PRESS RELEASE

RESULTS FOR Q3 AND 9M 2020

STRONG INCREASE IN 3Q20 REVENUES, +14% VS. 2Q20

3Q20 ADJ EBITDA MARGIN AT 18.8% VS. 16.1% IN Q2 2020

NET DEBT €485M IN LINE WITH 9M 2019 AND 1H 2020

NEW LAUNCH OF CONNECTED CLOSURE IN CHINA

- **On constant perimeter and FX, 3Q20 Group revenues were €147.6m, -6% YoY, Adjusted[1] EBITDA of €29.6m, +2.7% YoY, with a margin at 20.1%, up 170 b.p.;**
- **On constant FX, Q3 2020 adjusted EBITDA of €28.9 million, +0.2% YoY at constant exchange rates; margin at 18.8%, against 16.1% in 2Q 20 and vs. 18.4% in the same period last year.**
- **3Q 2020 Group revenues equal to €153.6m, -2.2% at constant FX and up +14% vs. 2Q 2020.**
- **Group Working Capital optimization and capex management continues.**

Milan, 11 November 2020. **The Board of Directors of Guala Closures S.p.A.** - a global leader in the production and sale of plastic and aluminium closures for the beverage industry - **approved the Financial report as at 30 September 2020**[2].

COMMENT OF THE GROUP CHAIRMAN AND CHIEF EXECUTIVE OFFICER

"The results for the first nine months confirm the Group's ability to respond effectively to the unprecedented worldwide medical emergency.

We are proud to announce that all of our 30 plants were able to operate in the utmost safety conditions, guaranteeing all employees additional health and safety control measures.

[1] See the closing section of this document for the definition of "adjusted".

At present, we are experiencing asymmetrical situations; there are areas that have not been so hard hit by the pandemic and are quickly recovering, and continents that are experiencing a second wave of infections, where the future is full of uncertainty.

Our forecasts for the third quarter were comfortably confirmed; in fact, after the impact of the spread of Covid-19 in the second quarter, our business started out on the road to recovery, with a decided improvement in the curve of volumes produced and economic results.

Beyond the proven resilience of the business, in this last quarter, the company has also recorded a significant rise in profitability - with a significantly better EBITDA margin up 170 basis points on a like-for-like basis and at constant exchange rates - confirming the Group's structural and commercial efficiency, and the effectiveness of the measures undertaken to cut costs.

Nevertheless, there is great uncertainty as to the global travel retail and Horeca segments; the latter in particular penalised the bottled mineral water markets in Germany and Southern Europe, countries with strong ties to tourism.

As regards the last part of the year, we will continue to focus on containing internal costs, production performance, cash flows and liquidity management.

Given the uncertainty surrounding the Christmas campaign due to the new restrictive measures reintroduced by the governments in numerous markets, we believe that Group sales will not be significantly penalised, also due to the expected replenishment of warehouse inventory by our global customers.

As regards the long term, we continue to focus on pursuing our product development and innovation strategy, confident in the Group's ability to come out of this crisis even stronger than before".

ANALYSIS OF THE RESULTS FOR THE FIRST NINE MONTHS OF 2019

Consolidated operational highlights

In the first three months of 2020, the Group recorded **consolidated net revenues** of €417.2 million, down against the first nine months of 2019 by €30.9 million (-6.9%) at current exchange rates and by €12.7 million (-2.8%) at constant exchange rates.

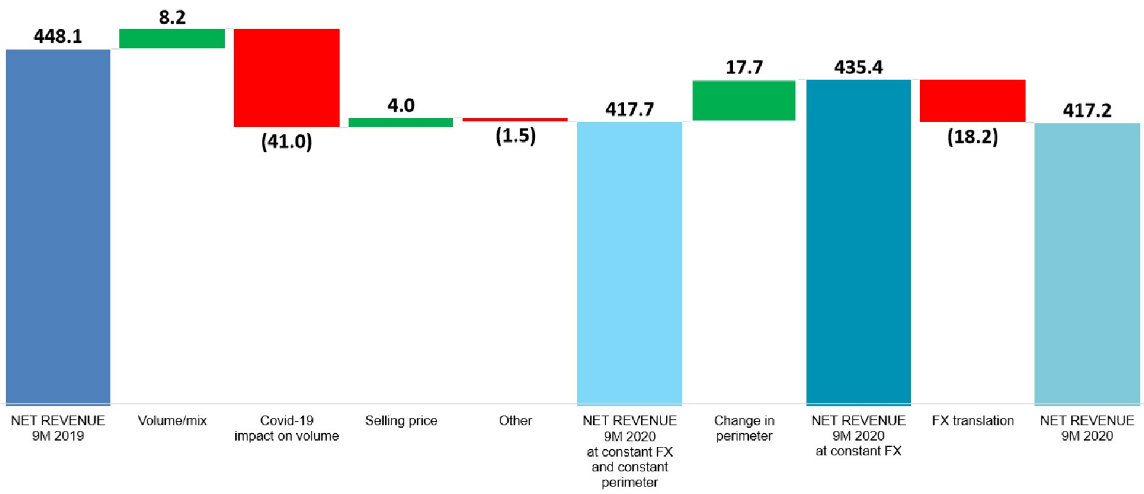
Exchange rates had a negative impact of €18.2 million on revenues for the first nine months of 2020, following the appreciation of the Euro against almost all currencies in which the Group operates. The change in the scope of consolidation made a positive contribution of €17.7 million.

