

2018

VALMIERA GLASS GROUP

CRAFTING THE IMPOSSIBLE

GLOBAL PLAYER

VALMIERA GLASS GROUP, whose headquarters are in Valmiera, Latvia, is one of Europe's leading manufacturers of fiberglass-based products.

The GROUP companies are located on two continents in three countries: in Latvia, the United Kingdom and the United States.



3 companies
324 000 m²

**A strong
manufacturing
infrastructure**



Employees
1500 +

**Knowledgeable,
highly skilled
employees**



Net sales
125.9 MEUR ²⁰¹⁷

**Over 50 years
of experience**

GLOBAL MARKETS

VALMIERA GLASS GROUP exports to more than 40 countries all across the world and our products can be found on every continent.

The largest export destinations being Germany, USA, Canada, Poland and Italy.

A strong global fiberglass market

Diversified through global markets

Promising and perspective market is North America - the biggest fiber glass market with the biggest growth opportunities

Well-established brand and well-known, recognizable products on the market

9%
NORTH
AMERICA

68%
EUROPEAN
UNION
(EU28)

3%
CIS

19%
OTHER
COUNTRIES
(Asia, Australia
et.al.)

PRODUCTS FROM SAND TO GLASS FIBRE

We are a full-scale production facility - we cover all production stages of fibre glass, starting from scratch through to final products.

5 glass-melting furnaces

**3 types of glass with different temperature resistance:
600+°C, 800+°, 1000+°C**

Wide range of manufactured products



CHOPPED STRANDS



SINGLE YARNS



TEXTURED YARNS, ROVING



TECHNICAL FABRICS



TEXTURED FABRICS



COMPOSITE FABRICS



MESH



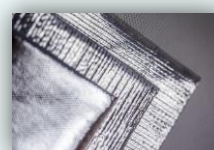
NEEDED MATS



STITCH-BONDED MATS



COATED FABRICS



LAMINATED FABRICS



ATEX®

PRODUCTS APPLICATION

We take a mineral which is over 25 000 million years old – quartz sand –, and create products that serve and protect, make impossible happen and improve the quality of life of millions of people.

This makes us the leaders in the industry.

**Diversified through industries
and individual customers**

**Known-how in aerospace,
thermo insulation and other
markets**

**RAW
MATERIALS**



**AVIATION
AND SPACE**



**THERMAL
INSULATION –
INDUSTRIAL
APPLICATION**



**AUTOMOTIVE
INDUSTRY**



**SMOKE
AND FIRE
PROTECTION**



**ARCHITECTURE
& BUILDING
INDUSTRY**



OUR MISSION CRAFTING THE IMPOSSIBLE

In VALMIERA GLASS GROUP we make impossible things possible and improve the quality of life for millions of people.

With our unique glass fibre we are supplying humans with unbelievable possibilities. We are shielding people from fire, making heavy products fly, creating forever lasting constructions and letting explore the depths of oceans and the Earth.

