



THE GLASS MARKET IN FIGURES





SIMPVIDRO

ALAGOAS 2024

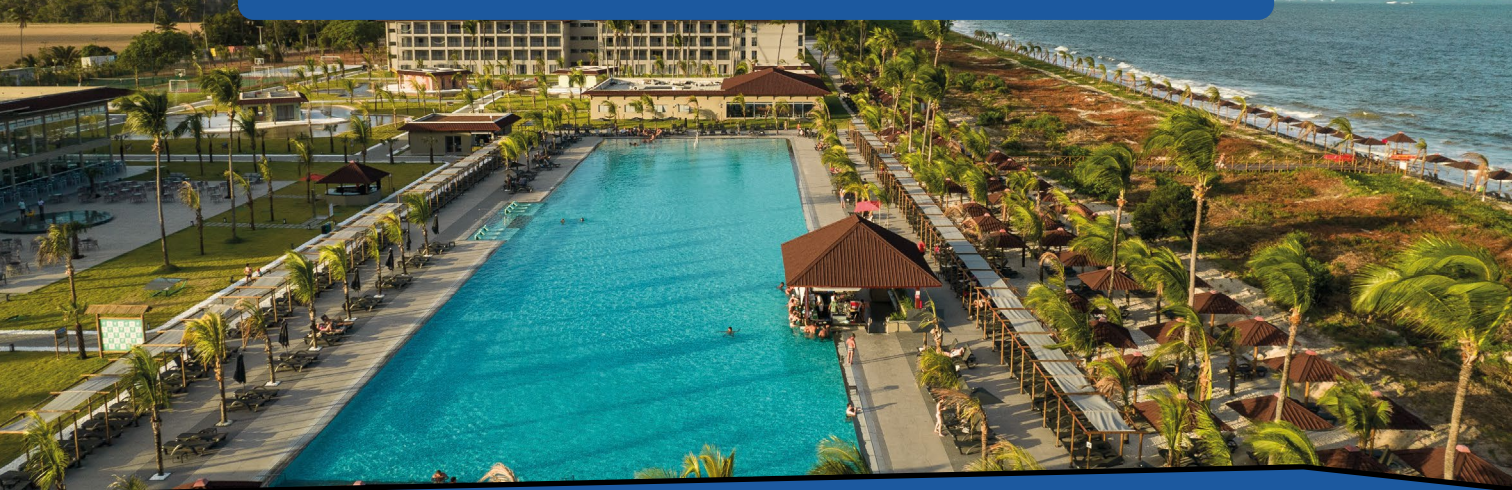
The main flat glass meeting in Latin America is coming!



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We have shrunk once again

In its 13th edition, the *Panorama Abridro* does not bring good news. For the third year in a row, the production of non-automotive processed glass has declined: 1.8% in 2023, in a total that already adds up to a 12% reduction in production and brings us back to the level of the 2016 crisis, which ended the flat glass market's growth cycle. After the boom seen in 2020, due to the increase in demand for our material, due to the pandemic, we were unable to maintain the strength.

The pace of decline fell compared to the previous year, mainly sustained by tempered glass performance. As main product of the processing chain, it has given an important demonstration of resilience and, after a reduction in the volume produced in 2022, it grew 0.5% in 2023, reaching its highest market share, almost 60%. It was not enough, however, to contain the falls in laminate (6.6%), which broke its four-year growth cycle, and mirror (9.2%). As for insulated glass, it saw an 18.8% increase in production, but it still does not reach the level of 1% of market share.

And if the volume figures are bad, the revenue is the same, but with greater intensity: drop of 9.7% in 2023, adding a 20% reduction in two years, a result of the deflation and accommodation process in the sector after the pandemic. In addition to the low revenue, tempered and laminated glasses also recorded the third consecutive drop in the average price (base 100), although they are in a better situation than in the pre-pandemic period.