On a like-for-like basis and at constant exchange rates, the Group recorded consolidated net revenues of €417.7 million, down against the first nine months of 2019 by €30.4 million (-6.8%) mainly due to the impact of the global spread of Covid-19.

The amounts recalculated on a like-for-like basis exclude €17.7 million resulting from the net effect of the consolidation in 2020 of Closurelogic's business activities (+€23.2 million) and the normalisation of the sale of part of the Spanish PET sector business in the second half of 2019 (-€1.2 million) and of GCL Pharma sold in April 2020 (-€4.3 million).

As can be seen in the graph, in the first nine months of 2020, the Group recorded an increase in volumes of €8.2 million and a benefit of €4.0 million resulting from price increase policies; these positive effects were entirely absorbed by the estimated loss of sales volumes of around €-41.0 million due to Covid-19.

NET REVENUES EVOLUTION 9M 2020 - 9M 2019 by COMPONENTS - CONSTANT FX



The greatest share of the loss of sales volumes due to Covid-19 was concentrated in the Group's business activities in India (around 36% of the estimated volumes lost) due to the forced closure of the Group's four plants between 22 March and 27 April, and the fall in domestic demand due to the ban on selling alcohol between the end of March and the beginning of May, and the closure of bars and restaurants until September.

The Group also suffered a significant loss of volumes in the United Kingdom due to Covid-19 (around 24% of the estimated volumes lost), as the latter market is characterised by large global brands, which suffered from the global spread of Cov-19 and the relative restrictions imposed on the HORECA market, as well as restrictions to mobility, which had a significant impact on the air transport industry, negatively affecting sales in travel shops/duty free outlets, one of the most important channels for the sales of several large brands.

In Spain and in Italy, where the Group's business is focused on the destination market of Spirits and Water&Beverage, the loss of volumes due to Covid-19 (around 16% for Spain and 9% for Italy of the estimated total volumes lost) is mainly due to the restrictions imposed on the HORECA sector and, with reference specifically to Spain, to the drastic fall of business in the tourism industry during the summer.

In South Africa, where between 26 March and 30 April, the production of closures for Spirits was banned and it was only possible to produce limited quantities for small niches of the Water&Beverage and Pharma markets, the Group recorded a significant fall in volumes due to the interruption of production for over a month and to the ban on selling alcohol between 27 March and 1 June and between 12 July and 17 August (around 6% of the estimated volumes lost).

Of the countries most impacted by the fall in volumes due to Covid-19, we draw attention to activities in Colombia, where between 20 March and 11 May, production was converted into making closures for disinfectants and where sales volumes were influenced by the closure of public premises until September.

Moving to the breakdown of revenue growth by geographic area:

NET REVENUES BY GEOGRAPHICAL SEGMENT

(Million Euro)	9M 2019	9M 2020	Variation %	
			Current FX rates	Constant FX rates
Europe	265.7	254.6	(4.2%)	(3.6%)
% of Group Net Revenues	*59.3%*	*61.0%*		
Latin and North America	80.8	81.7	1.1%	16.0%
% of Group Net Revenues	*18.0%*	*19.6%*		
Asia	58.5	40.9	(30.1%)	(26.2%)
% of Group Net Revenues	*13.1%*	*9.8%*		
Oceania	30.3	28.7	(5.4%)	(2.0%)
% of Group Net Revenues	*6.8%*	*6.9%*		
Africa	12.7	11.3	(11.5%)	(0.4%)
% of Group Net Revenues	*2.8%*	*2.7%*		
Total Group Net revenues	**448.1**	**417.2**	**(6.9%)**	**(2.8%)**

In **Europe**, net revenues fell by €11.1 million, dropping from €265.7 million in the first nine months of 2019 (59.3% of net revenues) to €254.6 million in the first nine months of 2020 (61.0%), where exchange rates had a negative impact of €1.4 million.
The change in this area is mainly due to the change in the scope of consolidation (€17.7 million) resulting from the acquisition of Closurelogic, partly offset by the sale of a part of Spanish PET activities in the second half of 2019 to third parties and the sale of GCL Pharma S.r.l. to third parties

in the second quarter of 2020. The positive effects of the change in the scope of consolidation were mitigated by a fall in sales caused by Covid-19, particularly in the United Kingdom, Spain and Italy (total impact of Covid-19 in this area was €20.7 million).

