Guala Closures

INTERIM FINANCIAL REPORT

30 June 2024

Registered and administrative office: Via Rana, 12 - zona industriale D/6, 15122 Spinetta Marengo, Alessandria
Subscribed and fully paid-in share capital € 68.906.646 - Tax code and company registration no. 10038620968

H1 2024 GROUP HIGHLIGHTS

1954 Establishment	**33** Production sites	**>5,000** Employees	**386M €** Turnover 1H 2024	**7** R&D Centres UK, Ukraine, Bulgaria, China, Mexico and 2 in Italy
300+ Closure models	**3** Products lines: Safety, luxury and roll-on	**5** Destination markets: spirits, wine, water, non-alc. beverages and oil & condiments	**>200** Active intellectual property rights	**100** Countries where we have strong customer partnerships

H1 2024 NET REVENUE BY GEOGRAPHICAL SEGMENT

EUROPE	AMERICAS	ASIA	OCEANIA	AFRICA	GROUP
€208.6m	€99.1m	€51.0m	€16.6m	€10.5m	€385.8m
54.1%	*25.7%*	*13.2%*	*4.3%*	*2.7%*	*100.0%*

H1 2024 NET REVENUE BY PRODUCT

SAFETY	LUXURY	ROLL-ON	OTHER REVENUE	GROUP
€124.4m	€42.6m	€189.1m	€29.7m	€385.8m
32.3%	*11.0%*	*49.0%*	*7.7%*	*100.0%*

H1 2024 NET REVENUE BY DESTINATION

SPIRITS	WINE	WATER	NON-ALC. BEVERAGES	OLIVE OIL & CONDIMENTS	OTHER MARKETS	GROUP
€248.8m	€63.6m	€33.4m	€13.4m	€8.1m	€18.5m	€385.8m
64.5%	*16.5%*	*8.7%*	*3.5%*	*2.1%*	*4.7%*	*100.0%*

COMPANY OFFICERS

BOARD OF DIRECTORS

Chairman	Gabriele Del Torchio
CEO	Mauro Caneschi
Director	Francesco Bove
Director	Marina Brogi
Director	Giovanni Casali
Director	Roberto Maestroni
Director	Chiara Palmieri
Director	Dante Razzano
Director	Francisco Javier De Juan Uriarte
Director	Raffaella Viscardi

BOARD OF STATUTORY AUDITORS

Chairwoman	Mara Vanzetta
Standing auditor	Massimo Gallina
Standing auditor	Fioranna Vittoria Negri
Substitute auditor	Mariateresa Salerno
Substitute auditor	Massimiliano Di Maria

INDEPENDENT AUDITORS

PricewaterhouseCoopers S.p.A.

Contents

GENERAL INFORMATION

· (1) General information
· (2) Accounting policies
· (3) Changes to standards
· (4) Acquisitions of subsidiaries, business units and non-controlling interests
. (5) Russia - Ukraine conflict and Israel – Palestine conflict

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

· (6) Net revenue
· (7) Other operating income
· (8) Internal work capitalised
· (9) Costs for raw materials
· (10) Costs for services
· (11) Personnel expense
· (12) Other operating expense
· (13) Financial income
· (14) Financial expense
· (15) Income taxes

STATEMENT OF FINANCIAL POSITION

· (16) Cash and cash equivalents
· (17) Trade receivables
· (18) Inventories
· (19) Property, plant and equipment
· (20) Right-of-use assets
· (21) Intangible assets
· (22) Current and non-current financial liabilities
· (23) Trade payables
· (24) Provisions
· (25) Other current liabilities
· (26) Equity attributable to the owners of the parent
· (27) Equity attributable to non-controlling interests

OTHER INFORMATION

· (28) Fair value of financial instruments and sensitivity analysis
· (29) Commitments and guarantees
· (30) Related party transactions
· (31) Contingent liabilities
· (32) Events after the reporting period

DIRECTORS' REPORT

GUALA CLOSURES GROUP

1.1 INTRODUCTION

The Guala Closures Group is a global leader in the production of closures for spirits, wine, water, edible oil and a wide range of other beverages.