Two other indicators that generate concern again are idleness and productivity. The latter even reached the lowest rate in the last thirteen years, returning to the level of 2011: 149.3 m²/employee/month. At its best moment, 2015, this indicator reached 179.4 m²/employee/month.

The feeling of déjà-vu also appears when evaluating international trade data during the last year: glass imports more than tripled compared to 2022. In the case of float, we return to the volume of 2014, the year that marked the beginning of validity of antidumping. It is also noteworthy the volume of imported laminated glass, the highest since 2000. In the first months of 2024, import figures are still high, but the recent rise in international freight costs and of the dollar could change the scenario. It is also worth noting the reduction in exports last year, mainly as a result of the consolidation of production in the second Vasa furnace in Argentina, opened at the end of 2022.

The figures you will see in this document are worrying, demonstrating the "perfect storm": drop in volume with an even greater drop in profitability. But the glass businessperson is resilient and the regional and national associative action becomes even more important in the quest to enhance the value of our product.

We cannot stop!



Rafael Ribeiro
President of Abridro

The numbers you will see in this document are worrying, but the glass entrepreneur is resilient and regional and national associative action becomes even more important in the quest to enhance the value of our product. We cannot stop!





Indicators

of the glass processing industry (REF. 2023)



Revenue:
-9.7% ↓



Production in m²:
-1.8% ↓



Productivity:
-3% ↓



Job positions:
+1.2% ↑



Import:
+223.1% ↑



Export:
-57.2% ↓

TECHNICAL SPECIFICATIONS: Data for the year 2023.
Abravidro survey carried out by GPM Consultoria Econômica.
Sample profile: 46 companies representing 20% of the Brazilian market of non-automotive processed glass.
Data collection period: From January to April 2024.



Production Chain



EXTRACTION
of non-ferrous
minerals



Glass
MANUFACTURING
(base plants)



Glass
PROCESSING



Civil construction
(construction companies
and glaziers)



Major appliances
industry



Automotive
industry



Photovoltaic solar
energy industry



Furniture
industry



Base industry

Nominal capacity of flat glass production (t/day)

Manufacturer	Plant	2017	2018	2019	2020	2021	2022	2023	2024
CEBRACE	C1	900	900	900	900	900	900	900	900
	C2	600	600	600	600	600	600	600	600
	C3	600	600	600	600	600	600	600	600
	C4	600	600	600	600	600	600	600	600
	C5	900	900	900	900	900	900	900	900
AGC	Guará 1	600	600	600	600	600	600	600	600
	Guará 2	-	-	850	850	850	850	850	850
GUARDIAN	RJ	600	600	600	600	600	600	600	600
	SP	800	800	800	800	800	800	800	800
VIVIX	PE	900	900	900	900	900	900	900	900
SAINT-GOBAIN GLASS	SP	180	180	180	180	180	180	-**	-**
UBV	SP	240	-*	-	-	-	-	-	-
TOTAL		6,920	6,680	7,530	7,530	7,530	7,530	7,350	7,350

Source: statement of the plants

* UBV stopped its furnace in April 2018, date on which it announced the end of its activities.

** Saint-Gobain Glass stopped the activities of the São Vicente (State of São Paulo) furnace in March 2023. The production of textured glass began to be carried out in Cibrace's C4 furnace.

