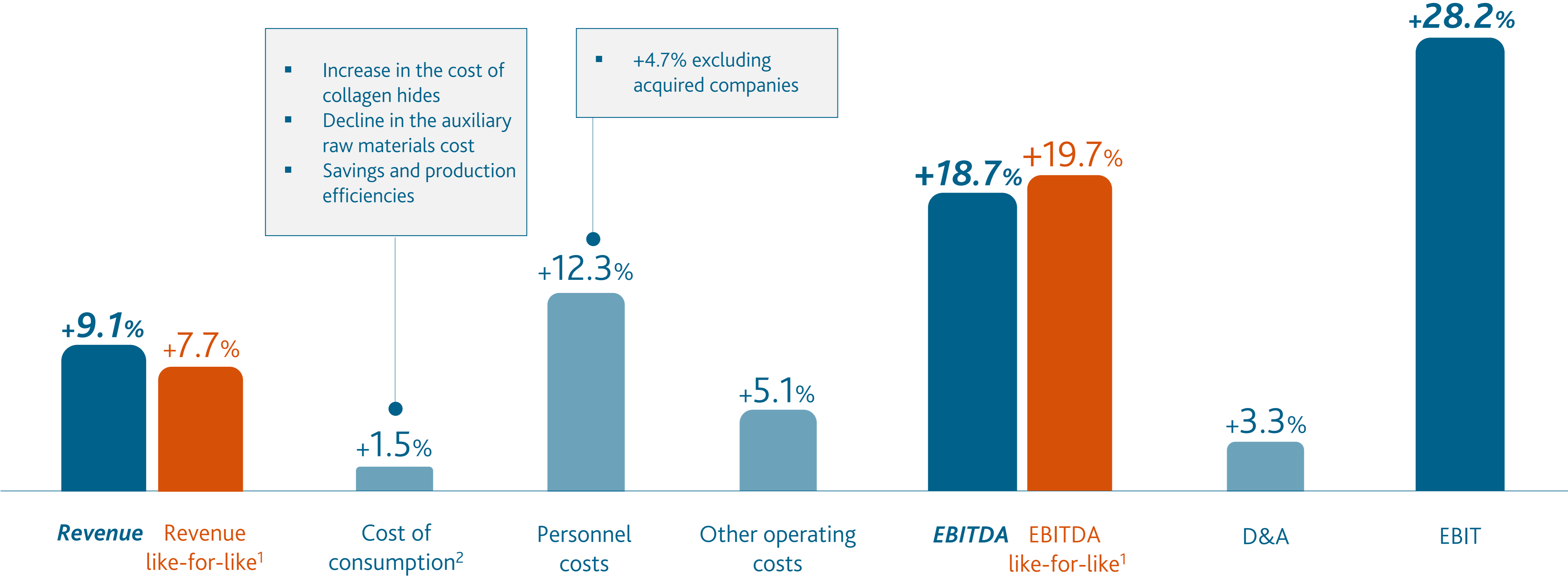


CO-GENERATION REVENUE (€ million)



Operating results are boosted by revenue growth, high production capacity, efficiencies and savings from the new technology