In the first half 2024, the Group sold closures across its 3 product lines (safety, luxury, roll-on) and across 5 destination markets (spirits, wine, water, other non-alcoholic beverages, edible oil & condiments).

A Guala Closures' closure is designed both to promote the brand of its customers and to protect it in all markets, using cutting-edge solutions. This is why its closures are constantly evolving, adopting the latest and most advanced technologies to provide the best possible solutions.

Since they are made to measure, they are unique, designed and created according to the needs of the individual customer.

Thanks to the experience and know-how of its R&D Centres, the Group develops innovative solutions that meet the required expectations and specifications, while ensuring the highest quality and safety standards.

Its products are manufactured using a wide range of materials, from aluminium to wood and special polymers. These materials combine the technical performance necessary to achieve their levels of quality and safety. They also meet the increasing demands for sustainable solutions, where they have attained a leading position, recognised in all markets.

All raw materials comply with food contact regulations in Europe, the United States (FDA) and the countries where closures are produced and sold.

Vision and mission

Guala Closures produces closures that offer innovation, protection, safety and convenience to consumers while enhancing the customer's brand.

The Group understands and embraces clients' goals as its own, applying creativity, experience, integrity and dedication to deliver world-class closures and solutions, while reducing its environmental impact on society.

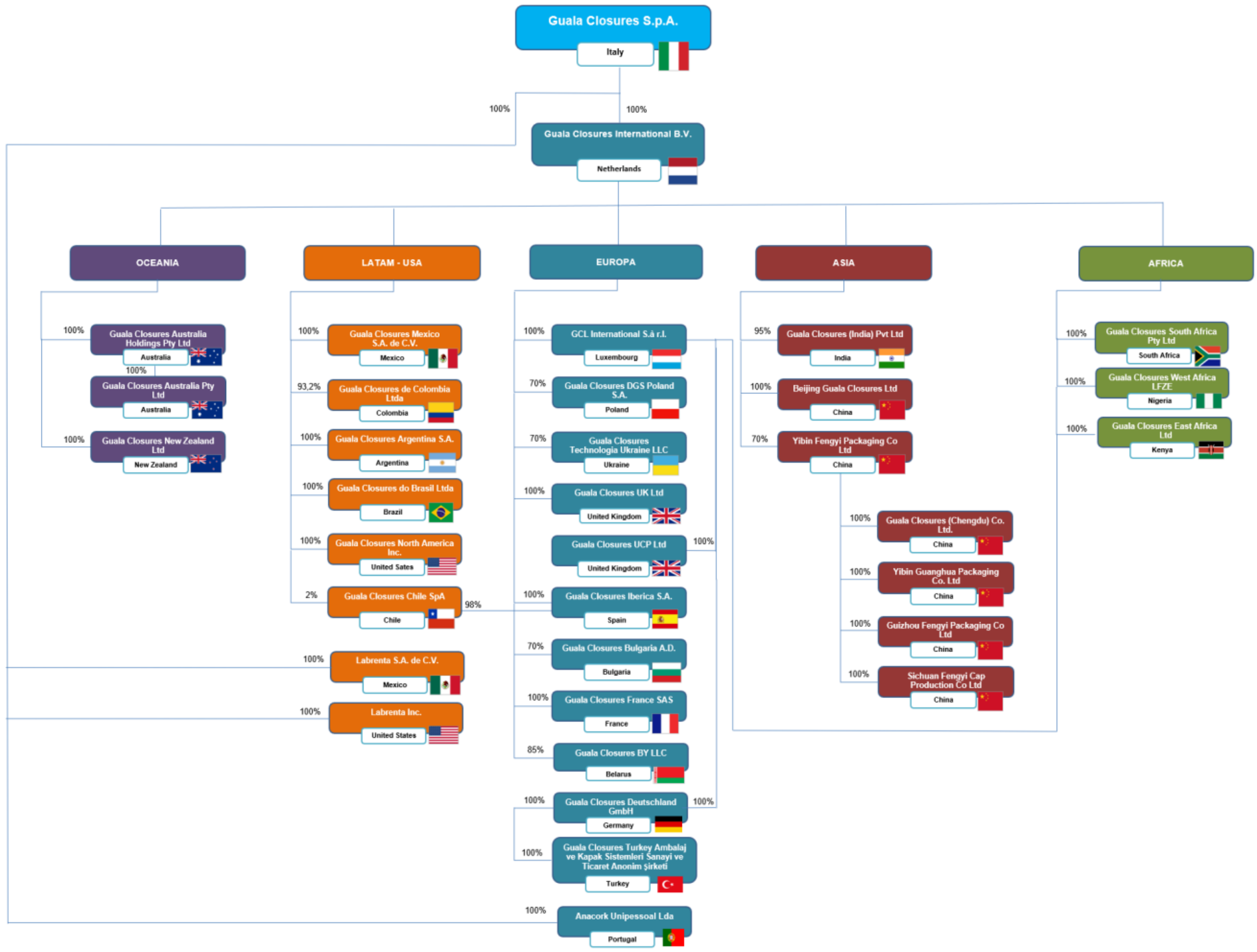
The pillars that guide group's vision and mission