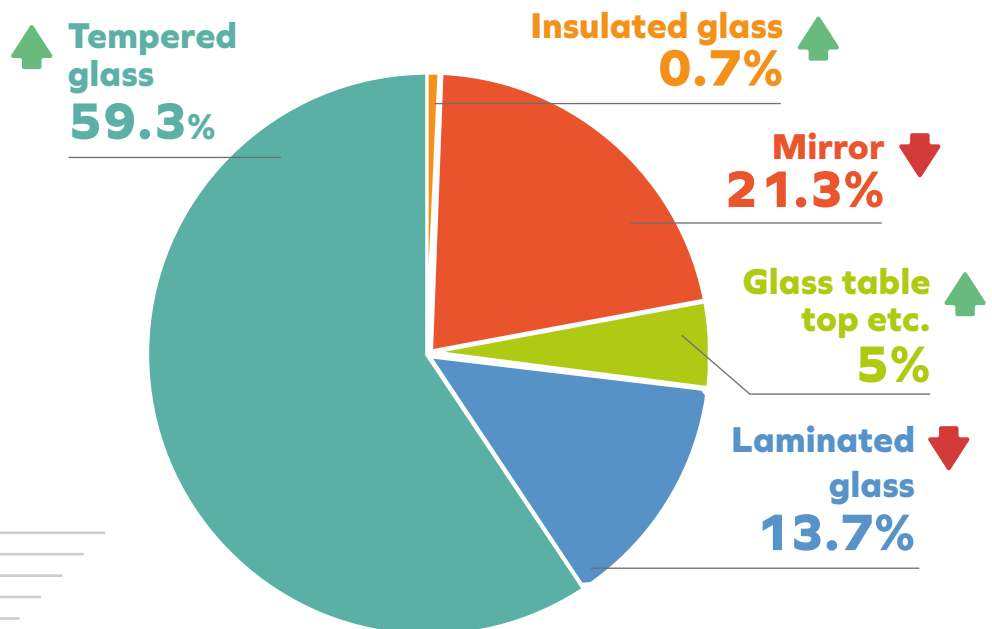


Processing industry

of non-automotive processed glass

Share by product in 2023 (m²)

Tempered glass reached its highest share in the historical series of *Panorama Abravidro*, being the major anchor of the processing chain.





Processing industry

of non-automotive processed glass

Revenue of processed glass (BRL million/year)

For the second year in a row, the sector sees its revenue fall, in a process of deflation that marks the sector's post-pandemic accommodation.

	Tempered	Laminated	Table top etc.	Mirror	Insulated	Total
Real variation 2023/2022	-10.1%	-7.5%	-8.3%	-15.3%	7.8%	-9.7%
2023	3,652.1	1,453.9	113.7	866.7	246.3	6,333.0
2022	4,063.1	1,572.0	124.0	1,022.9	228.5	7,011.0
2021	4,657.7	1,604.8	141.7	1,186.4	236.6	7,827.0

Source: Abravidro survey carried out by GPM Consultoria Econômica and by Pesquisa Industrial Anual (PIA-IBGE). Automotive industry glass is excluded. The 2021 and 2022 figures have been adjusted for inflation.

Production of processed glass (m²)

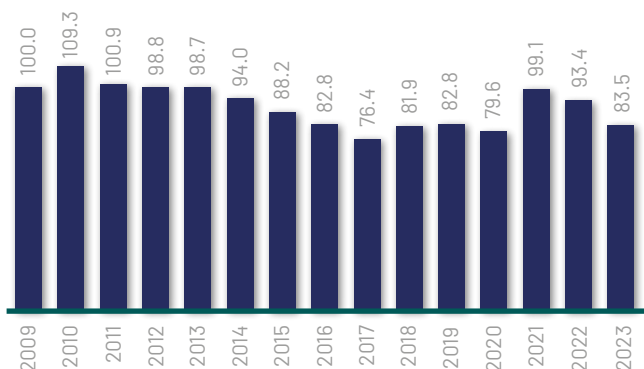
The Brazilian processed glass market saw a reduction in the rate of decline in production. Sustained by the tempered glass, it shrank, returning to the level of the 2016 crisis. Since then, we have been sideways, except for the pandemic years.

