



*Guala Closures Group*

# **9M 2023 Investor Presentation**

*November 29, 2023*



*The financial information included in this presentation has been derived from the financial statements as of and for the nine months ended September 30, 2023, of Guala Closures S.p.A. (the "Company" and together with its subsidiaries, the "Group"), which include comparative financial data as of and for the nine months ended September 30, 2022.*

*In addition, in this presentation we present certain financial measures and ratios related thereto, including EBITDA and Adjusted EBITDA, that are not specifically defined under IFRS or any other generally accepted accounting principles. These measures are presented here because we believe that they and similar measures are widely used in our industry as a means of evaluating a company's operating performance and financing structure. Our management believes this information, along with comparable IFRS measures, is useful to investors because it provides a basis for measuring the operating performance in the periods presented. These measures may not be comparable to other similarly titled measures of other companies and are not measurements under IFRS or other generally accepted accounting principles, and therefore you should not consider such items as substitutes for analysis of our operating results as reported under IFRS. The non-IFRS financial measures contained in this presentation are based on a number of assumptions that are subject to inherent uncertainties and are subject to change.*

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# Guala Closures Group 9M 2023 results - Highlights



- **LTM PF (\*): net revenue €916m, adj EBITDA €186m (20% margin) and adj. EBIT (\*\*) €146m (16% margin)**
- **LTM results in line with guidance provided during the refinancing process in September (€865-895m of revenues and EBITDA of €176-184m)**
- **Net revenue LTM L4L €875m, -3% vs PF DEC 2022 (€900m)**
- **Adj. EBITDA LTM L4L €180m, +7% vs PF DEC 2022 (€168m). Adj. EBITDA margin LTM SEP 2023 at 20% vs 19% PF DEC 2022**
- **Net revenue 9M 2023 €645m, -1% vs 9M 2022 (-3% organic)**
- **Adj EBITDA 9M 2023 €137m, +13% vs 9M 2022 (+11% organic). Margin 9M 2023 at 21% vs 19% 9M 2022**
- Positive performance from: (i) Spirits segment, particularly for luxury closures that generated €91m revenues in 9M 2023 (+59% growth, of which 37% organic) and (ii) Americas with €181m revenues in 9M 2023 (+9%)
- Specific clients / geographies partially impacted by destocking policy and lower market consumption

## Financial performance

- Net Financial Debt decreased by €29m vs December 2022
- Free Cash Flow in 9M 2023 €82m (60% on adj EBITDA) vs €27m in 9M 2022 (23% on adj EBITDA)
- Net Indebtedness ratio 2.6x at 30 September 2023 (vs 2.9x at December 2022 and 3.0x at September 2022). Solid balance sheet position at SEP 2023 with €500m Senior Secured Notes due 2028 at 3.25% fixed rate and €201m of cash (€105m of cash plus €96m of undrawn SSRFC) to support future growth.
- In October 2023 issuance of €350m new Floating Rate Senior Secured Notes due 2029 (at 3M EURIBOR (0% floor) plus 4.00%) and incremental €54m RCF (total commitment €150m). Pro-forma net debt would be €733m (3.9x Net Indebtedness ratio) and liquidity would increase from €201m to €328m (€178m of cash plus €150m of undrawn RCF)
- Issuance of an Interest Rate Collar referencing the full principal amount of the 2029 Notes to hedge the exposure to the floating interest rate
- Finalization of the acquisition of Yibin Fengyi Packaging Co., Ltd ("Fengyi") one of the leading closures and boxes manufacturers in China operating within the high-end Baijiu market, the most reputable Chinese traditional liquor. Fengyi generated revenues of approx. €38 million and EBITDA of approx. €6 million in the 12 months ended 30 September 2023.
- Capex of €49m in 9M 2023 including €22m of growth capex focused on spirits and wine markets, in particular for expansion capacity in China to further develop the local business, in Mexico to serve North America and in Scotland to build the "Single plant site", as well capacity increase in Italy for wine business.

(\*) Results LTM PF include 12M Fengyi and 12M Anacorks (Labrenta) (\*\*) Figurative EBIT recalculated excluding estimated D&A related to PPA

# Highlights (2/2)



## Operational excellence

- Continue to focus on the improvement of the operational set up and optimization of the manufacturing footprint:
  - Mexico: the plant expansion to serve North America market is progressing and is expected to be completed by the end of 2023.
  - UK (Scotland): the construction of the new plant is advancing; the infrastructure is expected to be completed in 1H 2024.
  - SAP project: “go live” in Mexico successfully completed in August, UK expected to “go live” in Q1 2024. Poland, Italy and Spain will follow.

## Business development

- China developments:
  - Opening Ceremony of the new Chengdu operation on 28 September, together with Fengyi new JV Partners and Local Authorities.
  - Fengyi acquisition completed on 31 October.

## R&D and product developments

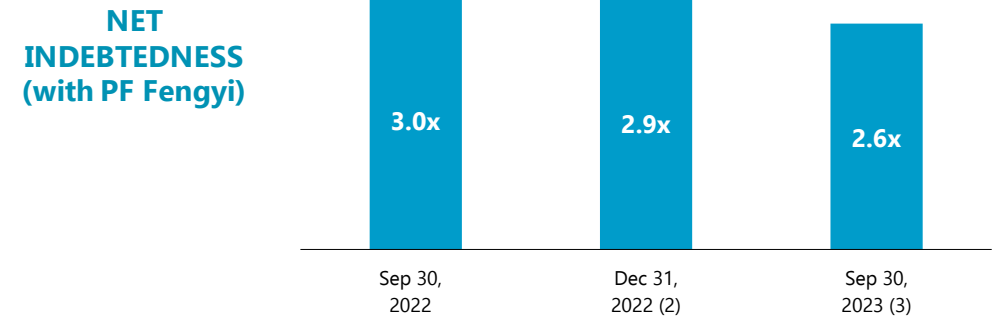
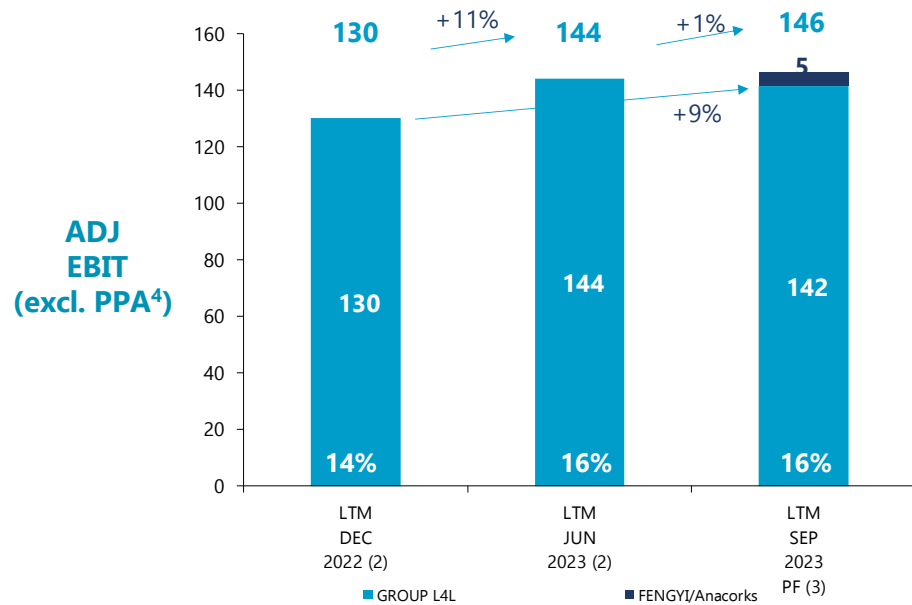
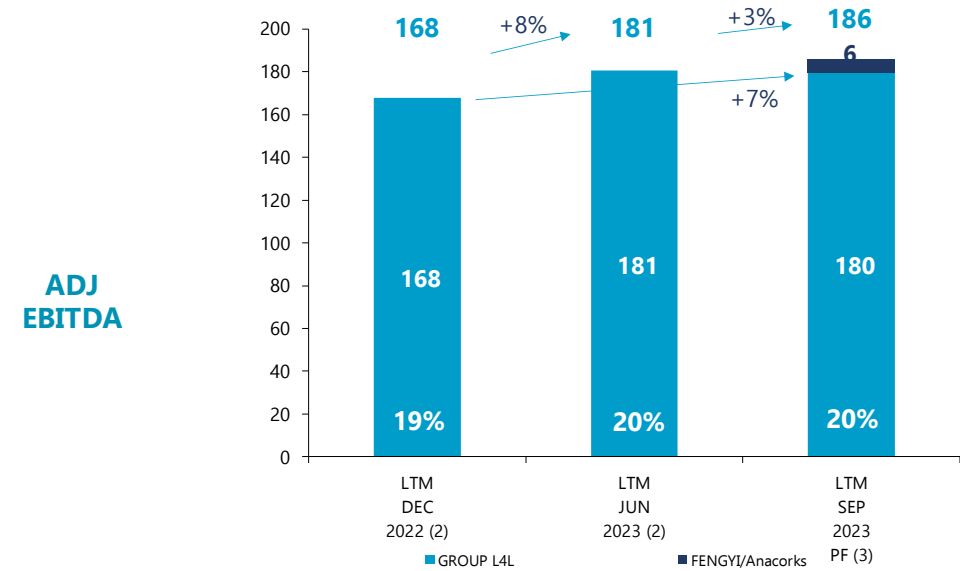
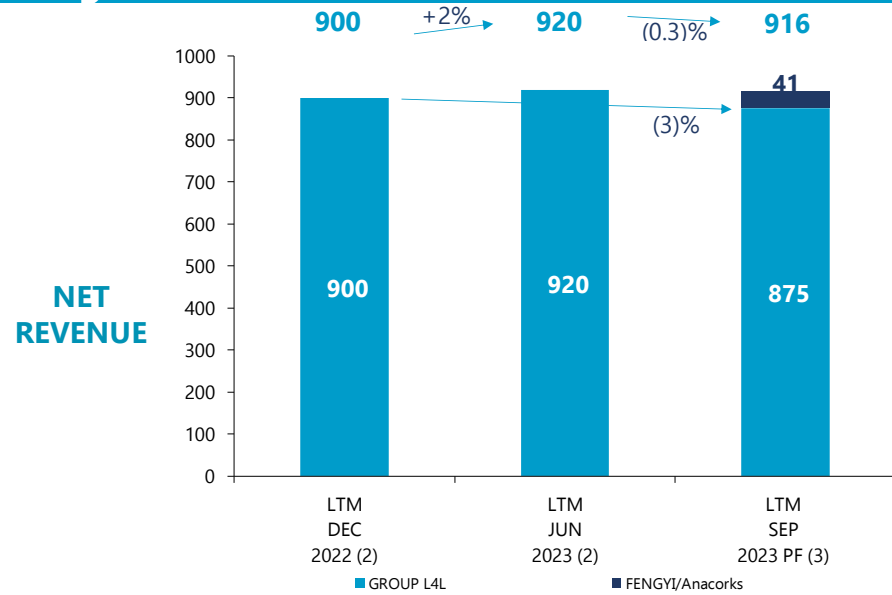
- Continuous work to create a more integrated R&D structure across the Group and a stronger coordination among the different R&D centers.
- R&D is mainly focusing on 3 axes:
  - Luxury: strong cooperation with design agencies and partners to grow offer of new sustainable materials and special finishing.
  - Sustainability: introduction of new solutions and testing of innovative technologies to be applied to recyclable materials.
  - Security: developing customized offerings that combine security, sustainability and authentication, making the Group solutions difficult to replicate.

