



# Guala Closures Group

## Corporate Presentation and Annual Results

Roadshow meeting | April 2019



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**Historical financial information.** The financial information presented in this Presentation is derived or extracted from the historical consolidated financial statement and related accounting information of the Group. Prior to the business combination between the former “Guala Closures S.p.A.” and Space4 S.p.A., financial consolidation of the Group was performed at the GCL Holdings S.C.A. level which was parent company and operator of an R&D business unit. There are, therefore, certain differences in the financial information set out below and the historical consolidated financial statements and related accounting information of GCL Holdings S.C.A.. Investors should note that there are limitations to the comparability of the financial data shown herein to future periods given the change in the scope of consolidation resulting from the business combination.

**Pro-forma.** The consolidated figures of Guala Closures Group in 2018 have been affected by the transaction completed on July 31, 2018 with the acquisition by Space4 S.p.A. of 67% of Guala Closures pre-merger and its subsequent merger into Space4 S.p.A. which became effective on August 6, 2018. The above transaction, which resulted in Space4 S.p.A. adopting the corporate name of Guala Closures S.p.A., had an impact on the financial statements as at and for the period ended December 31, 2018 and their comparability with Guala Closures Group prior to the transaction.

Consequently, pro forma figures have been prepared in order to compare the performance of the operations based on the perimeter of Guala Closures Group pre-merger (inclusive of the business transferred from GCL Holdings S.C.A. to GCL International S.à r.l. on July 31, 2018 which includes R&D activities and other assets/liabilities and legal relationships), including Space4’s operations.

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# Table of contents

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## **CORPORATE PRESENTATION**

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Executive Summary	4
1. Company overview	8
2. Business overview by product	22
3. Main trends in destination markets	29
4. Historical financial performance	41
5. Strategy	46

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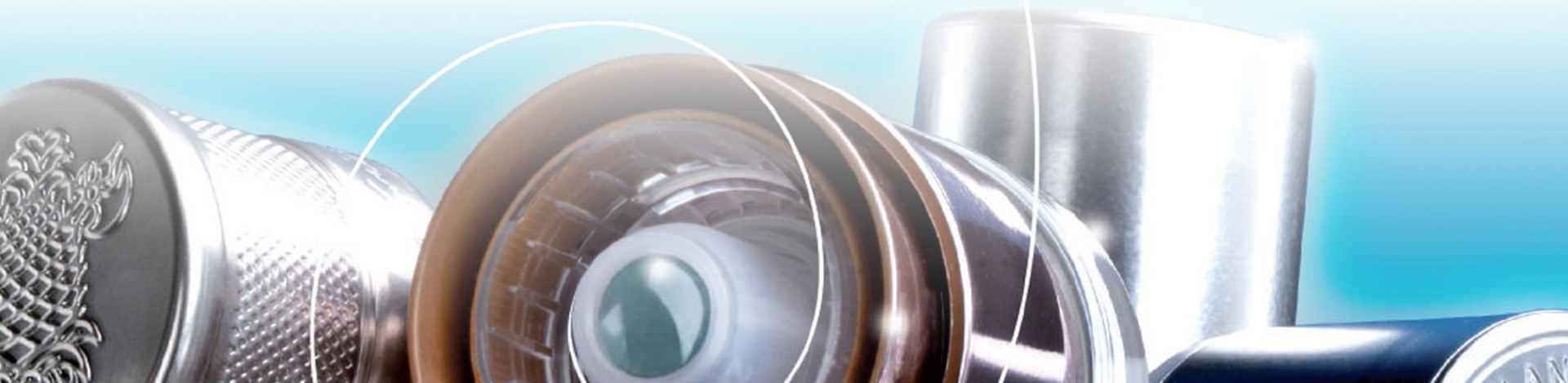
## **2018 ANNUAL RESULTS**

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2018 Financial Results - Highlights	49
2018 Financial Results	52
Outlook	67
Annex – Definitions and 2018 Financial Results details	69
Annex – Market Data	81

# **Guala Closures Group**

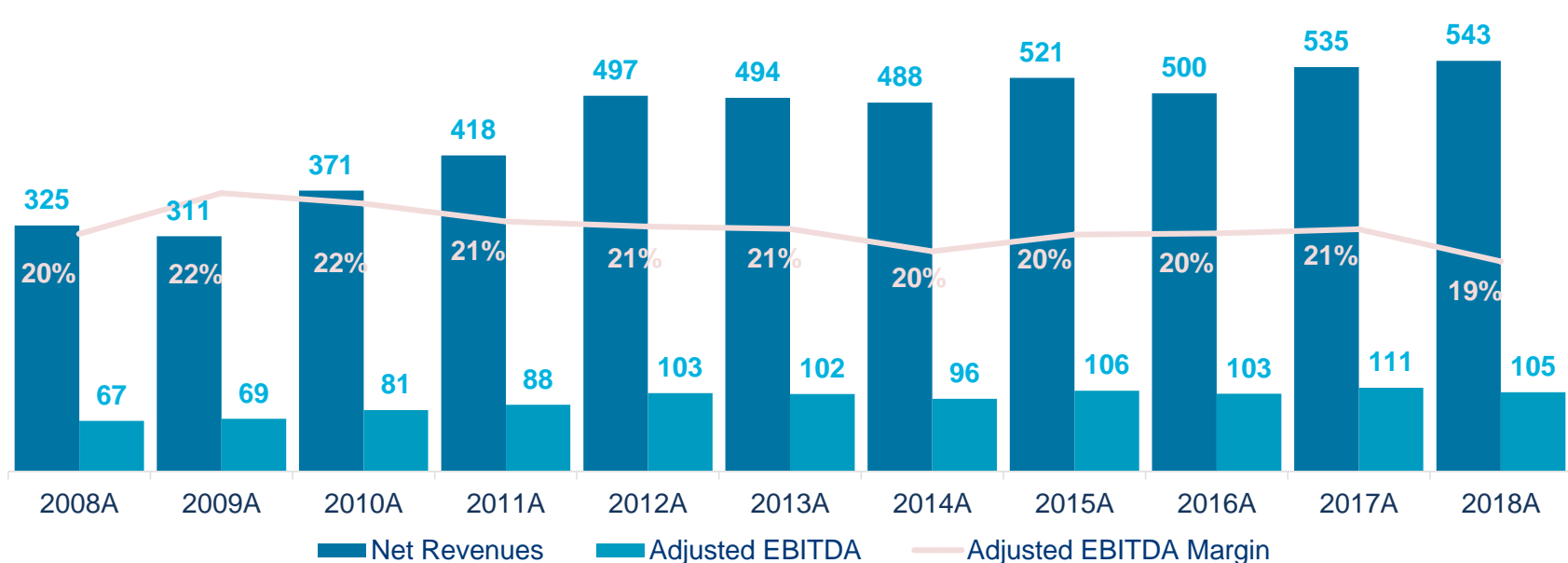
## **Corporate presentation**



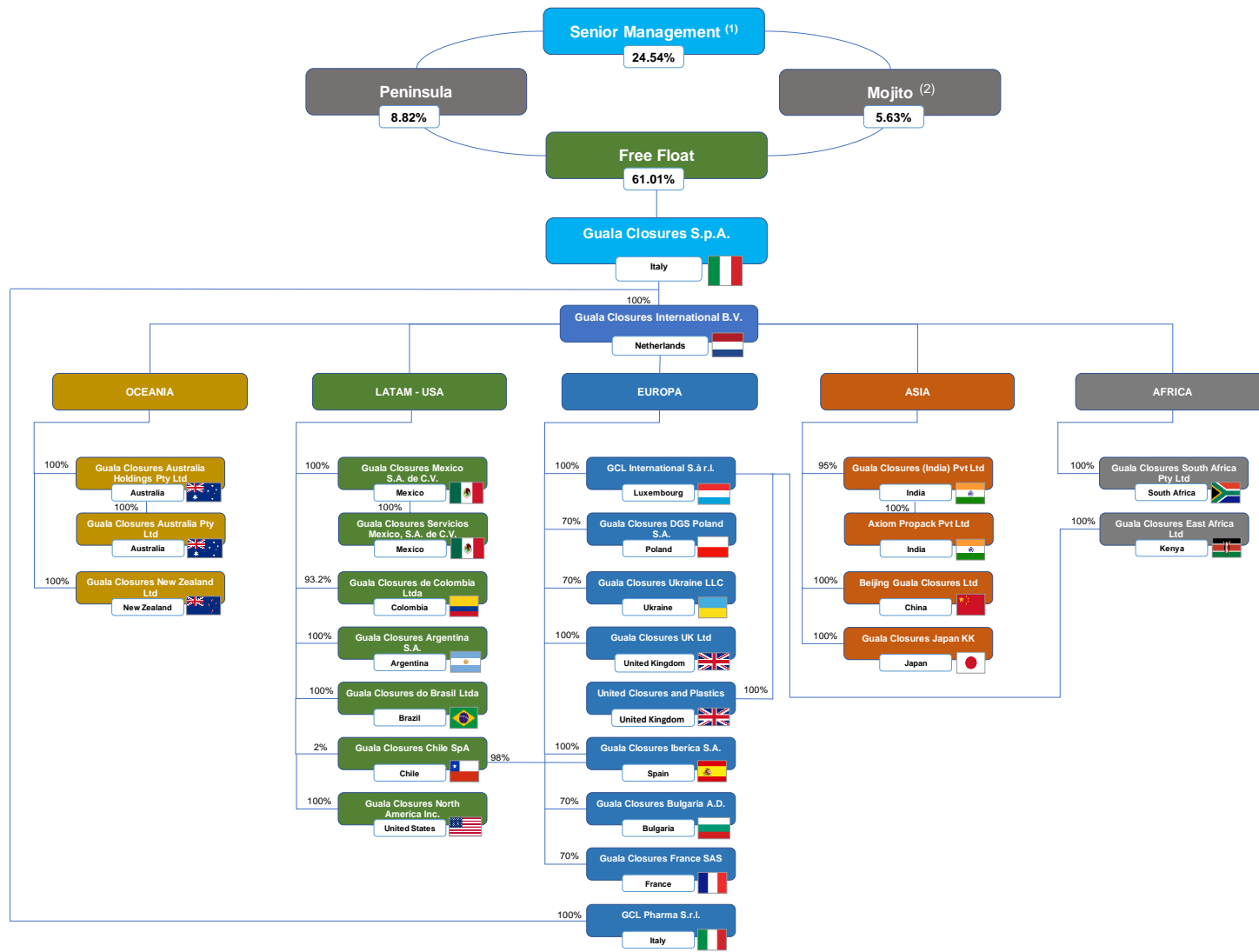
## **Executive summary**

# Guala Closures at a glance

- The Global leading producer of specialty closures for the spirits and wine industry with almost €600m turnover
- A business model driven by unique technology & innovation capabilities, supported by an R&D DNA and by a state-of-the-art manufacturing footprint with 29 production sites across 5 continents
- A trusted partner to most global and local spirits and wine producers for the last 40 years
- A resilient story of growth over the past years with margins consistently at 20%+ over the years:
  - + 5.3% Net revenue CAGR 2008 -2018 (at current FX)
  - + 4.5% Adjusted EBITDA CAGR 2008-2018 (at current FX)
- A natural consolidator in a fragmented market space, ready for additional expansion opportunities
- An entrepreneurial management with a long-lasting experience in the sector and deeply invested in the business



# Corporate structure chart



(1) Holds 14.54% of shares and 24.54% of voting rights through personal shares and GCL Holdings (which is majority-owned and controlled by Marco Giovannini, through which he, Francesco Bove, Anibal Diaz and Paolo Ferrari and their related parties hold their investments).

(2) Mojito represents the previous private equity seller

## Our Mission



- **Protect your brand**
- **Create your value**





# **1. Company overview**

# Why Guala Closures



# The world's leading specialty closures producer

A global champion - Euro 543m sales in FY18

#1 player in high value-added closures for spirits and wine

Partner to global and local beverages players

Pioneer in closures technology

Proven track record of growth



Safety



Luxury



Wine

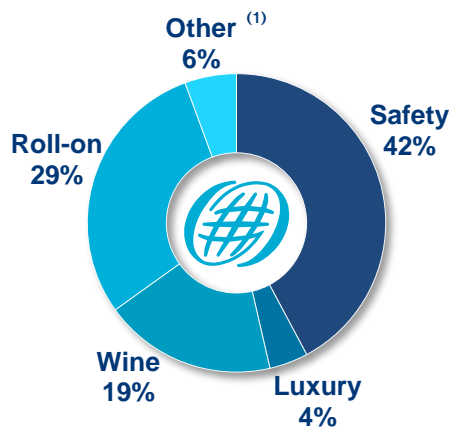


Roll-on

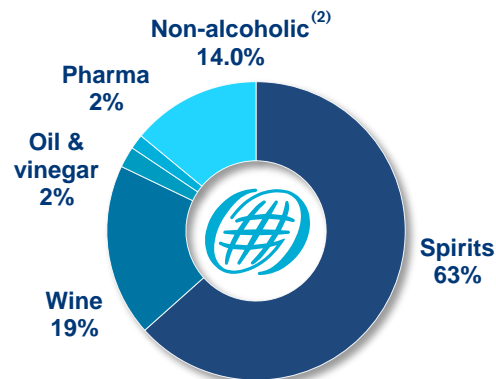


Others

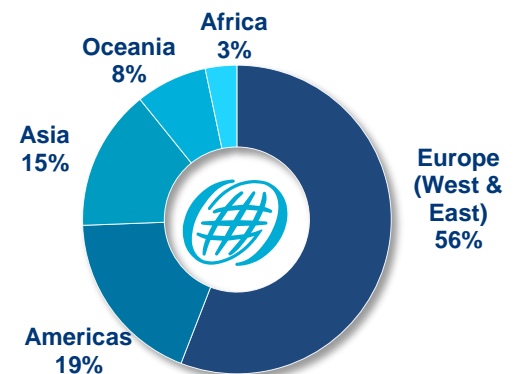
Sales breakdown by product



Sales breakdown by destination market



Sales breakdown by geography<sup>(3)</sup>



Source: Guala Closures information

Other includes Pharma, PET and other revenues

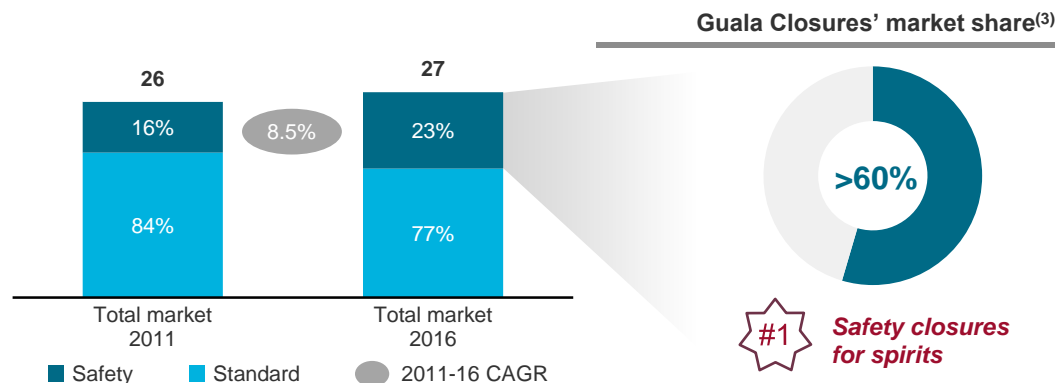
Non-alcoholic includes mineral water, beverage, other markets, PET and other revenues

Revenues breakdown refer to countries from which the product is sold

# Leading market positions in fast growing end markets...

## #1 globally in sophisticated / safety closures market<sup>(1)</sup>

(Billion units)



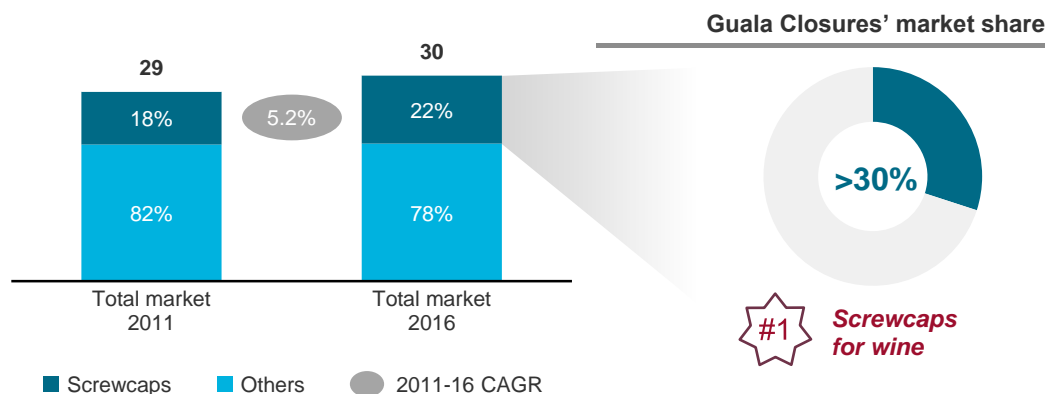
### Selected competitors



6 times higher market share than next competitor

## #1 globally in wine screwcap closures market<sup>(2)</sup>

(Billion units)



### Selected competitors



Guala Closures is the clear market leader

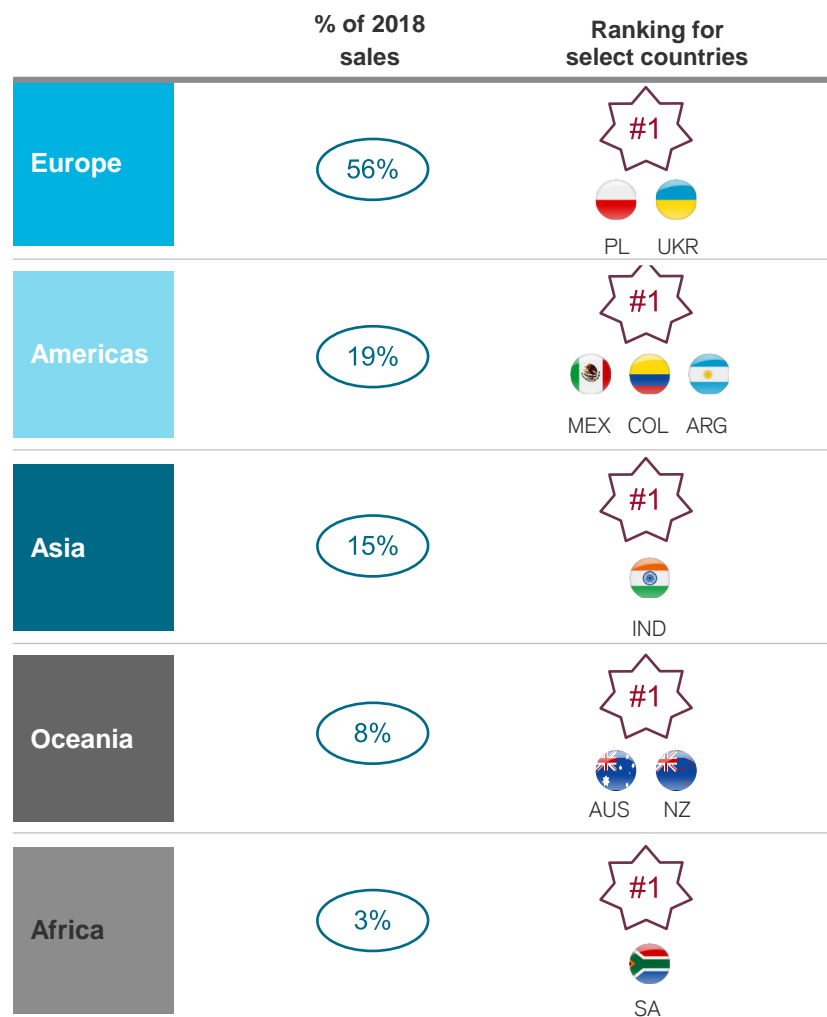
(1) Guala Closures reference market, i.e. the market that Guala Closures was historically competing in. It includes metal screw and cork closures on metal or glass bottles while excluding Russia "grey market" and plastic and ceramic closures. The 34 billion units in 2016 includes metal screw and cork closures on all pack types.

(2) Still / sparkling wine.

(3) Represents market share by volume.

# ...supported by leadership positions in high growth markets

Guala Closures is strategically positioned in growth markets...

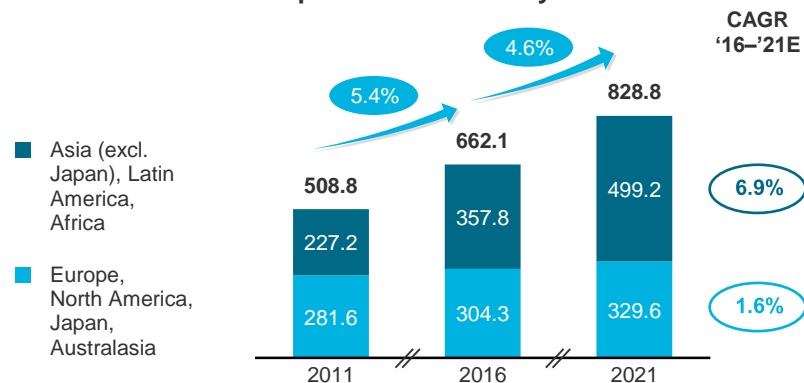


Source: Guala Closures information, GlobalData.