	Tempered	Laminated	Table top etc.	Mirror	Insulated	Total
Real variation 2023/2022	0.5%	-6.6%	21.2%	-9.2%	18.8%	-1.8%
2023	32,498,024	7,484,231	2,767,683	11,697,392	372,595	54,819,924
2022	32,322,696	8,011,791	2,282,847	12,883,919	313,739	55,814,992
2021	34,928,391	7,650,198	2,259,722	14,034,153	323,050	59,195,514

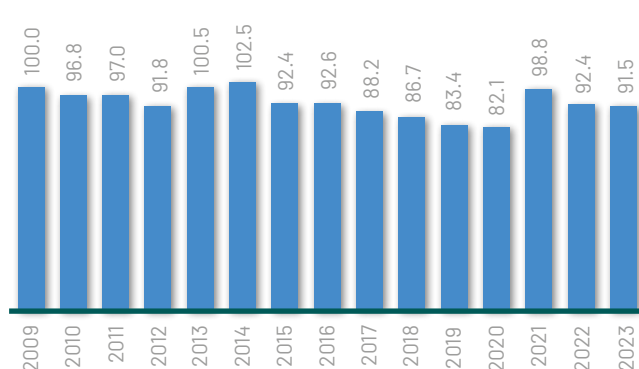
Average price of processed glass (base 100 = 2009)

The average price of tempered and laminated glasses continues to fall for the third consecutive year, with greater intensity in the case of tempered glass.

TEMPERED GLASS

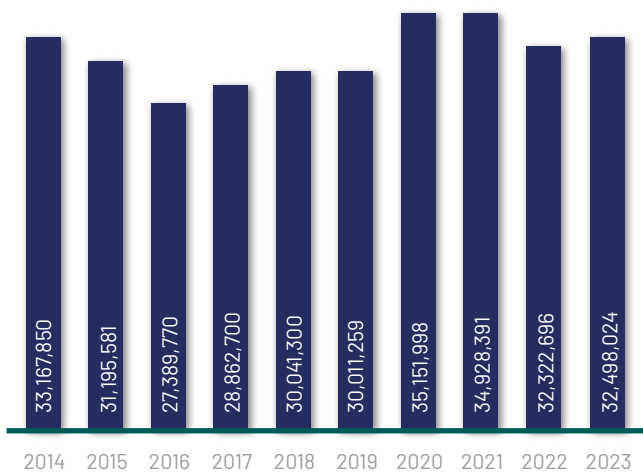


LAMINATED GLASS



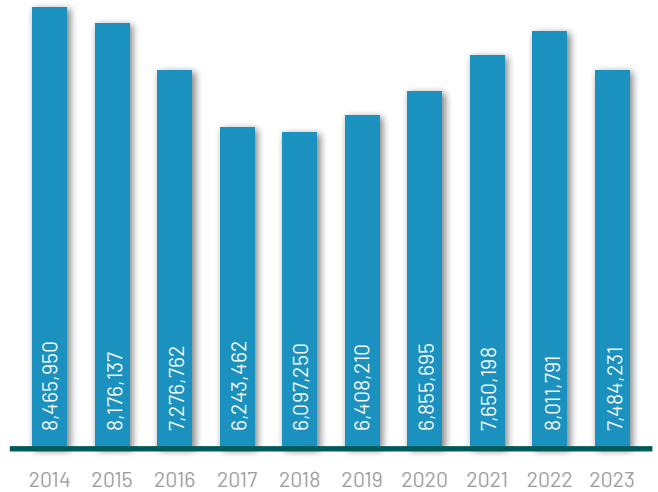
Evolution of the production of processed glass (m²)

Tempered glass



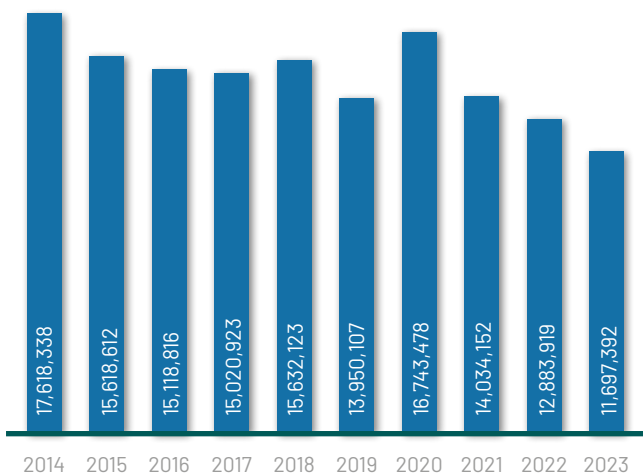
Tempered glass, the main product of the processing chain, showed exceptional strength and grew again after two years in decline.