- **EXCELLENCE:** the group works to provide the best possible products and services, aiming to make our customer's brands stand out.
- **SUSTAINABILITY:** Guala Closures is committed to promoting the goal of continuous and constant sustainable development in all companies within the group, in order to contribute to growth that respects the environment, the society and the economy.

1.2 THE GROUP STRUCTURE

The Guala Closures Group, owned by the operational company Guala Closures S.p.A., operates on 5 continents.

The following chart illustrates the Group structure at June 30, 2024 (companies consolidated on a line-by-line basis):

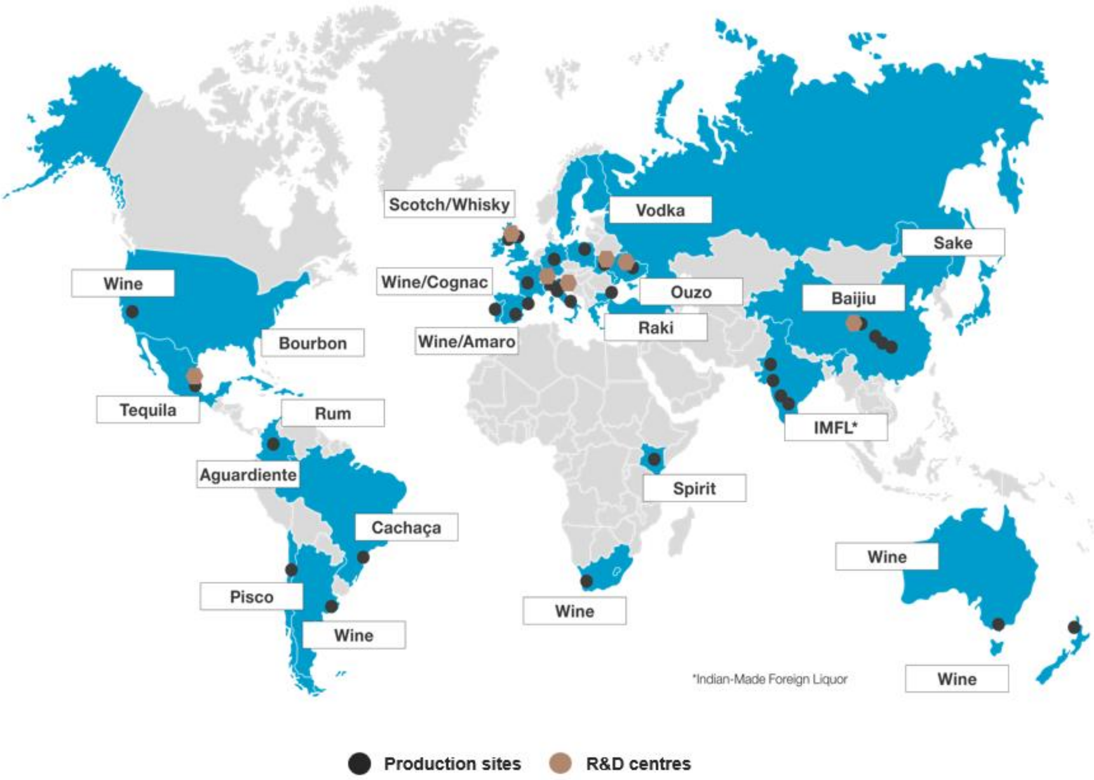


The Group structure changed in the first half 2024 as follows:

- On December 27, 2023 was signed the deed of merger of Labrenta into Guala Closures S.p.A. and the merger became effective from January 1, 2024. We remember that on October 16, 2023 was approved the merger of Labrenta into Guala Closures S.p.A. by the Boards of Directors of Guala Closures S.p.A. and Labrenta S.r.l. and on October 19, 2023 was approved by the extraordinary shareholder meeting of Guala Closures S.p.A. and the shareholder meeting of Labrenta.
- On May 22, 2024, Guala Closures West Africa LFZE has been duly incorporated under the Nigeria Export Processing Zone.

1.3 INTERNATIONAL FOOTPRINT

The Guala Closures Group is a multinational Group with 33 facilities and 7 research and innovation centres (in the United Kingdom, Ukraine, Bulgaria, Mexico, China and 2 in Italy).



1.4 PRODUCT LINES AND DESTINATION MARKETS

In 2024, the Group produced and sold closures in three product lines across five destination markets

Product lines:

Safety closures:

From the simplest "tamper-evident" technologies to the most complex valve systems, Guala Closures is able to design and produce safety closures that minimize the risk of counterfeiting.

Luxury closures:

They represent the true excellence in the quality of spirits bottle closures. Carefully designed to enhance the distinctive identity of each brand, these unique closures embody aesthetics, design and functionality, thanks to the combination of fine materials and cutting-edge production technologies, for an unparalleled visual impact.

Roll-on:

Aluminium screw caps for wine, beverages in glass bottles, fruit juices, non-alcoholic beverages, edible oil and condiments, which may feature either generic or tamper-evident closure systems.