... and is well placed to continue to grow at an attractive pace

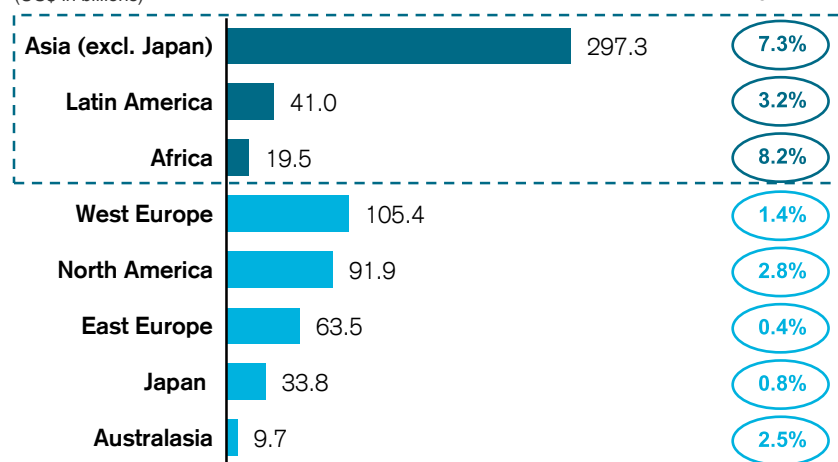
(US\$ in billions)

Global spirits market size by value

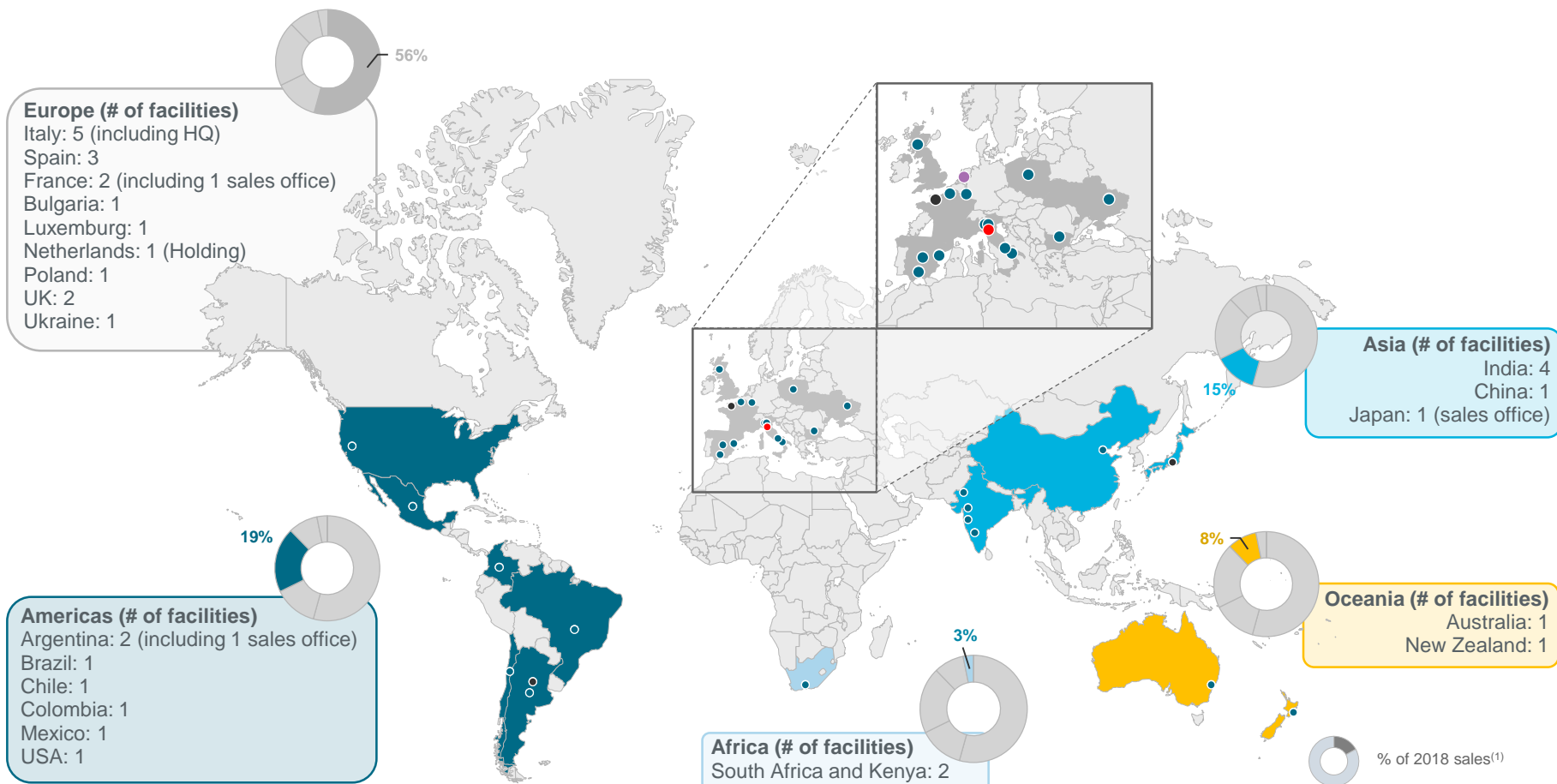


Top regions spirits market size by value - 2016

(US\$ in billions)



# Global footprint with state-of-the-art facilities to tap growth potential across products and geographies



**Presence in 22 countries across 5 continents with 29 production plants and 3 sales offices**

(1) Based on country from which the product is sold.

# Long-standing trusted partnerships with world's leading spirits and wine companies

## Global players

## Regional champions

### Spirits



### Wine



### Other (F&B, Pharma)



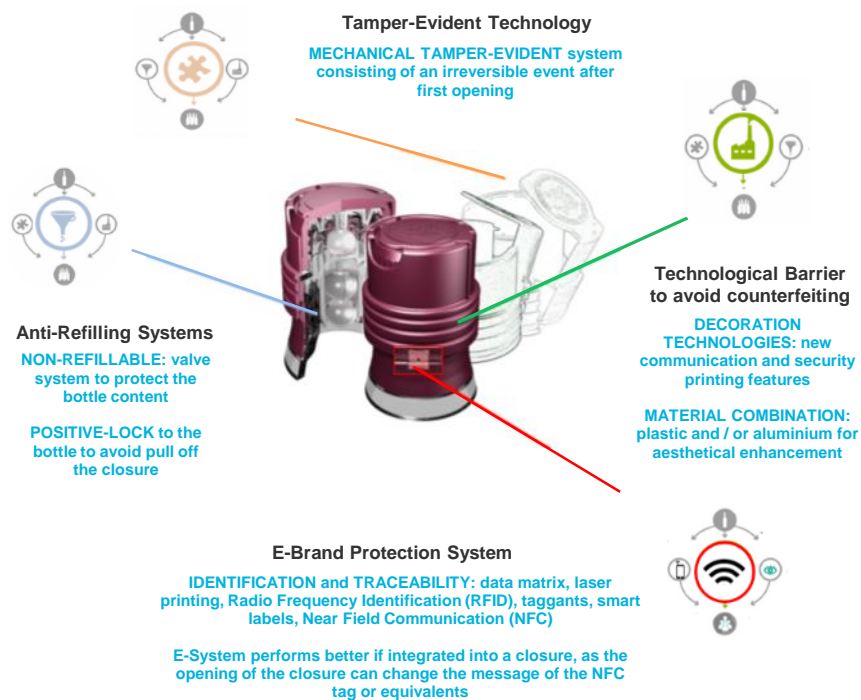
Source: Guala Closures information.

30% of the market

70% of the market

# Proprietary engineered product portfolio and over 140 active patents<sup>(1)</sup> across all categories...

Highly engineered spirits' closures for safety / sophisticated concepts...



...protected by strong R&D and patents

- The largest R&D centre for safety closures
- R&D units in Italy, Luxembourg, Mexico, UK and Ukraine
- Dedicated service to protect closures and defend customers' interests
- Close relationship with customers for joint product development
- More than 20 new products in the last 3 years
- Multi-component assembly at high speed

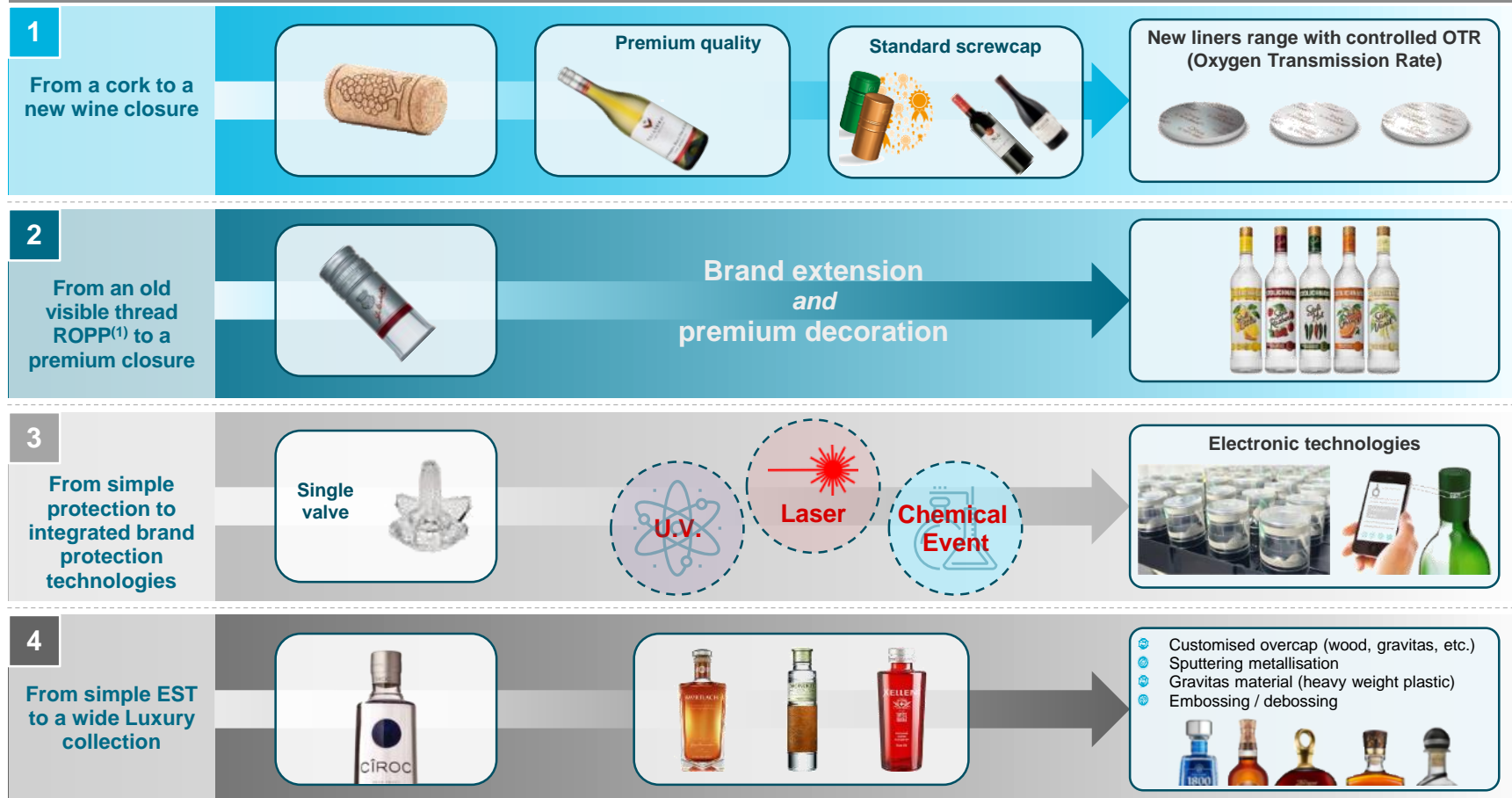


(1) Active patents include patents, industrial designs and utility models.



# ...underpinned by leading technology and innovation capabilities

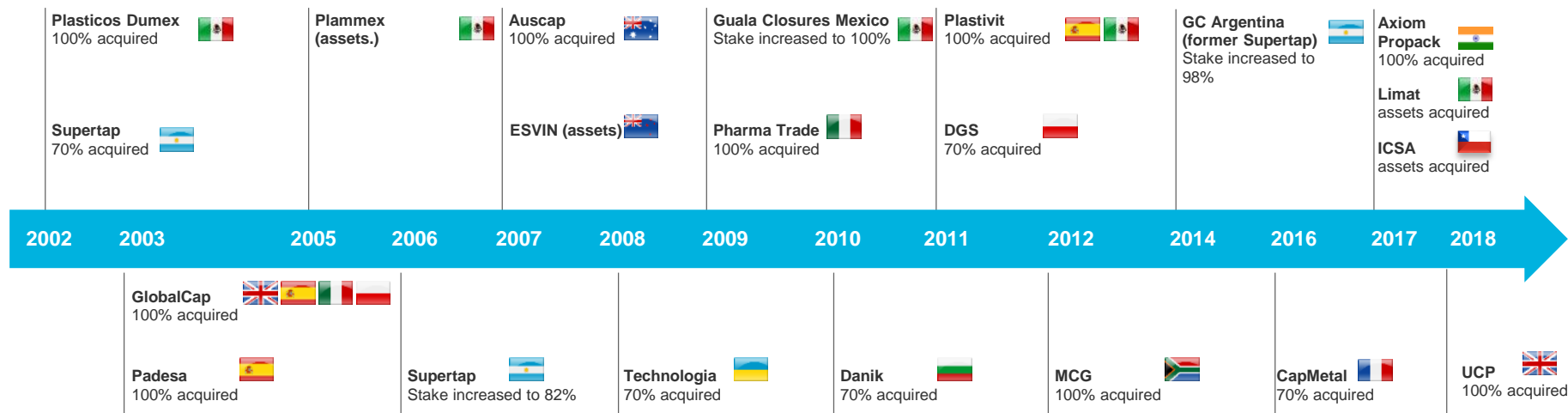
## Examples of creating added value in closures



(1) Roll-On Pilfer Proof.

# Proven M&A track record focused on creating long-term value

## Timeline



### Highly-focused tack-on acquisitions

Expanded presence in new markets, e.g. Australia, Poland, Ukraine, Africa

Expanded presence in new segments, e.g. wine, pharma



Consolidated market position and captured further market share

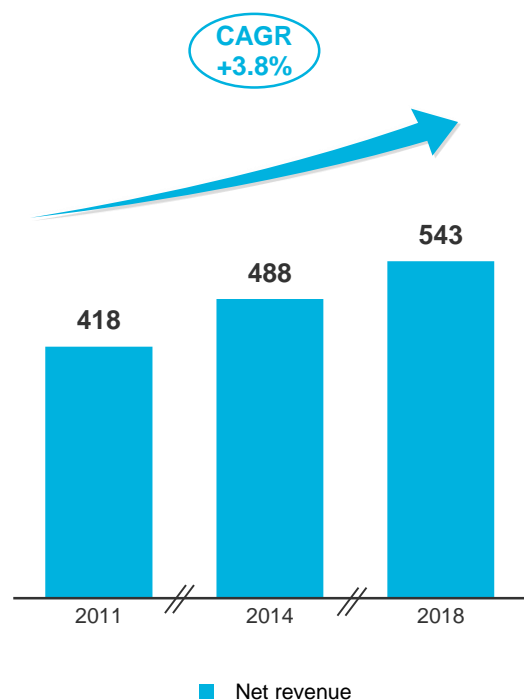


Track record of successful integration resulting in substantial growth and cost synergies

# Best-in-class financial profile...

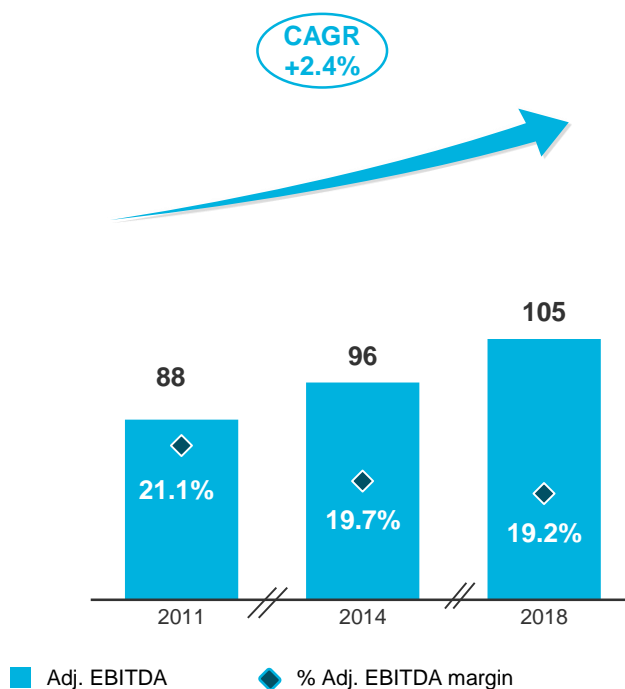
## Solid growth ..

(Net revenue, € in millions)



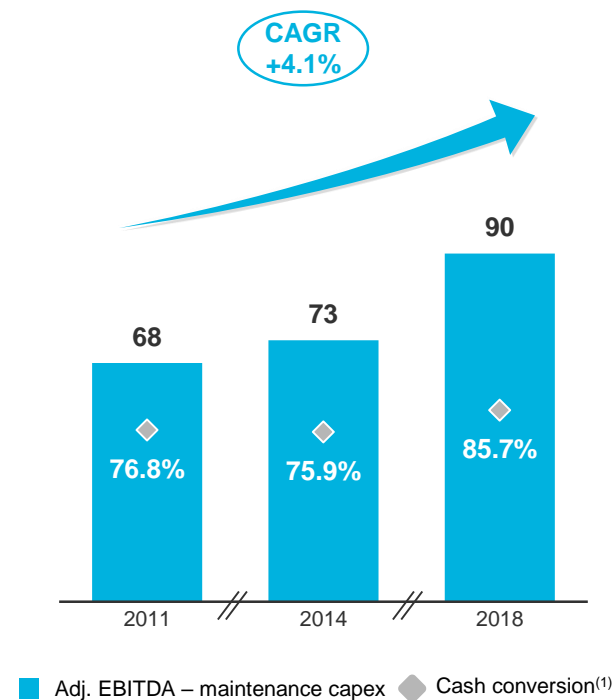
## ... and increasing profitability

(Adj. EBITDA, € in millions; Adj. EBITDA margin, %)



## Strong cash flow

(Adj. EBITDA – maintenance capex, € in millions; Adj. EBITDA – maintenance capex conversion, %)



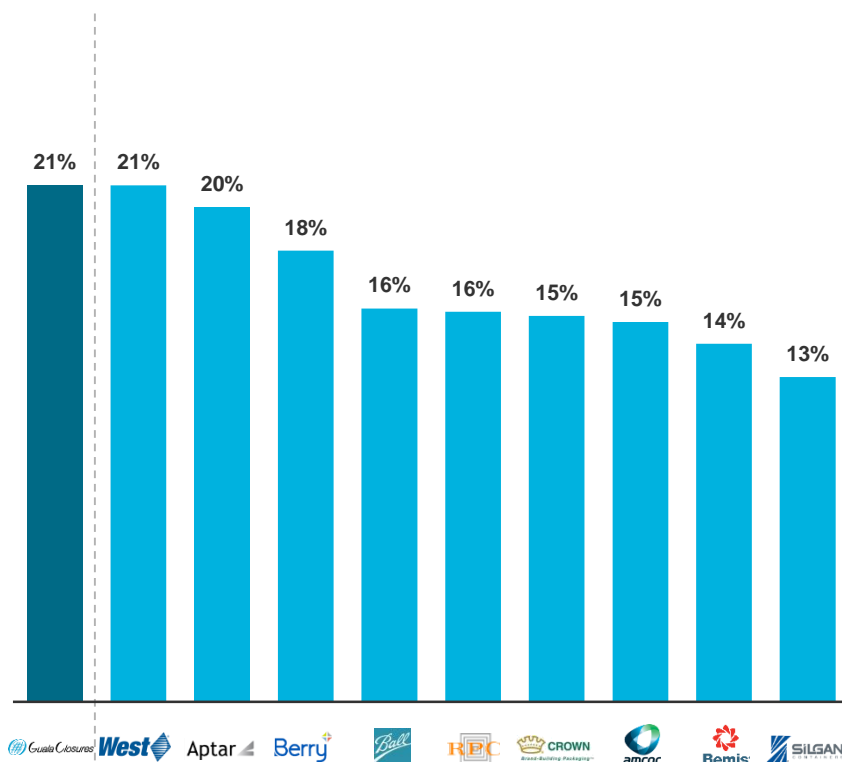
Source: Company information.

(1) Calculated as (Adj. EBITDA – maintenance capex) / Adj. EBITDA.