## ESG

- Continuous focus on the reduction of emissions with concrete actions to increase the use of renewable energy and the roll out of several projects to reduce the overall consumption of energy, allowing the decrease of Scope 1&2 emissions by 18.3% vs Q3 2022. We reached 53.9% usage of electrical energy from renewable sources vs 42% in 2022.
- In Q1 2023:
  - our GHG (Green House Gases) emissions have been validated by Bureau Veritas.
  - 100% of our plants were certified ISO22000 or FSSC22000, excluding new plant in China and Labrenta.
- In Q2 2023 :
  - the new Sustainability program “Sustainable together 2030” has been launched.
  - achieved Silver rating by Ecovadis with a score of 69, positioning Guala Closures in the TOP 7% of companies within the industry.
- In September 2023: received the “A – Best Corporate Sustainability Strategy” award in the Private Equity Wire European ESG Awards.

# Guala Closures Group 9M 2023 Financial results

# Key Financials LTM <sup>(1)</sup>



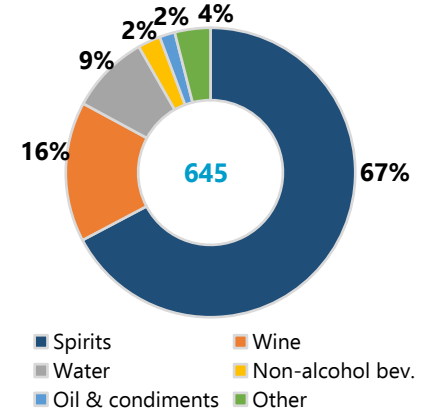
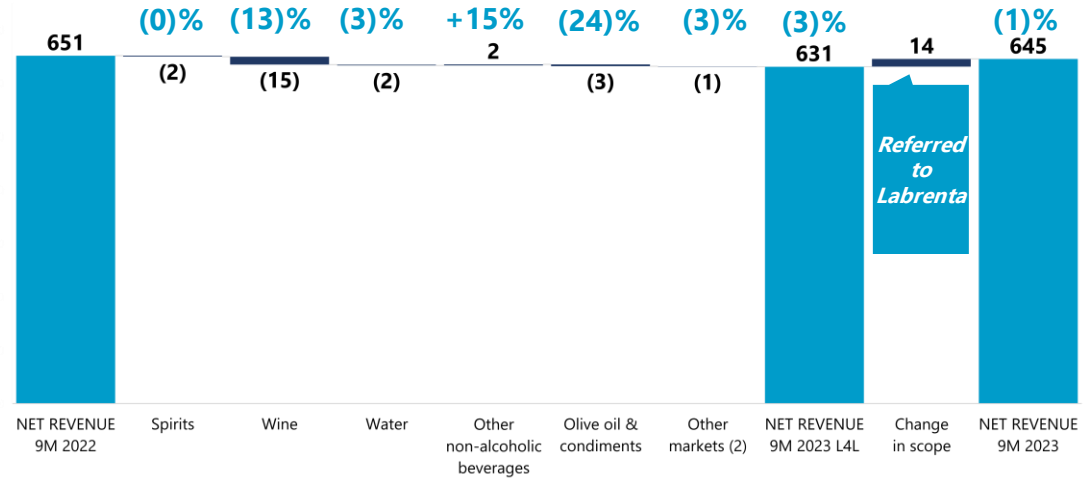
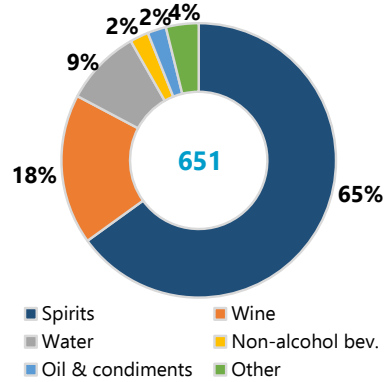
<sup>(1)</sup> Million Euro - <sup>(2)</sup> LTM DEC 2022 and LTM JUN 2023 includes 12M Labrenta - <sup>(3)</sup> Fengyi/Anacorks figures as if they were acquired as of October 1, 2022 for the LTM Sep 2023 - <sup>(4)</sup> Figurative EBIT recalculated excluding estimated D&A related to PPA



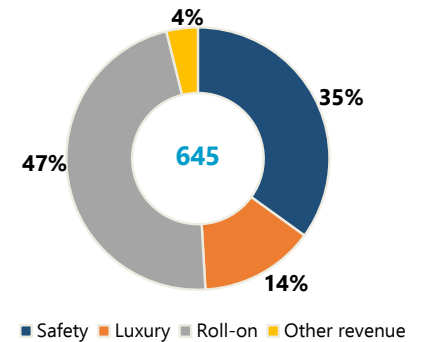
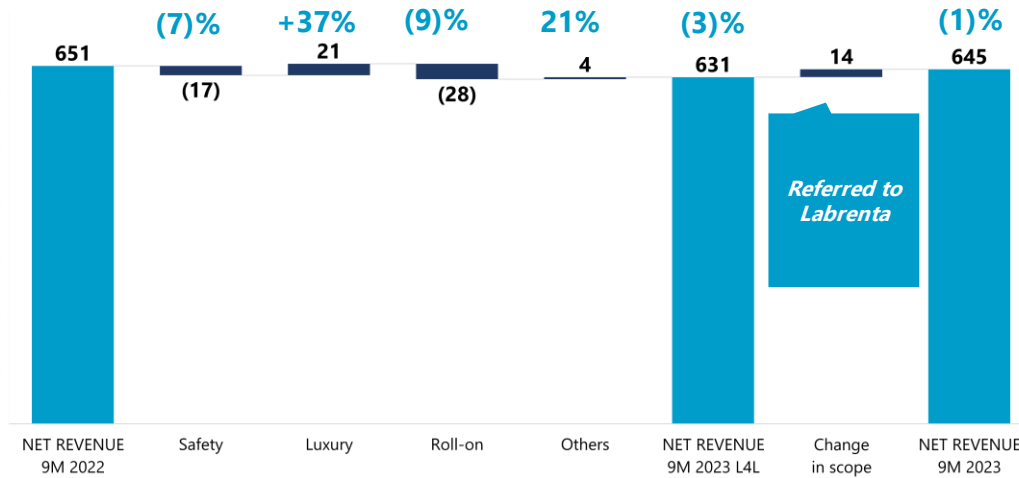
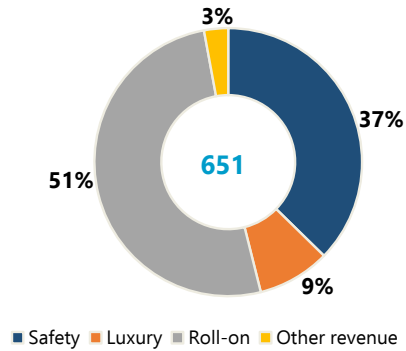
# Net Revenue by Market <sup>(1)</sup> and Product



## BY DESTINATION MARKET



## BY PRODUCT

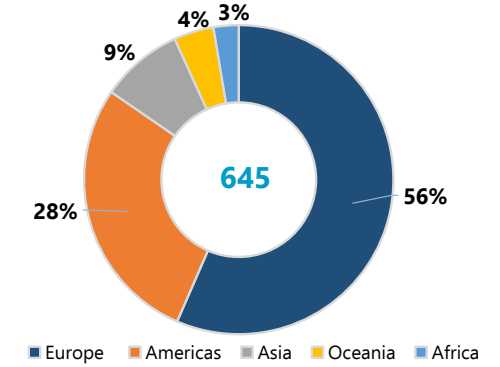
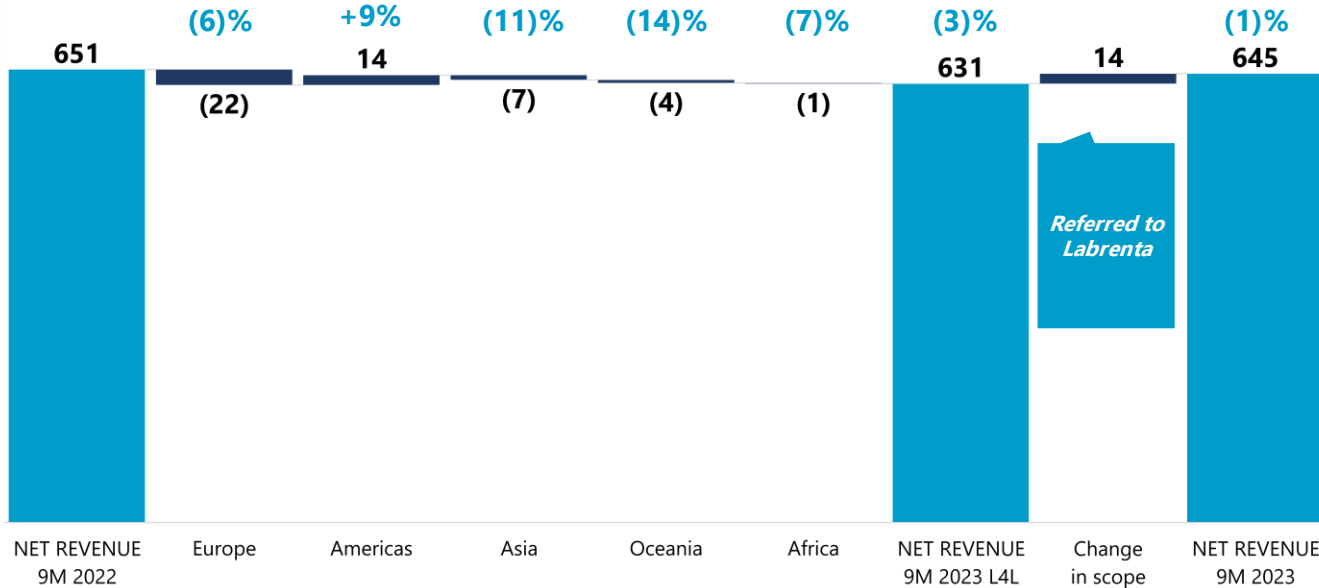
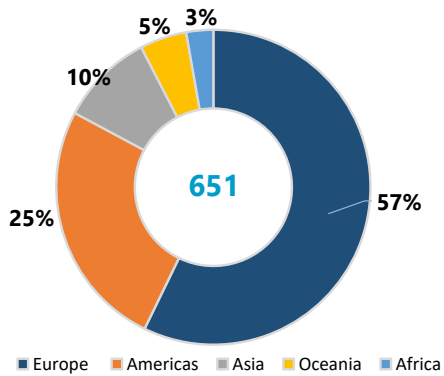


### 1% decrease in net revenue, of which -3% organic

- Markets: Guala performed better than competition, but all markets suffered from customer destocking policy and low market consumption
- Products: +37% luxury closures, representing 14% of 9M 2023 net revenue