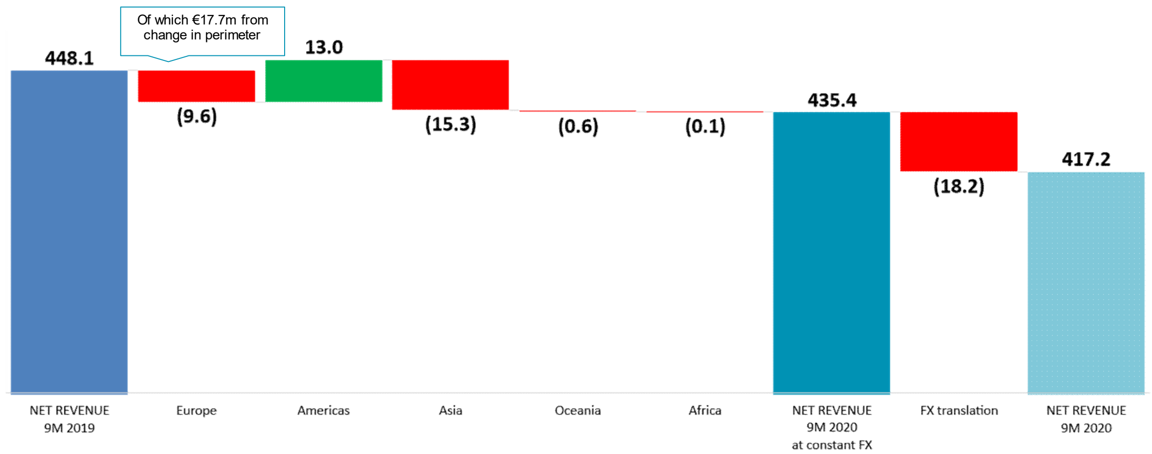
In the **Americas**, net revenues rose by €0.9 million, increasing from €80.8 million in the first nine months of 2019 to €81.7 million in the first nine months of 2020 (% of net revenues 18.0% and 19.6% respectively), despite the negative effect of exchange rate trends of -€12.0 million recorded mostly in Mexico, Argentina and Brazil. At constant exchange rates, net revenues in this area would have risen by €13.0 million (+16.0%) against the first nine months of 2019.
The impact of Covid-19 in this area led to a significant increase of sales in North America in the spirits market, following the increase in the demand for stronger "off-premises" brands and new business/customers (positive impact of €2.1 million) and in Mexico due to higher sales in the US market (positive impact of €0.5 million), as well as higher sales in Chile in the wine market. The estimated net impact of Covid-19 on sales volumes in the entire area of the Americas is -€1.6 million.

Net revenues in **Asia** fell from €58.5 million in the first nine months of 2019 (13.1% of net revenues) to €40.9 million in the first nine months of 2020 (9.8%): the reduction is mainly due to lower sales recorded following the closure of plants in India and China following policies to contain the spread of Covid-19 and to a not fully operational period in the following months related to the fall in internal consumption due, in India, to the ban on selling alcohol from the end of March to the beginning of May and the closure of bars and restaurants until September (total negative impact on the entire Asia area of -€16.1 million) and partly to the start-up of activities in Kenya, where part of the volumes previously produced by the Group's Indian company have been transferred.

In **Oceania**, net revenues fell by €1.6 million, dropping from €30.3 million in the first nine months of 2019 (6.8% of net revenues) to €28.7 million in the first nine months of 2020 (6.9%), of which -€1.1 million was due to negative exchange rate trends. At constant exchange rates, net revenues in this area would have fallen by €0.6 million (-2.0%) against the first nine months of 2019.
Sales in this region are mostly linked to the wine industry, which in recent years has been negatively influenced by the trend in exports of bulk wine, which is then bottled in the country where it is consumed. Due to Covid-19, the bottling season was delayed, which partly affected sales volumes.

In **Africa**, net revenues fell by €1.5 million, dropping from €12.7 million in the first nine months of 2019 (2.8% of net revenues) to €11.3 million in the first nine months of 2020 (2.7%), of which -€1.4 million was due to negative exchange rate trends. At constant exchange rates, net revenues in this area would have fallen by €0.1 million (-0.4%) against the first nine months of 2019.
The fall in the revenues is due to business activities in South Africa, and specifically to the partial suspension of production from 26 March to 30 April following the lockdown imposed by the local government authorities and the ban on selling alcohol between 27 March and 1 June and between 12 July and 17 August. More specifically, the South African plant suspended the production of closures for the spirits market and continued with only the marginal activity relating to the Water&Beverage and Pharma markets included in the essential supply chain by local Government (overall impact of -€2.5 million). Business activities in Kenya continue to expand, despite Covid-19, with significant growth rates against the previous year, partially offsetting the decrease recorded in South Africa.