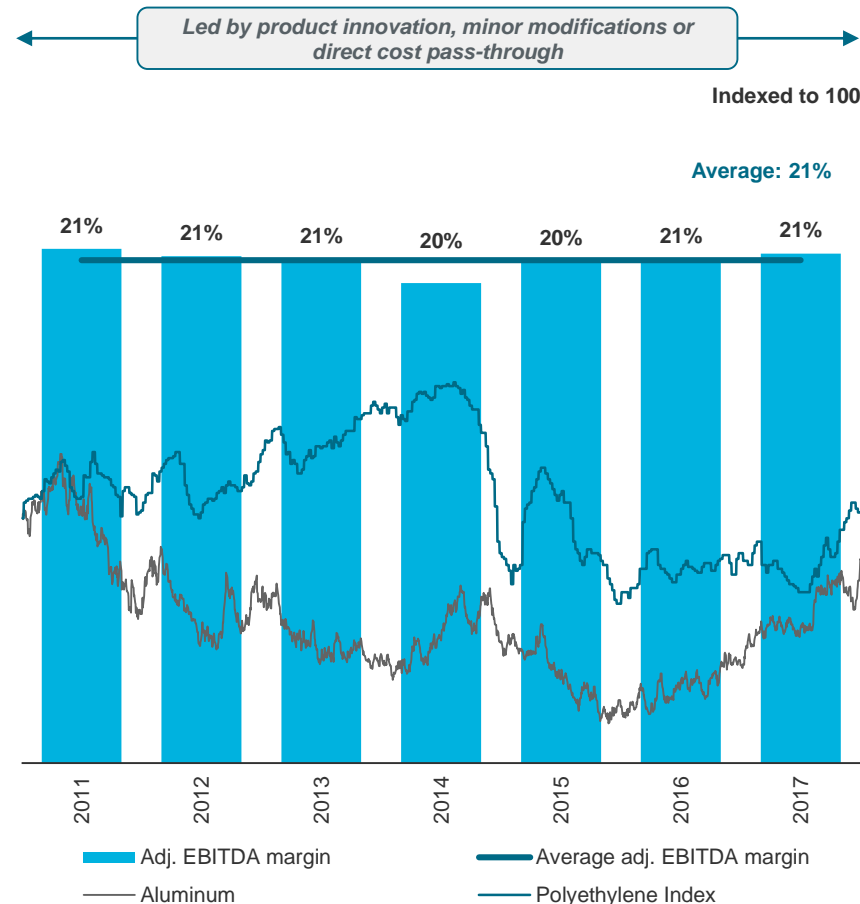
# ...with superior margins and proven resilience over the years despite FX and raw materials fluctuations

## EBITDA margin benchmarking

(Adj. EBITDA margin, 2015-17 average)



## Margin stability despite fluctuating FX and raw material inputs<sup>(1)</sup>



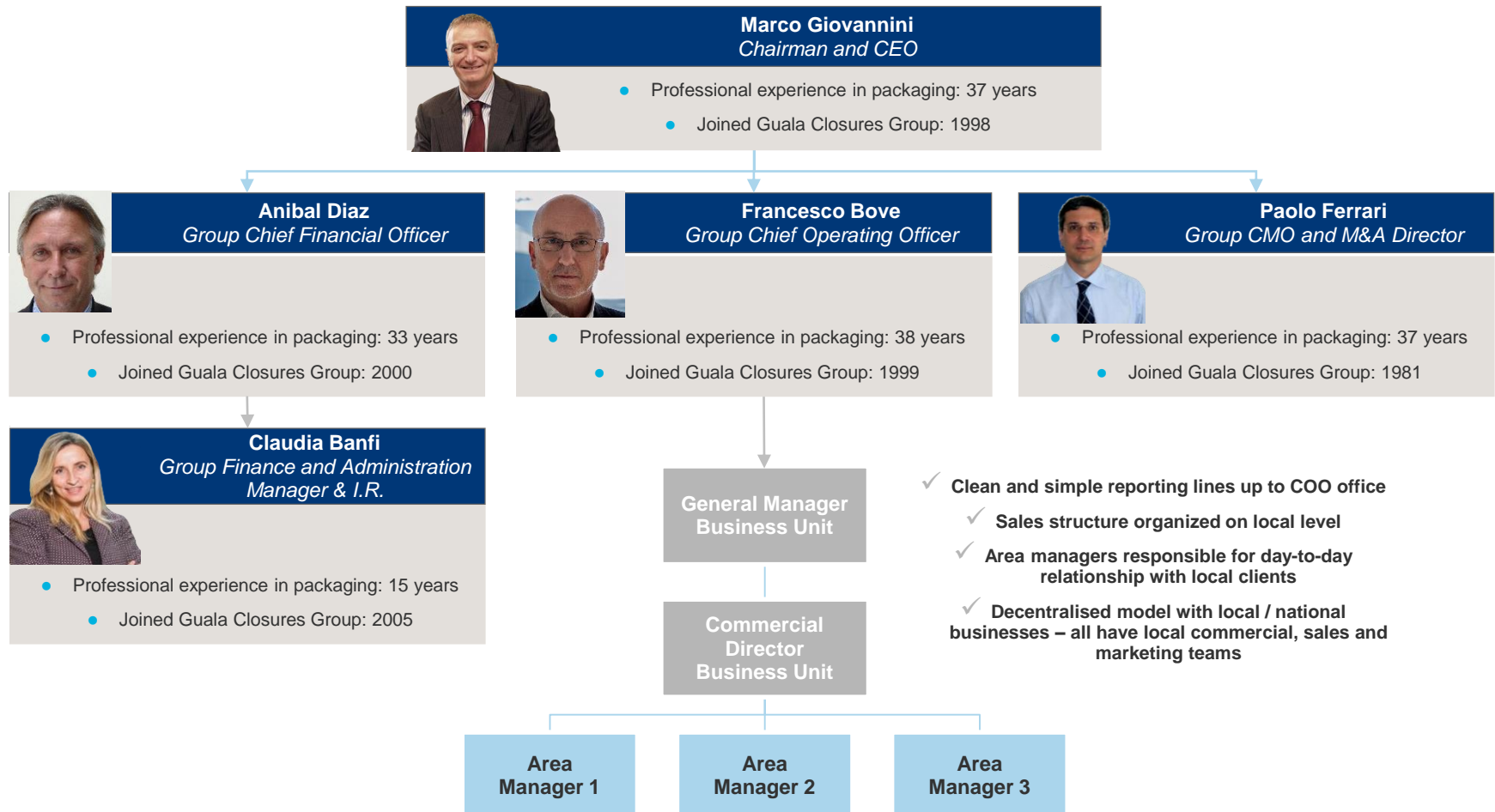
Source: Company information, Factset, Bloomberg.

(1) Magenta purchases coil and supplies 70% of the Group's needs for aluminium sheets.

(2)

# Experienced and committed Management Team

A close-knit team working together more than 20 years  
Structured organization chart ready to sustain the future growth



# ...with sound business and financial strategy

## Business strategy

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- ② Drive top-line growth
  - Continued volume growth in emerging markets and switch to safety closures
  - Ongoing new product innovation and customer upselling
  - Benefit from sustained growth in winecap market
- ② Targeted strategy of market consolidation through small tuck-in acquisitions in core or adjacent markets
- ② Continued optimisation of manufacturing and supply chain network
- ② Retain flexible cost base, reacting to changes in market conditions (e.g. raw materials)

## Financial strategy

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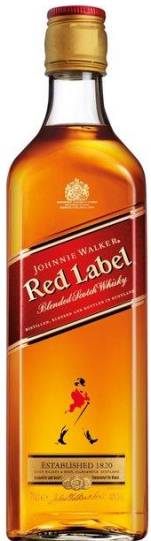
- ② Maintain strong financial liquidity and de-leveraging due to strong cash flow generation
- ② Ongoing working capital management
- ② Ability to manage capex needs depending on market conditions
- ② Prudent aluminium hedging strategy
- ② Limited transactional FX exposure

## **2. Business overview by product**

# Reinventing closures: from commodity to high value-added



€15



€70



€250



€125



€700



€2,200



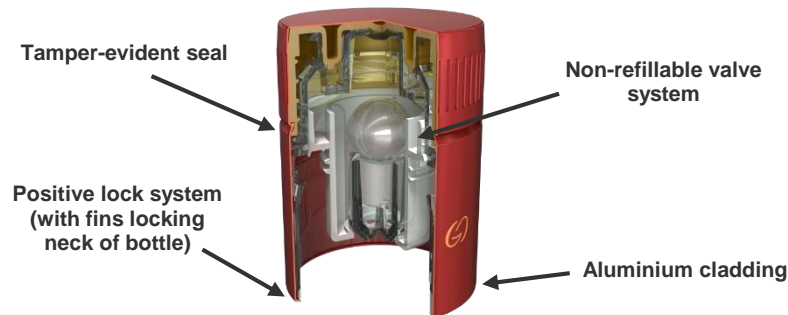
## JOHNNIE WALKER





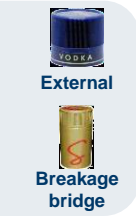
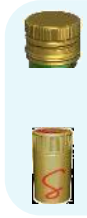


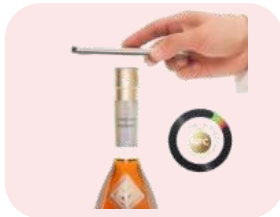
# Safety closures

(42% of 2018 revenue)

- Production of safety closures which are fitted with a special device to limit counterfeiting of the end-product, such as non-refillable devices
  - Almost exclusively for spirits
  - Primarily sold to premium and local brands in emerging markets, where risk of counterfeiting is highest
- Product complexity prevents imitation by competitors
  - Safety closures have a complex structure that generally comprises from 2 to 12 components, made of plastic (with some aluminium mix)
- Current product portfolio comprises over 30 models, all of which can be customised to meet the customer's requirements



## Key technologies

Non-refillable systems		A series of internal valve systems of varying complexity offer basic or advanced protection to prevent the bottle from being refilled
Tamper-evident systems	 Internal Tear-off  External Breakage bridge	Different types of Tamper-Evident (TE) systems are available to enable the consumer to see if the bottle has been opened
Capping systems	 "Roll-on"  "Snap-on"  "Screw-on"	Capping systems range from "Screw-on" to "Snap-on" to "Roll-On", depending on client needs
Smart packaging		Highly sophisticated systems, such as laser applications, microchips, matrix data codes, RFID and NFC provide information on the product and its traceability by interacting with the final consumer

# A pioneer in multicomponent non-refillable systems



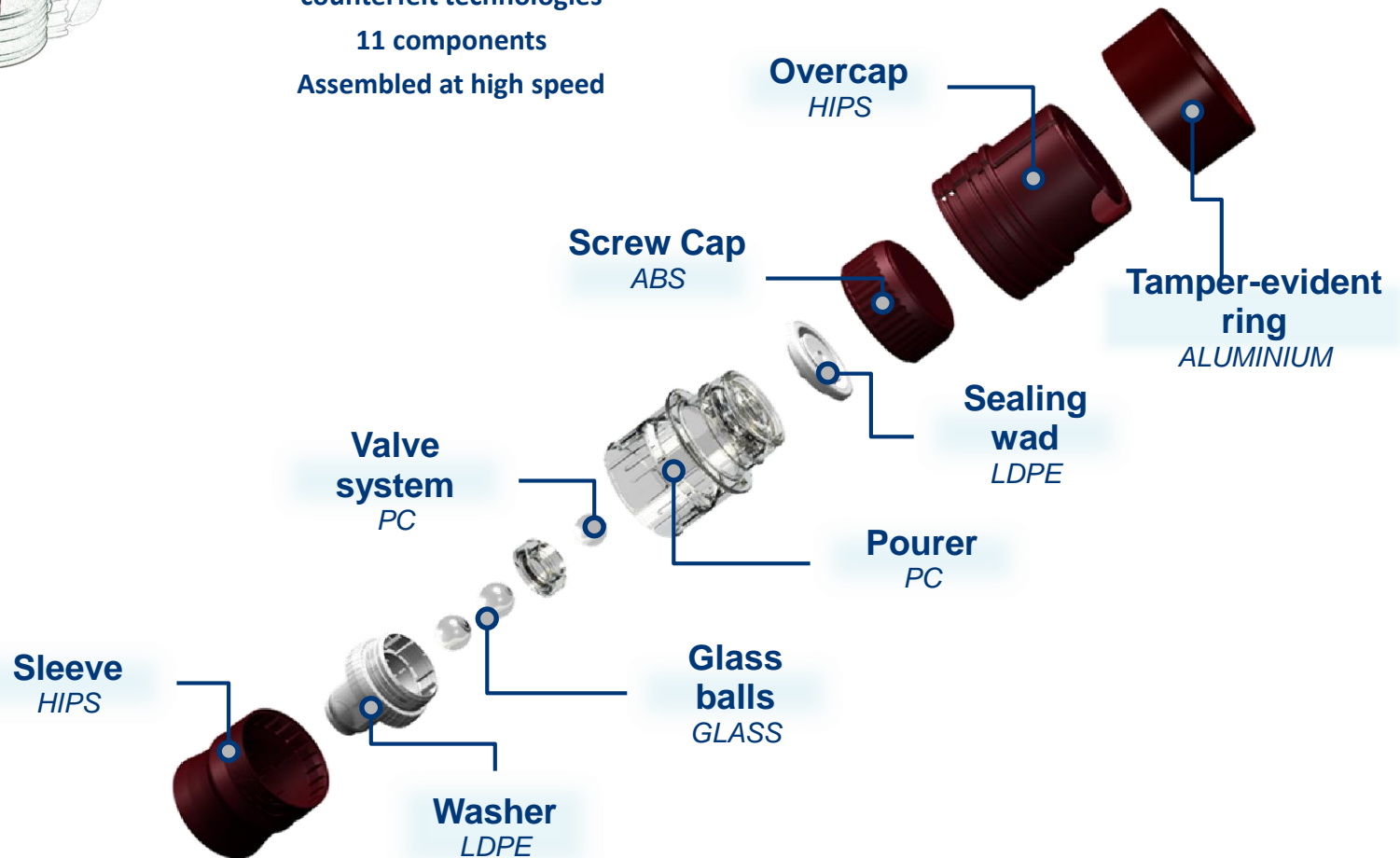
## Model 1612A safety closure:

High protection closure

Includes covert and overt anti-counterfeit technologies

11 components

Assembled at high speed



# Roll-on closures

(29% of 2018 revenue)

- Guala Closures is the global leader in roll-on closures selling 6.9 billion roll-on closures in 2017
- Portfolio ranges from the simplest screwcap to the more complex versions equipped with components in different materials with particular aesthetic or safety features
- Guala Closures also uses the most advanced decoration techniques, such as lithography, hot-foil, relief or bas-relief punching, to provide customised closures to its customers
- The product line includes:
  - Long and short aluminium closures with a thread enabling them to be screwed directly onto the bottle neck
  - Aluminium closures with plastic components enabling special functions, such as anti-drop spouts (mainly designed for olive oil bottles) or flow controllers (mostly designed for vinegar bottles)
- Upsell customers from standard roll-on closures to higher value-added safety closures through continuous customer promotion towards brand protection through product innovation

## Key technologies

Model	Component Material	Number of Components	Key End-products
Spring	Aluminium and Plastic	3	Mineral water: San Pellegrino, San Benedetto, Norda, Borjomi
30x35	Aluminium	2	Spirits: New Amsterdam, Smirnoff, Gilbey's, Kenya Cane
31, 5x24	Aluminium	2	Spirits & Oil: Vermouth Martini for spirits, Carli and Salvadori for oil
31, 5x50	Aluminium	2	Spirits: Amaro Ramazzotti
30x60	Aluminium and Plastic	2	Wine and Spirits: Bacardi Rhum range, Campari, Bailey's, Jacob's Creek
35x24	Aluminium and Plastic	3	Olive oil: Deoleo, Bertolli, Monini, Farchioni
31, 5x44	Aluminium and Plastic	2/3	Spirits and Oil/ Vinegar: Eristoff & Aperol, Ponti and Unilever



# Wine closures

## (19% of 2018 revenue)

- ☉ Guala Closures has developed the widest range of screwcaps for the wine market
- ☉ Screwcaps do not suffer from natural cork taint issues and therefore do not spoil the wine contained in the bottle, avoiding the recall of the bottles for retailers
- ☉ Screwcaps represent approximately 22% of the total bottled wines worldwide
- ☉ Guala Closures is a clear market leader in the wine screwcap closures market, with a market share of over 30%
- ☉ Products incorporate a number of technical features such as controlled Oxygen Transmission Rate (OTR) liners
- ☉ In addition, Guala Closures is equipped with the most advanced decoration techniques of silk screening, hot-foiling, off-setting, lithography and embossing

### Key technologies

#### Screwcaps

*The widest range of screwcaps for wine*



#### Liners

*Liners by Oenoseal® developed in partnership with MGJ<sup>(1)</sup>*

Onyx	Aluminium layer to ensure maximum impermeability to oxygen
Ivory	Enables the amount of free SO <sub>2</sub> to be reduced when bottling
Coral	Reduces evaporation of wines with high tannin



(1) Manufacture Générale de Joints

# Other product segments (10% of 2018 revenue)<sup>(1)</sup>

## Luxury Closures (4% of revenue)

- Luxury closures are made of aluminium, plastic and wood, and are typically designed for high-end spirits that are produced in small quantities
- Closures are designed to give a distinctive character to customers' brands and to improve the aesthetical appeal of their end-products
- The closure can be designed to suit all brand / market requirements including EST, push-on and non-refillable versions with the most advanced decoration techniques including 3D embossing and metal sputtering

### Close to your Tradition

Premium T-cork closures, from different heavyweight materials



### Close to your Mood

Completely customisable safety (anti-counterfeiting) closures



### Close to your Party

Specifically intended for brands, particularly vodka and gin, in the on-Trade channel



### Close to your Fantasy

Design-led closures ideal for limited edition products and featuring super-luxury finishes



## Pharma Closures and PET (2% of revenue)

- Guala Closures entered the pharmaceutical packaging market in 2009 through the acquisition of Pharma Trade
- Guala Closures' products, mainly for injectables, include plastic and aluminium closures, rubber caps, single-dose vials and containers in PET in a broad range of colours, shapes, sizes and materials
- Guala Closures adheres to the highest quality standards which is consistent with the requirements of the pharmaceutical industry

### Stoppers

Stoppers are made of Butyl compound in Standard or Lio configuration



### Drinkable

Special PFP aluminium caps combined with a plastic overcaps



### Infusion

Central and level tear-off aluminium caps, Flip Off central tear-off and ring caps



### Injection

Flip Off central tear-off and ring caps



### Rink neck

Suitable for all types of aluminium or plastic caps, droppers and Biphasic Kit



### Screw neck

Suitable for all types of aluminium or plastic caps, filler caps and droppers



(1) Includes other revenue (3% of 2018 revenue).

### **3. Main trends in destination markets**

# Spirits: global counterfeiting never ends



**SPIRITS ARE THE 4<sup>TH</sup> LARGEST  
COUNTERFEITED PRODUCT  
CATEGORY**

**30% OF THE ALCOHOL CONSUMED  
IN THE WORLD IS UNREGISTERED**

\* source Olajide Oyewole

**Percentage of  
counterfeit  
products in total  
manufactured  
goods:**

25% Audiovideo

21% Fashion

20%

Pharmaceutical

**12% Spirits**

12% Toys

10% Perfumery

5% Watches

\* source INDICAM

*“Illicit spirits are a huge social problem in India, both in terms of  
yearly deaths and support to the illegal economy”*

– Former manager, United Spirits



# Spirits: western markets - new consumer aspirations

PREMIUMISATION

CRAFT

FLAVOURING

WELLNESS

ETHICAL

INTERNET





# Spirits: new emerging markets - consumer aspirations

**AFFORDABLE SMALL  
PACKS**

**FRIENDLY TO USE**

**SAFETY**

**GLOBAL BRAND  
LOOK-LIKE**



# Spirits: premiumisation race boosts luxury closures offer

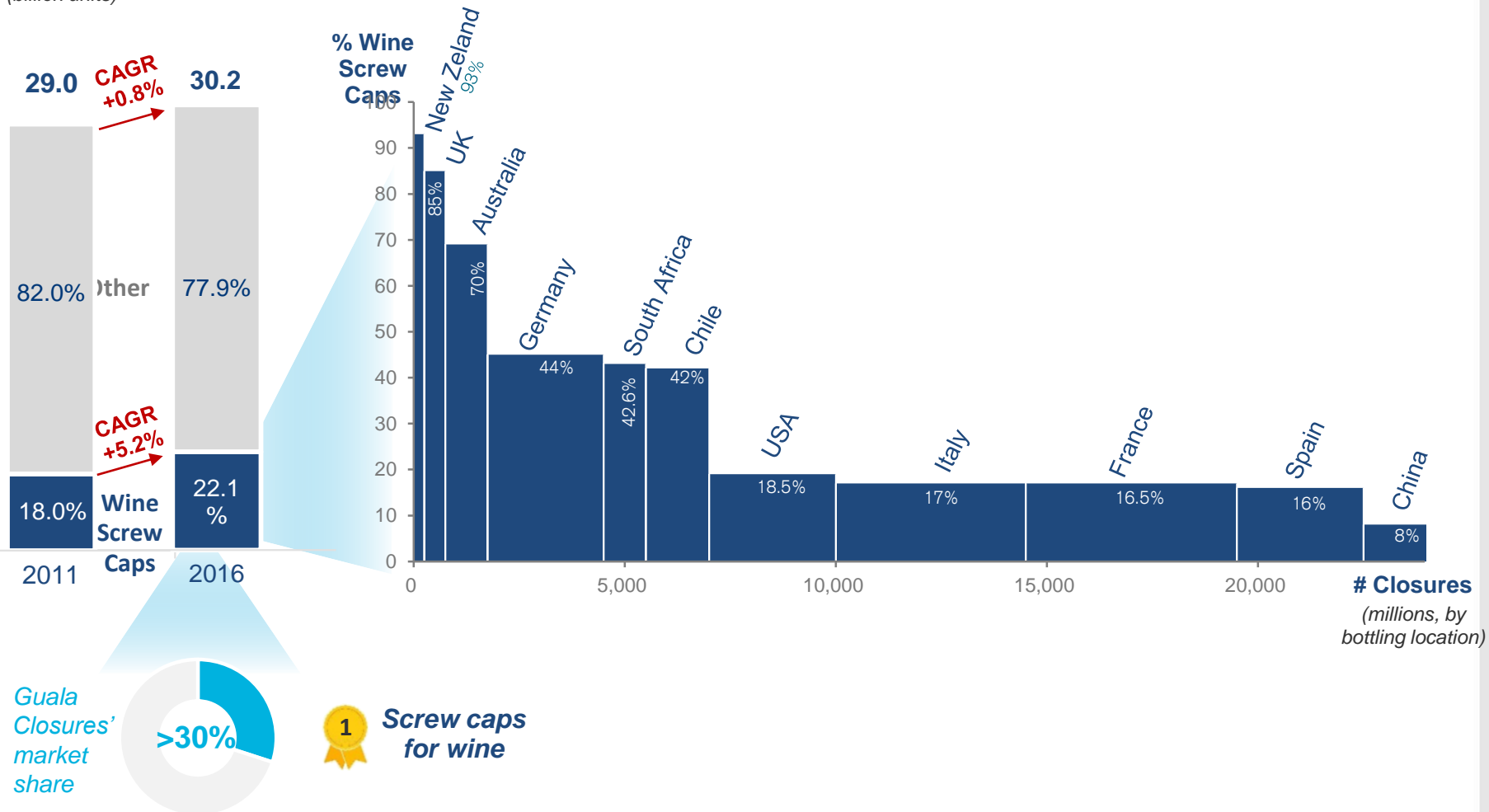


# Wine: increasing screw caps penetration

## Wine screw caps global market

**Total market**  
(billion units)

Penetration across Still & Sparkling Wines  
(excludes Other)





# Wine: shift from cork to screw caps



**FT**  
FINANCIAL TIMES

February 2018

## The appliance of science

Jancis Robinson  
Wine



Most of us associate wine with play and relaxation, but for a few hundred scientists around the world, it is what they spend the working day studying, in sometimes headache-inducing detail. The most cited articles listed by the American Journal of Enology and Viticulture, for instance, include "Colorimetry of Total Phenolics with Phosphomolybdic-Phosphotungstic Acid Reagents" and "Measurement of Polymeric Pigments in Grape Berry Extracts and Wines Using a Protein Precipitation Assay Combined with Dialysis Bleaching". A rather long way from "a glass of red, please" – but all aimed at improving the quality of that red, or white, or rose.