P&L 1H20. Year-on-year change

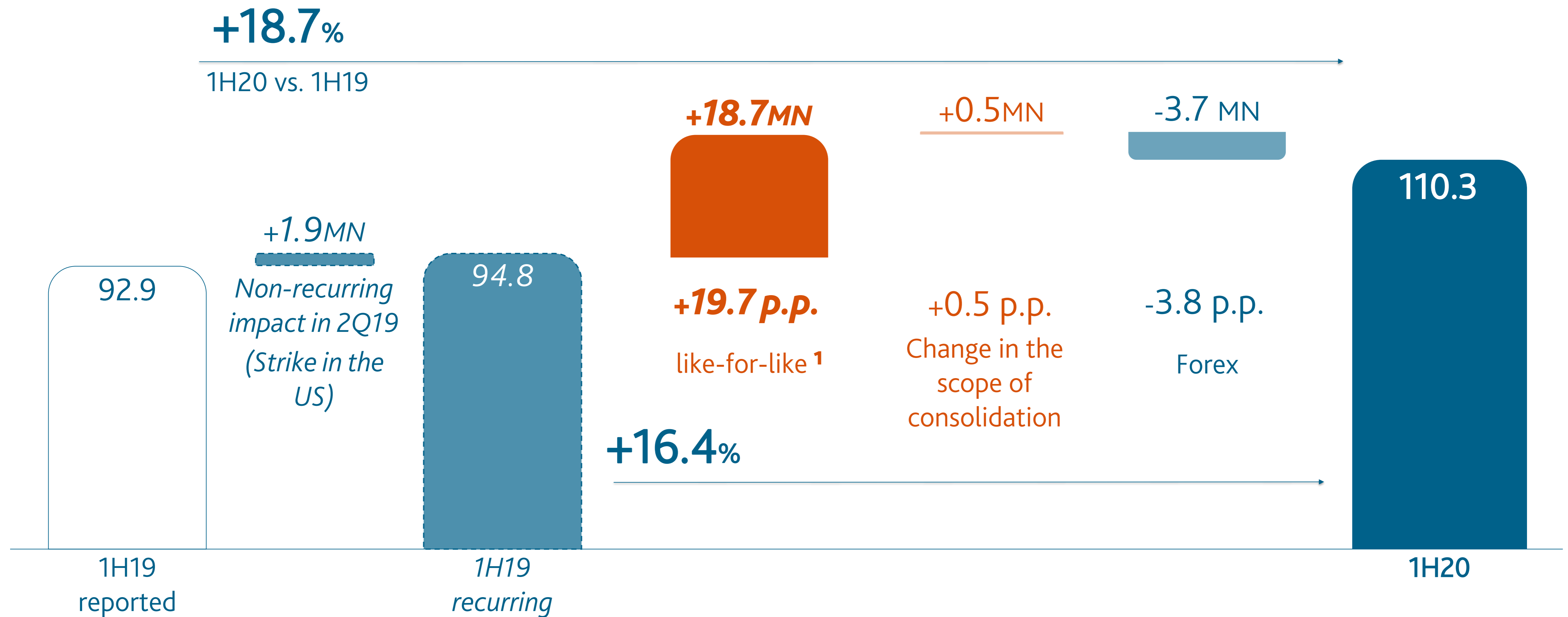


¹ Like-for-like: Excludes the impact of the different exchange rates in 2020, the change in the scope of consolidation and non-recurring impacts.

² Cost of consumption = Net purchases +/- Change in inventories of finished and unfinished products.

Double digit growth in EBITDA, both in reported and in like-for-like terms

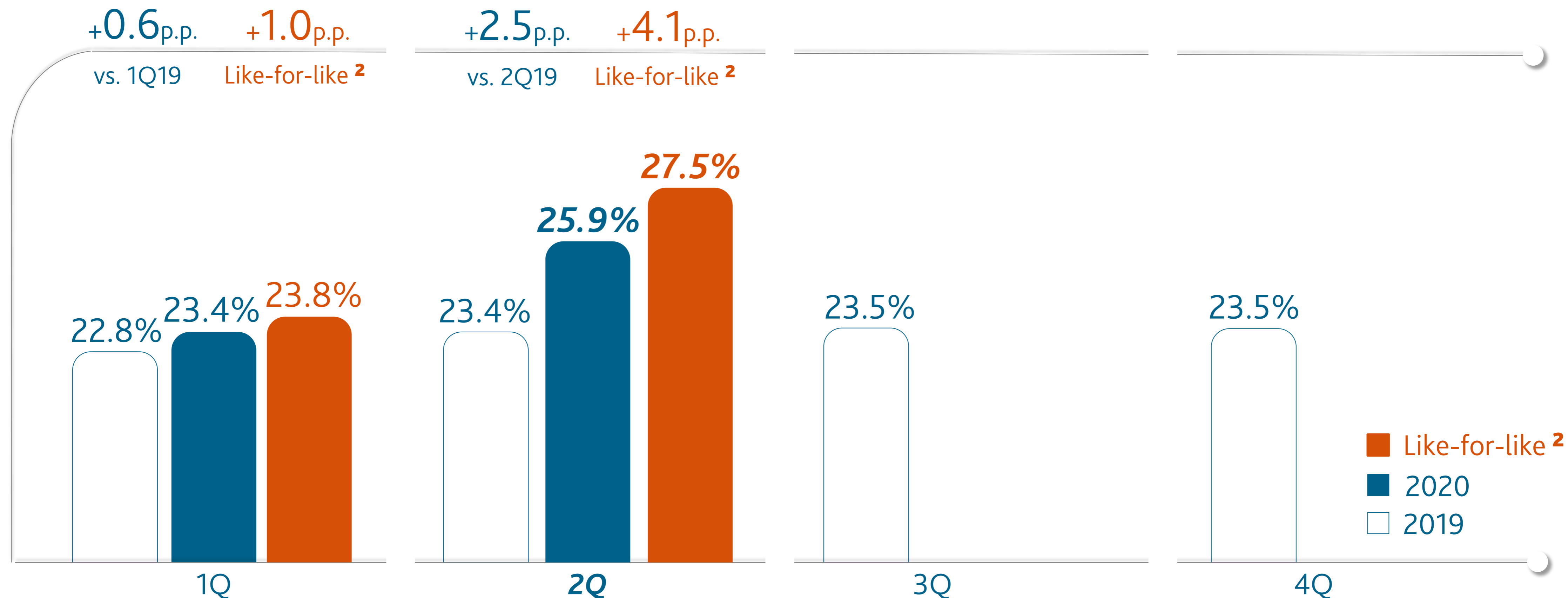
EBITDA 1H20. Growth contribution (€ million)