NET REVENUES EVOLUTION 9M 2020 - 9M 2019 by GEOGRAPHIC AREA - CONSTANT FX

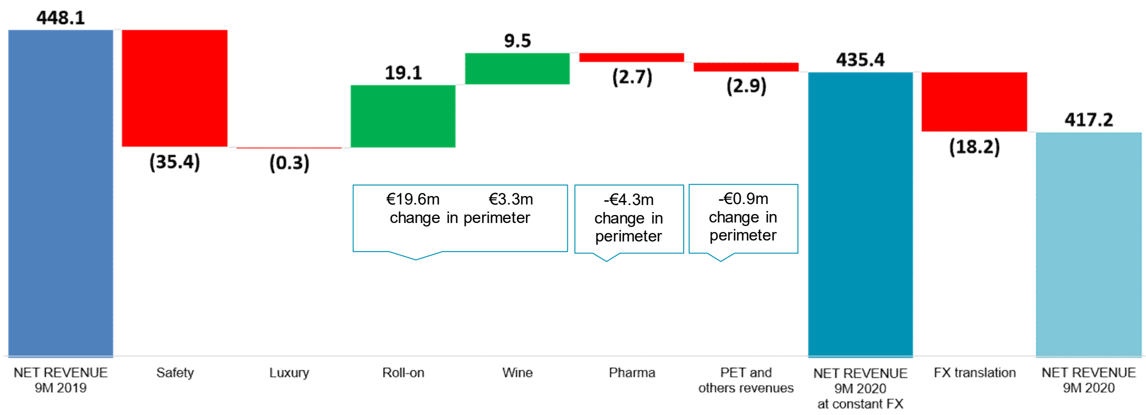


Breakdown of revenue growth by operating segment:

NET REVENUES BY PRODUCT

	(Million Euro)	9M 2019	9M 2020	Variation %	
				Current FX rates	Constant FX rates
Specialty Closures ↗	Safety	188.1	144.0	(23.4%)	(18.8%)
	% of Group Net Revenues	119.8%	99.4%		
↘	Luxury	23.0	21.3	(7.3%)	(1.3%)
	% of Group Net Revenues	14.6%	14.7%		
	Roll on	132.4	148.0	11.8%	14.4%
	% of Group Net Revenues	84.3%	102.1%		
	Wine	82.1	87.5	6.6%	11.6%
	% of Group Net Revenues	52.3%	60.4%		
	Pharma	6.4	3.6	(44.2%)	(42.5%)
	% of Group Net Revenues	4.1%	2.5%		
	PET	4.6	2.2	(52.6%)	(52.5%)
	% of Group Net Revenues	2.9%	1.5%		
	Other revenues	11.6	10.7	(7.5%)	(3.8%)
	% of Group Net Revenues	7.4%	7.4%		
	Total Group Net revenues	**448.1**	**417.2**	**(6.9%)**	**(2.8%)**

NET REVENUES EVOLUTION 9M 2020 - 9M 2019 by PRODUCTS - CONSTANT FX



Revenues from the sale of **Safety** closures fell by €44.0 million, dropping from €188.1 million in the first nine months of 2019 (42.0% of net revenues) to €144.0 million in the first nine months of 2020 (34.5%), of which -€8.7 million was due to negative exchange rate trends.
At constant exchange rates, net revenues would have fallen by €35.4 million (-18.8% against the first nine months of 2019), mostly due to lower sales caused by Covid-19, which mainly impacted the spirits export market.

Revenues from the sale of **Luxury** closures fell by €1.7 million, dropping from €23.0 million in the first nine months of 2019 to €21.3 million in the first nine months of 2020 (percentage of net revenues unchanged at 5.1%), of which -€1.4 million was due to negative exchange rate trends.
At constant exchange rates, net revenues in this segment would have fallen by only €0.3 million (-1.3%) against the first nine months of 2019.

Revenues from the sale of **Roll-on** closures increased by €15.6 million, rising from €132.4 million in the first nine months of 2019 (29.5% of net revenues) to €148.0 million in the first nine months of 2020 (35.5%), of which -€3.5 million was due to negative exchange rate trends. The increase is mainly due to the acquisition of the Closurelogic business (€19.6 million).

Revenues from the sale of **Wine** closures rose by €5.4 million, increasing from €82.1 million in the first nine months of 2019 (18.3% of net revenues) to €87.5 million in the first nine months of 2020 (21.0%), even though penalised by negative exchange rate trends (-€4.1 million).
At constant exchange rates, net revenues in this segment would have risen by €9.5 million, corresponding to +11.6% against the first nine months of 2019, due mainly to the acquisition of the Closurelogic business (which contributed around €3.3 million) and to the increases in sales recorded in the UK and Chile.

Revenues from the sale of **Pharma** closures fell by €2.8 million, dropping from €6.4 million in the first nine months of 2019 (1.4% of net revenues) to €3.6 million in the first nine months of 2020 (0.9%), following the sale of GCL Pharma in April 2020.

Revenues from the sale of **PET** fell by €2.4 million, dropping from €4.6 million in the first nine months of 2019 (1.0% of net revenues) to €2.2 million in the first nine months of 2020 (0.5%), due to the sale of part of the business in 2019.