Indeed, the AWRI, working closely with the Australian wine industry, faithfully logs every request it receives to advise on a fermentation that comes to a sticky halt halfway through because the yeasts responsible for converting sugar into alcohol are simply overwhelmed. This was particularly common after 2016's hot vintage, much less so in cooler 2017. Adding water to the fermentation vat is not necessarily evil; it can mean a better-balanced wine. Even the great Ridge Vineyard has been known to do it. But we must hope that Australia's less quality-minded producers will not take advantage of this new concession.

Adding water to the fermentation vat is not necessarily evil; it can mean a better-balanced wine.

That same report is telling in how enthusiastically the Australian wine industry is covering China, now its most important customer by value and the world's fourth-biggest importer of wine. The Australians have been studying which wine attributes appeal to the Chinese palate by evaluating the

is billed as "the first self-mustering, zero-carbon teaching and research facility in the world".

California wine production has recently been hit by drought as severe as that currently being experienced in the southern hemisphere – notably South Africa – and in California there has been considerable focus on recycling winery waste. But to judge from the AWRI report, Australians are still very much focused on efficiency, and apologetically not a dirty word. With so many options for wine-bottle closures, the number of studies of their relative performance is not surprising. French researchers looked at the effect of their life & alternatives to cork. Eighteen months on, cork is the effective maximum.

Of particular interest to us mere wine consumers, perhaps, is the 10-year project during which 100,000 entries in the International Wine Challenge in London were monitored to compare the performance of corks and screwcaps. The results, reported in this latest AWRI report, were that the rejection rate for bottles stoppered by a cork (which sort was unspecified) was a rather horrifying 4.7 per cent, whereas that for screwcapped bottles was "only" 1.6 per cent, with about half of these faults being reduction, the cabbagey aroma that can result from a wine that hasn't been exposed to enough oxygen. The reduction rate of cork-stoppered bottles was apparently exactly the same, 0.81 per cent, even though screwcaps have popularly been associated with reduction.

Of particular interest to us mere wine consumers, perhaps, is the 10-year project during which 100,000 entries in the International Wine Challenge in London were monitored to compare the performance of corks and screwcaps. The results, reported in this latest AWRI report, were that the rejection rate for bottles stoppered by a cork (which sort was unspecified) was a rather horrifying 4.7 per cent, whereas that for screwcapped bottles was "only" 1.6 per cent, with about half of these faults being reduction, the cabbagey aroma that can result from a wine that hasn't been exposed to enough oxygen. The reduction rate of cork-stoppered bottles was apparently exactly the same, 0.81 per cent, even though screwcaps have popularly been associated with reduction.

€40



€90



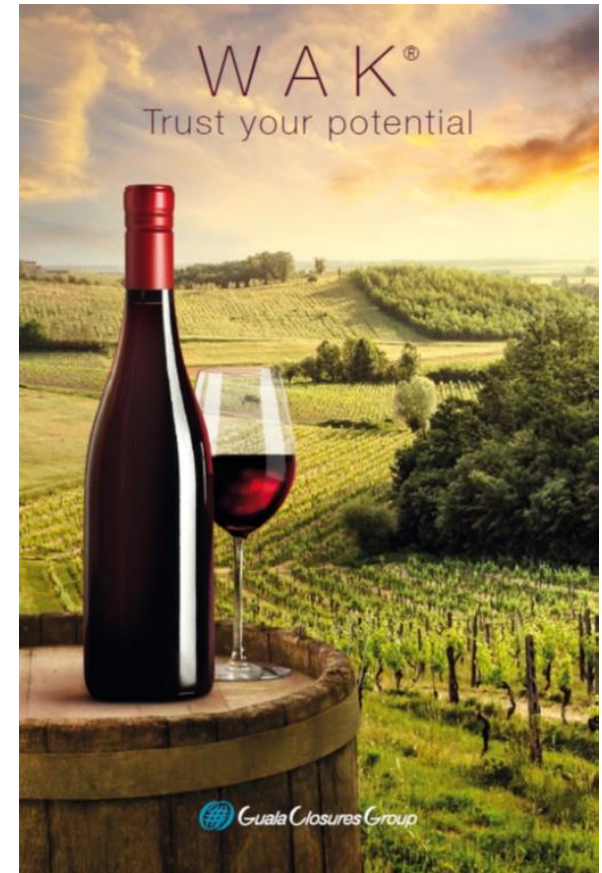
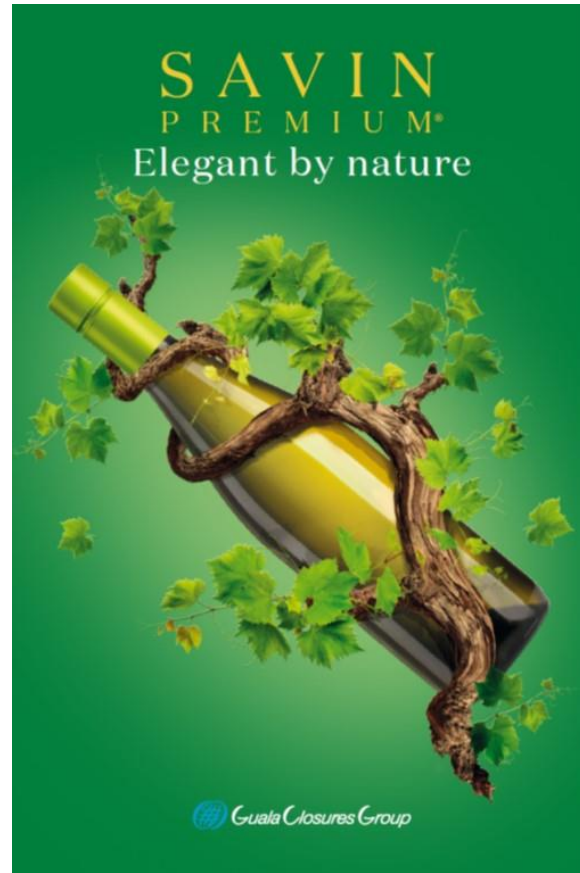
# Is it the closure or the wine?

**Overall impact of different closures on wine quality**



**More than 5 years ageing**

# Screw caps: from easy-to-use to value added



# Wine screw caps growth drivers

## Market trends

**Growth in export**

**Globalization**

**Growth in new emerging markets**

**Cost saving**

## Screw caps competitive advantages

Quality Guarantor

Industrial Approach

Supply Proximity

Widespread acceptance

Superior value Proposition

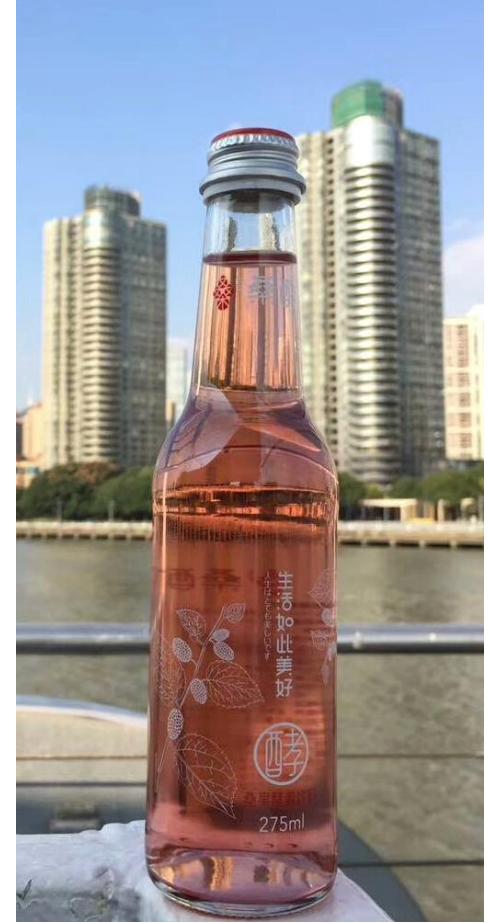


the driving force behind screw cap market expansion



# Water: growing luxury trend in the bottled mineral water segment

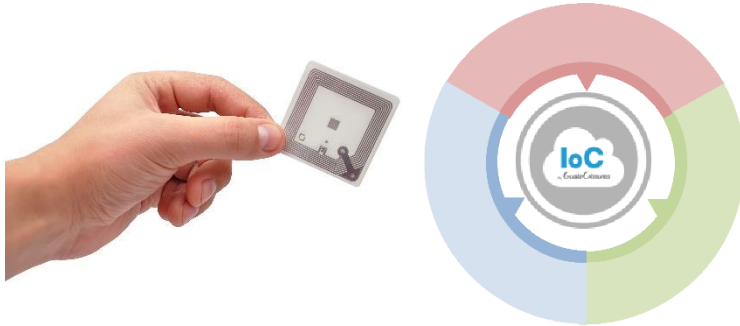
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# Bringing smart-security solutions to the Spirits and Wine market

Guala Closures partnered with NXP Semiconductors to develop the first “**Internet-of-Closures system**”



## **Internet-of-Closure system (IoC)**

is the first NFC (i.e. Near Field Communication) chip integrated closure ever developed, that will allow the brands, the consumers and the Guala itself to receive/share information about the products.

## **A smart-closure systems that offers plenty of advantages**



### **For Brands**

- Improve brand experience
- Supply chain control
- Story telling
- Store locator



### **For Consumers**

- Product authentication
- Tamper evident
- Channel authentication
- Tasting and recipes



### **For Guala Closures**

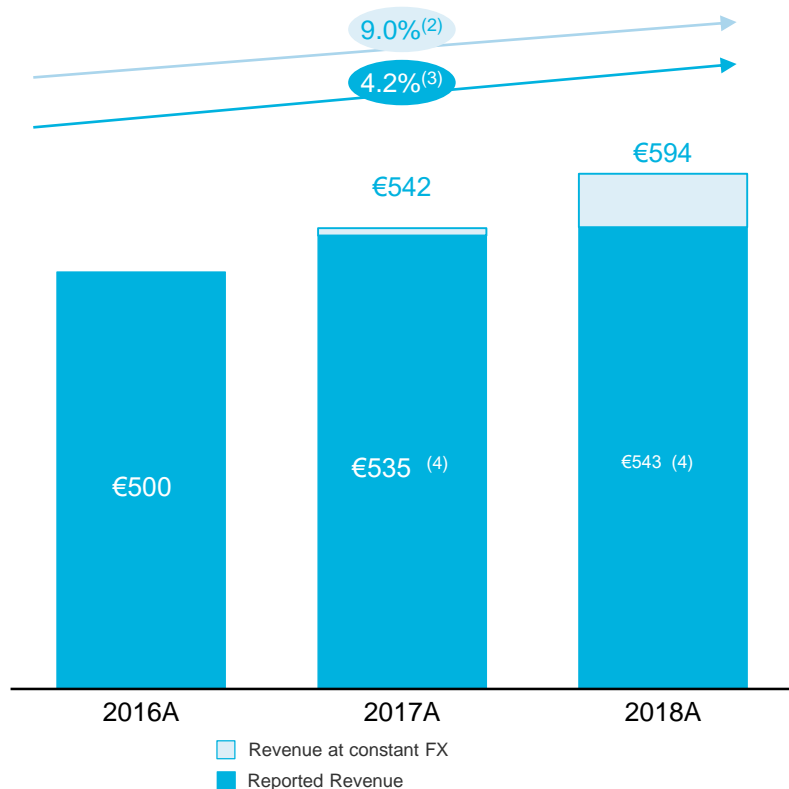
- Disruptive technology
- First-mover advantage
- Keep track of the market
- Potential for higher margin

## **4. Historical financial performance**

# Stable revenue and profitability notwithstanding FX headwinds

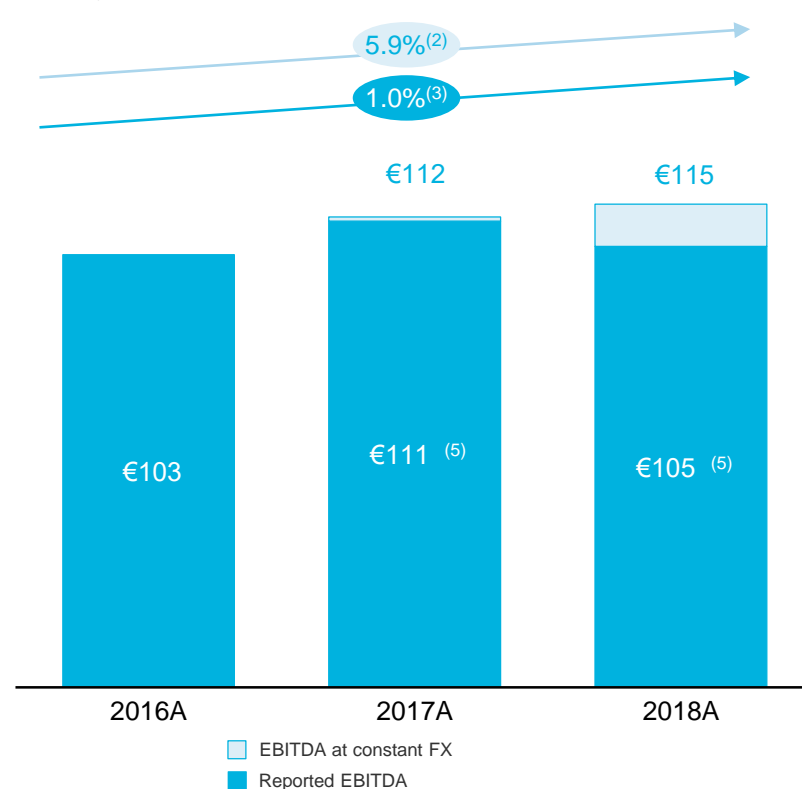
## Revenue

(€ in millions)



## Adjusted EBITDA<sup>(1)</sup>

(€ in millions)



Note: FY figures are calculated at constant 2016 FX rates.

(1) The figures presented are on pro-forma basis including the Bu Lux business transferred to Guala Closures Group in 2018 following the business combination

(2) CAGR has been calculated for the period 2016A - 2018A at constant 2016 FX rates.

(3) CAGR has been calculated for the period 2016A - 2018A on reported basis.

(4) Including €10m acquisition impact in 2017 vs 2016 and € 8.2m in 2018 vs 2017

(5) Including €0.5m acquisition impact. in 2017 vs 2016 and € 1.1m in 2018 vs 2017

# Prudent capital expenditures

## Net capex

(€ in millions)

% of net revenue

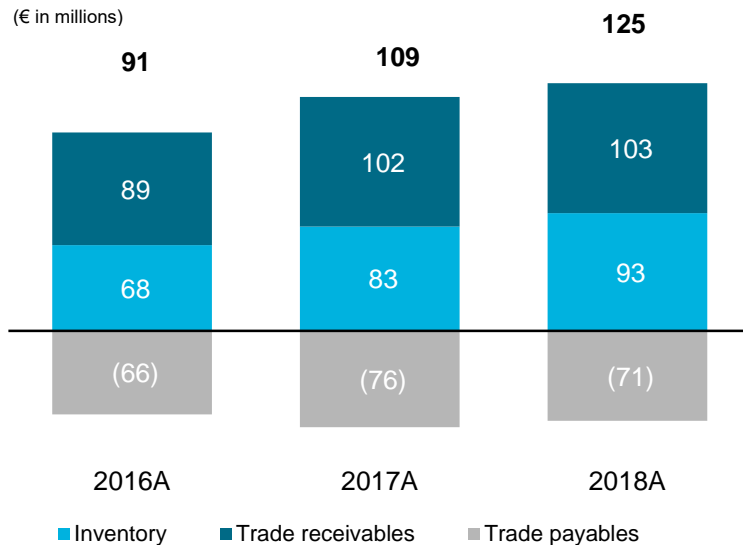


## Commentary

- Capex requirements mainly relate to maintenance and expansionary investments
- Total capex is stable at 5–7% of net revenues, with maintenance capex representing 38–41%
- Maintenance capex includes ongoing maintenance of existing plants and machinery as well as quality and EHS investments
- Expansionary capex mainly refers to investment in new facilities and technological expansion

# Ongoing working capital management

## Net working capital



Days	2016A	2017A	2018A
Inventory	46	51	57
Trade receivables	61	63	63
Trade payables	(45)	(47)	(44)
<b>Net working capital</b>	<b>63</b>	<b>67</b>	<b>77</b>

## Commentary

NWC recorded an increase in 2018 mainly attributed to:

- 1 at December 31, 2017 positively impacted by Space4 S.p.A. non recurring suppliers (€4.5 million and 3 NWC days)
- 2 at December 31, 2018 negatively impacted by UCP acquisition (€5.2 million and 3 NWC days)

(1) As of 31 December 2017.