Laminated glass



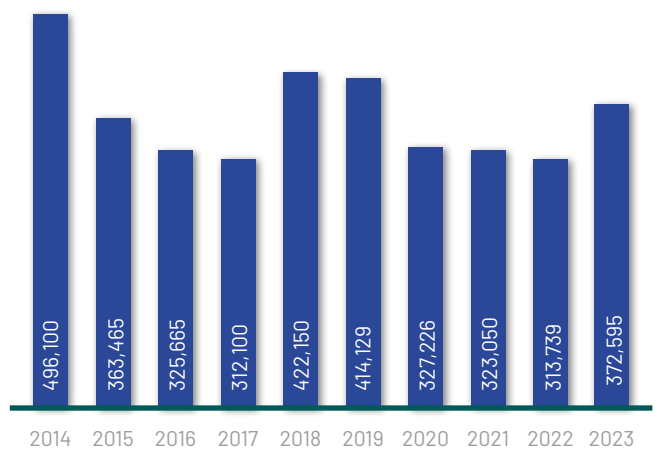
After accumulating 30% growth in four years, the laminated glass was unable to maintain its vitality and recorded a decline in the volume produced in 2023.

Mirror



In decline once again, mirror recorded the worst volume in *Panorama's* historical series, largely due to the crisis in the furniture industry, a major consumer of this product.

Insulated glass



It achieved significant growth in production in 2023 — that's great news. But the product still has a long way to go to become more significant in national consumption.