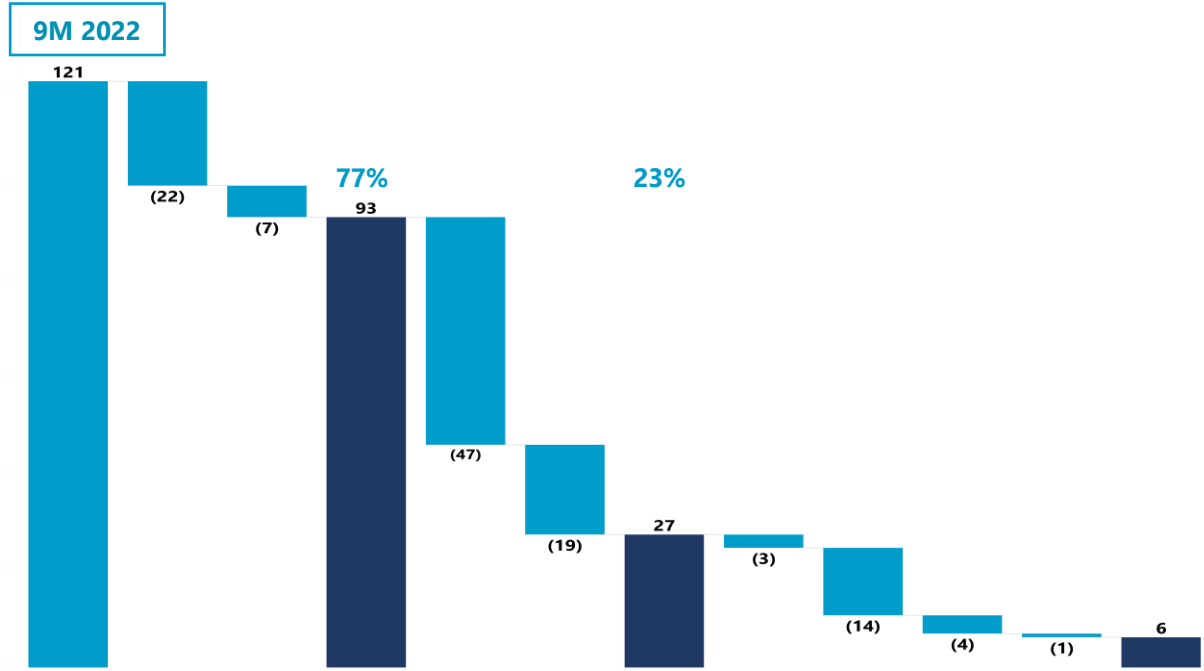
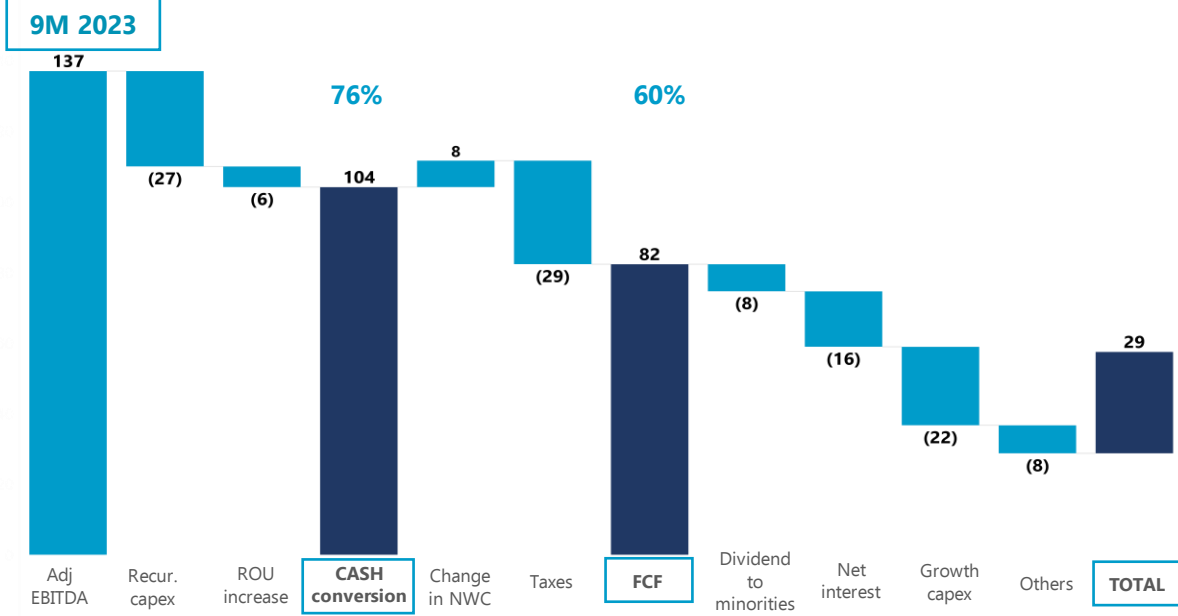
<sup>(1)</sup> Million Euro - <sup>(2)</sup> Other markets include PET, Pharma, etc.

# Net Revenue by Geography <sup>(1)</sup>



- 🌐 Growth in the Americas (+9%) driven by luxury spirits market.
- 🌐 Slow down in the other regions in the 9M 2023 with positive outlook coming from business development in Oceania that will bring new volumes and Africa which confirms to be a high potential market.

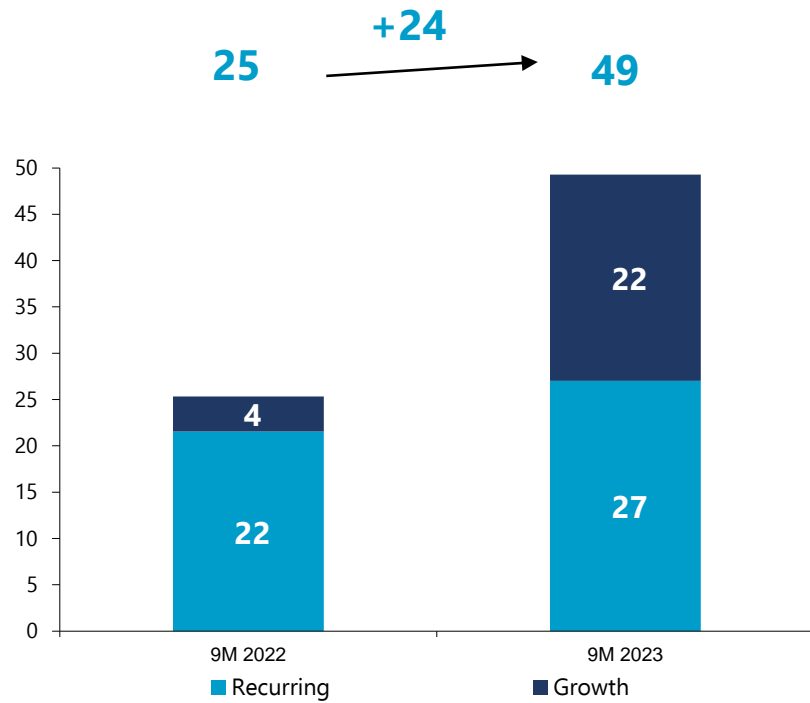
<sup>(1)</sup> Million Euro



### Cash conversion and FCF improvement vs 9M 2022

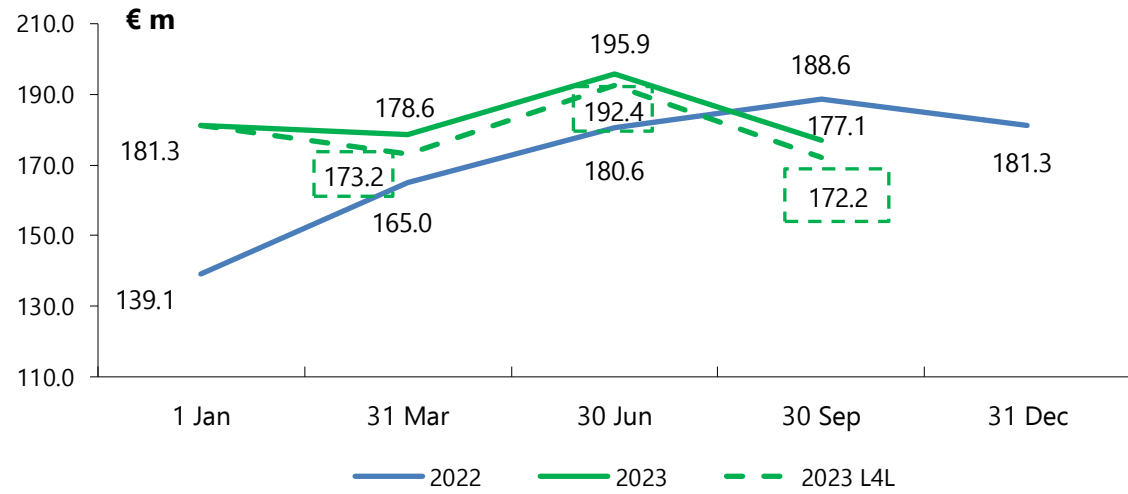
- 🌐 Cash conversion €104m in 9M 2023 (+€11m vs 9M 2022) representing 76% on adj EBITDA (77% in 9M 2022)
- 🌐 €16m adj EBITDA increase partly absorbed by €5m higher recurring capex
- 🌐 FCF 9M 2023 €82m (+€55m vs 9M 2022), representing 60% on adj EBITDA (23% in 9M 2022)
- 🌐 FCF improvement vs 9M 2022 mainly due to higher cash conversion (€11m), positive impact from change in NWC (€55m), partially offset by higher taxes (€10m)
- 🌐 €29m total CF 9M 2023, €23m improvement vs 9M 2022 (€6m) mainly due to higher free cash flow, only partially compensated by higher growth capex and other items

<sup>(1)</sup> Million Euro

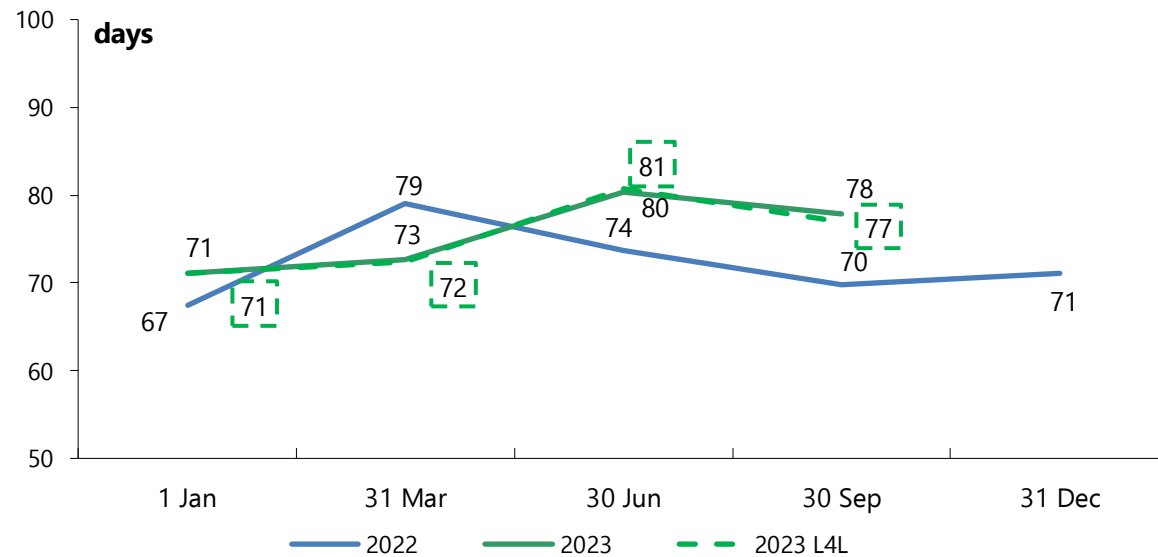


- In 9M 2023 total capex €49m, €24m higher vs 9M 2022 due to:
  - +€5m increase in recurring investments
  - +€18m increase in growth capex mainly related to the special expansion projects in UK, China and Mexico and new capacity in Italy