# Consistent cash generation

## Cash flow profile

(€ in millions)

Conversion %:

88,3%

90,1%

85,7%

€91

€100

€90

2016A

2017A

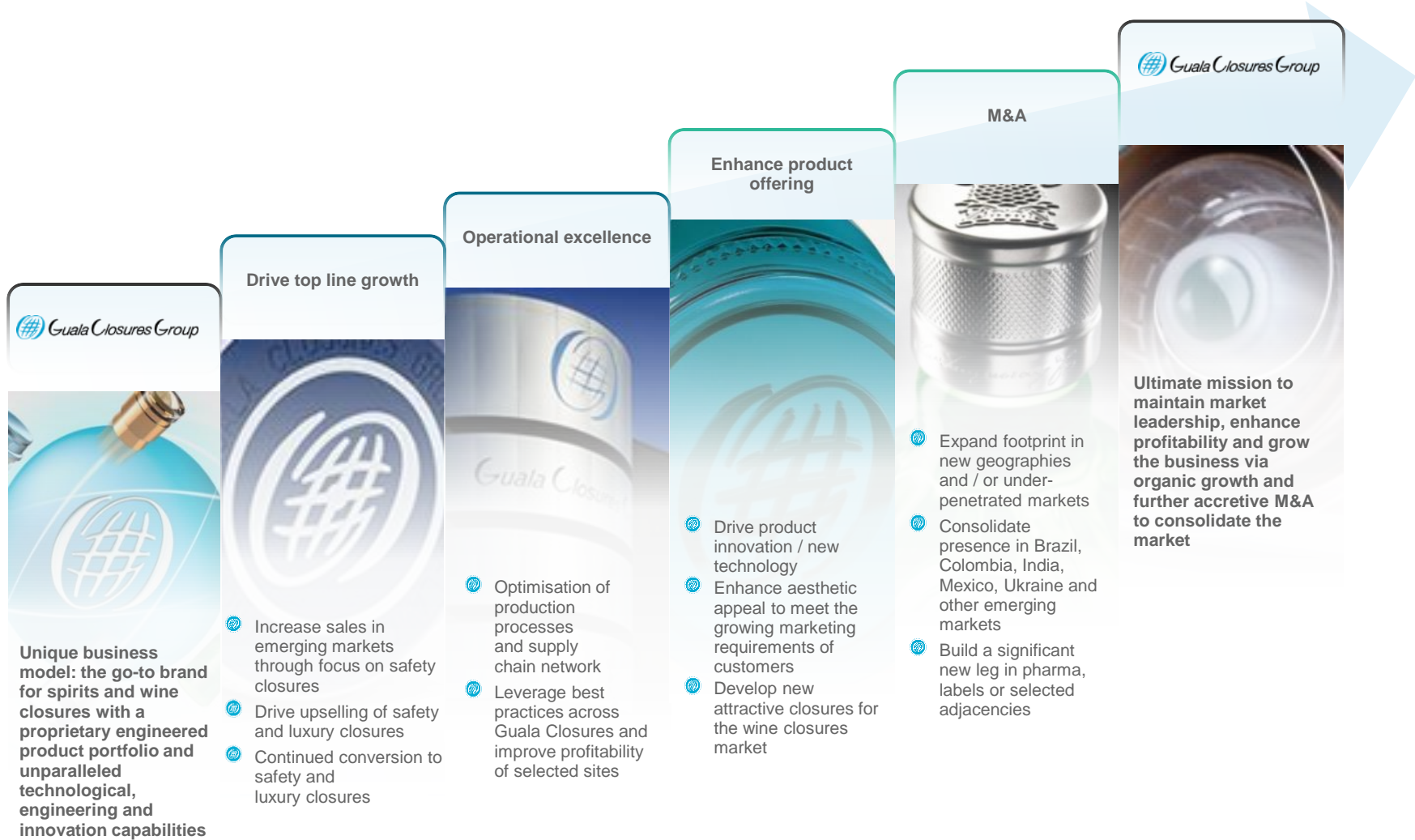
2018A

Adjusted EBITDA	€103	€111	€105
Less: Maintenance Capex <sup>(1)</sup>	(€12)	(€11)	(€15)
<b>Operating cash flow</b>	<b>€91</b>	<b>€100</b>	<b>€90</b>
<i>Conversion %</i>	88,3%	90,1%	85,7%

(1) The capital expenditures presented above do not include expansionary capital expenditures

## 5. Strategy

# A clear growth strategy as a listed entity





# **Guala Closures Group**

## **2018 Annual results**



# **Guala Closures Group**

## **2018 Financial Results – Highlights**

# 2018: a transformational year for Guala Closures Group

- 2018 was a transformational year which drove to a significant Group enhancement – both at business and at corporate level - despite a challenging environment

- **Business enhancement**

- Consolidation of market leadership
- Product portfolio and production capacity enlargement leveraging on superior innovation capability
- Entrance in single malt whisky market with Macallan
- Launch of new luxury closures in Mexico
- UCP acquisition:
  - Consolidate partnership with Scottish whisky producers
  - Speed up of Group industrial infrastructure reorganisation plan in U.K.
  - Over £ 700k synergies coming from the integration plan



*Macallan closure*

- **Corporate enhancement**

- Listing through Business Combination at Milan Stock Exchange, STAR segment
- New corporate structure
- Credit rating improvement

# 2018: a transformational year for Guala Closures Group

## Financial results

- Strong sales growth and costs management allowed to limit challenging environment impacts
- Strong deleverage thanks to Business Combination
- Interests saving and increase of debt average duration thanks to Refinancing

## Future steps

- Continuous innovation and launch of new products (e-wak & Smart cap: first orders received in 2019 by customers)
- Profitability consolidation
- Operating Cash flow generation improvement

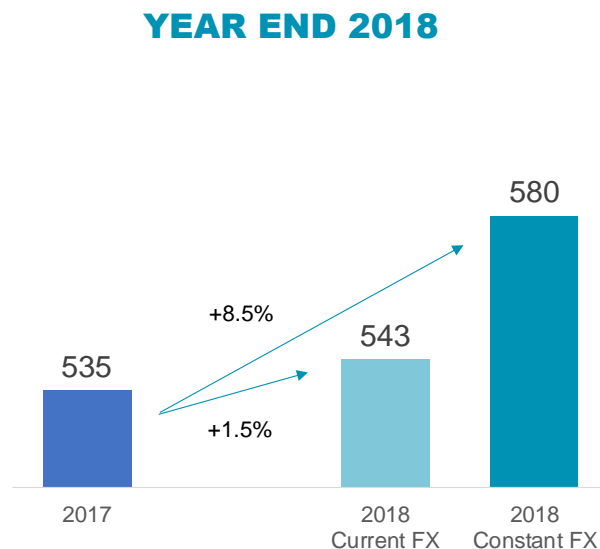


# **Guala Closures Group**

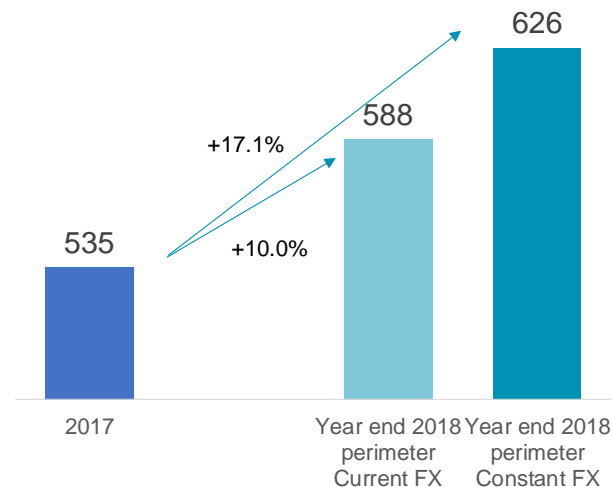
## **2018 Financial Results**

# 2018 – Key highlights – Significant business growth

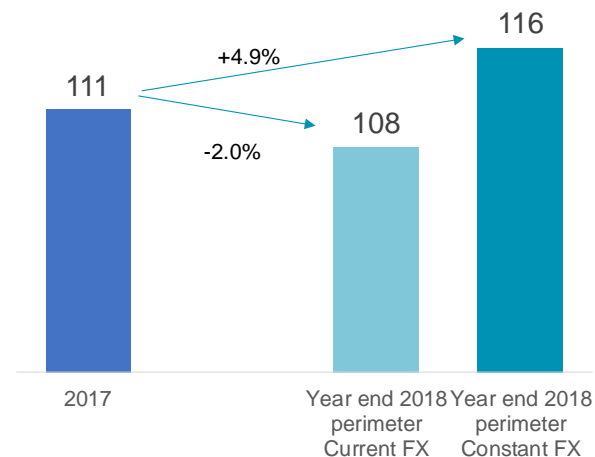
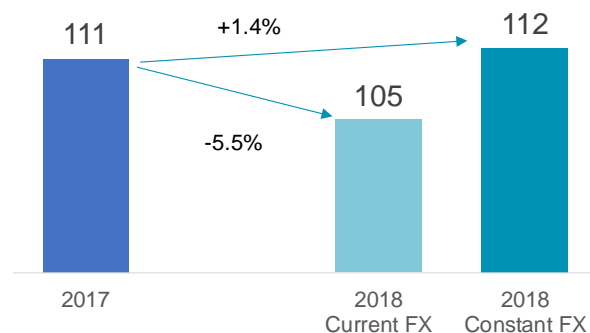
## NET REVENUE <sup>(1)</sup>



## PROFORMA FIGURES AT YEAR END 2018 PERIMETER <sup>(3)</sup>



## ADJ. EBITDA <sup>(1-2)</sup>

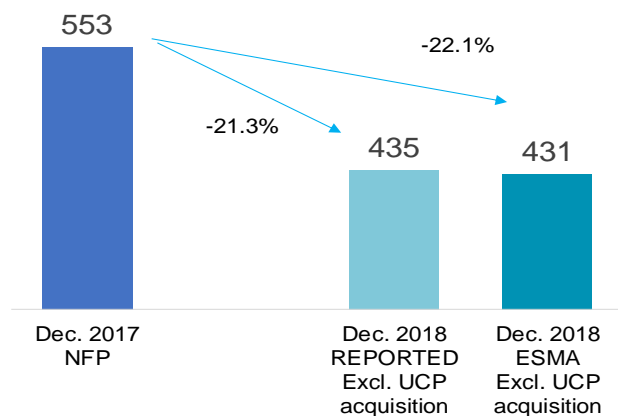


<sup>(1)</sup> Million Euro - <sup>(2)</sup> See please "Definition" slide for details - <sup>(3)</sup> The figures at year end 2018 perimeter include an estimate of UCP's full year 2018 results, without considering post-acquisition synergies

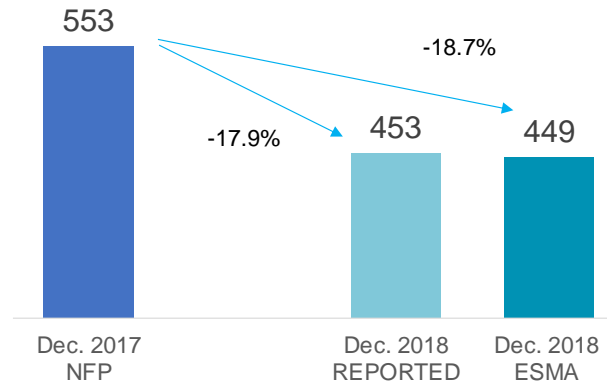
# 2018 – Key highlights – Indebtedness reduction

## NET FINANCIAL POSITION <sup>(1-2-3-4)</sup>

**Excluding cash out due to UCP acquisition**



## NET FINANCIAL POSITION <sup>(1-2-3-4)</sup>



<sup>(1)</sup> Million Euro - <sup>(2)</sup> See please "Definition" slide for details - <sup>(3)</sup> ESMA NFP - <sup>(4)</sup> As of 31 December 2018

# 2018 – Key highlights – Strong sales performance

## Net revenue

- Net revenue at €543 million, up €8.3 million (+1.5%) vs 12M 2017
- At constant FX rates, net revenue up €45.5 million (+8.5%) vs 12M 2017
- +6.5% organic growth, +0.5% from hyperinflation impact and +1.5% from change in perimeter <sup>(1)</sup>
- Asia and Americas best performers in terms of geographies
- Specialty closures (Safety and Luxury) best performers in terms of products
- At year end 2018 perimeter <sup>(2)</sup>, including UCP, proforma net revenue at current FX at €588 million (+10%) while at constant FX at €626 million (+17.1%)

## Adjusted EBITDA

- Adjusted EBITDA at €105 million, down €6.1 million (-5.5%) vs 12M 2017
- At constant FX rates, Adjusted Ebitda at €112 million, up €1.6 million (+1.4%) vs 12M 2017
- At year end 2018 perimeter <sup>(2)</sup>, including UCP, proforma adjusted Ebitda at current FX at €108 million (-2%) while at constant FX at €116 million (+4.9%)

## Net Financial Position

- NFP ESMA at €449.3 million (including €18.6 million paid for UCP acquisition).
- NFP Reported at €453.4 at December 31, 2018 with a decrease of €99.1 million from €552.5 ml at December 31, 2017 as a result of €139.3 million Business Combination impact, partially offset by M&A activity (€16.6 million) and the cash flow of the period (€-23.6 million) which was negatively impacted by €23.7 million non-recurring items partially compensated by €8.2 million positive impact from Market Warrants

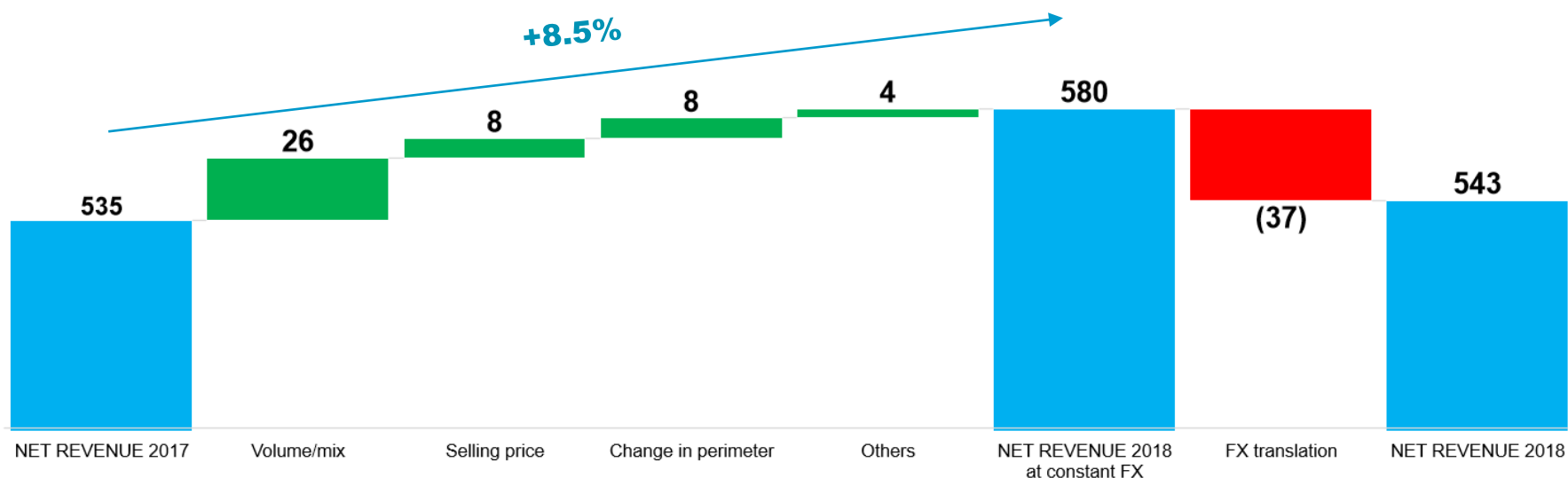
(1) Axion Propack Ltd. and ICSA consolidated since October 2017, UCP consolidated since December 2018

(2) The figures at year 2018 perimeter include an estimate of UCP's full year 2018 net revenue and adjusted Ebitda, without considering post acquisition synergies



# 2018 – Net revenue – Growth of 8.5%

## NET REVENUES EVOLUTION by COMPONENTS <sup>(1)</sup>



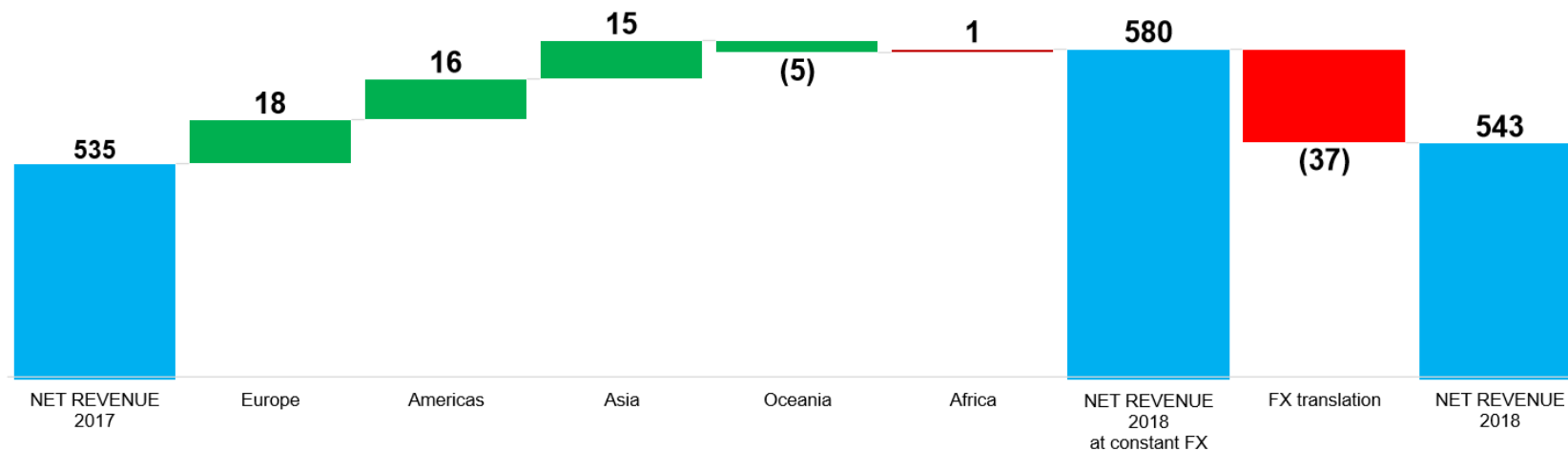
### 🌐 Excellent organic performance (+6.5%) drove sales increase

- 🌐 Asia (+21.1%) and Americas (+15.1%) best geographic performers
- 🌐 Specialty closures (safety and luxury) (+€20 million) best product performers
- 🌐 Change in perimeter thanks to the acquisitions of Axiom Propack Ltd (€5.6 million), ICSA's activities (€1.3 million) and UCP (€1.3 million)

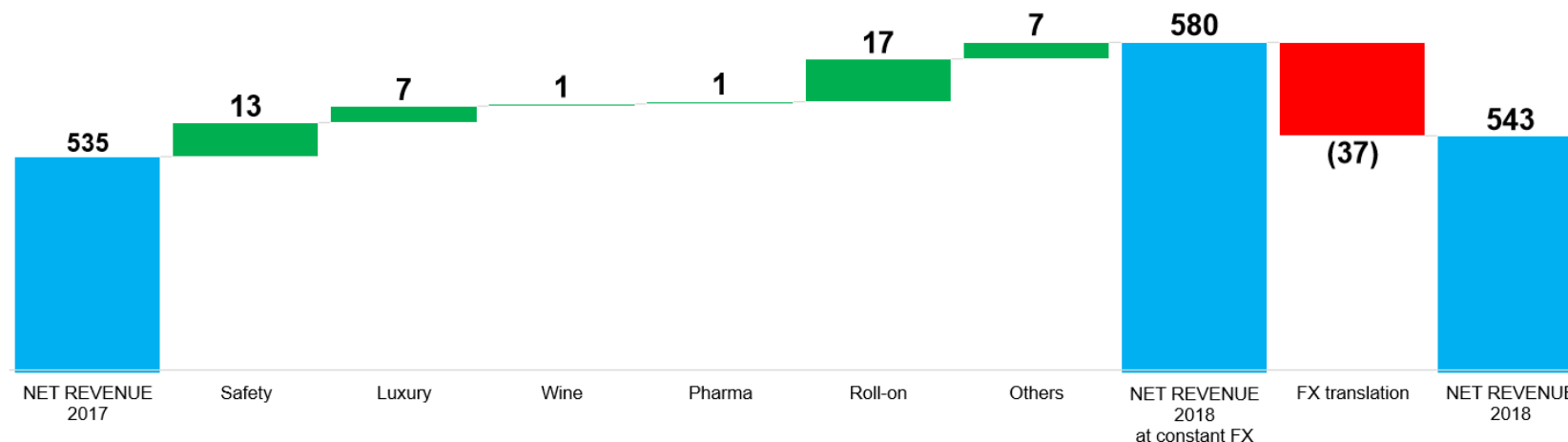
<sup>(1)</sup> Million EURO

# 2018 – Net revenue growth – Key drivers

## NET REVENUES EVOLUTION by GEOGRAPHIC AREA <sup>(1)</sup>



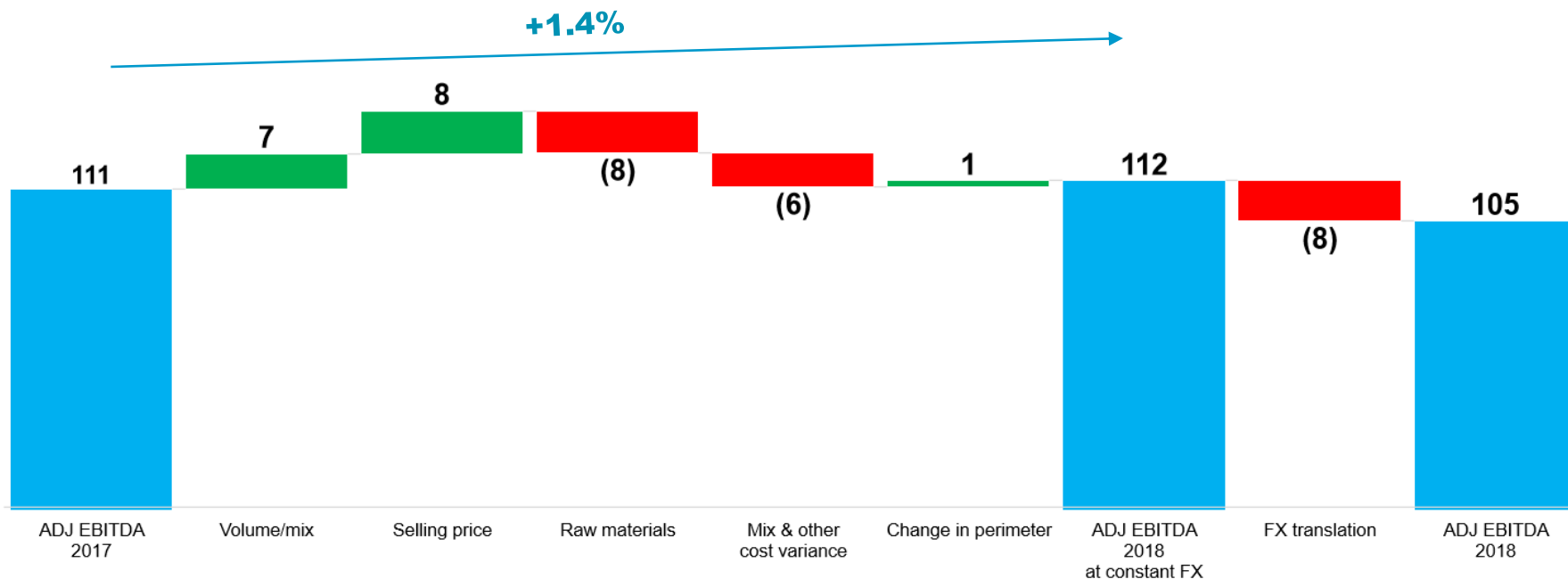
## NET REVENUES EVOLUTION by PRODUCT <sup>(1)</sup>



