Press release

Ad hoc announcement pursuant to Art. 53 LR
Vetropack proves its resilience in a difficult market environment

Bülach, 18. März 2025 – The 2024 fiscal year was one of the most difficult in our company's history. Its dominant features were the persistently tense market environment and a number of difficult decisions – including, in particular, the closure of our plant in St-Prex. The overall result for 2024 is significantly below the prior year's level due to the general decrease in sales prices, and it is also impacted by the closure costs for the plant at St-Prex. Net sales from goods and services reached CHF 842.1 million in 2024, representing a decline of 6.3 percent (after adjustments for currency effects: 4.2 percent). Adjusted EBIT decreased to CHF 58.6 million (prior year: CHF 93.3 million). Consolidated profit amounted to CHF 13.7 million (prior year: CHF 63.3 million).

With this result, the Vetropack Group proves its resilience in a difficult environment. However, the downturn in net sales from goods and services reflects the persistently tense market situation. The result is due, on the one hand, to lower energy costs – which directly influence sales prices – and, on the other, to price pressure resulting from excess capacities in the market. This price pressure is also reflected in the Group's adjusted EBIT: at CHF 58.6 million, this figure is 37.2 percent down year-on-year. There was a corresponding decrease in the adjusted EBIT margin, from 10.4 percent in 2023 to 7.0 percent in the year currently under review.

Cash flow in the last fiscal year was CHF 103.6 million; this represents a year-on-year reduction of CHF 26.5 million, equivalent to 20.4 percent. The cash flow margin shrank by 2.2 percent year-on-year, bringing the figure to 12.3 percent. Net profit is also impacted negatively by the one-off costs of CHF 24.3 million in connection with the closure of the St-Prex plant; at CHF 13.7 million, this figure is significantly below the prior year's level of CHF 63.3 million.

Overview of central results and key figures for the 2024 fiscal year:

		2024	2023	+/–
Net sales	CHF millions	842.1	898.8	– 6.3%
Adjusted EBIT	CHF millions	58.6	93.3	– 37.2%
Adjusted EBIT-margin	%	7.0	10.4	–
Cash flow 1	CHF millions	103.6	130.1	– 20.4%
Cash flow-margin	%	12.3	14.5	–
Consolidated profit	CHF millions	13.7	63.3	– 78.4%

Investments	CHF millions	90.3	238.0	– 62.1%
Total assets	CHF millions	1 237.7	1 263.8	– 2.1%
Shareholders' equity	CHF millions	758.2	750.7	1.0%
Gearing ratio	%	61.3	59.4	–
Employees	Headcount	3 585	3 772	– 5.0%

1 operating cash flow before change of net working capital

Whereas the high investment costs in 2023 (CHF 238.0 million) were still influenced primarily by our new plant in Boffalora sopra Ticino, the investment total in the 2024 fiscal year returned to a level of CHF 90.3 million – which is appropriate for our industry. Thanks to a consistent focus on working capital, the Group achieved cash inflow after investments of CHF 46.4 million (2023: CHF –164.1 million). These resources were utilised to reduce debt by EUR 50 million. This led to a decrease in total assets and resulted in a gearing ratio of 61.3 percent, which is 1.9 percent higher than in the previous year. This shows that the Vetropack Group is generating capital even in difficult times, and is solidly positioned to face the future. The number of employees fell slightly, due mainly to the closure of the plant in St-Prex. As announced, moreover, we took a very cautious approach to creating new jobs and making new appointments to existing positions.

Outlook for the 2025 fiscal year

We are currently witnessing the first signs of an easing – albeit not a normalisation – of the market situation. In 2025, we will still be operating in a world with enormous potential for crises. The last few years have clearly shown that our markets often react sensitively to small changes. Various imponderables still remain, including in particular the further progress of the war in Ukraine as well as the potential impact of the new US administration’s economic policy on the global markets.

In this challenging environment, it is more important than ever to stay on the course we have set. In practical terms, this means reacting quickly and promptly to changes, pursuing a prudent investment and personnel policy, and ensuring proactive management of production capacities. Our aim is to create all the conditions that will enable us to act quickly and ramp up our production when the market situation improves and demand increases.

We expect a tentative recovery of the markets in the course of 2025 and below the line, therefore, we anticipate a slightly better operating result than in 2024. As the one-off costs incurred due to the plant closure in St-Prex will be eliminated in 2025, we expect net profit to be significantly higher. However, volatile energy costs continue to be an element of uncertainty whose impact on the Group’s result cannot yet be foreseen.

Our CEO, Johann Reiter, will retire at the end of 2025. Succession planning is in progress, and the Board of Directors will provide information about this in due course.

Annual General Assembly of Vetropack Holding Ltd

The 56th ordinary Annual General Assembly of Vetropack Holding Ltd will take place on Wednesday 23 April 2025 at 3:30 pm in the Vetropack Hall, Im Guss, Schaffhauserstrasse 106, 8180 Bülach.

The Board of Directors will propose to the Annual General Assembly that dividends are paid out as follows: a gross dividend of CHF 1.00 per class A registered share (2023: CHF 1.00), and a gross dividend of CHF 0.20 per class B registered share (2023: CHF 0.20).

The 2024 report is available exclusively online with a download option:
https://report.vetropack.com/2024

About Vetropack

The Vetropack Group numbers among Europe's leading manufacturers of glass packaging for the food and beverage industry, with around 3,600 employees and net sales of CHF 842.1 million in 2024. Vetropack has state-of-the-art production plants as well as sales and distribution offices in Switzerland, Austria, the Czech Republic, Croatia, Slovakia, Ukraine, Italy, the Republic of Moldova and Romania.

Through our work, we enable people to enjoy food and beverages in the most elegant, safest and most responsible way. This is because glass is a sustainable packaging solution – and the perfect material to ensure that food is packaged safely. With our holistic Service plus+ approach, we help our customers to optimise their value chains and guarantee consumers' safety. To this end, we endeavour to build close and long-lasting relationships. Guided by our understanding of environmental responsibility and cost efficiency, we aim to minimise our carbon footprint throughout the supply chain, and we are committed to recycling as the key to optimising product life cycles.

For further information:

Johann Reiter, CEO
Vetropack Holding AG
Phone: +41 44 863 33 30
E-Mail: johann.reiter@vetropack.com

David Zak, CFO
Vetropack Holding AG
Phone: +41 44 863 32 25
E-Mail: David.zak@vetropack.com