Adjusted EBITDA in the first nine months of 2020 amounted to €70.9 million, down by €8.4 million (-10.6%) against the first nine months of 2019 (€79.3 million), of which €3.5 million was due to the negative effect of exchange rate trends following the appreciation of the Euro against almost all currencies in which the Group operates.

The decrease in adjusted EBITDA at constant exchange rates is entirely due to the results recorded in the second quarter because of lower sales volumes due to Covid-19. In fact, higher Adjusted EBITDA at constant exchange rates was recorded in both the first and third quarters of 2020, compared to the same period of the previous year.

At constant exchange rates the Adjusted EBITDA would have fallen by €4.9 million (-6.1%) against the first nine months of 2019, mainly due to the consequences of Covid-19, both in terms of the fall in sales volumes and the additional costs incurred to guarantee the safety of the workplace and workers, as well as a lower level of production efficiency to guarantee safety and social distancing rules, partly offset by personnel cost containment measures, the reduction of travel expenses and government support (overall impact of -€14.3 million).

The volume/mix ratio in the first nine months of 2020 generated a positive figure of €3.5 million, mainly due to higher sales volumes recorded by the Group, excluding the fall in volumes due to the Covid-19 pandemic, and due to currency transactions.

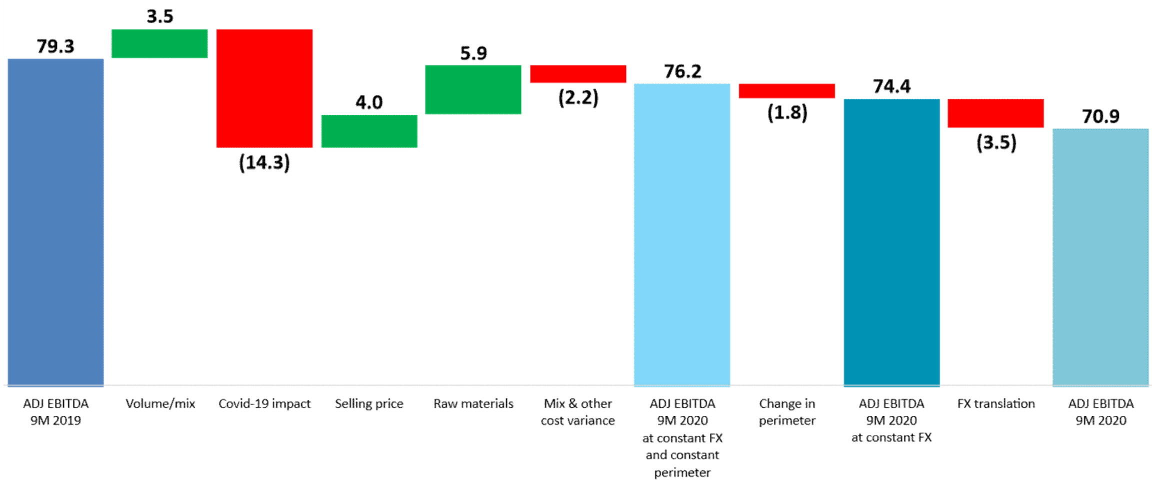
The amounts recalculated on a like-for-like basis exclude €1.8 million resulting from the change in the scope of consolidation (of which €1.1 million Closurelogic, -€0.2 million normalisation of the sale of the Spanish PET business, -€0.5 million sale of GCL Pharma).

In terms of profit margins, in the first nine months of 2020, Adjusted EBITDA represented 17.0% of net revenues compared to 17.7% in the first nine months of 2019 due to the dilutive effect of the consolidation of Closurelogic’s business activities acquired in 2020.

On a like-for-like basis, the profit margin in the first nine months of 2020 would have been 18.2%, up 0.5% against the first nine months of 2019 (17.7%).

The following graphs show the change in adjusted EBITDA for the first nine months of 2020 against the first nine months of 2019.

Adj. EBITDA EVOLUTION 9M 2020 - 9M 2019 by COMPONENTS - CONSTANT FX



Consolidated **EBIT** was €68.3 million, down 8.8% at current exchange rates, against €74.9 million in the first nine months of 2019. The decrease is mainly due to the rise in write-downs in 2020.
Write-downs increased by €3.4 million, rising from €0.6 million in the first nine months of 2019 (0.1% of net revenues) to €4.0 million in the first nine months of 2020. The first nine months of 2019 included €0.4 million relating to the recognition of write-downs of plant and machinery of the Saint Rémy plant of Guala Closures France due to the corporate reorganisation process which envisaged the closure of this plant and €0.2 million for the write-down of improvements to third party assets and plant of Beijing Guala Closures with regard to the notice received regarding the potential advance termination of the rental contract for the premises where the Chinese subsidiary operates. Instead, the first nine months of 2020 included €4.0 million relating to the adjustment to value in use of patents owned by the Group.

Amortisation and **depreciation** increased by €0.6 million, rising from €47.1 million in the first nine months of 2019 (10.5% of net revenues) to €47.7 million in the first nine months of 2020 (11.4%).