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

# 2018 – Adj. EBITDA – Growth of 1.4%

## Adj. EBITDA EVOLUTION by COMPONENTS <sup>(1)</sup>



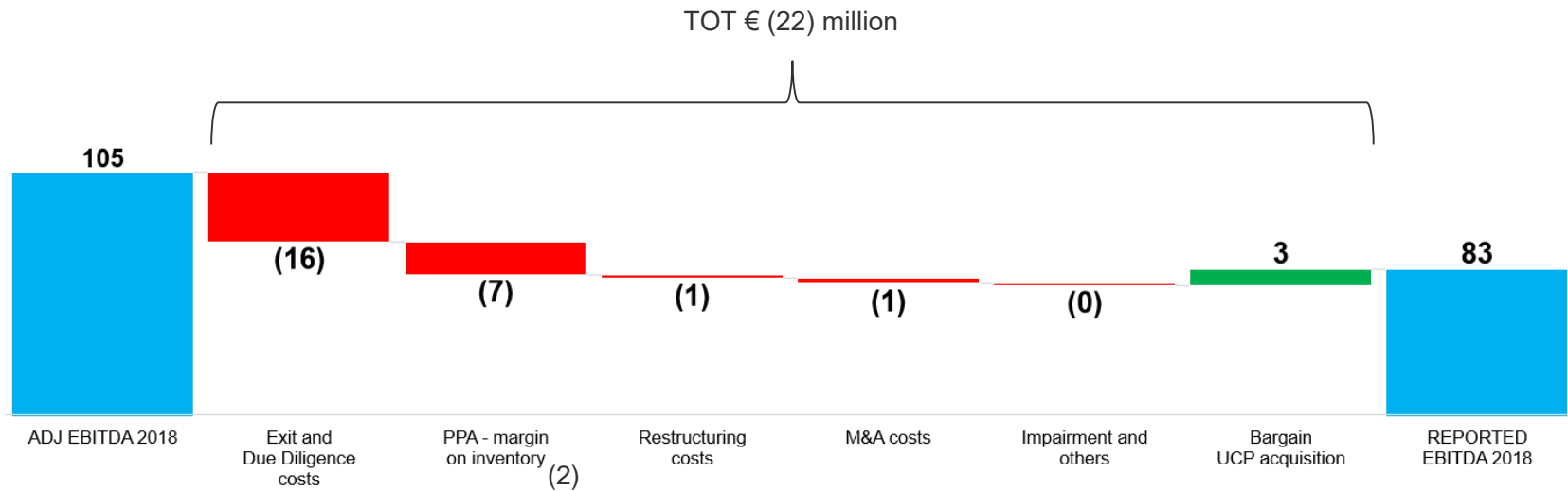
Adjusted EBITDA at constant FX 2017 growth of 1.4% due to:

- Selling price increase which compensated raw material increase;
- Sales volume/mix which more than offset negative costs variance
- Positive effect from acquisitions made in 2017

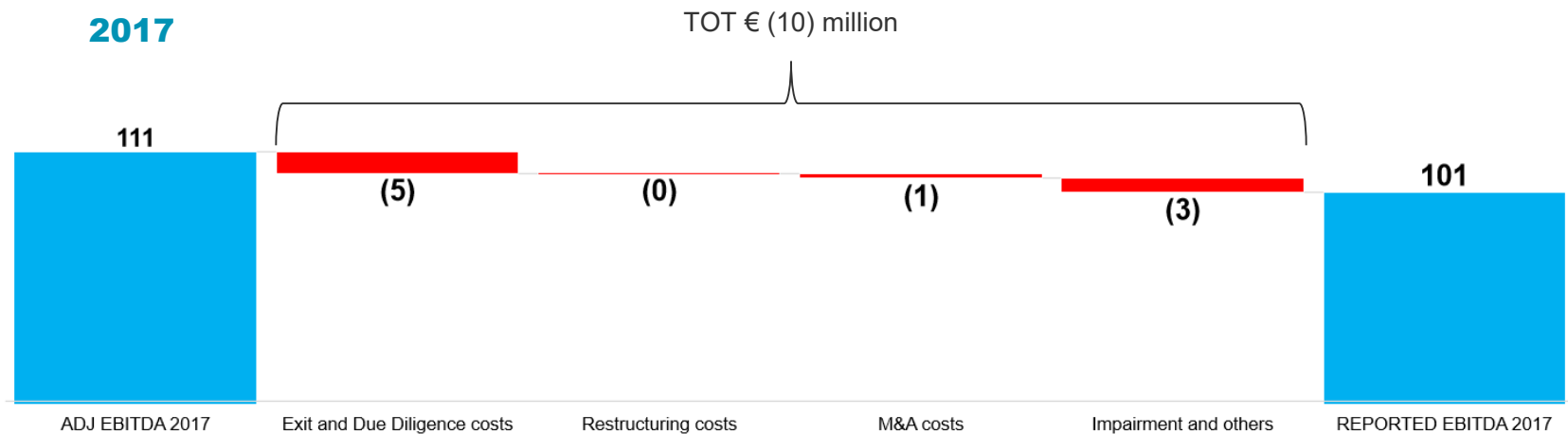
<sup>(1)</sup> Million EURO

# 2018 – Adj. EBITDA – One-off details <sup>(1)</sup>

**2018**



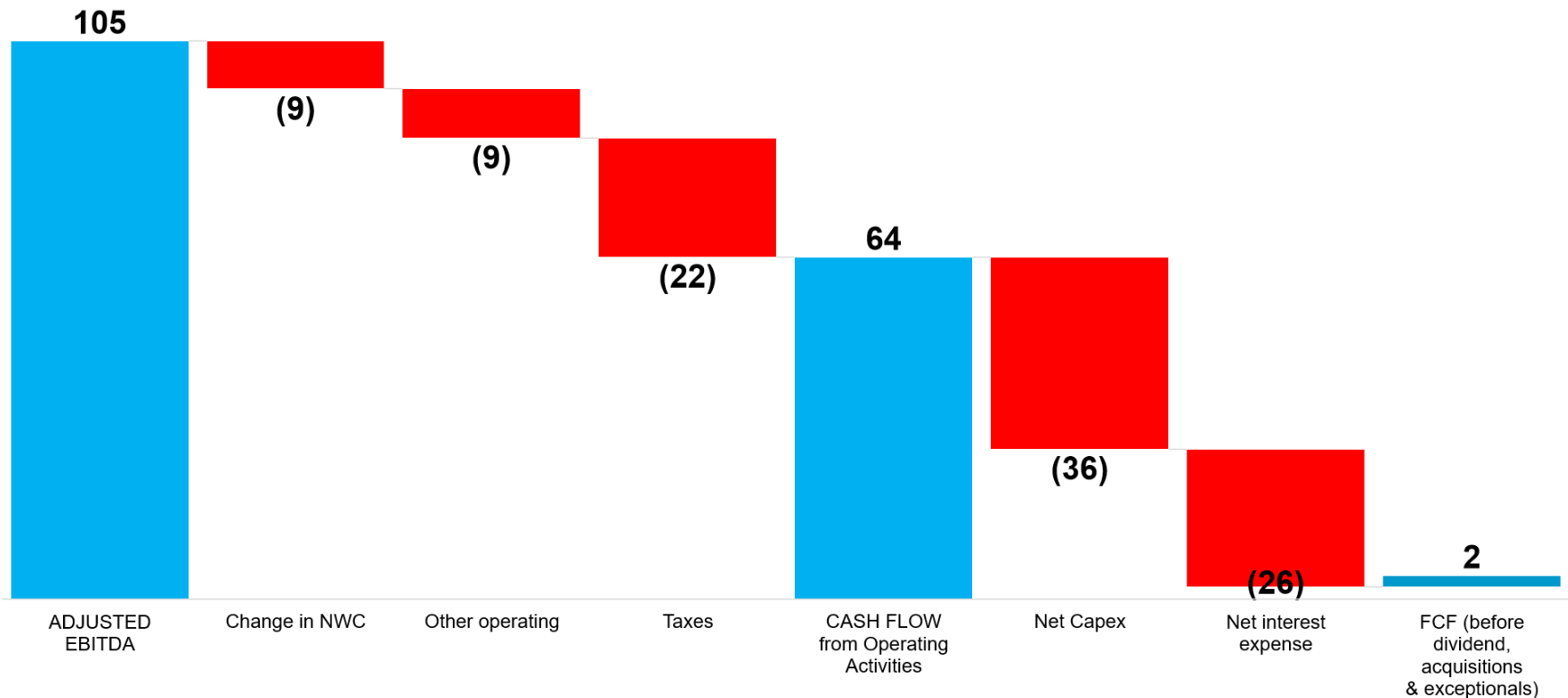
**2017**



<sup>(1)</sup> Million EURO - <sup>(2)</sup> Impact from Purchase Price Allocation accounting process

# 2018 – Cash flow generation

## FREE CASH FLOW EVOLUTION <sup>(1)</sup>

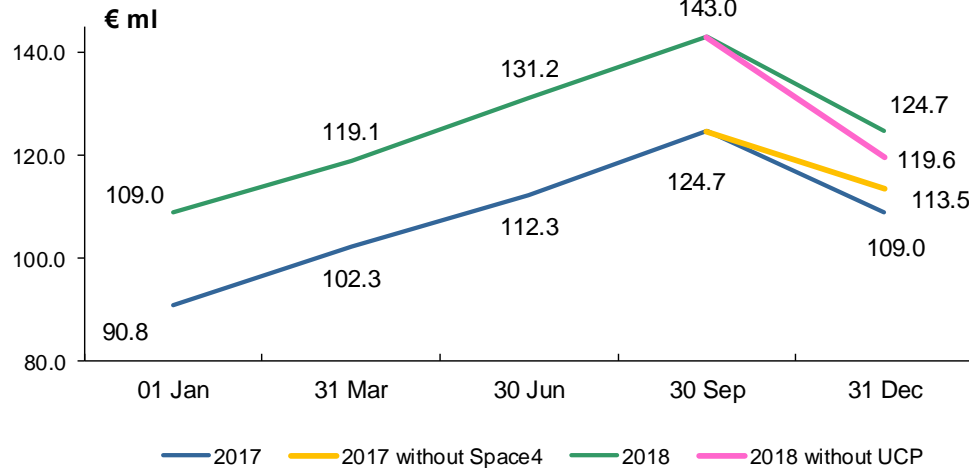


- €64 million CF from operating activities, partially absorbed by €36 million capex to support future growth and €26 million net interest expense
- Change in NWC: including €-1.3 million due to UCP acquisition
- Other operating mainly relates to FX impact on commercial items
- €22 million cash out for taxes

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

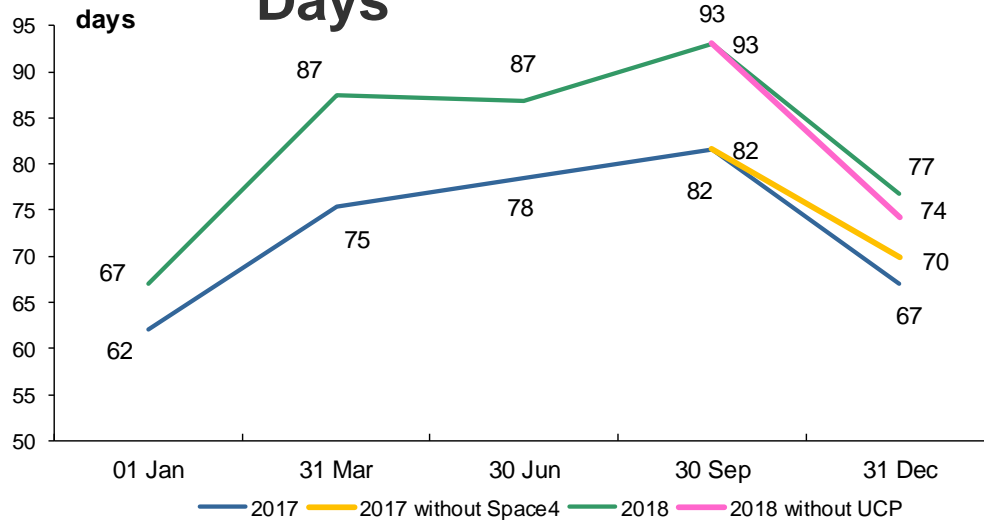
# 2018 – Cash flow generation – NWC

## Value

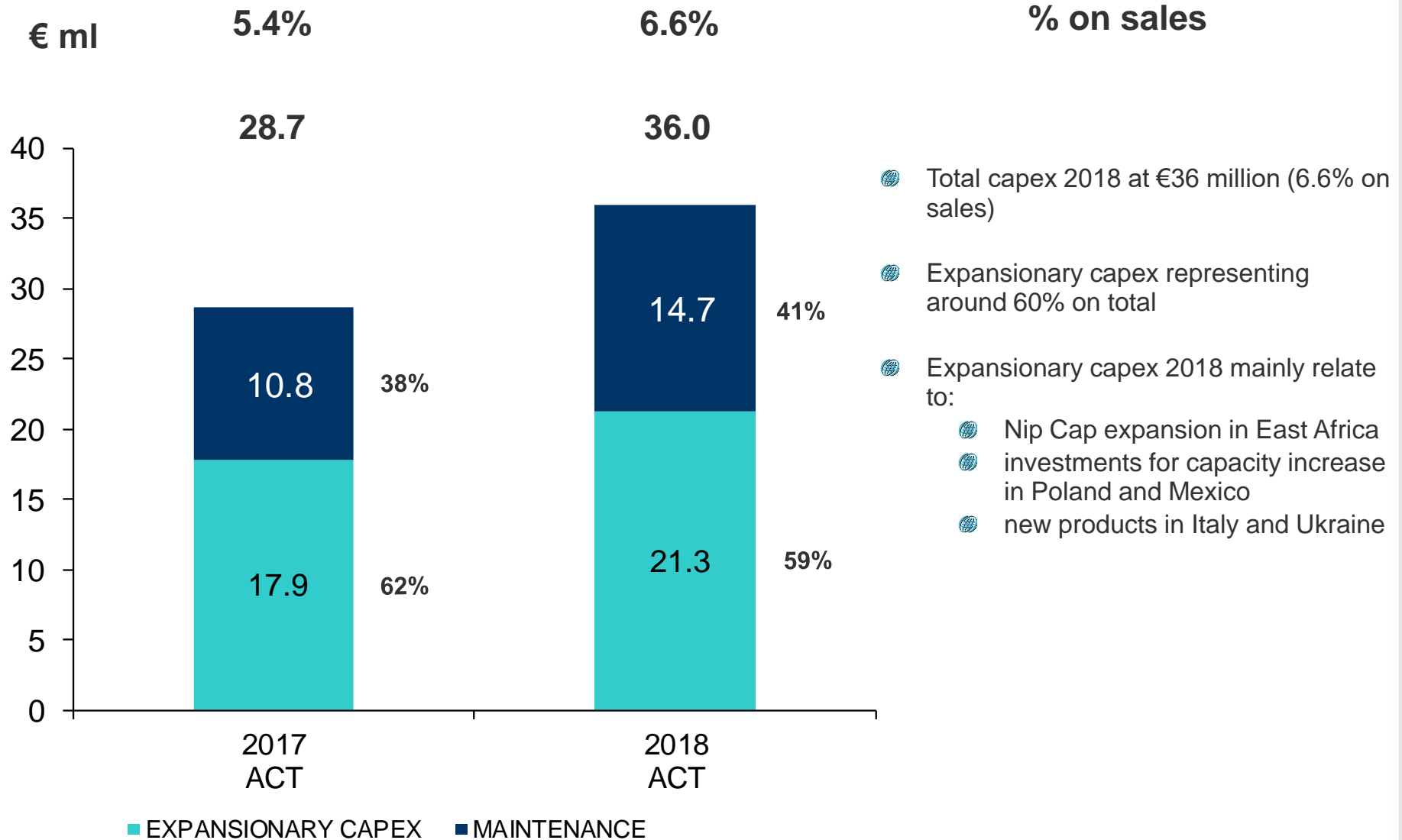


- NWC at December 31, 2017 positively impacted by Space4 S.p.A. non recurring suppliers (€4.5 million and 3 NWC days)
- NWC at December 31, 2018 negatively impacted by UCP acquisition (€5.2 million and 3 NWC days)
- NWC at year end 2018 was also affected by delayed payments from an important Mexican client

## Days

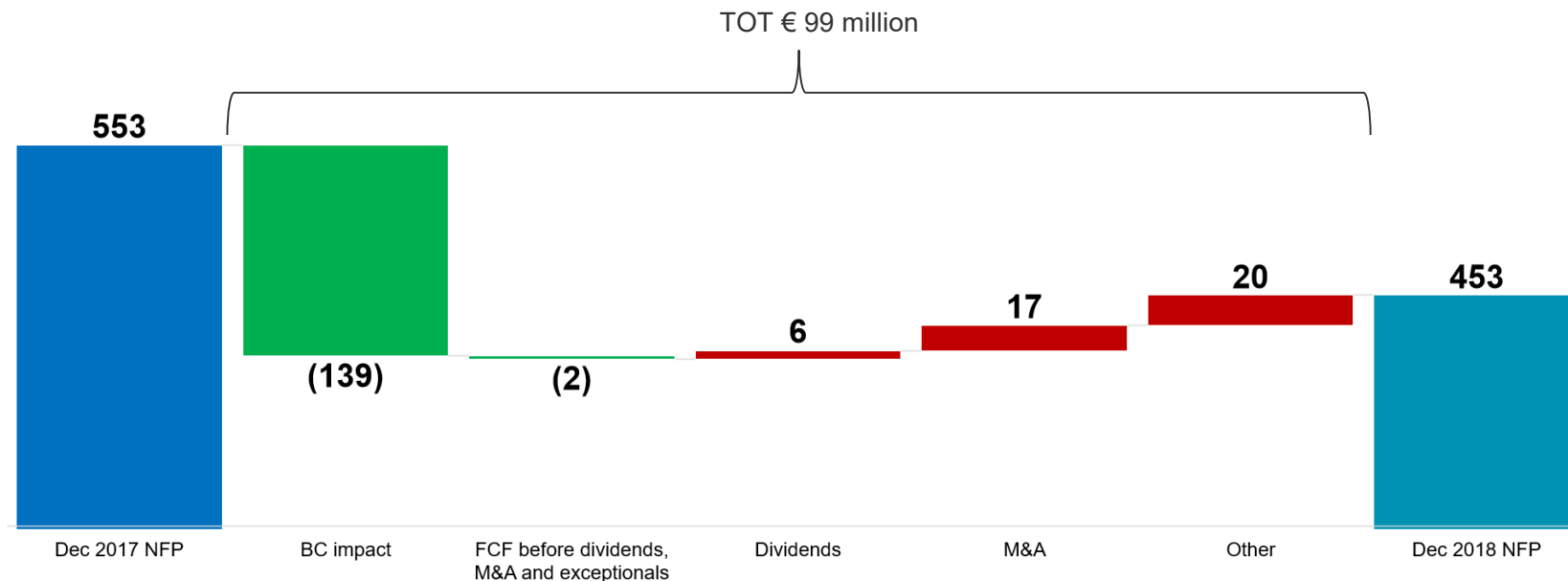


# 2018 – Cash flow generation – CAPEX Paid



# 2018 – Net financial position – Deleverage

## NET FINANCIAL POSITION EVOLUTION <sup>(1)</sup>



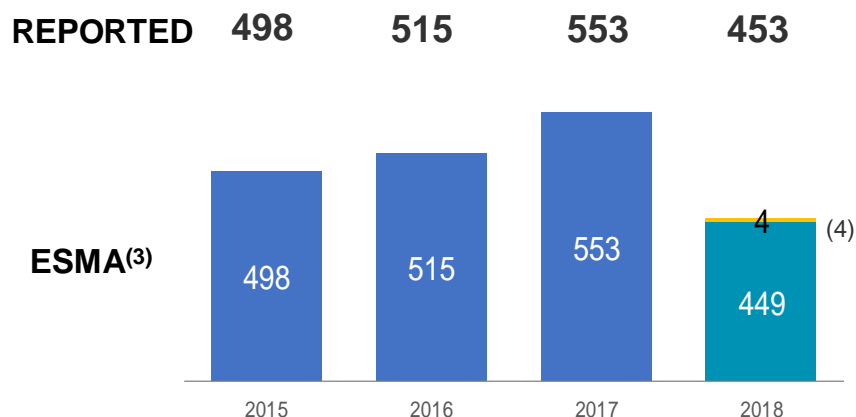
- Total NFP decrease** of €99.1 million as a result of the Business Combination impact, M&A activities and the cash flow of the period which was negatively impacted by €23.7 million non-recurring items partially compensated by €8.2 million positive impact from Market Warrants
- Business Combination impact:** includes € 145.7m of initial cash of Space4 S.p.A. and € 25.0m from Management Capital increase, less € 31.3m for withdrawal of previous shareholders of Space4 S.p.A.
- M&A:** includes UCP acquisition for €18.6 million (£16.8 million) and the acquisition of Argentinian NCI for €0.1 million, net of the €2.1 million disposal of Torre d'Isola building
- OTHER:** includes €23.7 million negative non-recurring items (mainly related to the exit and refinancing processes), €4.7 million negative impact from other financial items and €8.2 million positive impact from Market Warrants.