¹ Like-for-like: For comparative purposes, like-for-like growth excludes the impact of the different exchange rates in 2020, the change in the scope of consolidation and non-recurring impacts.

Improving the profitability of our operations.

RECURRING¹ EBITDA MARGIN (In %)

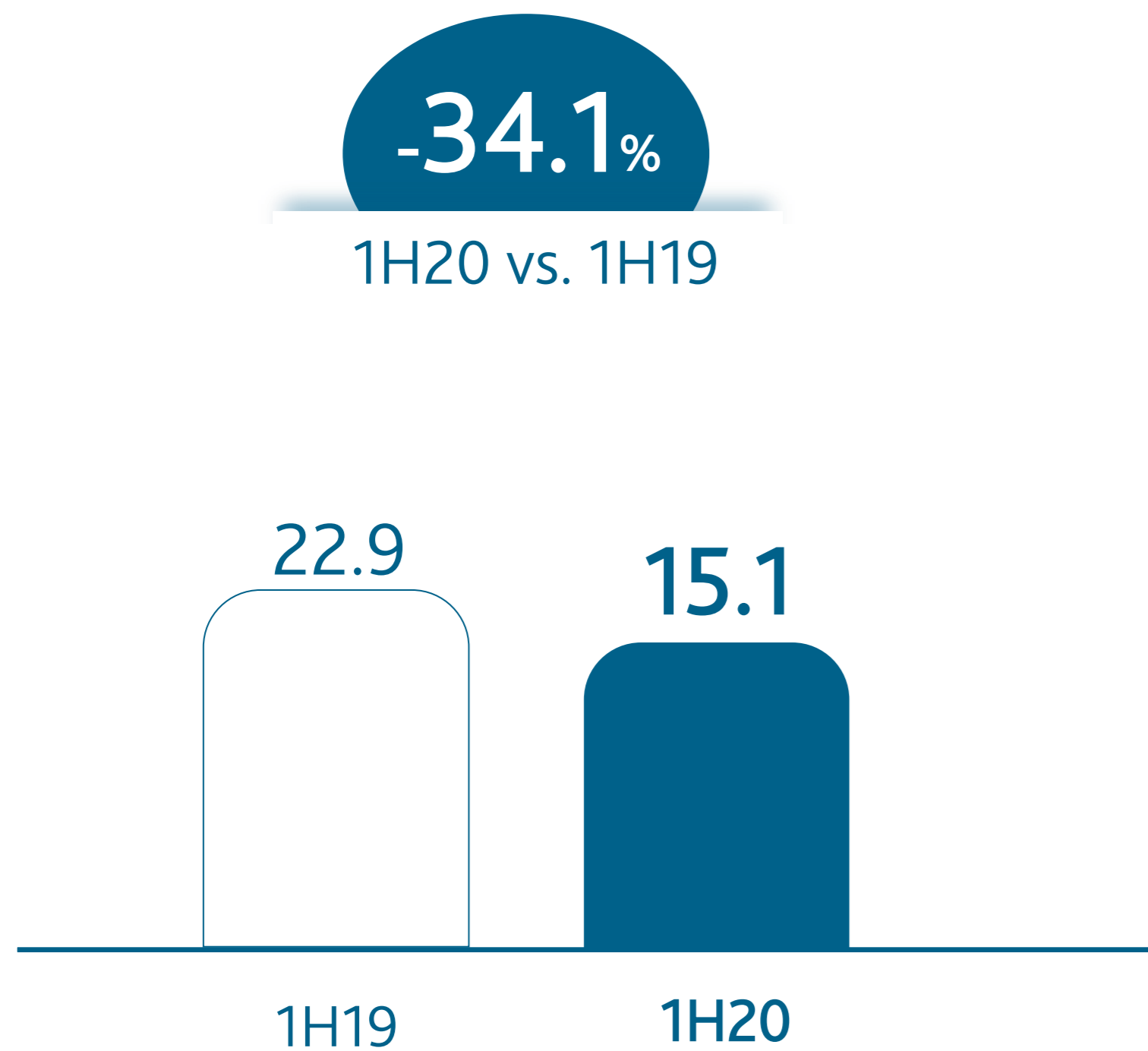


¹ Recurring results. Exclude in 2019 non-recurring impacts in operating profit of +€2.9 million arising from the business combination from