Consolidated **EBIT** for the first nine months of 2020 was €20.6 million, down 26% at current exchange rates, against €27.8 million in the same period of last year. This decrease is due to the lower EBITDA recorded this year and to higher amortisation and depreciation.

Net Financial charges rose by €4.1 million, from €23.7 million in the first nine months of 2019 to €27.8 million in the first nine months of 2020.
This increase was mainly due to the rise in net losses on exchange rates (€6.2 million), following the strong appreciation of the Euro against many currencies in which the Group operates and to the negative impact of changes in the fair value of Market Warrants (€1.6 million). These negative effects were partly offset by the following positive factors:
a) a positive impact of €3.3 million due to changes in the fair value of financial liabilities to minority shareholders;
b) €0.8 million due to lower net interest expense;
c) a positive impact of €0.5 million due to changes in the fair value of currency derivatives.

Income taxes rose by €1.9 million, increasing from €2.3 million in the first nine months of 2019 (0.5% of net revenues) to €4.2 million in the first nine months of 2020 (1.0% of net revenues). The increase in the tax burden is mainly due to the lower reversal of deferred tax compared to last year, which included the positive contribution of the adjustment of deferred tax relating to the Group's business in India (€4.0 million) following the fall in the tax rate applicable in this country.
Current taxes for the first nine months of 2020 fell by €1.0 million against the first nine months of 2019, mainly due to the fall in the Group's results impacted by Covid-19, with specific reference to the Group's business activities in India, Colombia and the United Kingdom, which were most affected by Covid-19. The reduction of current taxes in the above countries was partly offset by higher current taxes in the Group's business activities in Mexico, United States, Ukraine, Poland and Bulgaria, where the results recorded for the first nine months of 2020 are up against the same period of the previous year.
Prepaid taxes in the first nine months of 2020 fell by €3.0 million mainly due to the contingency recognised in the first nine months of 2019 (€4.0 million) relating to the adjustment of deferred tax recorded on capital gains emerging from the PPA process allocated to Guala Closures India given the reduction of the tax rate from 35% to 25% of taxable income applicable from April 2019.
The difference in taxes for the three-month period ending 30 September 2020 compared to the same period of the previous year is mainly due to the contingency recognised in the third quarter of 2019 (€4.0 million) relating to the above-mentioned adjustment of deferred tax of Guala Closures India.

The **net result** for the first nine months of 2020 is a loss of €11.5 million against a profit for the same period of last year of €1.8 million, with a negative difference of €13.3 million.
The lower result compared to the first nine months of 2019 is mainly due to the lower EBITDA (-€6.6 million, of which -€4.0 million, non-recurring, due to the adjustment of the value in use of patents belonging to the Group), to the increase in net financial expenses (-€4.1 million of which -€6.2 million due to higher losses on exchange rates due to the appreciation of the Euro against the other currencies the Group operates in), to the increase in amortisation and depreciation (-€0.6 million) and to higher taxes (-€1.9 million).

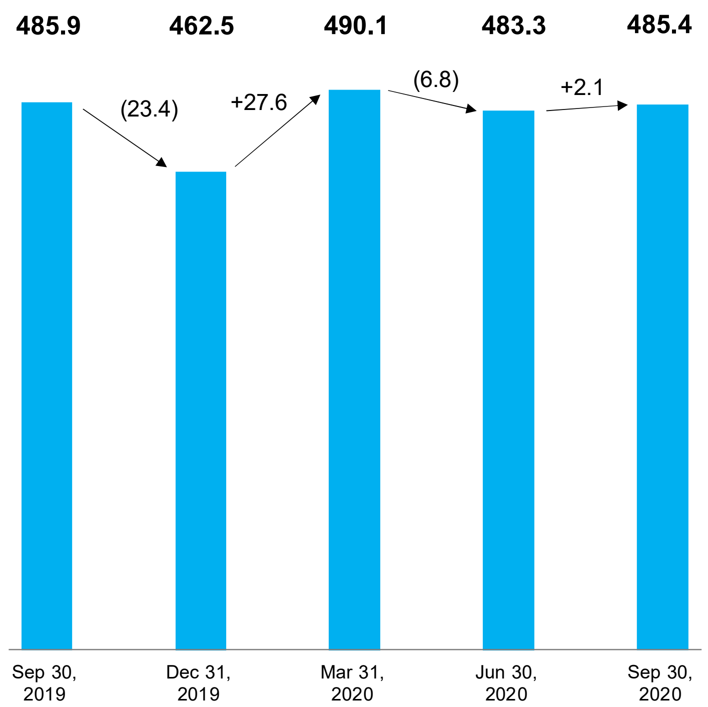
Consolidated financial highlights

Net financial debt as at 30 September 2020 was €485.4 million, in line with the figure at the end of the first half of 2020 and the first nine months of 2019 (€485.9 million).
In the first nine months of 2020, net financial debt rose from €462.5 million as at 31 December 2019 to €485.4 million as at 30 September 2020, marking an increase of €22.9 million, of which €7.5 million is due to the following two extraordinary operations that took place during the period:

1) increase of €13.6 million due to the acquisition of the business activities of Closurelogic, both in Germany (consideration transferred for the acquisition of €12.2 million, plus €1.3 million for the recognition of the liabilities assumed on the date of the operations relating to lease agreements acquired) and in Turkey (€0.2 million net of cash acquired);
2) increase of €1.3 million due to the acquisition of 20% of the British company SharpEnd;
3) decrease of €7.4 million due to the sale of the Italian company GCL Pharma (consideration collected from the sale of €7.3 million, cash transferred of €0.2 million and transfer of liabilities for leasing of €0.3 million).