Destination markets:

Spirits:

Thanks to a considerable experience in the sector Guala Closures is able to offer customers a wide range of solutions which are able to respond to the specific needs of each brand and product. From simple closures to the most complex multi-material designs, these can be tailored specifically to a single brand, satisfying the most challenging requests.

Wine:

With screw-on aluminium closures, wine is more stable over time and its delicate balance is not compromised during transport. Guala Closures screwcaps also make it easier to open and re-seal the bottle and feature liners that keep the oxidation of the wine in check, so that the wine maintains its quality and taste for longer.

Water:

The Group produces aluminium closures for sparkling and still mineral water in glass bottles, supplying some of the leading international brands with standard or tamper-resistant security seals that enables recognition of the first opening of the bottle, guaranteeing product security.

Other non-alcoholic beverages:

The Group produces aluminium and plastic closures for sparkling and still beverages, fruit juices and other non-alcoholic beverages, protecting its customers with generic or tamper-evident closures. All closures can be customized with high quality designs to enhance the brand image.

Edible oil & condiments:

The Group offers oil producers a wide range of short and long caps, with valves and pourers, as well as anti-drip devices specifically designed for the viscosity of oil which enable the perfect pour. The Group also offers cutting-edge solutions for all types of liquid condiments.

1.5 Research and innovation

In the first half of 2024, despite a slow-down of the market, all R&D Centres have been active in supporting the Sales effort for the acquisition of new customers and in developing new generations of the products answering to the new requests from the markets and the new legislations, all oriented to a more and more sustainable packaging.

More than 250 new proposals are on the desks of the Guala Closures designers, many of them ready to go to production. Even if in number the luxury projects are the majority, underlining the design leadership of Guala Closures in this market segment, important developments are ongoing, dedicated to markets where the expertise of Guala Closures in anticounterfeiting can solve important issues.