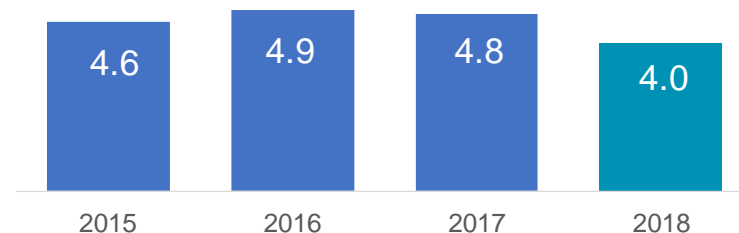
# Financial enhancement – Deleveraging

- In the context of business combination and listing, the Group in 2018 improved significantly its financial profile, deleveraging and refinancing debt

## NET FINANCIAL POSITION <sup>(1)</sup>



## LEVERAGE RATIO <sup>(2)</sup>



## LONG TERM CREDIT RATING

	OLD RATING		NEW RATING	
	Rating	Outlook	Rating	Outlook
<b>MOODY'S</b>	B2	Stable	B1	Stable
<b>STANDARD &amp; POORS</b>	B	Stable	B+	Positive

<sup>(1)</sup> € ml - <sup>(2)</sup> Leverage Ratio as per RCF contract: Net Debt (financial liabilities less cash, less liability for MW, less liabilities vs NCI) on Adjusted Ebitda

<sup>(3)</sup> Refer to definitions at slide 25 - <sup>(4)</sup> Difference between NFP reported and NFP ESMA

# Financial enhancement – Favorable refinancing

## Refinancing: total size € 535m to 2024

- Debt average length increased by 2.5 years to 5.5 years
- Leverage reduce from 4.8 at December 31, 2017 to 4.0 at December 31, 2018
- Around €10 ml of lower interest charges (including also savings on RCF) with direct impact on Net Results and CF generation (1)

## New FRSSN € 455ml issued on October 3, 2018

		Previous Debt Profile	New Debt Profile
Senior Notes	Size	€510 ml	€455 ml
	Coupon	3mE + 475bps	3mE + 350bps
	Nominal interest exp. <sup>1</sup>	€ 24.2 ml annual interests	€ 15.9 ml annual interests
	Maturity	2021	2024

## New RCF € 80ml signed on July 20, 2018

		Previous Debt Profile	New Debt Profile
RCF	Size	€65 ml	€80 ml
	Amount drawn	€50 ml at December 31, 2017	€11 ml at December 31, 2018
	Coupon	3mE + 400bps	3mE/L + 250bps
	Maturity	2021	2024

<sup>(1)</sup> On annual basis

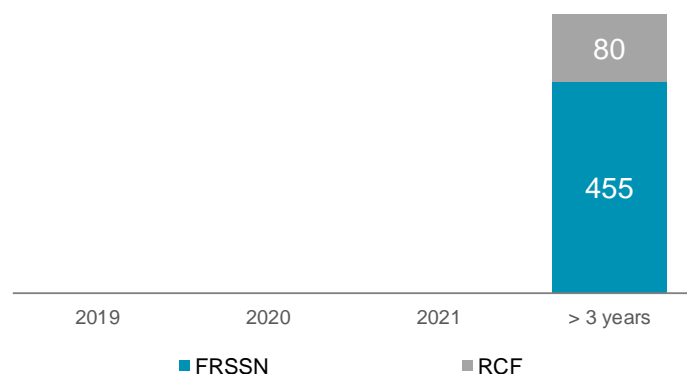
# Financial enhancement – Favorable refinancing

## Positive impacts both in term of debt average length and maturity and interests charges

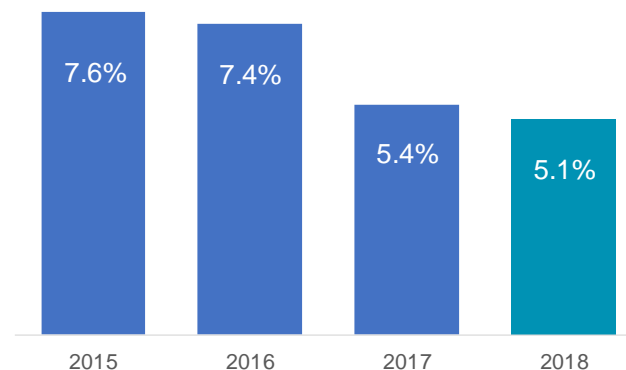
No maturity in the near future and debt average length almost doubled to 5.5 years

Average cost of debt: 2018 only partially benefitted from new coupon, fully effect starting from 2019 with around €10m of lower interests charges on annual basis, compared to a year without refinancing

### GROSS DEBT MATURITY PROFILE <sup>(1-2)</sup>



### AVERAGE COST of DEBT <sup>(1-3)</sup>



<sup>(1)</sup> As of 31 December 2018 - <sup>(2)</sup> Million Euro - <sup>(3)</sup> Average cost of debt calculated as interest expense on total financial Debt

# **Guala Closures Group**

## **Outlook**

# Outlook – Group enhancement

- **Further steps in Group enhancement process to consolidate profitability and improve cash flow generation**
- **Business**
  - Industrial launch of new products
  - Focus on preventing market and raw material volatility impact
  - Implementation of UCP integration
  - Further production capacity rationalization in Europe and reinforcement: e.g. starting Kenyan production
  - Future cash flow generation improvement expected as a target 2019 as a result of interest saving and other actions
- **Corporate**
  - New skills and new instruments to adapt to Group new status: e.g. buy back program
  - Expand S.A.P. perimeter to few selected geographical markets
  - Scouting for selected market consolidation opportunities









<sup>(1)</sup> Calculated on 2018 reported sales

# **Guala Closures Group 2018 Financial Results**

## **Annex Definitions and 2018 Financial Results details**



# Definitions

 EBITDA	Earnings before Depreciation and Amortization, Net Financial Income (Charges) and Income Taxes
 EBIT	Earnings before Net Financial Income (Charges) and Income Taxes
 ADJUSTED EBITDA	Performance indicator calculated by adjusting the EBITDA of some non-operational components, such as: i) restructuring expenses, ii) operating expenses related to discontinued plant, iii) costs related to significant production accidents, iv) due diligence charges, v) merger and acquisition ("M&A") expenses, vi) contingent tax penalties and related consultancy fees
 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
 CONSTANT EXCHANGE RATES CHANGE	Constant currency basis restates the current year results to the prior year's average exchange rates
 ESMA NET FINANCIAL POSITION	Net Financial Position amount determined in accordance with the CONSOB Communication of July 28, 2006 and in accordance with the ESMA / 2013/319 Reports
 NCI	Non-controlling interests

# Financial snapshot

€ / ml	9M 17 Pro Forma	4Q 17 Pro Forma	12M 17 Pro Forma	9M 18 Pro Forma	4Q 18 Pro Forma	12M 18 Pro Forma	Var % 12M 18 vs 12M 17
Net revenue	388.5	146.3	534.8	397.0	146.1	543.1	1.5%
EBITDA	75.8	25.0	100.8	58.3	24.2	82.5	(18.1%)
% margin	19.5%	17.1%	18.8%	14.7%	16.5%	15.2%	
Adjusted EBITDA	78.3	32.3	110.6	73.5	31.0	104.5	(5.5%)
% margin	20.2%	22.1%	20.7%	18.5%	21.3%	19.2%	
EBIT	52.8	16.8	69.6	33.9	14.5	48.4	(30.5%)
% margin	13.6%	11.5%	13.0%	8.5%	9.9%	8.9%	
Net result	5.5	(7.3)	(1.8)	(3.1)	7.2	4.1	327.9%
% margin	1.4%	(5.0%)	(0.3%)	(0.8%)	4.9%	0.8%	

€ / ml	As at Sep 30, 2017		As at Dec 31, 2017	As at Sep 30, 2018		As at Dec 31, 2018
NWC	124.7		109.0	143.0		124.7
NWC days	82		67	93		77
Net financial position	555.7		406.8	461.6		453.4
ESMA Net financial position	555.7		395.3	451.8		449.3

## 2018 – Proforma with and without UCP acquisition

€ / ml	PROFORMA FIGURES					
	2017	2018		2018	2018	
		Constant exchange rate	Current exchange rate	Constant exchange rates excluding UCP	Constant exchange rates end of year 2018 perimeter	Current exchange rates end of year 2018 perimeter
Net revenue	535	580	543	579	PRE-synergies	
					626	588
<i>Growth %</i>		8.5%	1.5%	8.3%	17.1%	10.0%
Adjusted EBITDA	111	112	105	112	116	108
<i>Growth %</i>		1.4%	(5.5%)	1.4%	4.9%	(2.0%)
ESMA Net financial indebtedness	553	449		431	449	
Reported Net financial indebtedness	553	453		435	453	

- 🌐 The figures at year end 2018 perimeter include an estimate of UCP's full year 2018 results, without considering post-acquisition synergies.

## 2018 Financial results – P&L

Thousands of €	12M 2017 Pro Forma	12M 2018 Pro Forma
<b>Net revenue</b>	534,832	543,100
Change in invent. of finish. and semi-fin. products	6,850	(2,675)
Other operating income	4,359	7,861
Work performed by the Group and capitalised	4,908	6,293
Costs for raw materials	(235,966)	(248,212)
Costs for services	(100,323)	(111,769)
Personnel expense	(100,591)	(100,244)
Other operating expense	(13,310)	(11,837)
<b>Gross operating profit (EBITDA)</b>	<b>100,759</b>	<b>82,515</b>
Amortization and depreciation	(31,151)	(34,145)
<b>Operating profit</b>	<b>69,607</b>	<b>48,370</b>
Interests income	3,610	24,663
Interests expense	(51,482)	(54,085)
<b>Net interests expense</b>	<b>(47,872)</b>	<b>(29,422)</b>
<b>Profit before taxation</b>	<b>21,735</b>	<b>18,948</b>
Income taxes	(23,529)	(14,858)
<b>Profit (loss) for the period</b>	<b>(1,795)</b>	<b>4,090</b>
<b>Gross operating profit (EBITDA) - ADJUSTED</b>	<b>110,590</b>	<b>104,520</b>
<i>EBITDA ADJUSTED % on Net revenue</i>	<i>20.7%</i>	<i>19.2%</i>

## 2018 Financial results – Balance sheet

Thousands of €	As at December 31, 2016	As at December 31, 2017 Pro Forma	As at December 31, 2018
Intangible assets	373,990	832,777	806,104
Property, plant and equipment	189,932	190,688	205,984
Non-current assets classified as held for sale	-	2,130	4
Net working capital	90,768	109,044	124,732
Net financial derivative liabilities	100	(220)	88
Employee benefits	(6,246)	(6,376)	(6,461)
Other assets/liabilities	(30,242)	(33,060)	(34,081)
<b>Net invested capital</b>	<b>618,303</b>	<b>1,094,983</b>	<b>1,096,370</b>
<i><b>Financed by:</b></i>			
Net financial liabilities	569,502	605,631	501,157
Cash and cash equivalents	(54,703)	(198,783)	(47,795)
<b>Net financial indebtedness</b>	<b>514,799</b>	<b>406,848</b>	<b>453,362</b>
<b>Consolidated equity</b>	<b>103,504</b>	<b>688,135</b>	<b>643,008</b>
<b>Sources of financing</b>	<b>618,303</b>	<b>1,094,983</b>	<b>1,096,370</b>
less: Market Warrants		12,500	4,338
less: Long term financial assets		(979)	(273)
<b>ESMA Net financial indebtedness</b>	<b>514,799</b>	<b>395,327</b>	<b>449,297</b>

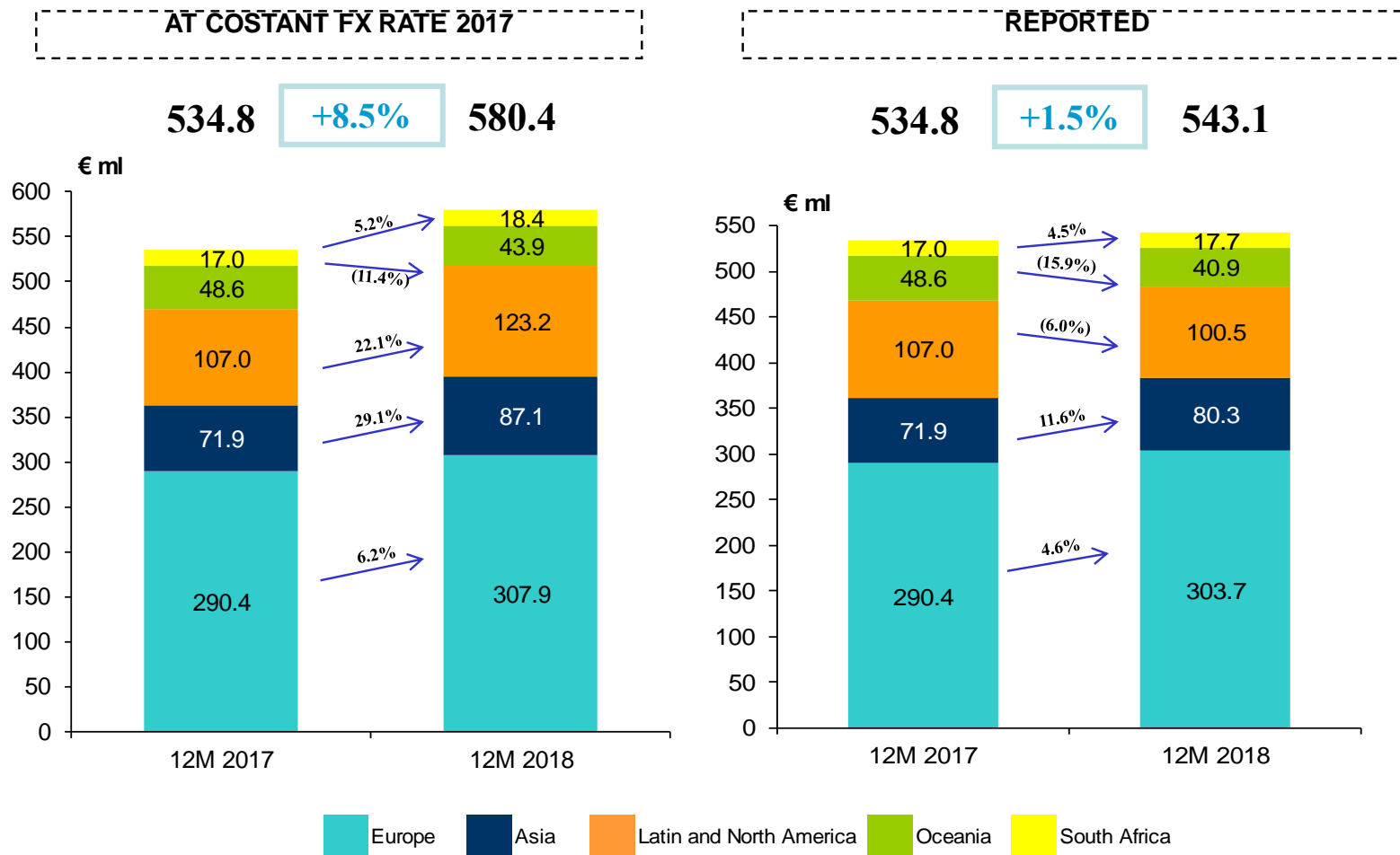
# 2018 Financial results – Cash flow statement <sup>(1)</sup>

Thousands of €	12M 2017 Pro Forma	12M 2018 Pro Forma
<b>Opening net financial indebtedness</b>		<b>(552,513)</b>
<b>Opening net cash from Space4 (net of the acquisition)</b>		<b>145,666</b>
<b>A) Opening net financial indebtedness Pro Forma</b>	<b>(514,799)</b>	<b>(406,848)</b>
<b>B) Cash flows from operating activities</b>		
Profit before taxation	21,735	18,948
Amortization and depreciation	31,151	34,145
Net finance costs	47,872	29,422
Profit on acquisition of UCP business		(3,465)
Purchase Price Allocation - margin on inventories		7,424
Change in:		
Receivables, payables and inventory	(23,139)	(9,105)
Other	(1,618)	(6,504)
VAT and indirect tax assets/liabilities	1,302	444
Income taxes paid	(25,654)	(22,908)
<b>TOTAL B)</b>	<b>51,650</b>	<b>48,403</b>
<b>C) Cash flows used in investing activities</b>		
Acquisitions of property, plant and equipment and intangible assets	(30,189)	(35,983)
Proceeds from sale of property, plant and equipment and intangibles	1,538	(10)
Change in non-current assets classified as held for sale	-	2,130
Acquisition of Guala Closures Group	(354,040)	-
Acquisition of U.C.P. (UK)	-	(18,616)
Acquisition of ICSA activities (Chile)	(4,509)	-
Acquisition of Axiom Propack Ltd (India)	(5,365)	-
Acquisition of Limat activities (Mexico)	(1,226)	-
<b>TOTAL C)</b>	<b>(393,790)</b>	<b>(52,479)</b>
<b>D) Cash flows used in financing activities</b>		
Acquisition of non-controlling interest in Guala Closures Argentina	-	(114)
Acquisition of non-controlling interest in Guala Closures Tools	(1,050)	-
Acquisition of initial Axiom Propack Pvt Ltd indebtedness	(5,441)	-
Withdrawal of previous shareholders	-	(31,323)
Financial income and expense	(31,351)	(25,880)
Exceptional financial costs for debt restructuring	-	(7,995)
Payment of transaction cost on Bond and RCF	(3,768)	-
Initial issuance of Market Warrants	(6,000)	(9,367)
Change in fair value of Market Warrants	(6,500)	17,529
Derivatives and other financial items	(566)	(5,424)
Dividends paid	(6,819)	(5,609)
Proceeds from capital increases	513,324	25,000
Effect of exchange rate fluctuation	(1,738)	745
<b>TOTAL D)</b>	<b>450,091</b>	<b>(42,438)</b>
<b>E) Net cash flow used in the year (B+C+D)</b>	<b>107,951</b>	<b>(46,515)</b>
<b>F) Closing net financial indebtedness (A+E)</b>	<b>(406,848)</b>	<b>(453,362)</b>

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

# 2018 Financial results – P&L – Net revenues

## BREAKDOWN by GEOGRAPHIC AREA





# 2018 Financial results – P&L – Net revenues

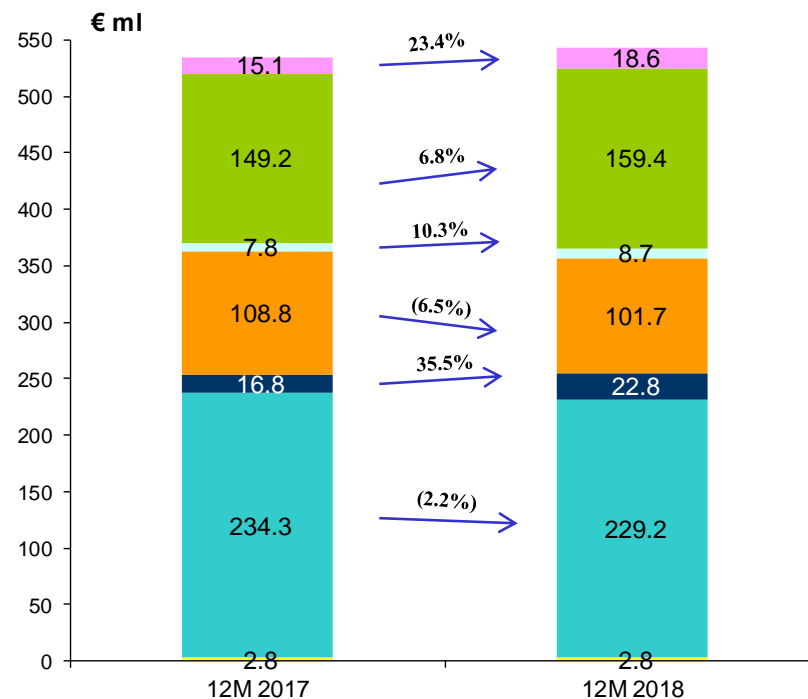
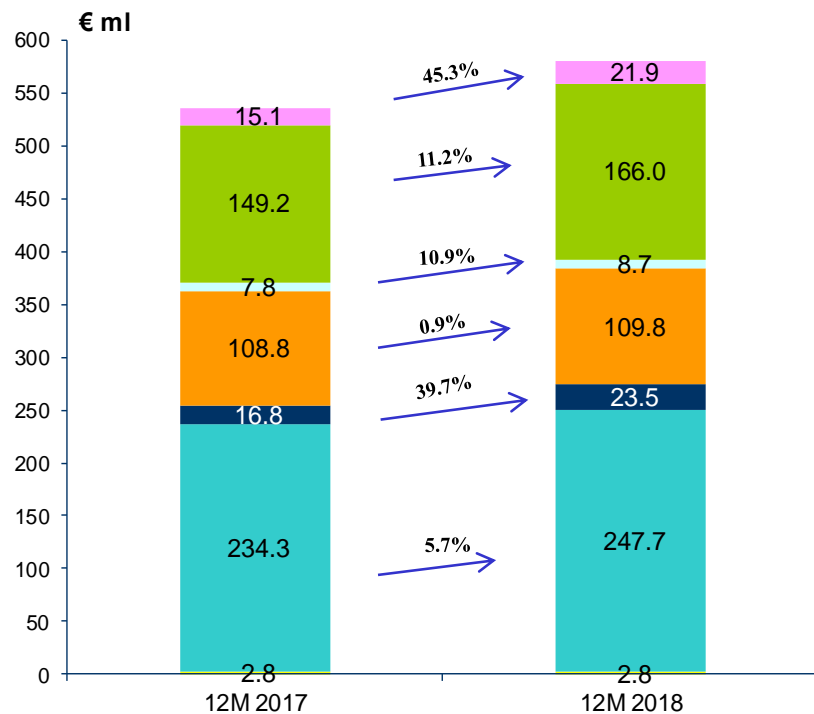
## BREAKDOWN by PRODUCT

