



GRUPO VISTA ALEGRE | ATLANTIS

RESULTS OF THE 3RD QUARTER 2021





Cumulative results of the 3rd trimester 2021

Highlights

>> Turnover reached **80 million euros** cumulative to September 2021, an increase of **5.6%** compared to the first nine months of 2020;

>> Cumulative EBITDA of **14.7 million euros** represents an increase of **44.1%** compared to the analogous period in 2020;

>> The Q3 2021 EBITDA Margin was **21.7%**, up **0.4pp** compared to the EBITDA Margin for 2019, the pre-pandemic year;

>> Consolidated Net Result cumulative to September reached a **positive 600 thousand euros**, reversing the negative cycle resulting from the Covid 19 pandemic;

>> Foreign markets represent **80.8%** of turnover, predominantly sales to European countries;



Activity

During the third quarter of 2021, economic activity in Portugal and worldwide was slowly recovering from the crisis created by the spread of the SARS-CoV-2 virus and renewed pandemic containment measures at the beginning of the year. The different measures taken by authorities aimed at mitigating the negative effects of the pandemic had a positive effect on the economic climate, as can be seen in the recovery of retail activity with a visible impact on results.

The turnover of Grupo Vista Alegre has been recovering in a steady and sustainable way, reaching **30.5 million euros** in the third quarter.

In cumulative terms, Grupo Vista Alegre reached a turnover of **80 million euros** in September of 2021, registering an increase of **5.6%** compared to the same period in 2020, mainly supported by sales growth in the Porcelain and Stoneware segments.

Segments	T €		
	Jan to Sep 2021	Jan to Sep 2020	Variation (%)
	Total	Total	Total
Porcelain and related products	27.4	18.4	49%
Earthenware	8.6	5.6	55%
Stoneware	36.3	43.8	-17%
Crystal and Glass	7.7	8.0	-4%
Total	80.0	75.8	6%

The Retail channels maintained good performance during the third quarter, achieving sales of **7 million euros**, up from **5.5 million euros** in the same period of 2020. In cumulative terms, the Online channel continues to grow and recorded **68%** higher sales compared to the same period last year.



Despite the negative impact of the pandemic, the subsidiaries in Spain, the United States and Brazil had a very positive impact on this recovery and contributed in the first 9 months of this year with **sales of 9.3 million euros, 82% above sales in the same period of 2020 and 21% above sales in the same period of 2019** before the pandemic.

Results

Although brand stores were closed most of this period, Grupo Vista Alegre's consolidated results for the first nine months of 2021 showed a performance above that of the same period last year, with turnover reaching **80 million euros (6% up on the same period of 2020)** and EBITDA standing at **14.7 million euros** (representing a **44%** improvement on the EBITDA achieved in the same period of 2020). The EBITDA Margin recovered further in this last quarter reaching 21.7%, 0.4 pp higher than in 2019, the pre-pandemic year, confirming Vista Alegre's excellent economic recovery.

Consolidated Results

Headings	30-09-2021	30-09-2020	Variation		M€
			Amount	%	
Turnover	80.0	75.8	4.2	6%	
EBITDA	14.7	10.2	4.5	44%	
	<i>EBITDA Margin</i>	<i>13.5%</i>			
	<i>18.4%</i>				
Operating Income	5.3	1.0	4.3	410%	
	<i>Operating Margin</i>	<i>1.4%</i>			
	<i>6.6%</i>				
Income before taxes	1.4	-2.9	4.3	148%	
Income tax	-0.8	0.6	-1.4		
Net income	0.6	-2.4	3.0	127%	

The company recorded a positive operating result of **5.3 million euros** (exceeding the operating result of the same period the year before by **410%**) and a positive net result of **0.6 million euros**, contrasting with the negative result recorded in 2020 in the same period (a net loss of **2.4 million euros**).



Grupo Vista Alegre is positive for the performance outlook of its business, given the level of orders in hand and the progressive increase in the level of confidence of the public, in part the result of growing rates of vaccination and the resulting recovery in retail traffic and commercial activity.

Debt

As a result of the Group's good operating performance, consolidated net debt **fell by around 2.5 million euros in the third quarter of 2021 compared to the first half of the year**, as Vista Alegre maintained high levels of cash and cash equivalents, thus demonstrating the solidity of its financial position:

	T€	30-09-2021	30-06-2021	31-03-2021	31-12-2020
Financial debt (bank loans, bond and leasing)		96 264	95 680	89 426	84 566
Operating debt (export remittances, confirming and factoring)		7 053	10 261	9 432	13 588
Operating lease (IFRS 16)		7 150	7 684	7 337	7 640
Consolidated debt		110 467	113 625	106 195	105 794
Cash and cash equivalents		-15 638	-17 296	-10 470	-17 501
Consolidated net debt		94 829	96 329	95 725	88 293
Grants to be converted		-10 385	-9 373	-8 470	-8 470
Consolidated net debt after conversion of loans into grants		84 424	86 957	87 255	79 822



Consolidated Income Statement

30th September 2021 and 2020

Items	T€	
	30-09-2021	30-09-2020
Sales and services provided	80,047	75,825
Cost of goods sold and material consumed	-22,528	-31,175
Production variation	-610	5,343
Gross margin	56,909	49,993
Works for the company itself	710	396
Supplies and external services	-14,739	-13,453
Employee costs	-32,179	-29,123
Amortizations	-9,510	-9,340
Impairments	-5	56
Other operating expenses and losses	-863	-713
Impairment of depreciable tangible fixed assets	97	112
Other profit and operating income	4,872	3,110
Operating income	5,292	1,038
Interest and similar expenses incurred	-3,918	-4,182
Interest and similar income obtained	27	196
Result before taxes	1,401	-2,948
Income tax	-772	596
Consolidated income for the financial year	629	-2,352



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