<sup>(1)</sup> Million Euro



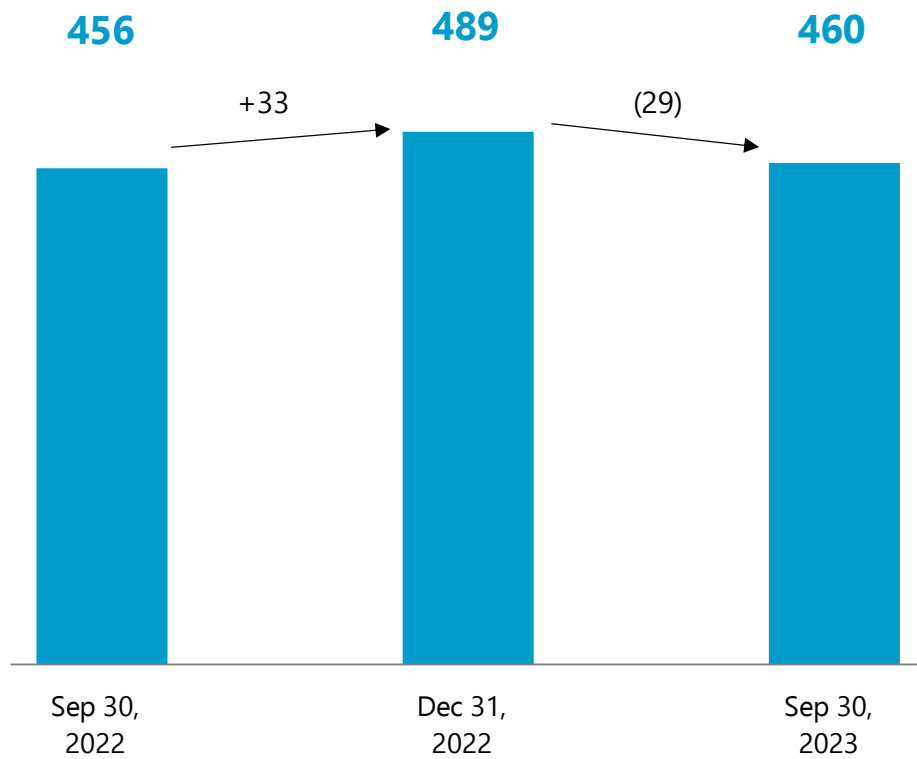
At the end of September 2023, NWC at €177m, €4m lower than December 2022 and €12m lower vs September 2022, despite €5m impact from Labrenta in September 23



NWC days at the end of September 2023 (78 days reported and 77 L4L) are 4 days lower L4L than June 2023 mainly due to actions for inventory improvement but still 7 days higher than at the end of September 2022 (L4L) as a consequence of certain clients destocking and low market demand in the period, not compensated by payables due to timing of purchases.

<sup>(1)</sup> Million Euro

# Net Financial Debt <sup>(1)</sup>



- Net Financial Debt decreased by €29m vs Dec 2022, mainly due to strong operating CF, only partially absorbed by investments and financial items
- Solid balance sheet position at SEP 2023 with €500m SSN due 2028 at 3.25% fixed rate and €201m of cash (€105m of cash plus €96m of undrawn SSRCF) to support future growth.
- Net Indebtedness ratio 2.6x at 30 September 2023 (vs 2.9x at December 2022<sup>(2)</sup> and 3.0x at September 2022). SSNL ratio 2.2x at 30 September 2023 (2.5x at 31 December 2022) <sup>(3)</sup>
- In October 2023 issuance of €350m FRSSN due 2029 (at 3M EURIBOR (0% floor) plus 4.00%) and incremental €54m RCF (total commitment €150m).
- Issuance of an Interest Rate Collar referencing the full principal amount of the 2029 Notes to hedge the exposure to the floating interest rate
- Pro-forma net debt would be €733m (3.9x Net Indebtedness ratio) and liquidity would increase from €201m to €328m (€178m of cash plus €150m of undrawn RCF)

(1) Million Euro

(2) Net Indebtedness ratio calculated on total net financial debt including other net debt ((i) interest payable, (ii) bilateral lines, (iii) amortized cost accounting adjustment, (iv) financial lease under the principles of IFRS16, (v) financial assets, (vi) indebtedness vs Labrenta previous shareholder (€12m as at September 30, 2023) and (vii) put option vs NCI (€32m as at September 30, 2023). Detailed amount at page 28

(3) Calculated as per Super Senior RCF Agreement

# Guala Closures Group Closing remarks



- **In the 9 months 2023**, notwithstanding unfavourable market conditions, we were able to show resilience and protect our Top Line, gaining market share and share of wallets in certain geographies, overall almost neutralising the negative impacts of the “system destocking” and lower market demand.
- With regard to profitability, we substantially improved the Adj EBITDA delivery, both in absolute value and as percentage of Net Revenue, thanks to a combination of factors: better Sales Mix/higher Average Selling Prices (mainly due to premiumisation initiatives), Operational Improvements and Overheads Control.
- **Looking ahead**, we currently foresee that the soft market conditions will continue until the beginning of 2024, after which we expect a gradual recovery. We will continue to focus on business development, on the expansion of our luxury segment, on the full integration of Fengyi to exploit the high potential Chinese market and on operational efficiency.



# Guala Closures Group Annex



🌐 EBITDA

Earnings before Depreciation and Amortization, Net Financial Income (Charges) and Income Taxes

🌐 ADJUSTED EBITDA

Performance indicator calculated by adjusting the EBITDA of some non-operational components, such as:  
i) reorganization costs; ii) merger and acquisition expenses; iii) losses due to war; iv) impairment losses; v) losses on equity investments

🌐 EBIT

Earnings before Net Financial Income (Charges) and Income Taxes

🌐 CAPEX

Capital Expenditure, net of asset disposals, excluding Investments in Financial Fixed Assets and Equity Investments

🌐 NET INVESTED CAPITAL

Non-Current Assets plus Current Assets less Current Liabilities less Other Non-Current non-financial Assets and Liabilities

🌐 NCI

Non-controlling interests

🌐 PF

Proforma including 12M Fengyi and Anacorks figures

🌐 LTM

Last twelve months figures



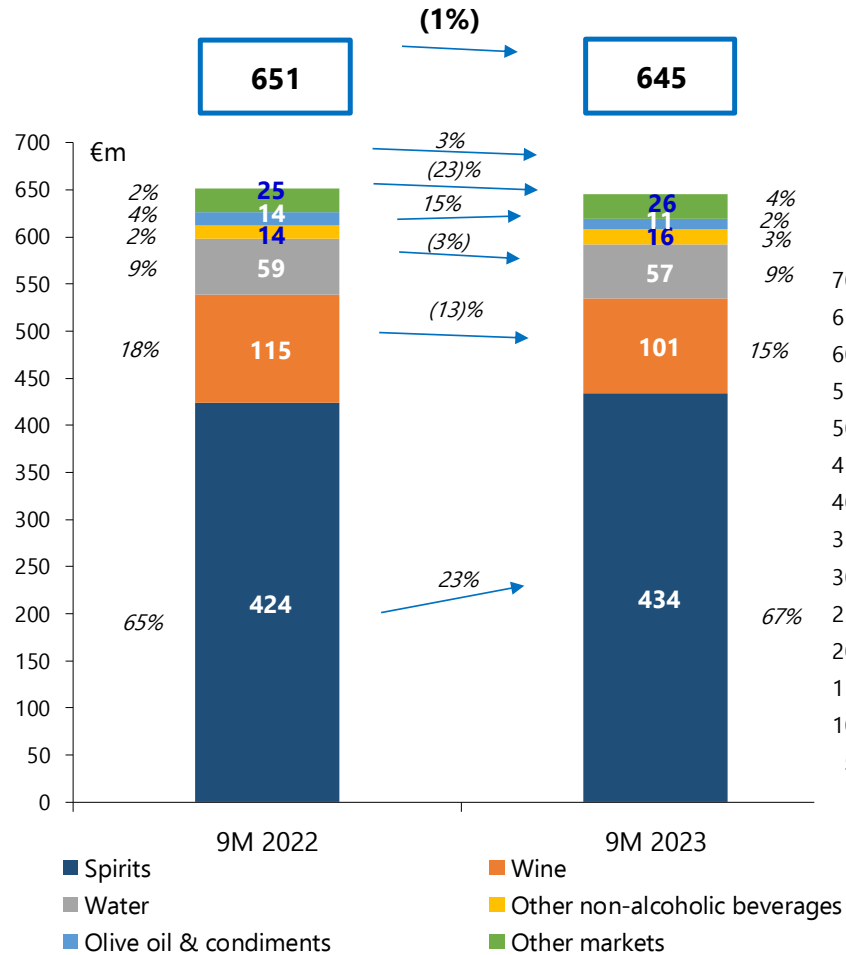
| Thousands of €                                    | 1Q<br>2022    | 2Q<br>2022     | 3Q<br>2022     | 9M<br>2022      | 4Q<br>2022      | 12M<br>2022     | 1Q<br>2023      | 2Q<br>2023      | 3Q<br>2023     | 9M<br>2023      |
|---------------------------------------------------|---------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|-----------------|
| <b>Net revenue</b>                                | 187,760       | 220,486        | 243,162        | 651,408         | 229,638         | 881,047         | 221,292         | 219,375         | 204,639        | 645,307         |
| Change in invent. of finish. / semi-fin. products | 10,587        | 6,479          | 1,331          | 18,397          | (149)           | 18,248          | 7,168           | 1,630           | (18,611)       | (9,813)         |
| Other operating income                            | 765           | 3,064          | 410            | 4,239           | 1,069           | 5,308           | 766             | 1,499           | 3,009          | 5,274           |
| Work performed by the Group and capitalised       | 843           | 1,170          | 1,549          | 3,562           | 2,488           | 6,050           | 1,895           | 1,774           | 1,372          | 5,041           |
| Costs for raw materials                           | (92,166)      | (109,791)      | (118,299)      | (320,256)       | (107,523)       | (427,778)       | (103,814)       | (98,298)        | (75,751)       | (277,863)       |
| Costs for services                                | (37,670)      | (38,189)       | (41,641)       | (117,500)       | (41,172)        | (158,672)       | (41,495)        | (37,467)        | (33,337)       | (112,299)       |
| Personnel expense                                 | (35,215)      | (37,572)       | (37,072)       | (109,859)       | (39,494)        | (149,353)       | (39,917)        | (38,786)        | (35,300)       | (114,004)       |
| Personnel expense - one-off                       | (360)         | (357)          | (193)          | (910)           | (198)           | (1,108)         | (284)           | (6,903)         | (3,202)        | (10,389)        |
| Other operating expense                           | (3,318)       | (2,414)        | (8,596)        | (14,328)        | (4,259)         | (18,587)        | (2,390)         | (2,760)         | (3,734)        | (8,884)         |
| Impairment                                        | (5,390)       | (219)          | (801)          | (6,410)         | (3,903)         | (10,313)        | (0)             | (211)           | (279)          | (490)           |
| <b>Gross operating profit (EBITDA)</b>            | <b>25,836</b> | <b>42,659</b>  | <b>39,850</b>  | <b>108,344</b>  | <b>36,498</b>   | <b>144,842</b>  | <b>43,220</b>   | <b>39,852</b>   | <b>38,807</b>  | <b>121,879</b>  |
| Amortization and depreciation                     | (13,465)      | (13,275)       | (12,663)       | (39,403)        | (14,601)        | (54,004)        | (12,906)        | (13,039)        | (10,710)       | (36,655)        |
| <b>Operating profit</b>                           | <b>12,371</b> | <b>29,384</b>  | <b>27,186</b>  | <b>68,941</b>   | <b>21,896</b>   | <b>90,838</b>   | <b>30,315</b>   | <b>26,813</b>   | <b>28,097</b>  | <b>85,225</b>   |
| Financial income                                  | 6,191         | 5,353          | 7,407          | 18,951          | 1,979           | 20,930          | 4,135           | 4,746           | 7,845          | 16,726          |
| Financial expense                                 | (6,892)       | (11,020)       | (12,431)       | (30,344)        | (13,389)        | (43,732)        | (14,857)        | (14,941)        | (9,034)        | (38,832)        |
| <b>Net financial expense</b>                      | <b>(701)</b>  | <b>(5,666)</b> | <b>(5,025)</b> | <b>(11,392)</b> | <b>(11,410)</b> | <b>(22,802)</b> | <b>(10,722)</b> | <b>(10,195)</b> | <b>(1,189)</b> | <b>(22,106)</b> |
| <b>Profit before taxation</b>                     | <b>11,670</b> | <b>23,718</b>  | <b>22,161</b>  | <b>57,549</b>   | <b>10,486</b>   | <b>68,035</b>   | <b>19,593</b>   | <b>16,618</b>   | <b>26,908</b>  | <b>63,119</b>   |
| Income taxes                                      | (1,811)       | (5,649)        | (6,762)        | (14,222)        | 82,622          | 68,400          | (5,960)         | (10,480)        | (8,791)        | (25,230)        |
| <b>Profit (loss) for the period</b>               | <b>9,858</b>  | <b>18,069</b>  | <b>15,400</b>  | <b>43,327</b>   | <b>93,109</b>   | <b>136,436</b>  | <b>13,633</b>   | <b>6,138</b>    | <b>18,117</b>  | <b>37,889</b>   |