Important markets, like the African one, are booming in sales, but in the meantime, like it usually happens, the alcohol counterfeiting is posing higher and higher concerns about safety and health of consumers and brands name; the approach for the brands distilling and selling is to use the most advanced solutions to address the problem, spanning also to connectivity and authentication, where Guala Closures since years is market leader; our R&D Centres are developing solutions that enhance the current closures with authentication features open to brand and to consumers.

As already reported in the first quarter, the Group R&D teams are also working on projects focused on new regulations about packaging: some important projects are going fast to replace, well ahead of legislator terms, polymers and materials that in future will be restricted; others are focusing in the development of new solutions to get the opportunities that the regulations about packaging and packaging waste will create in the future and that few markets are already asking for; among them we are developing new designs easy to recycle (at scale), others addressed to the reuse of the main container and other that are using recycled or bio-compensated materials.

1.6 Sustainability

The first half of 2024 confirmed the commitment of the Guala Closures Group to sustainability. During the first six months, the non-financial data of the recently acquired plants in China and Portugal have been collected and many initiatives were launched. The renewable electrical energy used in the group increased to 55.5% from 51% in 2023. In the first quarter a solar field with a capacity of 3.2MWh has started near the Indian plant in Goa and it will cover more than 20% of its needs. The increased use of renewable energy and the several projects put in place locally to reduce the consumption of energy allowed us to decrease in H1 our Scope 1 and 2 emissions by 10.6% versus the first six months of 2023.

Certifications and ratings:
In February, through an audit Bureau Veritas verified that our 2023 emissions Scope 1, 2 & 3 have been properly calculated in accordance with the GHG Protocol. During the first quarter the Italian plant of Magenta, Spinetta Marengo and Termoli achieved the ISO50001 certification (Energy management systems). In January, the B rating on climate change by CDP (Carbon Disclosure Project), has been confirmed for the year 2023. In May the Chivilcoy plant in Argentina obtained the FSCC22000 certification and in June the Italian plant of Breganze obtained the ISO22000 certification.

Reporting:
During the first quarter, the Sustainability department prepared the Sustainability Report 2023, according to the "Global Reporting Initiative Sustainability Reporting Standards" ("GRI Standards"), which currently constitutes the most widespread and internationally recognized standard in the field of non-financial reporting. The report is subject to a limited review assurance engagement performed by PwC.

Governance:

In the first quarter the Sustainability Board has been renewed to better meet the new challenges and to be prepared to the new CSRD.


Financial Performance

1.7 GROUP PERFORMANCE

Key figures

(€m)	1H 2023	1H 2024	*% variation*
Net revenue	**440.7**	**385.8**	***(12.5)%***
Adjusted gross operating profit (Adjusted EBITDA)[1]	**92.5**	**82.6**	***(10.6)%***
Adjusted gross operating profit (Adjusted EBITDA)[1] margin	*21.0%*	*21.4%*	
Employees		5,158	
Facilities: 33 production facilities and 1 sales office in 24 countries on 5 continents			
Intellectual property rights		over 200	

Note:

(1) Reference should be made to the section Alternative performance indicators – Guala Closures Group in this report for information on the alternative performance indicators, such as adjusted gross operating profit.

Net revenue in the first half 2024 decreased by 12.5% compared to the first half 2023, mainly due to the contraction of spirits market.

Notwithstanding the decrease in revenue, Adjusted EBITDA margin is in line with the same period of 2023 with an increase of 0.4 percentage points from 21.0% to 21.4%.

Significant events of the period

The main events which affected the Guala Closures Group in the first half 2024 are summarised below:

BUSINESS:

Merger of Labrenta S.r.l. into Guala Closures S.p.A.

On October 16, 2023, was approved the merger of Labrenta into Guala Closures S.p.A. by the Boards of Directors of Guala Closures S.p.A. and Labrenta S.r.l. and on October 19, 2023, was approved by the extraordinary shareholder meeting of Guala Closures S.p.A. and the shareholder meeting of Labrenta.

