

## **GUALA CLOSURES NEW ACQUISITION AND PLANT INAUGURATION IN CHINA**

### **SIGNIFICANT GROWTH OPPORTUNITIES IN FAST-GROWING AND ONE OF LARGEST SPIRITS MARKET GLOBALLY**

*Milan, 28th September 2023* – Guala Closures S.p.A. (the “Group” or “Guala Closures”), a global leading producer of closures for spirits, wines, water and beverages, today announces that it entered into an agreement to acquire a majority stake in Yibin Fengyi Packaging Co. (the “Company” or “Fengyi”), one of the leading closures and boxes manufacturers in China operating within the high-end Baijiu market, the most reputable Chinese traditional liquor market.

Headquartered in Yibin (Sichuan), Fengyi generated revenues of approx. €38 million and EBITDA of approx. €5 million in the 12 months ended 30 June 2023. The Company operates three manufacturing plants (one under construction) and the management team, Mr. Zhu Yinzhong and Ms. Zhuo Yumin, - who will continue to operate the business in China and retain a significant minority stake – have longstanding and significant experience in the closures and boxes business, leveraging their substantial focus on innovation and close relationships with major Chinese clients. Guala Closures’ existing operations in China will be incorporated into Fengyi creating a new entity (“Guala Closures Fengyi”).

This transaction represents a significant growth opportunity for Guala Closures given the highly fragmented and sizeable Chinese closures market. China has been identified as a key area of growth, particularly given (i) the size and fragmentation of the market (5 billion safety and luxury closures), (ii) the strong growth of the premium Baijiu industry and (iii) the limited presence of Guala Closures and other international closure producers in the region.

Since Guala Closures’ first investment in China in the late 1990s – a manufacturing plant in Beijing - the transaction will represent a significant development opportunity, providing:

- Guala Closures’ international clients in the local market with access to manufacturing facilities and technology and innovation in the fast-growing Chinese and Far East markets;
- Domestic clients with an improved and broader offering including the development of new closures – adding the aluminium closures to the product portfolio – given the Group’s longstanding sustainability focus;
- The Group’s unique knowledge and technological solutions, protected by IP rights, to its wider client base in Asia;
- A platform for further acquisition opportunities in the fragmented closures market in China.

The new Guala Closures’ plant inauguration in Chengdu (the seventh Group Research and Development centre) completes the current local footprint of the Group in China, where the four production bases in Chengdu, Yibin, Luzhou and Guizhou cover the Golden Triangle area of Chinese Liquor.



Commenting on this transaction, Gabriele Del Torchio, Chairman of Guala Closures, said:

*“We are very excited about the combination of Guala Closures and Fengyi which will not only enable us to significantly strengthen the Group’s offering in China – with a focus on the important Baijiu region – but also more broadly across Asia. China is a sizeable and fragmented market which represents a significant growth opportunity for the combined Group. Investindustrial has been instrumental in providing support for our business development plans in China; initially through the development of our new factory and R&D centre in Chengdu, and then helping us identify the right partner to further grow our business through the transformational acquisition of Fengyi.*”

*“This acquisition, coupled with our investment in Chengdu, reinforces our economic commitment to the region where Guala Closures has been operating for 25 years since the Group opened the manufacturing plant in Beijing. We have been enormously impressed by the highly respected and high calibre management team at Fengyi and we are looking forward to working with them as we further grow our business together in China and more broadly in the Far East.”*

The transaction is subject to certain customary closing conditions, including obtaining the necessary approvals.

**Information on:**

**Guala Closures Group**

*Guala Closures Group offers premium and innovative closure solutions that provide protection and convenience to consumers while enhancing customers' brands. With more than 30 production plants worldwide, Guala Closures Group is a world leader in the production of closures for spirits, wines, beverages, oil and condiments, that guarantees proximity to its customers, with a localised and customised offer of services and solutions. Guala Closures Group today employs over 5.000 people and produce around 18 billion closures a year globally.*

More information is available at [www.qualaclosures.com](http://www.qualaclosures.com) and follow the company page on [LinkedIn](#)

**For more information:**

*Guala Closures Group*

Group Marketing Department  
[marketing@qualaclosures.com](mailto:marketing@qualaclosures.com)

Luca Mammola  
Group CFO  
[lmammola@qualaclosures.com](mailto:lmammola@qualaclosures.com)



Claudia Banfi  
Group Deputy CFO  
[cbanfi@gualaclosures.com](mailto:cbanfi@gualaclosures.com)

*Disclaimer:*

*This press release relates to the disclosure of information that qualified or may have qualified as inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014.*

*The information herein contains forward-looking statements. All statements other than statements of historical fact included herein are forward-looking statements. Forward-looking statements give Guala Closures' current expectations, estimates, forecasts, and projections relating to its financial condition, results of operations, plans, objectives, future performance and business as well as the industries in which the Guala Closures operates, as well as the beliefs and assumptions of the Guala Closures' management. In particular, certain statements with regard to management objectives, trends in results of operations, margins, costs, return on equity, risk management and competition tend to be forward-looking in nature. These statements may include, without limitation, any statements preceded by, followed by or including words such as "target," "believe," "expect," "aim," "intend," "goal," "may," "anticipate," "estimate," "plan," "project," "seek," "will," "can have," "likely," "should," "would," "could" and other words and terms of similar meaning or the negative thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Guala Closures' control that could cause the Guala Closures' actual results, performance or achievements to be materially different from the expected results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding Guala Closures' present and future business strategies and the environment in which it will operate in the future. Therefore, the Guala Closures' actual results may differ materially and adversely from those expressed or implied in any forward-looking statements. They are neither statements of historical fact nor guarantees of future performance. Guala Closures' therefore cautions against relying on any of these forward-looking statements.*