|                                                   |               |               |               |                |               |                |               |               |               |                |
|---------------------------------------------------|---------------|---------------|---------------|----------------|---------------|----------------|---------------|---------------|---------------|----------------|
| <b>Gross operating profit (EBITDA) - ADJUSTED</b> | <b>34,374</b> | <b>43,147</b> | <b>43,519</b> | <b>121,039</b> | <b>42,698</b> | <b>163,738</b> | <b>44,336</b> | <b>48,117</b> | <b>44,557</b> | <b>137,010</b> |
| <b>EBITDA ADJUSTED % on Net revenue</b>           | <b>18.3%</b>  | <b>19.6%</b>  | <b>17.9%</b>  | <b>18.6%</b>   | <b>18.6%</b>  | <b>18.6%</b>   | <b>20.0%</b>  | <b>21.9%</b>  | <b>21.8%</b>  | <b>21.2%</b>   |

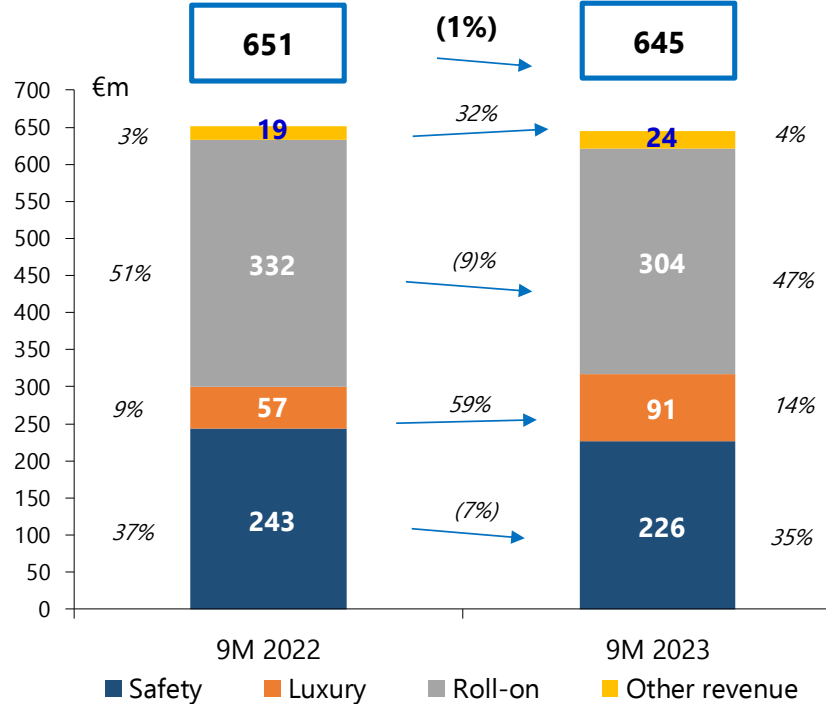
# Net Revenue Details <sup>(1)</sup>



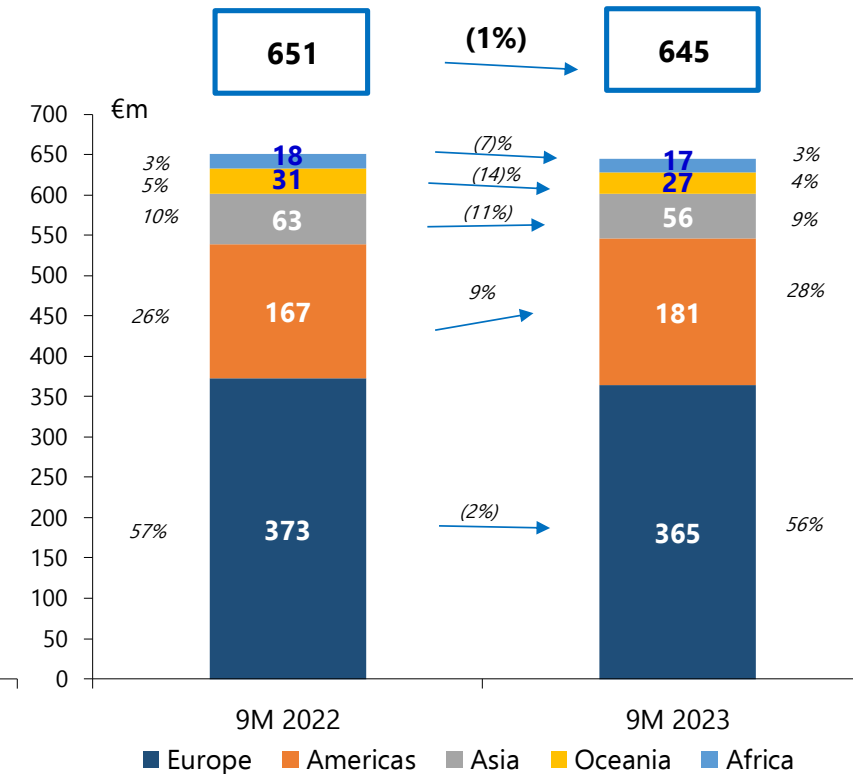
## BY DESTINATION MARKET



## BY PRODUCT



## BY GEOGRAPHIC AREA

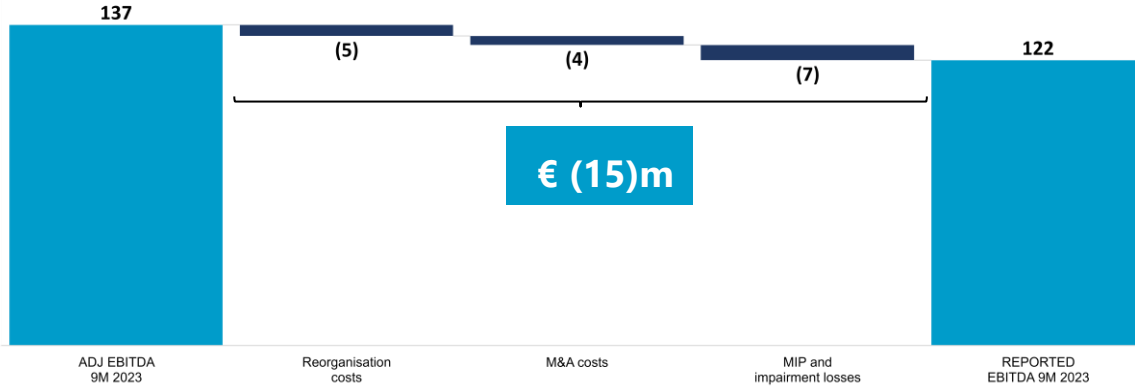


<sup>(1)</sup> Million Euro

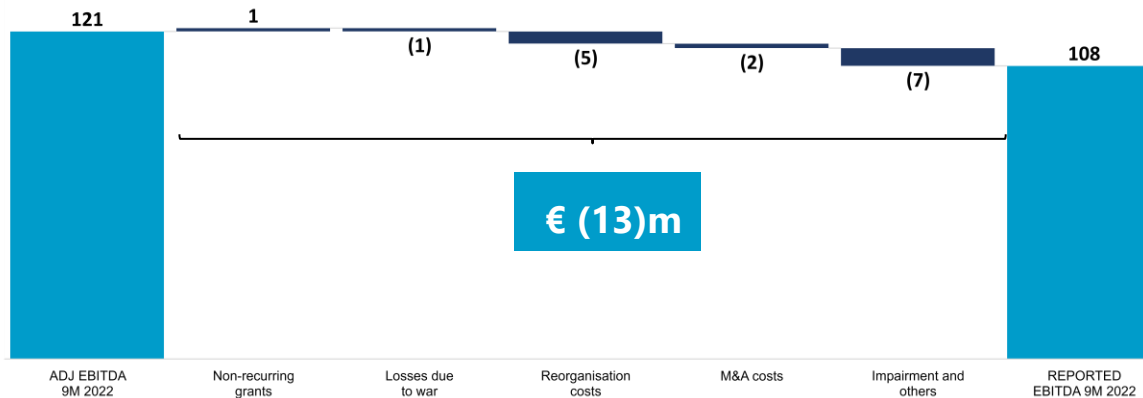
# Adj EBITDA – One-off detail <sup>(1)</sup>



## 9M 2023 Adj. EBITDA ONE-OFF DETAILS



## 9M 2022 Adj. EBITDA ONE-OFF DETAILS



## 9M 2023 one-off

- “Reorganization costs” mainly refer to reorganization in Italy, UK and Chile
- “M&A costs” include due diligence and consultant costs
- “MIP and impairment losses” mainly refer to MIP accrual

## 9M 2022

- “Non-recurring grants” refer to grants received by our German subsidiary for Covid-19
- “Losses due to war” include costs of GC Ukraine for downtime caused by war
- “Reorganization costs” mainly refer to reorganization in Italy, France, Luxembourg and China
- “M&A costs” include due diligence and consultant costs
- “Impairment and others” mainly refer to €5m impairment of the customer relationship of GC Ukraine due to the loss of the business in Russia