AT COSTANT FX RATE 2017

REPORTED

534.8 **+8.5%** 580.4

534.8 **+1.5%** 543.1



PET Safety Luxury Wine Pharma Roll-on Other revenue

## 2018 Financial results – P&L – Net financial charges

Million €	2017	2018
Bonds	24.6	20.5
Bank Debt	6.2	6.5
<b><i>Interest Expense On Debt</i></b>	<b>30.7</b>	<b>27.0</b>
Interest Income	(0.7)	(1.1)
<b>Interest Expense, net</b>	<b>30.1</b>	<b>25.9</b>
Net Exchange rate losses (gains)	9.1	10.7
Change in FV of Market Warrants	6.5	(17.5)
Change in FV on NCI	0.9	2.4
TS costs write off due to refinancing	-	8.0
Net Other financial expense	1.3	0.0
<b>NET FINANCIAL CHARGES</b>	<b>47.9</b>	<b>29.4</b>

- 🌐 No cash impact from change in FV of Market Warrants, from change in FV on NCI and from TS costs write off due to refinancing
- 🌐 New debt structure positive impact starting from August 2018

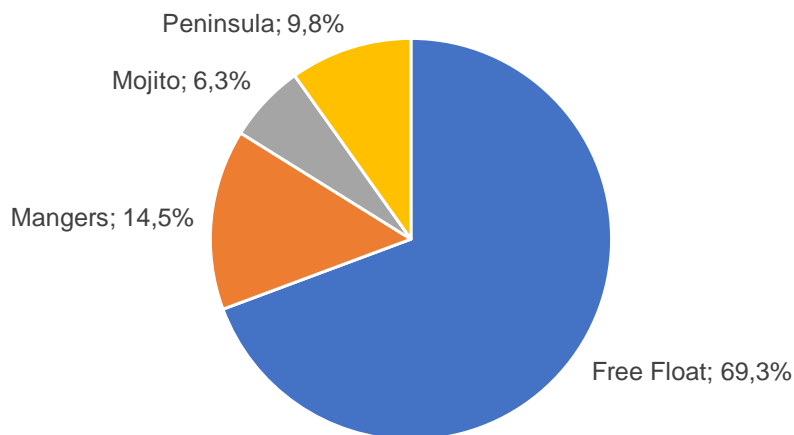
# 2018 – Cash flow statement – NWC details

	VALUE									
€ / ml	As at 31/03/17	As at 30/06/17	As at 30/09/17	As at 31/12/17		As at 31/03/18	As at 30/06/18	As at 30/09/18	As at 31/12/18 Reported	As at 31/12/18 without UCP
Trade receivables	92.5	97.9	107.7	102.4		98.9	112.1	115.0	102.8	100.5
Inventories	83.2	90.1	90.7	82.7		95.1	97.6	94.8	93.3	83.7
Trade payables Guala Closures	(73.3)	(75.7)	(73.6)	(71.7)		(71.2)	(75.6)	(66.7)	(71.3)	(64.6)
NWC value Guala Closures	102.3	112.3	124.7	113.5		122.9	134.1	143.0	124.7	119.6
Trade payables Space4	-	-	-	(4.5)		(3.8)	(2.9)	-	-	-
NWC value Total	102.3	112.3	124.7	109.0		119.1	131.2	143.0	124.7	119.6

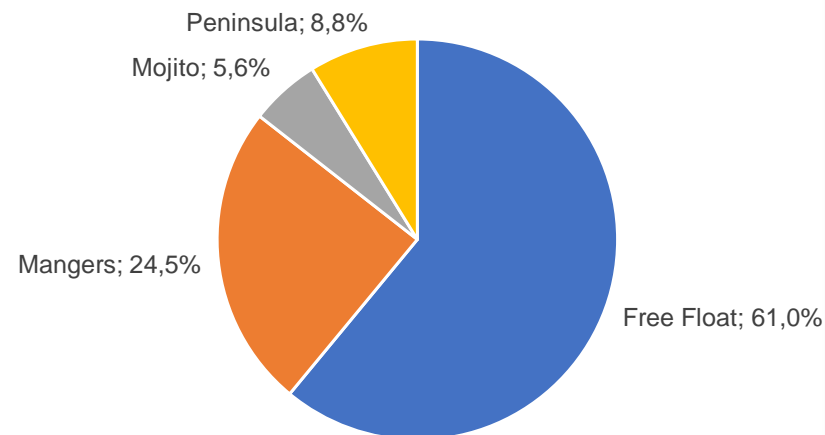
	DAYS									
	As at 31/03/17	As at 30/06/17	As at 30/09/17	As at 31/12/17		As at 31/03/18	As at 30/06/18	As at 30/09/18	As at 31/12/18 Reported	As at 31/12/18 without UCP
Trade receivables	68	68	70	63		73	74	75	63	62
Inventories	61	63	59	51		70	65	62	57	52
Trade payables Guala Closures	(54)	(53)	(48)	(44)		(52)	(50)	(43)	(44)	(40)
NWC days Guala Closures	75	78	82	70		90	89	93	77	74
Trade payables Space4	-	-	-	(3)		(3)	(2)	-	-	-
NWC days Total	75	78	82	67		87	87	93	77	74

# Capital Structure - 31/12/2018

% Share Capital



% Voting Rights



Capital structure as at 31/12/2018

	Total number of shares	Ordinary Shares	Shares B	Shares C	N. Voting Rights	% Share Capital	% Voting Rights
Free Float	40.339.860	40.333.035	-	6.825	40.333.035	60,04%	53,76%
GCL Holdings SCA & Managers	9.766.646	5.444.208	4.322.438	-	18.411.522	14,54%	24,54%
Peninsula	6.613.614	6.613.614	-	-	6.613.614	9,84%	8,82%
GCL Holdings LP Sarl	4.226.805	4.226.805	-	-	4.226.805	6,29%	5,63%
Space Holding	3.159.887	2.354.212	-	805.675	2.354.212	4,70%	3,14%
Quaestio	2.504.897	2.504.897	-	-	2.504.897	3,73%	3,34%
Private Equity Opportunities Fund II	573.195	573.195	-	-	573.195	0,85%	0,76%
<b>Totale</b>	<b>67.184.904</b>	<b>62.049.966</b>	<b>4.322.438</b>	<b>812.500</b>	<b>75.017.280</b>	<b>100,0%</b>	<b>100,0%</b>
Share Capital (nominal value in €)	68.906.646,00	63.640.115,37	4.433.208,76	833.321,87			

% Voting Rights Free Float	% Voting Rights Managers	% Voting Rights Peninsula	% Voting Rights Mojito
53,76%			
	24,54%		
		8,82%	
			5,63%
3,14%			
3,34%			
0,76%			
<b>61,01%</b>	<b>24,54%</b>	<b>8,82%</b>	<b>5,63%</b>

• N. of market warrants outstanding equal to 19.367.393

• Lock-up obligations for key shareholders: Managers (18 months), Space Holding (12 months<sup>1</sup>), Peninsula (9 months), Quaestio (9 months), Private Equity Sellers (6 months<sup>2</sup>)

1 Lock-up obligation valid over only 2,781,250 shares owned by Space Holding.

2 Lock-up obligation valid over only 2,000,000 shares owned by Private Equity Sellers.

# **Guala Closures Group 2018 Financial Results**

## **Annex Market Data**

# Currencies evolution

- In 12M 2018 the Euro revaluated against all the main FX currencies in which the group sales are denominated
- Argentinian Peso (130.5%); US Dollar (4.6%); Ukraine Hryvnia (7.0%); Indian Rupia (9.8%); Australian Dollar (7.3%); New Zealand Dollar (7.3%) respectively

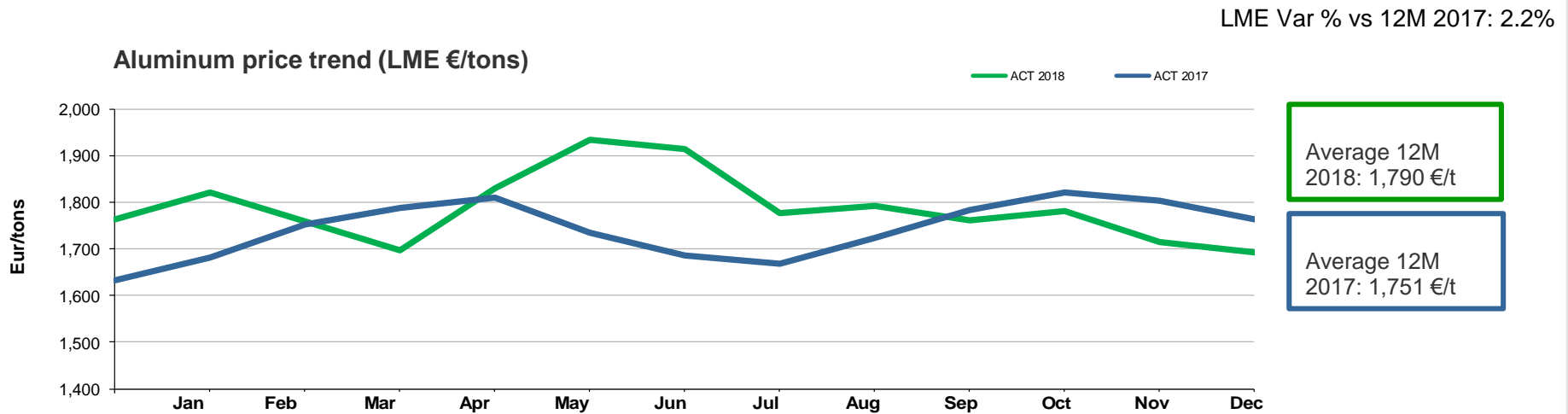
Average exchange rate			
Exchange rate (1 € = x FC)	Average 2017	Average 2018	Var % vs 2017
US Dollar	1.1293	1.1815	4.6%
GB Pounds	0.8761	0.8847	1.0%
Lev Bulgaria	1.9558	1.9558	-
Ukraine Hryvnia	30.0276	32.1157	7.0%
Poland Zloty	4.2563	4.2606	0.1%
China Renmimbi	7.6264	7.8074	2.4%
Indian Rupia	73.4980	80.7277	9.8%
Japan Yen	126.6545	130.4096	3.0%
Argentinian Peso	18.7260	43.1593	130.5%
Brazilian Real	3.6041	4.3087	19.6%
Colombian Peso	3333.84	3488.42	4.6%
Mexican Peso	21.3278	22.716	6.5%
Chilean Peso	732.1878	756.9625	3.4%
Australian Dollar	1.4729	1.5799	7.3%
New Zealand Dollar	1.5895	1.7059	7.3%
South Africa Rand	15.0434	15.6134	3.8%
Kenian Shilling	0.0000	116.4073	n.a.

Period end exchange rate			
Exchange rate (1 € = x FC)	Dec 31, 2017	Dec 31, 2018	Var % vs Dec 17
US Dollar	1.1993	1.1450	(4.5%)
GB Pounds	0.8872	0.8945	0.8%
Lev Bulgaria	1.9558	1.9558	-
Ukraine Hryvnia	33.7318	31.7362	(5.9%)
Poland Zloty	4.1770	4.3014	3.0%
China Renmimbi	7.8044	7.8751	0.9%
Indian Rupia	76.6055	79.7298	4.1%
Japan Yen	135.0100	125.8500	(6.8%)
Argentinian Peso	22.9310	43.1593	88.2%
Brazilian Real	3.9729	4.4440	11.9%
Colombian Peso	3580.19	3721.81	4.0%
Mexican Peso	23.6612	22.4921	(4.9%)
Chilean Peso	737.2900	794.3700	7.7%
Australian Dollar	1.5346	1.6220	5.7%
New Zealand Dollar	1.6850	1.7056	1.2%
South Africa Rand	14.8054	16.4594	11.2%
Kenian Shilling	0.0000	116.6284	n.a.

LEGEND: Var % + EUR revaluation vs other group currencies; Var % - EUR devaluation vs other group currencies

# Raw material evolution – Aluminium

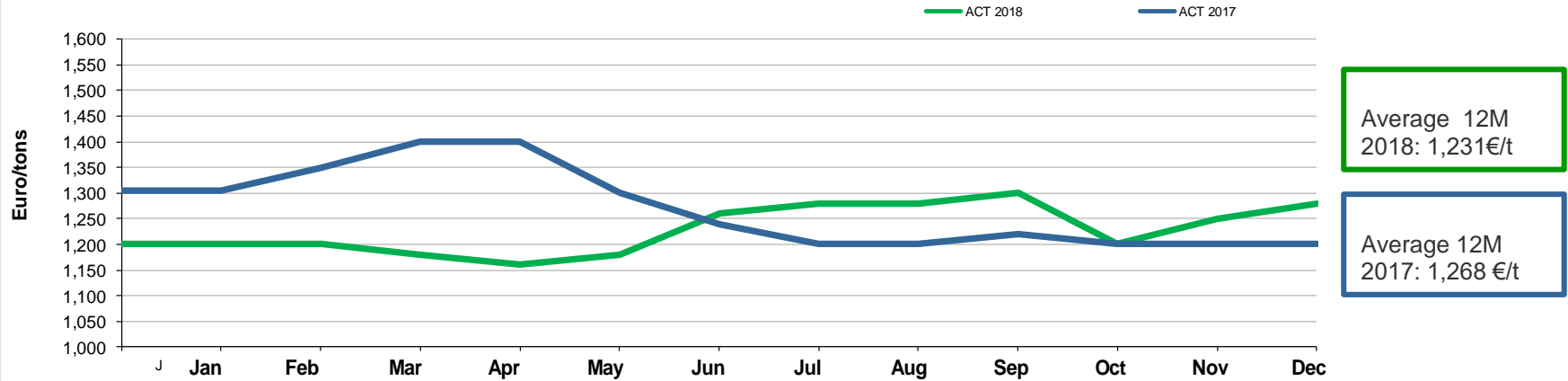
- 🌐 In 12M 2018 Aluminum prices (LME Euro/tons) were higher on average by 2.2% vs 12M 2017 and equal to Euro/ton 1,790 (vs Euro/ton 1,751 in 12M 2017)
- 🌐 In 12M 2018, in Europe, high density polyethylene price was lower on average vs 12M 2017 by 2.9%, while polypropylene and homopolymer price was higher on average vs 12M 2017 by 2.0%
- 🌐 In 12M 2018 in India high density polyethylene and polystyrene prices were higher on average vs 12M 2017 by 5.0% and 8.5% respectively



# Raw material evolution – Plastic – Europe

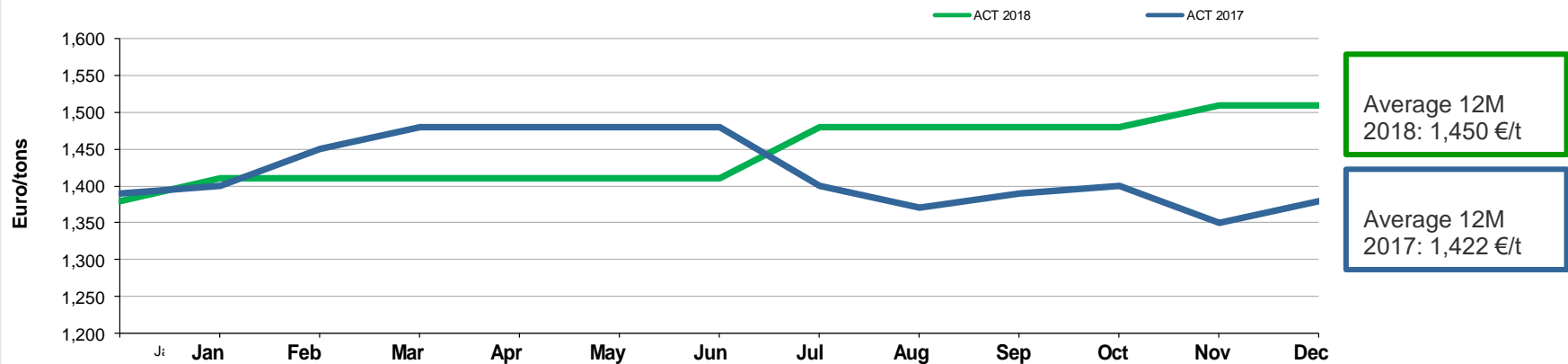
## Plastic price trend - High density polyethylene

HDPE Var % vs 12M 2017: (2.9%)



## Plastic price trend – Polypropylene, homopolymer

PP Var % vs 12M 2017: 2.0%

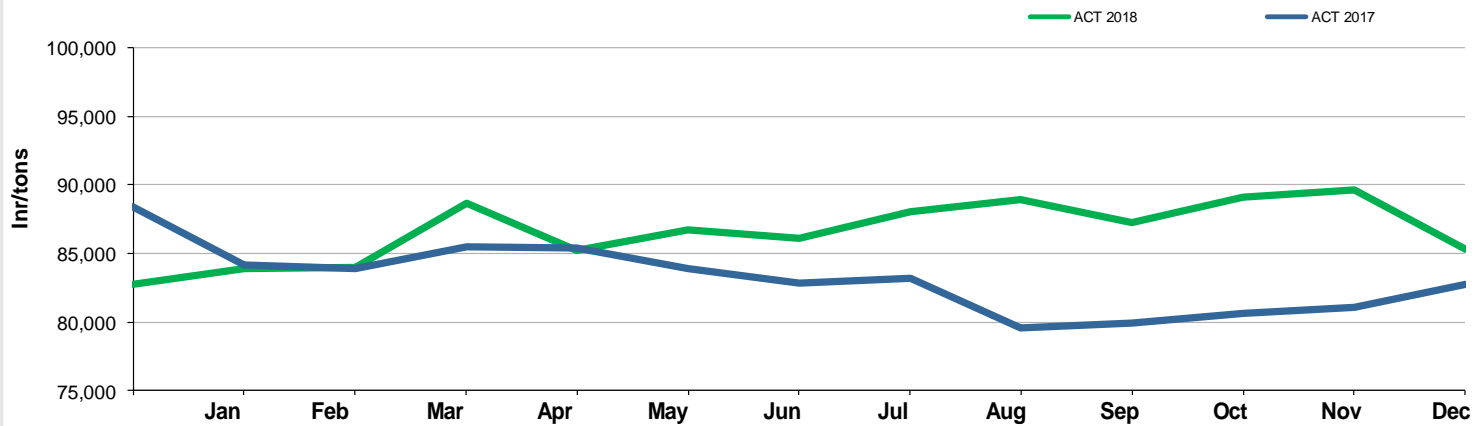




# Raw material evolution – Plastic – India

## Plastic price trend - High density polyethylene

HDPE Var % vs 12M 2017: 5.0%

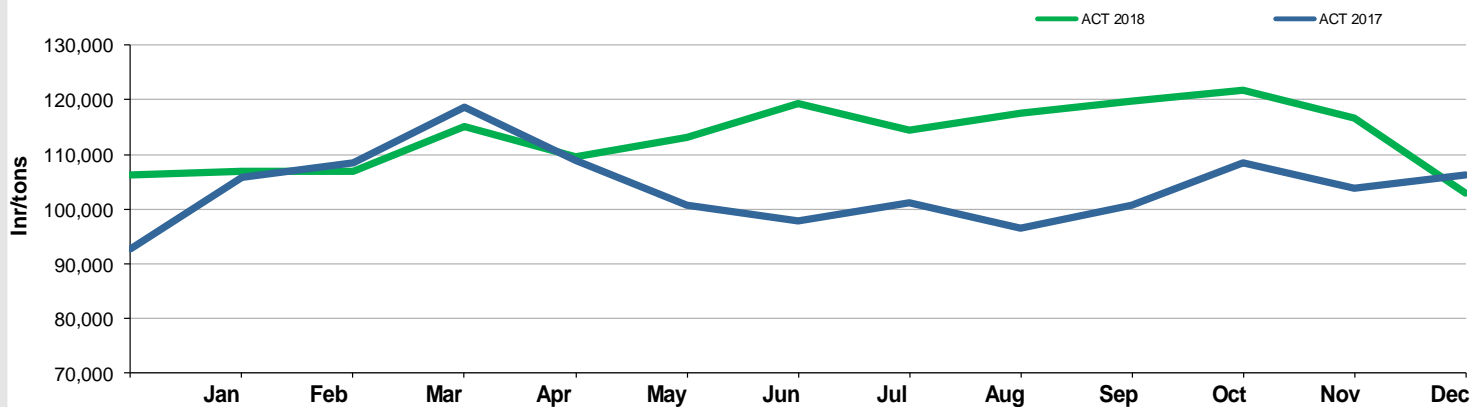


Average 12M 2018:  
86,912 INR/t

Average 12M 2017:  
82,746 INR/t

## Plastic price trend – Polystyrene

PS Var % vs 12M 2017: 8.5%



Average 12M 2018:  
113,683 INR/t

Average 12M 2017:  
104,784 INR/t