The deed of merger was signed on December 27, 2023, and the merger was effective from January 1, 2024.

Following the completion in 4Q 2023 of the Purchase price allocation of the net assets acquired of Labrenta, the comparative figures for 1H 2023 have been restated to reflect the D&A and the related tax effect.

Inauguration of the Gulin Plant

At the end of January 2024 took place the opening ceremony of the Gulin plant, which has become the fourth productive plant of the Group in China.

Such plant is particularly strategic, being located within an industrial park where one of the main baijiu payers is present.

Addendum to the Share Purchase Agreement for the acquisition of Fengyi

Pursuant to the Share Purchase Agreement executed on July 25, 2023, and the subsequent addendum signed on March 15, 2024 the buyer was supposed to deliver to the sellers by April 30, 2024, a pro-forma consolidated statement of accounts of the Chinese Companies as of the closing date together with the determination, of (i) the final net financial position, and (ii) the final working capital.

By means of the further addendum signed on April 30, 2024, the parties agreed to postpone the term for the delivery of the aforementioned documentations to May 31, 2024.

On May 31, 2024, the buyer notified the sellers with its proposed price adjustment amount, and subsequently the sellers accepted / did not have any objection to the notice, pursuant to Share Purchase Agreement clause. The price adjustment led to a price decrease of RMB 6.5 million, corresponding to €848 thousand. Payment-wise, the escrow amount created at closing (equal to 10% of the price paid RMB95 million, i.e. RMB 9.5 million) will be released to sellers for a total amount of RMB 2.9 million, while the remaining amount (RMB 6.5 million) will be released back to the buyer.

After a final review with the escrow account agent and the transaction advisors, on July 24, 2024, the parties signed the “Amendment Agreement on Payment arrangement about the Purchase Price”, finalizing the amount to be paid to each seller, also taking into consideration the subsequent planned payments.

Acquisition of Astir Vitogiannis

On April 23, 2024, Guala Closures S.p.A. signed an agreement to acquire Astir Vitogiannis Bros S.A., a leading manufacturer of crown closures. Astir manufactures over 12 billion closures annually and in the year ended 2023 generated a turnover of €75 million and an EBITDA of €19 million. This transaction is in line with Guala Closures’ strategy of pursuing and successfully integrating synergistic acquisitions to profitably grow the business. After the acquisition of Astir, Guala Closures will be capable of offering all available closures for glass bottles worldwide. Once completed, the acquisition of Astir will enable the Group to expand its presence in emerging markets characterised by demographic growth and increasing per capita consumption, and to provide closures for the attractive ready-to-drink and non-alcoholic beverage segments. The acquisition was subject to various standard closing conditions, including applicable regulatory approvals, and was finalised on August 6, 2024, as described in note (32) Events after the reporting period.

Guala Closures West Africa LFZE

On May 22, 2024, Guala Closures West Africa LFZE has been duly incorporated under the Nigeria Export Processing Zone. New plant production is expected to start in Q4 2024 with the goal to expand Guala's presence and strengthen its operations in Africa, which exhibits a significant growth potential, particularly in the beer industry.

REFINANCING:

New Bond Offering and RCF increase

On June 20, 2024, Guala Closures S.p.A. issued €150 million in aggregate principal amount of additional 2029 Notes (the "Additional 2029 Notes") and commitments under the 2027 RCF (including the Additional RCF) were increased to €175 million by way of a fungible increase. The Notes have been issued at an issue price of 100.500% and bear interest at a rate equal to three-month EURIBOR (subject to a 0% floor), reset quarterly, plus 4.00% per annum.

In accordance with the provisions of the documents governing the Additional 2029 Notes, on June 20, 2024, the existing Collateral was extended to secure the Additional 2029 Notes and each of the Guarantors reaffirmed its guarantee of the 2029 Notes to include the Additional 2029 Notes.