<sup>(1)</sup> Million Euro

# Net Financial Charges <sup>(1)</sup>



| €m                                     | 1Q<br>2022 | 2Q<br>2022 | 3Q<br>2022 | 9M<br>2022 | 4Q<br>2022 | 12M<br>2022 |
|----------------------------------------|------------|------------|------------|------------|------------|-------------|
| Bonds                                  | (4)        | (4)        | (4)        | (12)       | (4)        | (16)        |
| Bank Debt                              | (1)        | (1)        | (1)        | (3)        | (1)        | (3)         |
| <b><i>Interest Expense On Debt</i></b> | (5)        | (5)        | (5)        | (15)       | (5)        | (20)        |
| Interest Income                        | 0          | 0          | 0          | 0          | 0          | 0           |
| <b>Interest Expense, net</b>           | (5)        | (5)        | (5)        | (14)       | (5)        | (19)        |
| Net Exchange rate (losses) gains       | 3          | (3)        | 2          | 2          | (4)        | (2)         |
| Change in FV on NCI                    | 1          | 2          | (2)        | 1          | (2)        | (1)         |
| Net Other financial expense            | 0          | 0          | 0          | 0          | (1)        | (1)         |
| <b>NET FINANCIAL CHARGES</b>           | (1)        | (6)        | (5)        | (11)       | (11)       | (23)        |

| 1Q<br>2023 | 2Q<br>2023 | 3Q<br>2023 | 9M<br>2023 |
|------------|------------|------------|------------|
| (4)        | (4)        | (4)        | (12)       |
| (1)        | (1)        | (1)        | (3)        |
| (5)        | (5)        | (5)        | (15)       |
| 0          | 0          | 0          | 1          |
| (5)        | (5)        | (5)        | (14)       |
| (4)        | (4)        | (1)        | (9)        |
| (1)        | (1)        | 5          | 3          |
| (1)        | (0)        | (1)        | (1)        |
| (11)       | (10)       | (1)        | (22)       |

<sup>(1)</sup> Million Euro

# Balance Sheet <sup>(1)</sup>



| Thousands of €                       | As at December 31,<br>2021 | As at March 31,<br>2022 | As at June 30,<br>2022 | As at September 30,<br>2022 | As at December 31,<br>2022 | As at March 31,<br>2023 | As at June 30,<br>2023 | As at September 30,<br>2023 |
|--------------------------------------|----------------------------|-------------------------|------------------------|-----------------------------|----------------------------|-------------------------|------------------------|-----------------------------|
| Intangible assets                    | 823,518                    | 818,536                 | 816,882                | 813,560                     | 850,451                    | 848,066                 | 843,431                | 844,216                     |
| Property, plant and equipment        | 219,292                    | 218,792                 | 217,874                | 221,201                     | 220,968                    | 229,733                 | 238,263                | 248,520                     |
| Right-of-use assets                  | 15,525                     | 17,062                  | 19,068                 | 19,428                      | 20,607                     | 19,861                  | 20,721                 | 19,945                      |
| Net working capital                  | 139,083                    | 164,975                 | 180,621                | 188,637                     | 181,264                    | 178,594                 | 195,904                | 177,092                     |
| Investments in associates            | 2,536                      | 2,517                   | 2,363                  | 2,208                       | (0)                        | 0                       | 0                      | 0                           |
| Net financial derivative liabilities | 68                         | 3,329                   | (3,227)                | (5,122)                     | (976)                      | (1,230)                 | (2,715)                | (530)                       |
| Employee benefits                    | (8,913)                    | (9,280)                 | (8,965)                | (8,862)                     | (8,055)                    | (8,386)                 | (8,579)                | (8,373)                     |
| Other assets/liabilities             | (96,206)                   | (101,904)               | (98,161)               | (100,088)                   | (76,309)                   | (84,980)                | (80,712)               | (80,679)                    |
| <b>Net invested capital</b>          | <b>1,094,904</b>           | <b>1,114,027</b>        | <b>1,126,455</b>       | <b>1,130,963</b>            | <b>1,187,950</b>           | <b>1,181,658</b>        | <b>1,206,313</b>       | <b>1,200,191</b>            |
| <i>Financed by:</i>                  |                            |                         |                        |                             |                            |                         |                        |                             |
| Net financial liabilities            | 542,056                    | 543,964                 | 542,080                | 545,545                     | 568,527                    | 575,087                 | 566,464                | 565,124                     |
| Cash and cash equivalents            | (80,032)                   | (74,597)                | (81,645)               | (89,768)                    | (79,478)                   | (103,470)               | (84,734)               | (104,870)                   |
| <b>Net financial indebtedness</b>    | <b>462,024</b>             | <b>469,367</b>          | <b>460,435</b>         | <b>455,777</b>              | <b>489,049</b>             | <b>471,617</b>          | <b>481,731</b>         | <b>460,254</b>              |
| <b>Consolidated equity</b>           | <b>632,880</b>             | <b>644,660</b>          | <b>666,020</b>         | <b>675,187</b>              | <b>698,901</b>             | <b>710,041</b>          | <b>724,582</b>         | <b>739,937</b>              |
| <b>Sources of financing</b>          | <b>1,094,904</b>           | <b>1,114,027</b>        | <b>1,126,455</b>       | <b>1,130,963</b>            | <b>1,187,950</b>           | <b>1,181,658</b>        | <b>1,206,313</b>       | <b>1,200,191</b>            |

<sup>(1)</sup> Million Euro

# Pro-forma Capital Structure <sup>(1)</sup> and Net Leverage



| €m                                                  | DEC 2022   | MAR 2023   | JUN 2023   | SEP 2023   | SEP 2023 PF |
|-----------------------------------------------------|------------|------------|------------|------------|-------------|
| SSN - 2028                                          | 500        | 500        | 500        | 500        | 500         |
| FRSSN - 2029 <sup>(2)</sup>                         |            |            |            |            | 350         |
| Accrued exp. on SSN                                 | 1          | 5          | 1          | 5          | 5           |
| Total other bank loans                              | 8          | 9          | 7          | 7          | 11          |
| <b>Total gross bank debt</b>                        | <b>509</b> | <b>514</b> | <b>508</b> | <b>512</b> | <b>866</b>  |
| Transaction costs                                   | (14)       | (14)       | (13)       | (12)       | (28)        |
| <b>Total net bank debt</b>                          | <b>495</b> | <b>500</b> | <b>495</b> | <b>500</b> | <b>838</b>  |
| Leasing as per IFRS 16 accounting                   | 21         | 21         | 23         | 22         | 22          |
| Cash and cash equivalents                           | (79)       | (103)      | (85)       | (105)      | (178)       |
| Financial assets                                    | (1)        | (1)        | (1)        | (1)        | (1)         |
| <b>Net debt relating to operating activities</b>    | <b>436</b> | <b>417</b> | <b>432</b> | <b>416</b> | <b>681</b>  |
| M&A Labrenta - Indebtedness vs previous shareholder | 18         | 18         | 12         | 12         | 12          |
| M&A Fengyi - Deferred payment + earn out            |            |            |            |            | 7           |
| Liabilities vs minorities (put options)             | 35         | 36         | 38         | 32         | 32          |
| <b>Total reported Net financial debt</b>            | <b>489</b> | <b>472</b> | <b>482</b> | <b>460</b> | <b>733</b>  |

|                |     |     |     |     |     |
|----------------|-----|-----|-----|-----|-----|
| Adj Ebitda LTM | 168 | 177 | 181 | 180 | 186 |
|----------------|-----|-----|-----|-----|-----|

|                                                                                      |             |             |             |             |             |
|--------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|-------------|
| <b>Net leverage</b><br><i>(Net financial Debt / adj EBITDA)</i>                      | <b>2.9x</b> | <b>2.7x</b> | <b>2.7x</b> | <b>2.6x</b> | <b>3.9x</b> |
| <b>Senior Secured Net Leverage Ratio</b><br><i>(SSN + FRSSN - cash) / adj EBITDA</i> | <b>2.5x</b> | <b>2.2x</b> | <b>2.3x</b> | <b>2.2x</b> | <b>3.6x</b> |

<sup>(1)</sup> Million Euro

<sup>(2)</sup> Proceeds from FRSSN issued in OCT 2023 to be used for transaction costs, Fengyi and dividend distribution

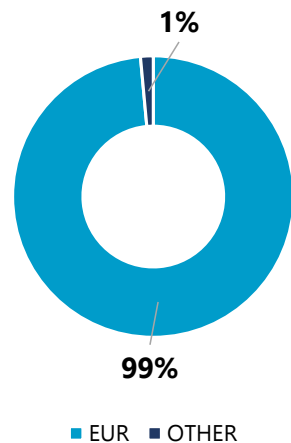


# Financial Debt Details <sup>(1)</sup>

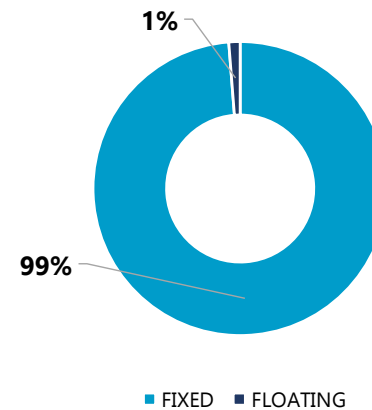


| Entity                       | Issue date | Maturity | Type                              | Currency  | Coupon             | September 30,<br>2023<br>€ million | As % of total |
|------------------------------|------------|----------|-----------------------------------|-----------|--------------------|------------------------------------|---------------|
| Guala Closures S.p.A.        | 2021       | 2028     | Senior Secured Notes              | EUR       | 3.25%              | 500                                | 98%           |
| Guala Closures S.p.A.        | 2021       | 2028     | Revolving Credit Facility         | EUR       | Euribor 3M + 1.75% | -                                  | 0%            |
| Labrenta                     | n.a.       | n.a.     | Bank loan                         | EUR       | n.a.               | 6                                  | 1%            |
| Guala Closures Mexico        | 2017       | 2023     | Bank loan                         | USD / MXP | n.a.               | 1                                  | 0%            |
| Accrued interests            | 2021       | 2022     | Interests                         | EUR       | n.a.               | 5                                  | 1%            |
|                              |            |          | Other                             |           | n.a.               | 0                                  | 0%            |
| <b>Total gross bank debt</b> |            |          |                                   |           |                    | <b>512</b>                         | <b>100%</b>   |
| Guala Closures S.p.A.        | 2021       | 2028     | Transaction costs on BOND and RCF | EUR       | n.a.               | (12)                               |               |
| <b>Total net bank debt</b>   |            |          |                                   |           |                    | <b>500</b>                         |               |