The graph below shows the change in net financial debt in the first nine months of 2020:

NET FINANCIAL POSITION EVOLUTION



The increase in net financial debt in the first nine months of 2020 is due to a cash flow generated by operating activities of €34.7 million, a cash flow used in investments of €29.6 million and a negative change in net financial debt following financing activities of €28.0 million.

The **net cash flow generated by operating activities** was €34.7 million, €11.5 million less than the first nine months of 2019 (€46.2 million).
This decrease was mainly due to the fall of €6.6 million in EBITDA net of the capital gains recorded on the sale of the stake held in GCL Pharma S.r.l., and the negative change of €8.2 million in net working capital (of which €4.2 million following the acquisition of Closurelogic from the acquisition date to 30 September 2020). These effects were partly offset by the positive change of €4.8 million in other operating items and the improvement of €1.3 million in the cash flow for taxes, mainly due to the effect of deferring the payment of several indirect taxes, such as VAT in the United Kingdom, obtained following measures to sustain liquidity set in place by the British Government due to Covid-19.

The **cash flow used for investment activities** in the first nine months of 2020 was €29.6 million, with an increase of €3.6 million compared to the cash flow for the first nine months of 2019 (€26.0 million).
This increase was due to M&A activities, which in the first nine months of 2020 recorded a negative cash flow of €6.5 million (of which €12.4 million relating to the acquisition of the activities of Closurelogic in Germany and Turkey, €1.3 million for the acquisition of a minority shareholding in the British company SharpEnd, partly offset by €7.1 million resulting from the sale of the stake held in the Italian company GCL Pharma), while in the first nine months of 2019, the cash flow relating to M&A had only been €0.6 million resulting from the deferred payment of the Indian company Axiom Propack.
Instead, the cash-out for net investments in the period fell by €2.4 million (-9% YoY), from €25.4 million in the first nine months of 2019 to €23.0 million in the first nine months of 2020.

The change in net financial debt following **financing activities** in the first nine months of 2020 was a negative €28.0 million, €1.6 million less than the first nine months of 2019 (-€29.7 million).
The main positive factors of this improvement are as follows:

- lower payment of dividends to minority shareholders (+€1.9 million);
- difference in the change in derivatives and other financial items (+€3.6 million), mostly due to the change in the fair value of liabilities to minority shareholders;

partly offset by the following negative factors:

- greater negative change in the market value of the Market Warrants of €1.6 million;
- increase of €1.3 million in lease liabilities resulting from the initial impact of adopting IFRS 16 by the newly-consolidated Guala Closures Deutschland GmbH;
- greater increase of financial liabilities for rights of use (€1.1 million);
- other effects (€0.5 million).

* * *

The additional financial information for the period ended September 30, 2020, together with the presentation slides, are available to the public at the company's registered office and on the website www.gualaclosures.com, section "Investor Relations – Documents – Financial Statements and reports" and on the authorised storage mechanism eMarket STORAGE at www.emarketstorage.com.

A conference call will be held today at 6:00 p.m during which the management of Guala Closures will present the results for the first nine months of 2020. The details to follow the conference call are available on website www.gualaclosures.com, section "Investor Relations".

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Statement of the Manager in charge of financial reporting pursuant to art. 154-bis comma 2 of Legislative decree no. 58 of 24 February 1998 ("*Testo Unico della Finanza*")

The Manager in charge of financial reporting of Guala Closures S.p.A., Anibal Diaz, hereby states that pursuant to art. 154-bis 2 of Legislative decree no. 58 of 24 February 1998 ("Testo Unico della Finanza") the accounting information included in the current press release is consistent with the accounting records and entries.

* * *

Attached below some detailed tables such as the consolidated statement of profit and loss and of financial position and the consolidated statement of cash flows at 30 September 2020.

Marco Giovannini
Chairman and Group CEO

Anibal Diaz
Group CFO

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11 November 2020

E-MARKET SDIR CERTIFIED

Guala Closures Group

DEFINITIONS

Growth at constant exchange rates

The growth at constant exchange rates is calculated by applying the exchange rates of the previous year to the same items of the same period of the current year and making the comparison.

Organic growth in revenues

The organic growth in revenues is calculated adjusting the revenues of the two considered periods by acquisitions, by sales and by exchange rate effects (converting the revenues of the same period of the current year to the exchange rates of the previous year) and making the comparison

EBITDA

Result before interests, taxes, depreciation and amortization.