the acquisition of Nitta Casings Inc. (US) and Nitta Casings Canada Inc. (in 4Q19), the impairment of goodwill for Nanopack Technology & Packaging S.L. (in 4Q19), and the impact of the strike in the U.S. (in 2Q19 and 3Q19).

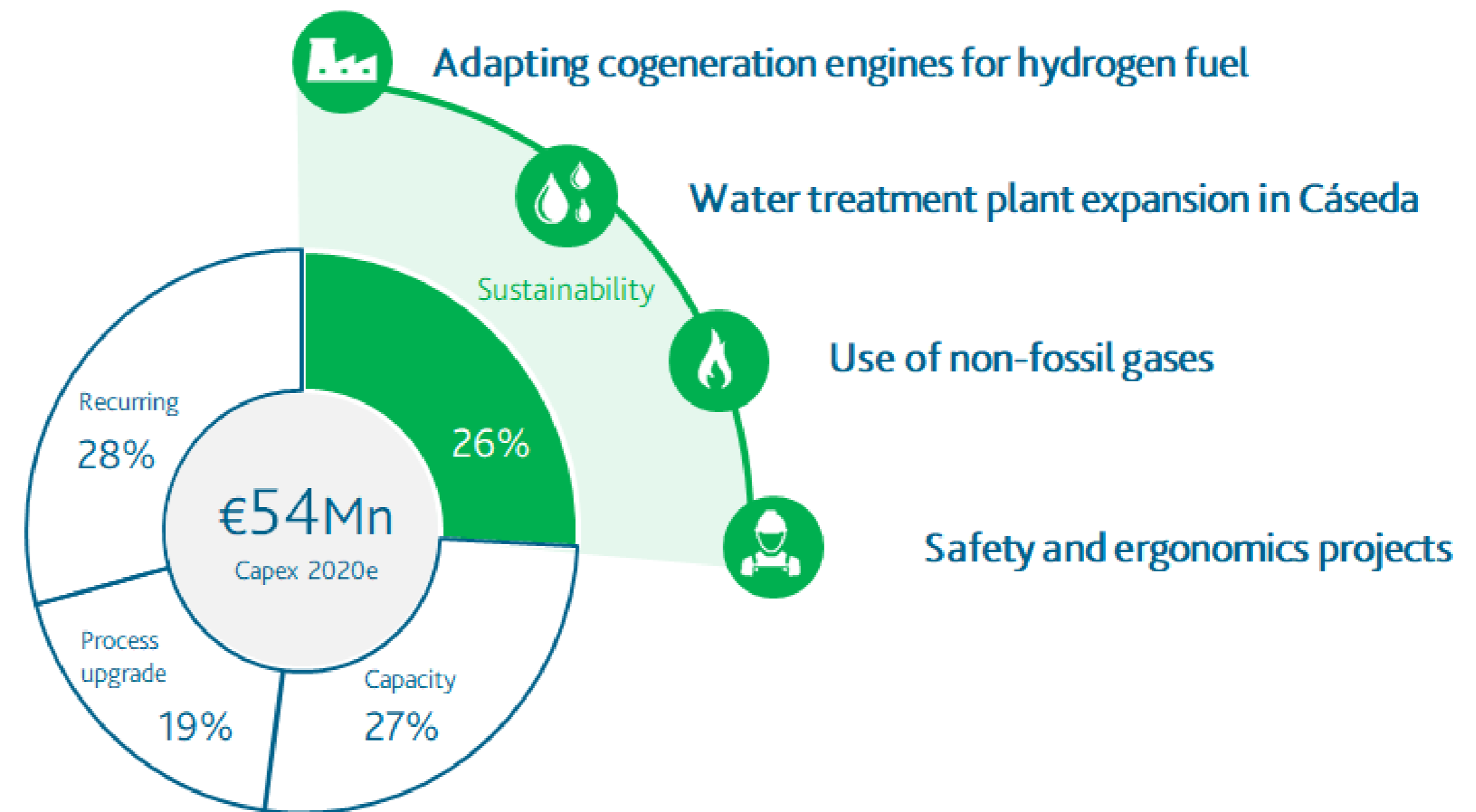
² Like-for-like: For comparative purposes, like-for-like growth excludes the impact of the different exchange rates in 2020, the change in the scope of consolidation and non-recurring impacts.