Breakdown by Currency



Breakdown by COUPON



<sup>(1)</sup> Million Euro

# Cash Flow Statement <sup>(1)</sup>



| (Thousands of €)                                                                 | 1Q<br>2022       | 2Q<br>2022       | 3Q<br>2022       | 9M<br>2022       | 4Q<br>2022       | 12M<br>2022      | 1Q<br>2023       | 2Q<br>2023       | 3Q<br>2023       | 9M<br>2023       |
|----------------------------------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>A) Opening net financial indebtedness</b>                                     | <b>(462,024)</b> | <b>(469,367)</b> | <b>(460,435)</b> | <b>(462,024)</b> | <b>(455,777)</b> | <b>(462,024)</b> | <b>(489,049)</b> | <b>(471,617)</b> | <b>(481,730)</b> | <b>(489,049)</b> |
| Gross operating profit (EBITDA)                                                  | 25,836           | 42,658           | 39,850           | 108,344          | 36,498           | 144,842          | 43,220           | 39,852           | 38,807           | 121,879          |
| Net (Gains) / losses on disposals of fixed assets                                | (60)             | (73)             | (105)            | (239)            | (52)             | (290)            | (87)             | (137)            | (70)             | (295)            |
| Variation:                                                                       |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Receivables, payables and inventories                                            | (23,151)         | (14,747)         | (9,086)          | (46,984)         | 5,583            | (41,401)         | 3,048            | (14,610)         | 19,080           | 7,518            |
| Other operating items                                                            | 11,661           | (937)            | 3,765            | 14,489           | 2,085            | 16,575           | 942              | (2,008)          | (461)            | (1,527)          |
| Derivatives                                                                      | -                | (847)            | 1,987            | 1,140            | (9)              | 1,131            | (356)            | 237              | (523)            | (643)            |
| Income taxes paid                                                                | (7,226)          | (5,571)          | (5,726)          | (18,523)         | (8,428)          | (26,952)         | (6,102)          | (10,679)         | (12,562)         | (29,343)         |
| <b>TOTAL B) Net Cash flows from operating activities</b>                         | <b>7,060</b>     | <b>20,483</b>    | <b>30,685</b>    | <b>58,227</b>    | <b>35,677</b>    | <b>93,904</b>    | <b>40,665</b>    | <b>12,655</b>    | <b>44,270</b>    | <b>97,590</b>    |
| Net acquisitions of property, plant and equipment and intangible assets          | (6,765)          | (7,452)          | (11,112)         | (25,329)         | (14,970)         | (40,299)         | (14,478)         | (15,633)         | (19,111)         | (49,223)         |
| Acquisition of Anacork's business (Labrenta) (cash acquired)                     | -                | -                | -                | -                | -                | -                | -                | -                | 22               | 22               |
| <b>TOTAL C) Cash flows used in investing activities</b>                          | <b>(6,765)</b>   | <b>(7,452)</b>   | <b>(11,112)</b>  | <b>(25,329)</b>  | <b>(28,294)</b>  | <b>(53,623)</b>  | <b>(14,478)</b>  | <b>(15,633)</b>  | <b>(19,090)</b>  | <b>(49,201)</b>  |
| Right of Use asset increase                                                      | (1,688)          | (2,913)          | (1,910)          | (6,511)          | (860)            | (7,371)          | (1,686)          | (2,933)          | (1,234)          | (5,853)          |
| Transaction cost not yet paid on Bond issued in 2021 (paid PY)                   | (298)            | (188)            | -                | (486)            | -                | (486)            | -                | -                | -                | -                |
| Net interests expense                                                            | (4,635)          | (4,663)          | (4,630)          | (13,928)         | (6,024)          | (19,952)         | (5,297)          | (5,167)          | (5,254)          | (15,718)         |
| Dividends paid                                                                   | (191)            | (232)            | (2,321)          | (2,744)          | (1,904)          | (4,649)          | (0)              | (4,374)          | (3,309)          | (7,683)          |
| Change in put option                                                             | 638              | 2,281            | 1,300            | 4,219            | (5,060)          | (841)            | (1,140)          | (1,299)          | 5,250            | 2,810            |
| M&A Labrenta - Indebtedness vs previous shareholders                             |                  |                  |                  |                  | (19,922)         | (19,922)         | -                | 6,262            | 1                | 6,263            |
| M&A Anacork (Labrenta) - Acquisition of initial indebtedness                     |                  |                  | (1,000)          | (1,000)          | (0)              | (1,000)          | -                |                  | (292)            | (292)            |
| Other financial items                                                            | 703              | 339              | (2,666)          | (1,624)          | 3,402            | 1,778            | 292              | 521              | 372              | 1,185            |
| Effect of exchange rate fluctuation                                              | (2,165)          | 1,275            | (3,687)          | (4,576)          | (2,025)          | (6,601)          | (923)            | (146)            | 763              | (307)            |
| <b>TOTAL D) Change in net financial indebtedness due to financing activities</b> | <b>(7,637)</b>   | <b>(4,100)</b>   | <b>(14,914)</b>  | <b>(26,651)</b>  | <b>(40,656)</b>  | <b>(67,307)</b>  | <b>(8,755)</b>   | <b>(7,135)</b>   | <b>(3,704)</b>   | <b>(19,594)</b>  |
| <b>E) Total change in net financial indebtedness (B+C+D)</b>                     | <b>(7,343)</b>   | <b>8,931</b>     | <b>4,659</b>     | <b>6,247</b>     | <b>(33,272)</b>  | <b>(27,025)</b>  | <b>17,432</b>    | <b>(10,113)</b>  | <b>21,476</b>    | <b>28,795</b>    |
| <b>F) Closing net financial indebtedness (A+E)</b>                               | <b>(469,367)</b> | <b>(460,435)</b> | <b>(455,777)</b> | <b>(455,777)</b> | <b>(489,049)</b> | <b>(489,049)</b> | <b>(471,617)</b> | <b>(481,730)</b> | <b>(460,254)</b> | <b>(460,254)</b> |

<sup>(1)</sup> As change of NFP

# Balance Sheet Statement – NWC details



| €m                | VALUE             |                   |                   |                   |                   |                   |                   |
|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|                   | As at<br>31/03/22 | As at<br>30/06/22 | As at<br>30/09/22 | As at<br>31/12/22 | As at<br>31/03/23 | As at<br>30/06/23 | As at<br>30/09/23 |
| Trade receivables | 135               | 145               | 150               | 140               | 137               | 147               | 130               |
| Inventories       | 139               | 153               | 160               | 157               | 167               | 165               | 143               |
| Trade payables    | (108)             | (117)             | (121)             | (116)             | (125)             | (116)             | (96)              |
| <b>NWC value</b>  | <b>165</b>        | <b>181</b>        | <b>189</b>        | <b>181</b>        | <b>179</b>        | <b>196</b>        | <b>177</b>        |

|                   | DAYS              |                   |                   |                   |                   |                   |                   |
|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|                   | As at<br>31/03/22 | As at<br>30/06/22 | As at<br>30/09/22 | As at<br>31/12/22 | As at<br>31/03/23 | As at<br>30/06/23 | As at<br>30/09/23 |
| Trade receivables | 65                | 59                | 56                | 55                | 56                | 60                | 57                |
| Inventories       | 67                | 62                | 59                | 62                | 68                | 68                | 63                |
| Trade payables    | (52)              | (48)              | (45)              | (45)              | (51)              | (48)              | (42)              |
| <b>NWC days</b>   | <b>79</b>         | <b>74</b>         | <b>70</b>         | <b>71</b>         | <b>73</b>         | <b>80</b>         | <b>78</b>         |

# Reconciliation of NWC variation (BS vs CF)



| €m                                | 9M 2022   | 9M 2023    |
|-----------------------------------|-----------|------------|
| NWC at 31 December previous year  | 139       | 181        |
| NWC at 30 September current year  | 189       | 177        |
| NWC increase - B/S variance       | 50        | (4)        |
| FX impact neutralization          | (3)       | (2)        |
| <b>NWC increase - CF variance</b> | <b>47</b> | <b>(8)</b> |

<sup>(1)</sup> Million Euro

# Currencies evolution



- Euro devaluated against the average FX in 9M 2023 of Poland Zloty (-1.8%), Brazilian Real (-0.8%), Mexican Peso (-10.6%) and Chilean Peso (-2.5%); while appreciated against US Dollar (+1.7%), GB Pound (+2.8%), Ukraine Hryvnia (+20.6%), Turkey Lira (+60.6%), China Renminbi (+8.6%), Indian Rupia (+8.4%), Argentinian Peso (+158.6%), Colombian Peso (+10.4%), Australian Dollar (+7.6%), New Zealand Dollar (+6.5%), South Africa Rand (+17.3%) and Kenyan Shilling (+18.8%).

| Average exchange rate         |                    |                    |                  | Period end exchange rate |                 |                    |
|-------------------------------|--------------------|--------------------|------------------|--------------------------|-----------------|--------------------|
| Exchange rate<br>(1 € = x FC) | Average<br>9M 2022 | Average<br>9M 2023 | Var % vs<br>9M22 | Dec 31,<br>2022          | Sep 30,<br>2023 | Var % vs<br>Dec 22 |
| US Dollar                     | 1.07               | 1.08               | 1.7%             | 1.07                     | 1.08            | 1.6%               |
| GB Pounds                     | 0.85               | 0.87               | 2.8%             | 0.89                     | 0.87            | (1.8%)             |
| Lev Bulgaria                  | 1.96               | 1.96               | -                | 1.96                     | 1.96            | -                  |
| Ukraine Hryvnia               | 32.86              | 39.62              | 20.6%            | 39.04                    | 39.62           | 1.5%               |
| Poland Zloty                  | 4.67               | 4.58               | (1.8%)           | 4.68                     | 4.58            | (2.1%)             |
| Turkey Lira                   | 18.08              | 29.05              | 60.6%            | 19.96                    | 29.05           | 45.5%              |
| China Renmimbi                | 7.02               | 7.62               | 8.6%             | 7.36                     | 7.62            | 3.6%               |
| Indian Rupia                  | 82.33              | 89.24              | 8.4%             | 88.17                    | 89.24           | 1.2%               |
| Argentinian Peso              | 143.38             | 370.81             | 158.6%           | 188.50                   | 370.81          | 96.7%              |
| Brazilian Real                | 5.47               | 5.43               | (0.8%)           | 5.64                     | 5.43            | (3.8%)             |
| Colombian Peso                | 4326.68            | 4775.92            | 10.4%            | 5172.47                  | 4775.92         | (7.7%)             |
| Mexican Peso                  | 21.58              | 19.29              | (10.6%)          | 20.86                    | 19.29           | (7.5%)             |
| Chilean Peso                  | 912.84             | 889.80             | (2.5%)           | 913.82                   | 889.80          | (2.6%)             |
| Australian Dollar             | 1.51               | 1.62               | 7.6%             | 1.57                     | 1.62            | 3.2%               |
| New Zealand Dollar            | 1.65               | 1.75               | 6.5%             | 1.68                     | 1.75            | 4.5%               |
| South Africa Rand             | 16.95              | 19.88              | 17.3%            | 18.10                    | 19.88           | 9.9%               |
| Kenyan Shilling               | 123.99             | 147.25             | 18.8%            | 131.61                   | 147.25          | 11.9%              |

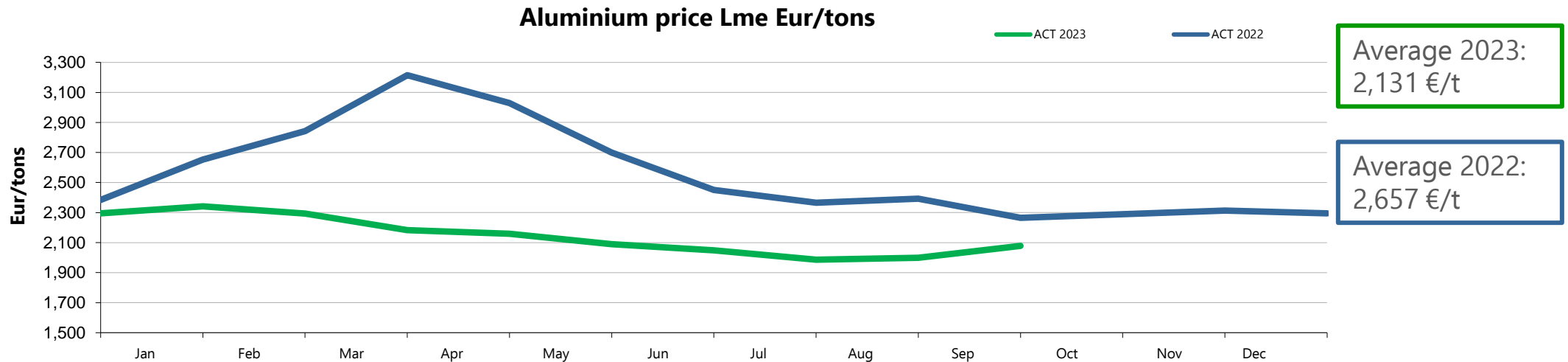
# Raw material evolution - Aluminium



Aluminum prices (LME Euro/tons) were lower on average by 19.8% vs 2022

## ALUMINIUM PRICE EVOLUTION (LME €/tons)

2023 vs. 2022: -19.8%



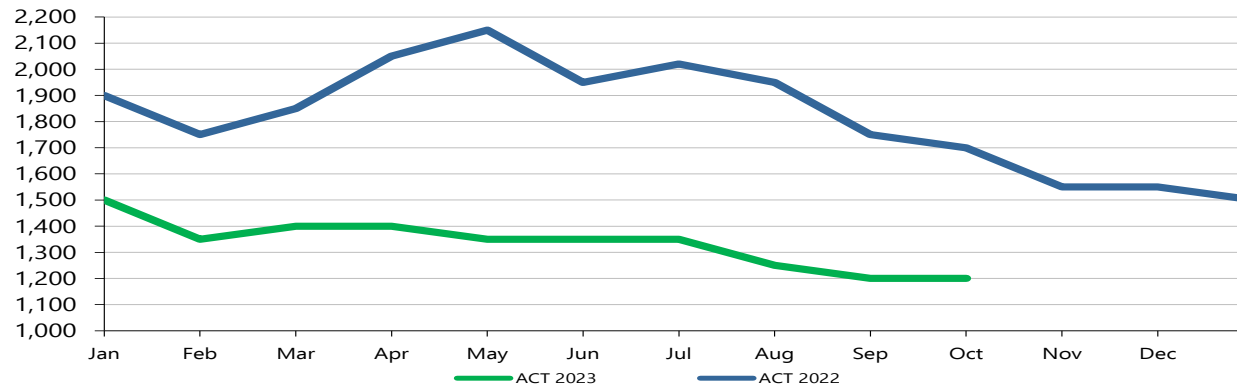
# Raw material evolution – Plastic - Europe