EBIT

Result before interests and taxes.

ADJUSTED EBITDA

“Adjusted”: alternative performance measure determined excluding certain revenue or cost items in order to improve the interpretation of the Group's normalized profitability of the year.

Guala Closures S.p.A. – condensed consolidated statement of profit or loss for the nine months ended September 30, 2020

(Thousands of Euros)	For the nine months ended September 30	
	2019 (*)	**2020**
Net revenue	**448,064**	**417,198**
Change in inventories of finished goods and semi-finished products	7,950	9,308
Other operating income	2,867	3,226
Work performed by the Group and capitalised	3,268	3,653
Costs for raw materials	(200,672)	(181,520)
Costs for services	(83,035)	(81,103)
Personnel expense	(94,665)	(94,979)
Other operating expense	(8,288)	(6,341)
Impairment	(596)	(4,001)
Gains on sales of equity investments	-	2,830
Gross operating profit (EBITDA)	**74,895**	**68,271**
Amortization	(47,052)	(47,685)
Operating profit (EBIT)	**27,843**	**20,586**
Financial income	6,554	13,035
Financial expense	(30,272)	(40,883)
Net financial expense	**(23,717)**	**(27,849)**
Profit before taxation	**4,125**	**(7,263)**
Income taxes	(2,324)	(4,231)
Profit (loss) for the period	**1,801**	**(11,494)**
Gross operating profit adjusted (Adjusted EBITDA)	**79,264**	**70,871**
% on net revenue	*17.7%*	*17.0%*

(*) The comparative figures for the nine months ended September 30, 2019 were restated to reflect the effects of the completion of the PPA procedure related to Guala Closures UCP (December 12, 2018).

Guala Closures Group

Guala Closures S.p.A. – condensed consolidated statement of financial position as of September 30, 2020

(Thousands of Euros)	**December 31, 2019**	**September 30, 2020**
Intangible assets	872,035	834,242
Property, plant and equipment	228,911	210,297
Right-of-use assets	27,630	26,255
Net working capital	127,880	141,815
Investments in associate companies	-	1,077
Net financial derivative assets (liabilities)	(162)	295
Employee benefits	(6,599)	(8,666)
Other net liabilities	(122,123)	(108,708)
Net invested capital	**1,127,572**	**1,096,607**
Financed by:		
Net financial liabilities	468,378	485,603
Financial liabilities - IAS 17 / IFRS 16 effect	20,358	19,669
Financial liabilities – put option to non-controlling investors	26,958	26,853
Market Warrants	3,873	5,810
Cash and cash equivalents	(57,056)	(52,517)
Net financial indebtedness	**462,511**	**485,418**
Consolidated equity	**665,060**	**611,189**
Sources of financing	**1,127,572**	**1,096,607**

Guala Closures S.p.A. – condensed consolidated statement of cash flows for the nine months ended September 30, 2020

(Thousands of Euros)	For the nine months ended September 30, 2019	2020
Opening net financial indebtedness	**(459,509)**	**(462,511)**
Effects of IFRS 16 FTA	(16,962)	-
A) Opening pro forma net financial indebtedness	**(476,471)**	**(462,511)**
Gross operating profit (EBITDA)	74,895	68,271
Gains on sales of equity investments		(2,830)
Net (Gains) / losses on disposals of fixed assets	(35)	(3)
Variation in receivables, payables and inventories	(16,186)	(24,434)
Other operating items	311	5,113
Income taxes paid	(12,760)	(11,422)
B) Net Cash flows from operating activities	**46,224**	**34,694**
Net acquisitions of property, plant and equipment and intangible assets	(25,400)	(23,012)
Deferred payment on acquisition of Axiom Propack Ltd (India)	(554)	-
Acquisition of Closureslogic GmbH assets (Germany)	-	(12,187)
Acquisition of Closureslogic (Turkey) net of cash acquired	-	(171)
Acquisition of minority shares of SharpEnd (UK)	-	(1,275)
Disposal of GCL Pharma Srl (net of cash sold)	-	7,088
C) Cash flows used in investing activities	**(25,954)**	**(29,556)**
Right of Use asset increase	(2,308)	(3,452)
Initial Impact of IFRS 16 accounting from Closurelogic acquisition	-	(1,270)
Lease liabilities transferred as part of the sale of GCL Pharma Srl	-	264
Payment of transaction cost on Bond and RCF	(483)	-
Net interests expense	(16,455)	(16,595)
Dividends paid	(6,526)	(4,649)
Change in fair value of Market Warrants	(312)	(1,937)
Derivatives and other financial items	(4,064)	(470)
Effect of exchange rate fluctuation	471	63
D) Change in net financial indebtedness due to financing activities	**(29,678)**	**(28,045)**
E) Total change in net financial indebtedness (B+C+D)	**(9,408)**	**(22,907)**
F) Closing net financial indebtedness (A+E)	**(485,880)**	**(485,418)**