Main investment projects expected for the year may slowdown due to the COVID-19 evolution

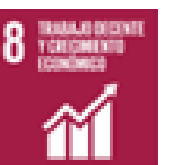
CAPEX (€ million)



CAPEX BREAKDOWN 2020e (€ million)

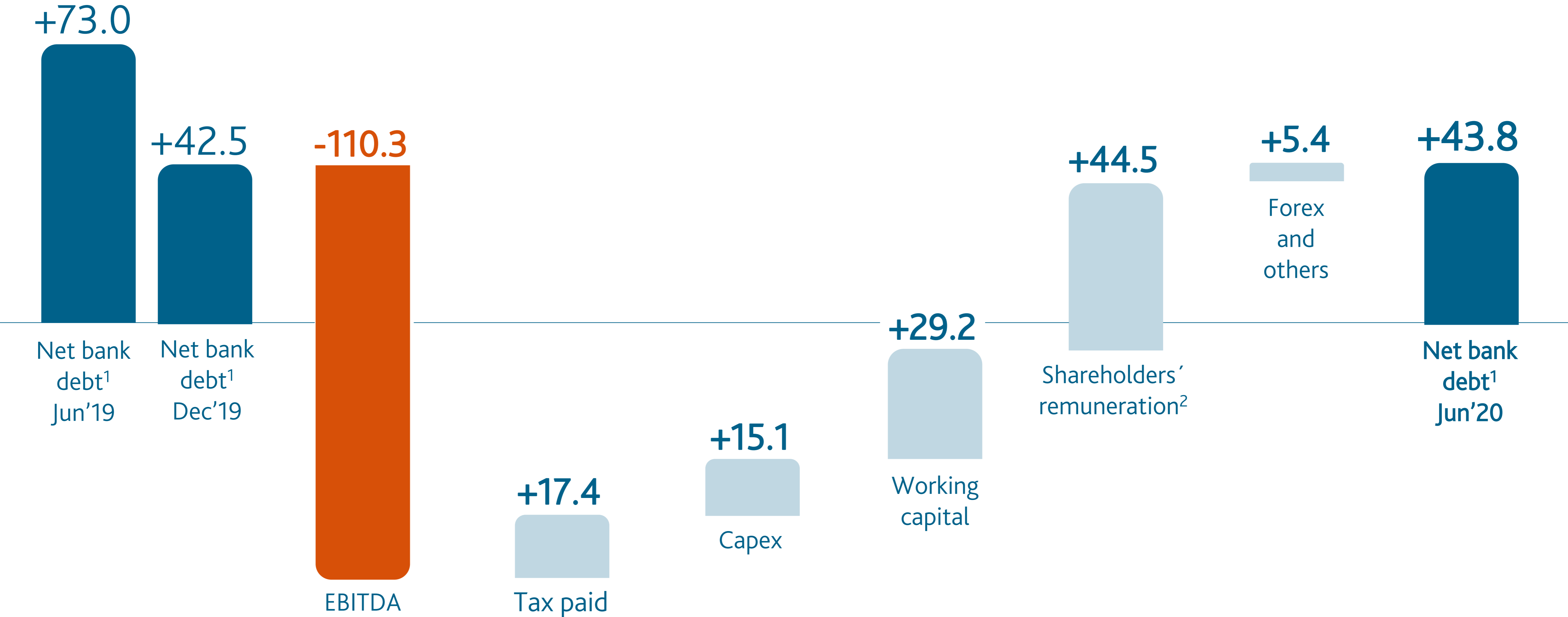


This figure includes €6 Mio investment in the collagen casings plant in the US.



Robust cash flow generation allows us to continue strengthening the balance sheet while shareholders' remuneration is increased

NET BANK DEBT¹ bridge (€ million)



¹ Net bank debt = Non-current bank borrowings + Current bank borrowings – Cash and equivalents.

² Shareholders' remuneration: Includes €0.96 per share related to 2019 FY final dividend paid out in June 2020.

To wrap-up

- Covid-19: The commitment of the more than 4,900 people who make up Viscofan, our solid production model, our global footprint and product portfolio allow us to **maintain an essential activity** such as the production of casings for the food industry.
- **Growth in the main financial figures** of the profit and loss account in the first half of the year.
- **A solid balance sheet** together with a sound cash flow generation once the transformation projects have already been implemented.
- **The full year perspectives for growth** announced in February are supported by 1H20 results.



Appendix. *Alternative Performance Measures*

The Alternative Performance Measures included in this report are as follows:

- The EBITDA, or operating profit before depreciation and amortisation, is calculated excluding depreciation and amortisation costs from the operating profit. The EBITDA is a measure that is commonly reported and widespread among analysts, investors and other stakeholders in the casing industry. The Viscofan Group uses this measure to monitor the business' development and to establish operational and strategic objectives in Group companies. However, it is not a defined indicator in IFRS and, therefore, it may not be compared with other similar indicators employed by other companies in their reports.
- Cost of consumption: This is calculated as the net amount of supplies plus the change in finished and unfinished products. Management monitors cost of consumption as one of the main cost components for Viscofan. The weight of net revenue for this cost component on revenue or gross margin is also analysed to study the operating margin's development. However, it is not a defined indicator in IFRS and cost of consumption must not be considered a substitute for the different items in the profit and loss account that comprise them. Furthermore, it may not be compared with other similar indicators employed by other companies in their reports.