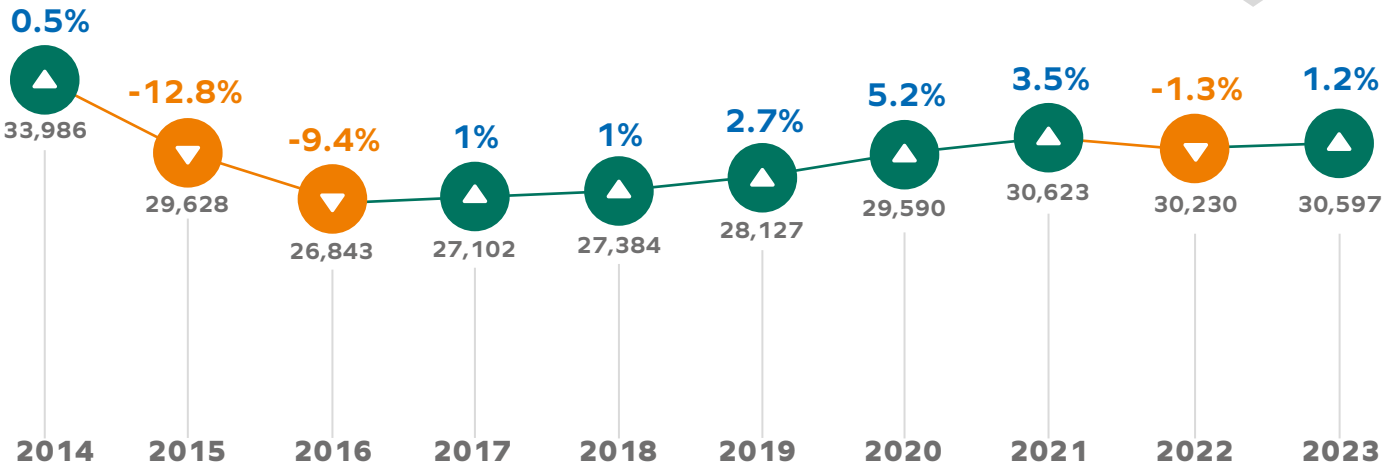
Processing industry

of non-automotive processed glass



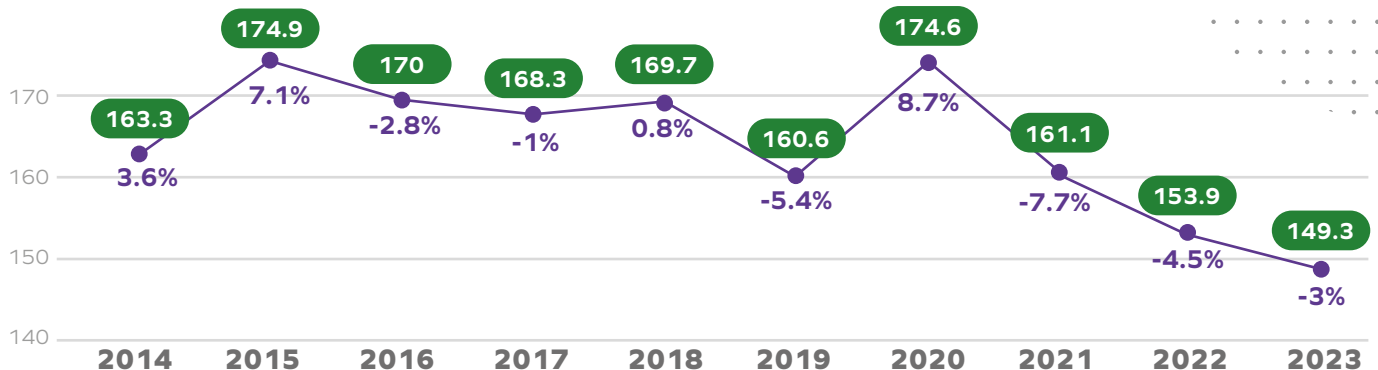
Workforce employed in the processing industry

The number of employees grew again, but at a slower pace than in previous years.



Productivity in the processing industry (m²/employee/month)

The indicator continues to decline and reached, in 2023, the worst mark in the *Panorama* historical series. In the last 10 years, there was only an improvement in productivity in 2015 and 2020.