Russia – Ukraine conflict

The Group is continuously monitoring the conflict which started in February 2022, actively working to optimize the organization of production and logistic. No business interruption occurred in 2023 and in the first six months of 2024 and no impact on customers service, as the Group business model guarantees product delivery thanks to the availability of alternative production sites within the Group.

Although the area around the Sumy plant has become more dangerous over the past few months, there has been no damage to property or people impacting the Group's assets to date.

Among other things, GC Ukraine in the second half 2022 moved a part of its production lines to a satellite plant located in the city of Ternopil, near the Polish Border, where the company employs around 100 people.

GC Ukraine still has to comply with certain administrative restrictions on currency conversion transactions and payments abroad adopted by the National Bank of Ukraine and transactions with Russian and Belarussian-based companies are forbidden. These restrictions do not apply to aluminium importation.

The current sanctions adopted by the EU and the USA against Russia are currently not significantly impacting our business.

GC Belarus is a dormant entity since the outbreak of war.

Israel – Palestine conflict

The ongoing conflict between Israel and Palestine has no significant impact on the Guala Closures Group's business.

The main effect of this event, if any, is identified among transfer costs to and from the Red Sea, which may be slowed.

In the near-term, the ongoing and persistent geopolitical uncertainty, primarily stemming from the conflicts in Russia-Ukraine conflict and more recently the conflict in the Middle East, remains a risk factor in the global economic landscape. The Group constantly monitors developments in the global geopolitical environment that could require a review of the current corporate strategies and/or the introduction of measures to safeguard its competitive positioning and performance. In addition, the Group constantly monitors and assesses the markets in which it operates, as well as customers' behavioural patterns.

FINANCIAL PERFORMANCE

ANALYSIS OF THE FINANCIAL PERFORMANCE

The table below summarises the financial performance of the Guala Closures Group for the first half 2024 and 2023.

Statement of profit or loss	1H 2023 (*)		1H 2024	
	(€'000)	*% of net revenue*	*(€'000)*	*% of net revenue*
Net revenue	**440,668**	***100.0%***	**385,757**	***100.0%***
Change in finished goods and semi-finished products	8,798	*2.0%*	11,608	*3.0%*
Other operating income	2,264	*0.5%*	4,074	*1.1%*
Internal work capitalised	3,668	*0.8%*	3,076	*0.8%*
Costs for raw materials	(202,112)	*(45.9%)*	(168,461)	*(43.7%)*
Costs for services	(78,962)	*(17.9%)*	(75,383)	*(19.5%)*
Personnel expense	(85,891)	*(19.5%)*	(81,878)	*(21.2%)*
Other operating expense	(5,150)	*(1.2%)*	(3,797)	*(1.0%)*
Impairment losses	(211)	*(0.0%)*	(6)	*(0.0%)*
Gross operating profit (EBITDA)	**83,072**	***18.9%***	**74,989**	***19.4%***
Amortisation and depreciation	(26,678)	*(6.1%)*	(25,213)	*(6.5%)*
Operating profit (EBIT)	**56,394**	***12.8%***	**49,776**	***12.9%***
Financial income	8,881	*2.0%*	19,189	*5.0%*
Financial expense	(29,798)	*(6.8%)*	(37,649)	*(9.8%)*
Net financial expense	**(20,917)**	***(4.7%)***	**(18,460)**	***(4.8%)***
Profit before taxation	**35,477**	***8.1%***	**31,316**	***8.1%***
Income taxes	(16,235)	*(3.7%)*	(15,720)	*(4.1%)*
Profit for the period	**19,243**	***4.4%***	**15,596**	***4.0%***
Attributable to:				
- the owners of the parent	13,150	*3.0%*	9,185	*2.4%*
- non-controlling interests	6,093	*1.4%*	6,411	*1.7%*

Adjusted gross operating profit (Adjusted EBITDA)	**92,453**	***21.0%***	**82,642**	***21.4%***