In Europe, high density polyethylene price and polypropylene price were lower vs 2022 average by -31.0% and -23.1% respectively

## PLASTIC PRICE EVOLUTION HIGH DENSITY POLYETHYLENE

2023 vs. 2022: -31.0%

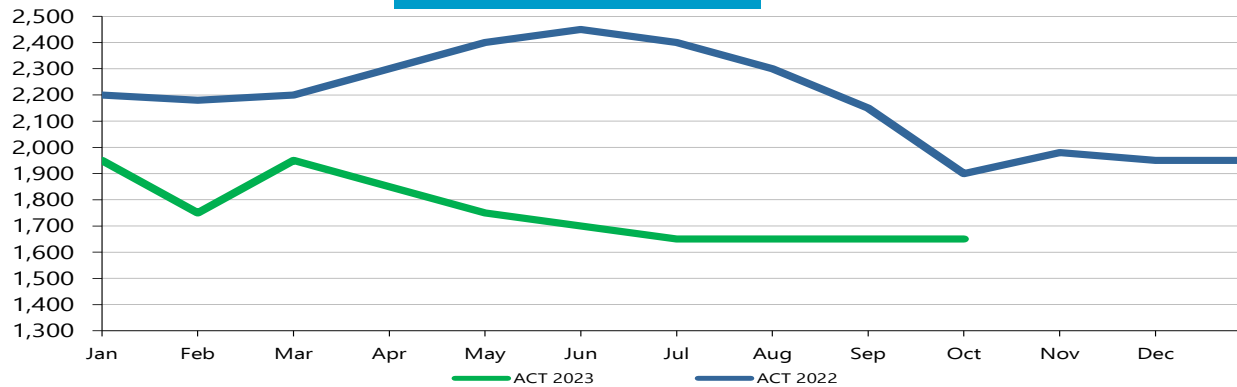


Average 2023:  
1,317 €/t

Average 2022:  
1,908 €/t

## PLASTIC PRICE EVOLUTION POLYPROPYLENE, HOMOPOLYMER

2023 vs. 2022: -23.1%



Average 2023:  
1,733 €/t

Average 2022:  
2,253 €/t

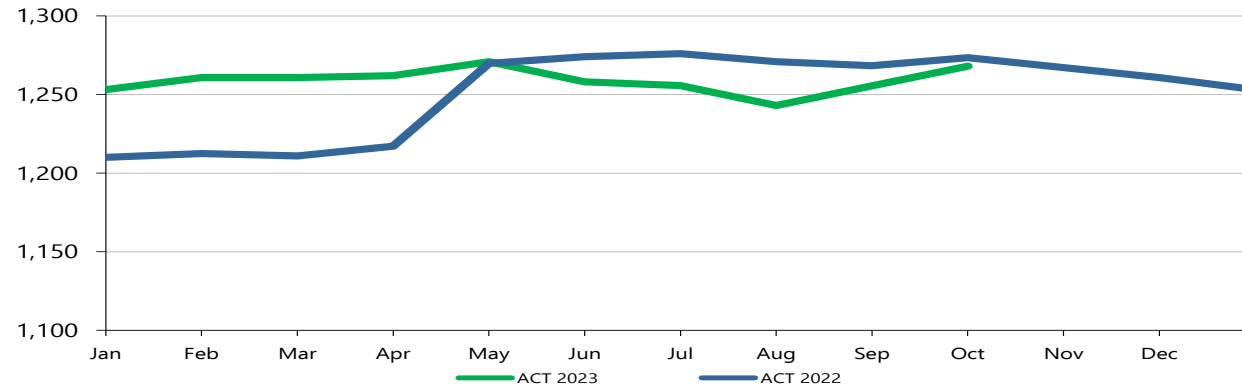
# Raw material evolution – Plastic - India



🌐 In India high density polyethylene and polystyrene prices were higher vs 2022 average by 0.5% and lower by -0.1% respectively

## PLASTIC PRICE EVOLUTION HIGH DENSITY POLYETHYLENE

2023 vs. 2022: +0.5%

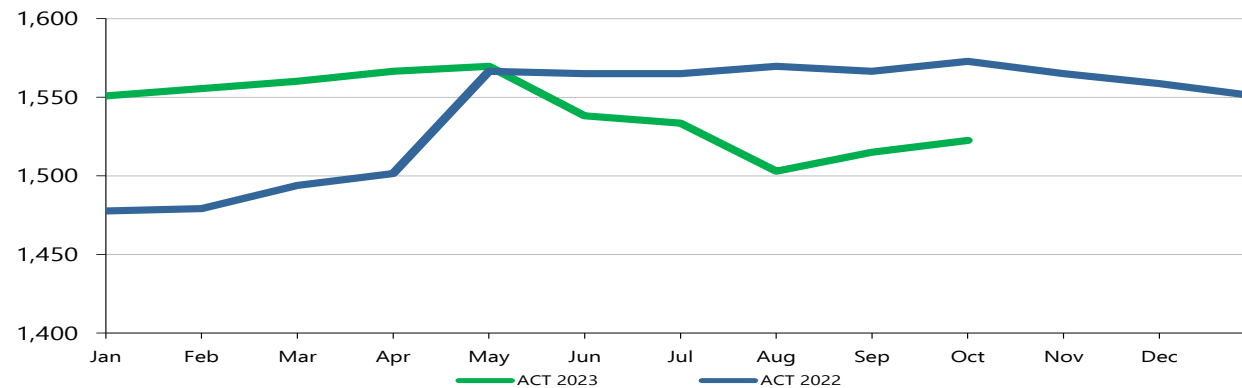


Average 2023:  
1,259 €/t

Average 2022:  
1,253 €/t

## PLASTIC PRICE EVOLUTION POLYSTYRENE

2023 vs. 2022: -0.1%



Average 2022:  
1,542 €/t

Average 2023:  
1,540 €/t



# R&D focus

*Group R&D remains focusing on the three main axes of development: Luxury, Sustainability and Security*

The number of projects currently going on in the R&D structure remains high, with around **250 active new designs**, from the customizations of existing products to the more break-through innovations in the field of sustainability and security; **nearly 150 new designs have gone, or are expected to go, in production this year**, consolidating the Group leadership in the market

**Luxury:** aside the flow of projects coming from the market, our research is testing **new materials**, mainly following some new trends observed in the luxury and cosmetic markets, where the recyclability is gaining room through the choice the recyclable materials replacing existing ones



**Luxury:** the effort to enlarge our offer in **new materials**, has seen the development, with special partners, of the glass technology, allowing new shapes and effect in our always enlarging offer



The push toward **high recyclability solutions**, is moving the request and our research toward **high value, mono materials and easy to recycle** solutions, sometimes based on **the evolution** of new concepts like to green cap



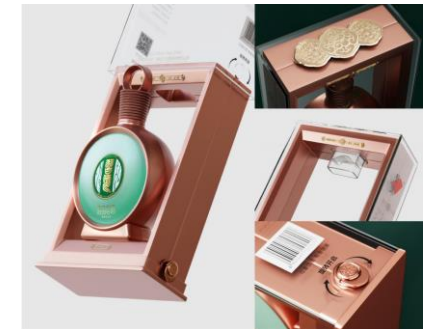
In Security the development of solutions putting together a **higher safety and a strong sustainability** is going on; moreover, the market interest is growing toward **authentication and difficult to replicate** solutions



Special focus on the **Indian market**, from which are growing the needs of **differentiation** and **cost reduction**, with movement away from glass toward **PET**; one solution **is going to final definitions** with a main customer of ours



The **intergration** of the Chinese R&D team of Fengyi is going on, with an interesting **exchange of expertises** and the **development of new opportunities**



# ESG – Main Achievements and Results



## ESG Main KPIs



### CO<sub>2</sub> emission

#### 2030 GHG emission reduction targets validated by SBTi.

- Scope 1&2 (Ktons CO<sub>2</sub>) 2030 target: 87.5 (2020 baseline: 156.2)
- Scope 1&2 Q3 YTD-2023 : 58.37 - Scope 1&2 Q3YTD-2022: 71.49



### Waste

#### Main results Q3 YTD-2023 vs 2022

- hazardous waste Q3 YTD-2023 6.9% vs 7.5% 2022
- waste going to landfill Q3 YTD-2023 3.5% vs 4.3% 2022



### Energy

- 53,9% of **electrical energy from renewable sources** vs 42% in 2022, through purchase of GO certificates, PPA and self-production.
- **Energy Intensity Q3 YTD 2023** 74.53 (GJ/ /million pcs) vs 75.90 (GJ/million pcs) Q3 YTD 2022



### Gender equity

- 24.7% **women in the Group Q3-2023** vs. 24.5% in 2022
- 22.8% **women in the management Q3-2023** vs. 22.8% in 2022



### Health & safety

- 6.47 **Accident frequency index** Q3YTD-2023 vs. 6.54 in 2022
- 0.23 **Accident gravity index** Q3YTD-2023 vs. 0.23 in 2022

## ESG Journey



The new Sustainability program “**Sustainable together 2030**” has been launched



Guala Closures Group has been granted with **Silver by Ecovadis** with a score of 69. Guala Closures, according to EcoVadis, ranks in the TOP 7 percent of companies in the same industry.



In September Guala Closures won the award **A–Best Corporate Sustainability Strategy** in the Private Equity Wire European ESG Awards.



### ISO45001

Certification obtained in the Italian plant Spinetta Marengo in February 2023.



**Guala Closures’ 2022 emissions** have been certified by Bureau Veritas in February 2023.



### ISO 22000 – FSSC22000

100% of our plants\* certified– Target achieved in March 2023  
\* *Excluding China (waiting for new plant) and Labrenta (recently acquired)*



### Sustainable closures

- New biobased plastic closure for the oil market
- Screw caps with recycled ABS in UK
- Recycled ABS in closures produced in Mexico
- Tbar closures with Oceanworks material in Bulgaria
- More than 50 sustainable closures projects in progress