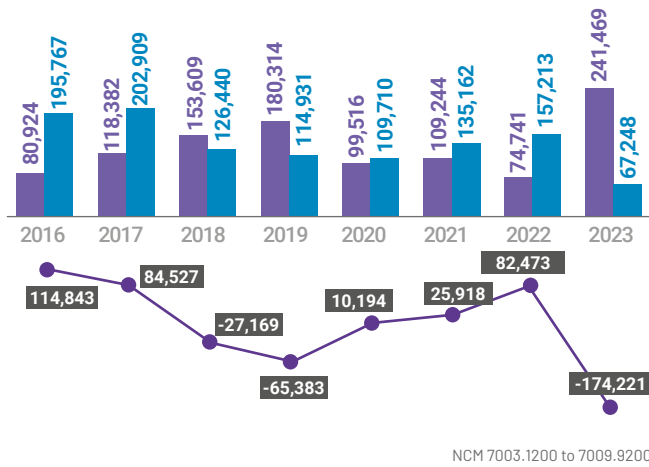




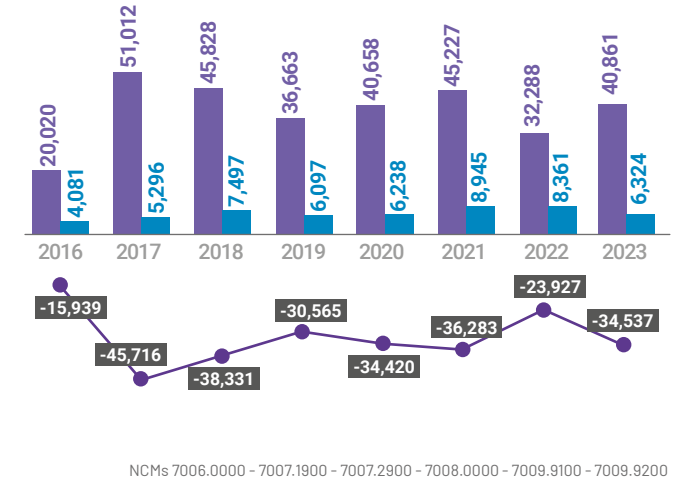
International Trade



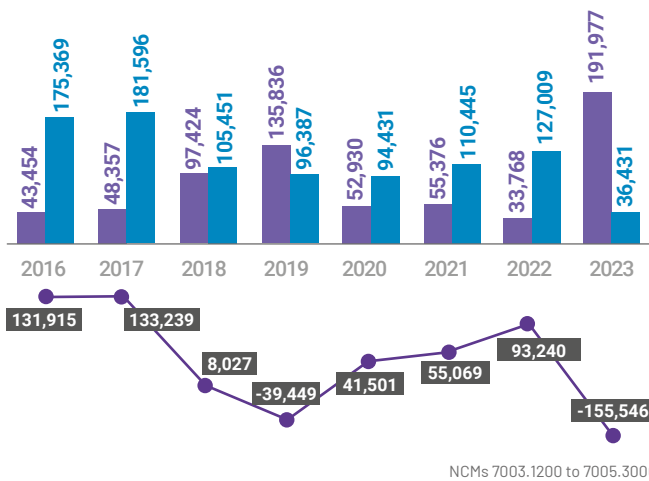
Trade balance of flat glass



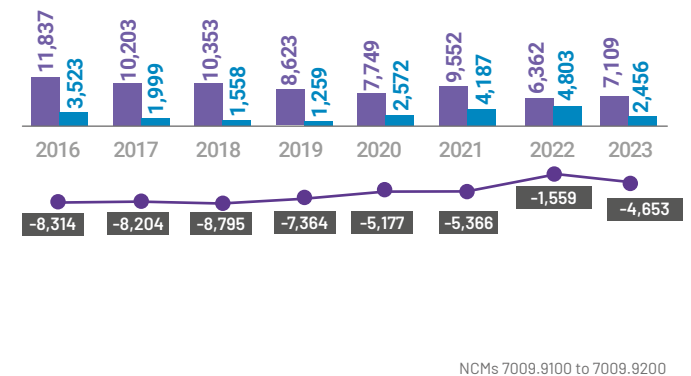
Trade balance of non-automotive processed glass



Trade balance of raw material



Trade balance of non-automotive mirrors



Source: Ministry of Development, Industry, Commerce, and Services (MDIC)

■ Import Net weight (t)
 ■ Export Net weight (t)
 ● Balance Net weight (t)



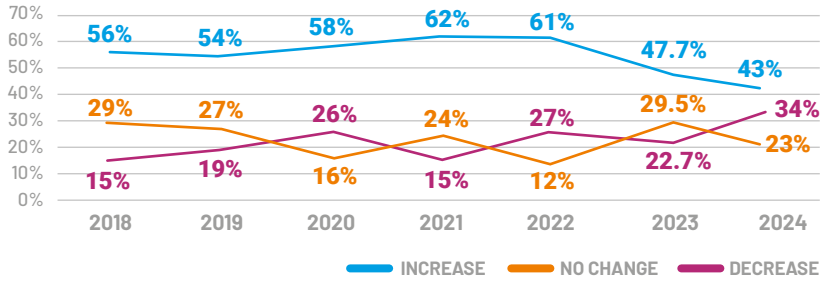
Perspectives

The percentages below reflect valid responses received.