**SHIELDING
PEOPLE
FROM FIRE**



**LETTING EXPLORE
THE DEPTHS OF
OCEANS AND EARTH**



**MAKE HEAVY
OBJECTS FLY**



**HELPING PEOPLE
TO REACH
THE STARS!
LITERALLY!**



**BEING IMMUNE
TO WATER**



**CREATING
CONSTRUCTIONS
THAT LAST**

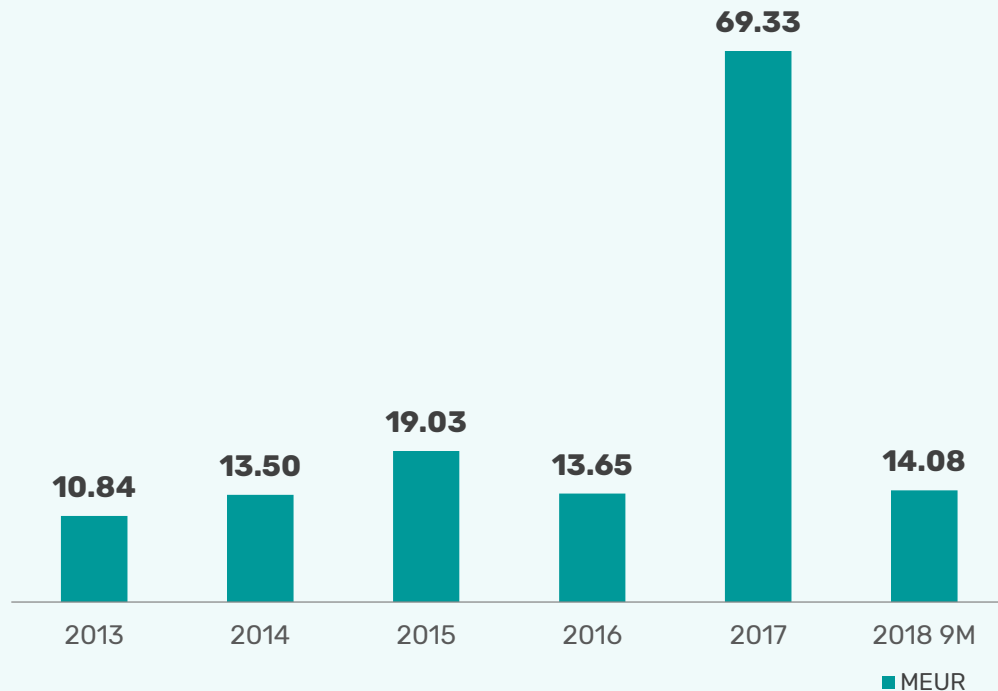


INVESTMENTS GROWING FAST AND STABLE

VALMIERA GLASS GROUP has been undertaken heavy investment in order to expand our global presence, modernize technological solutions and develop new, innovative products.

Total investments in the GROUP from 1997 till 2017 [21 year]: 245 MIO EUR

Largest investment project: U.S.-based production plant; planned total investments from 2014 till 2022 [9 years]: 110 MIO USD



INVESTMENTS THE LARGEST PROJECT: U.S.-BASED PRODUCTION PLANT

Our largest ongoing investment project of 110 million USD is the investment into the facilities of P-D VALMIERA GLASS USA Corp.

Planned by 2022 (Phase I + Phase II):

- **110 million USD**
- **575 employees**



FINANCIAL PERFORMANCE

* consolidated

TEUR, unless stated otherwise	2009	2010	2011	2012	2013*	2014*	2015*	2016*	2017*	2018 9M*
Sales	43 052	55 728	66 278	71 011	87 463	108 441	121 192	124 814	125 864	91 133
EBITDA	7 227	7 156	7 459	7 251	8 590	9 377	9 305	17 818	19 604	11 276
EBIT/profit from operating	1 785	2 592	3 866	5 787	5 807	8 389	6 851	7 270	8 480	-6 419
Net profit	26	877	2 178	4 073	4 885	7 155	5 475	4 807	8 216	-8 758
Assets	83 935	79 268	80 430	86 632	109 239	122 995	133 169	140 863	207 346	217 873
<i>incl. cash</i>	<i>749</i>	<i>330</i>	<i>311</i>	<i>240</i>	<i>1 175</i>	<i>1 179</i>	<i>1 200</i>	<i>2 959</i>	<i>2 634</i>	<i>7 213</i>
Equity	40 586	41 464	43 380	46 407	47 413	51 456	55 193	54 890	67 138	71 833
Liabilities	43 349	37 804	37 050	40 225	61 827	71 540	77 976	85 973	140 208	146 040
<i>incl. interest-bearing liabilities</i>	<i>39 554</i>	<i>31 971</i>	<i>31 255</i>	<i>29 937</i>	<i>41 593</i>	<i>46 412</i>	<i>49 892</i>	<i>51 696</i>	<i>88 231</i>	<i>95 045</i>
Sales growth	-20%	29.4%	18.9%	7.1%	23.2%	24%	11.8%	3%	0.8%	-6.6%
EBITDA margin	20.9%	17.5%	17.1%	18.4%	16.5%	16.4%	13.3%	14.3%	15.6%	5.3%
EBIT margin/operating profit margin	4.1%	4.7%	5.8%	8.1%	6.6%	7.7%	5.7%	5.8%	6.7%	-7%
Net profit margin	0.1%	1.6%	3.3%	5.7%	5.6%	6.6%	4.5%	3.9%	6.5%	-9.6%
Earnings per share (EUR)	0.001	0.04	0.09	0.16	0.20	0.30	0.23	0.20	0.34	-0.10

2018 (plan)*:

- **Sales: 120 MEUR**
- **EBITDA: 5.5 MEUR**
- **Net profit: -12.5 MEUR**

FUTURE OUTLOOK

2019:

- Repair of the glass melting furnace 3 in Latvia.
- Finalizing of production up ramp in the US subsidiary.
- Structuring of production capacities between the operations.
- Implementation of existing, new glass types.
- Increase of special glass capacities in the capex.
- Internationalization of the workforce:
 - increase of profitability in Latvia and the UK;
 - achievement of an acceptable earning level in the US subsidiary.

2020:

- Repair of the glass melting furnace 2 in Latvia.
- Reach earning levels in the US subsidiary comparable to the company in Latvia.
- Increase cooperation between the companies in Latvia, the UK and the US to save administrative costs.
- Increasing the level of automation in the companies in Latvia and the UK.
- Investments in higher customer added value products:
 - increase of profitability in all GROUP companies - Latvia, the US and the UK;
 - payment of dividends for these financial years.

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