- Net bank debt: This is calculated as non-current borrowings plus current borrowings netted from cash and cash equivalents. Management considers net bank debt to be relevant to shareholders and other stakeholders as it provides an analysis of the Group's solvency. However, net bank debt should not be considered a substitute for gross bank debt in the consolidated balance sheet, nor other liability or asset items that may affect the Group's solvency.
- Like-for-like revenue and EBITDA: This measure excludes the impact of exchange rate variations on the comparable previous period and the non-recurring impacts of the business in order to present a homogeneous comparison of the Viscofan Group's development. However, like-for-like revenue and EBITDA are not defined indicators in IFRS and, therefore, they may not be compared with other similar indicators employed by other companies in their reports, nor may they be considered a substitute for the business development indicators defined in IFRS.

Appendix. *Disclaimer*

This document may include statements about intentions, expectations or forecasts of the Company additional to the mandatory financial reporting whose sole purpose is to provide information more accurately about the perspectives of future behaviours.

Such intentions, expectations or forecasts do not constitute any guaranties of compliance and involve risks, uncertainties and other relevant factors that could cause actual developments and results to differ materially from those states in such forward-looking statements.

This circumstance must be taken into account mainly for all persons or entities that may have to take decision, develop or spread opinions relative to values issued by the Company and particularly by analysts and investors that handle this document.

The financial statements contained in this document have been prepared under International Financial Reporting Standards (IFRS). This financial statements has not been audited and consequently is susceptible to potential future modifications.