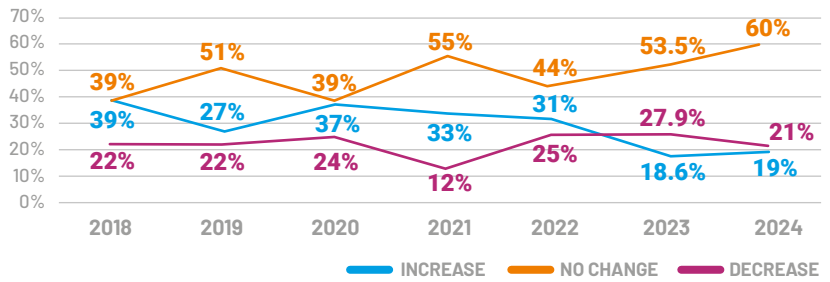
Revenue expectation

After two consecutive years of decline in revenue, the expectation of a drop by processors in 2024 is the largest in the historical series.



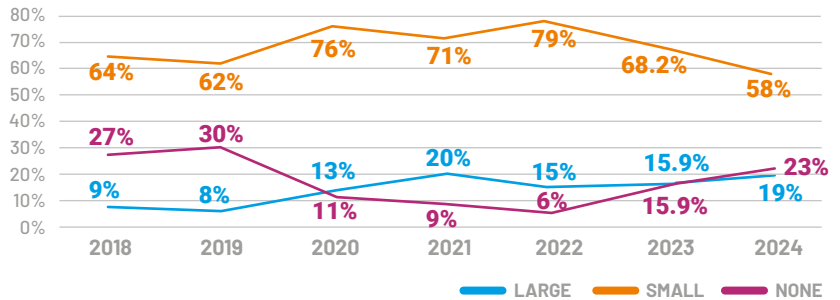
Number of employees

The sector's expectation is to maintain job positions, without major movements.



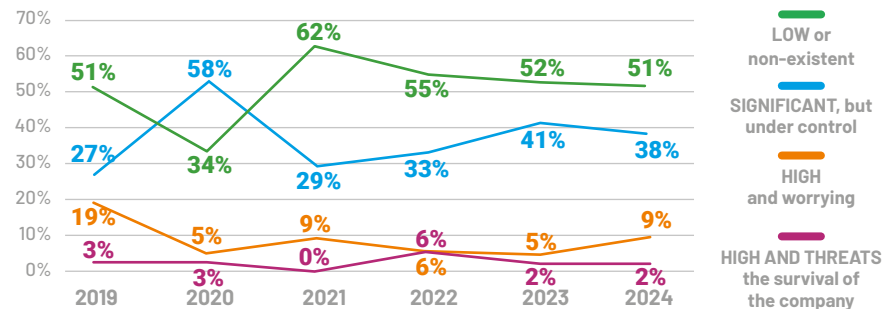
Investment intention

Despite not very favorable expectations for the year, there was an increase in the percentage of companies that foresee large investments.



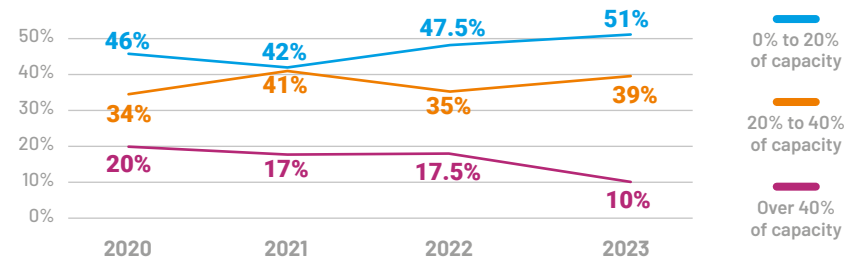
Level of indebtedness

Corporate debt remains under control, but the number of companies that identify it as high and worrying has increased.



Idle capacity

Just like productivity, idleness is an indicator that requires attention from glass companies and remains high.



We have been working for 34 years on behalf of the flat glass sector!

Our initiatives are a trademark of this activity:



The market development passes through here!



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