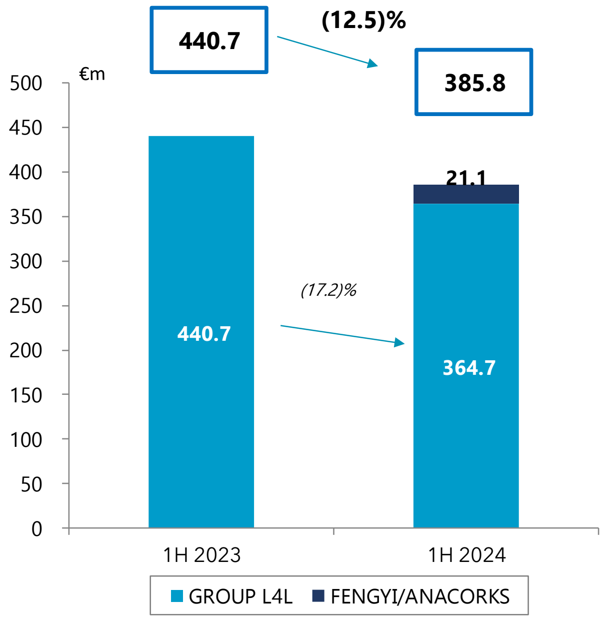
Note:

For information on the calculation of the adjusted gross operating profit reference should be made to page 35.

(*) The 1H 2023 figures have been restated following finalization of the purchase price allocation procedure for Labrenta.

NET REVENUE

The following chart illustrates the the first half 2024 trend in revenue compared to the same period of 2023.



GROUP L4L without Anacorks and FengYi

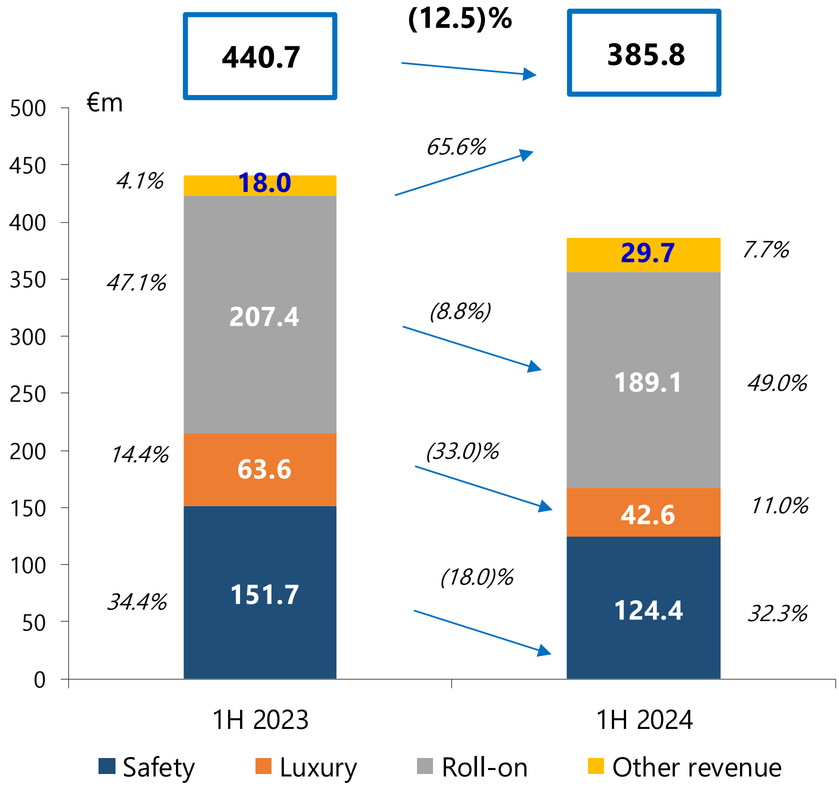
In the first half 2024, consolidated net revenue was €385.8 million, down €54.9 million (-12.5%) compared to the first half 2023, mainly due to contraction of the spirits market.

The organic reduction of €76.0 million (-17.2%) (excluding first half 2024 revenues coming from Anacorks of €1.8 million and from Group FengYi of €19.3 million) is mainly due to the decrease in safety segment.

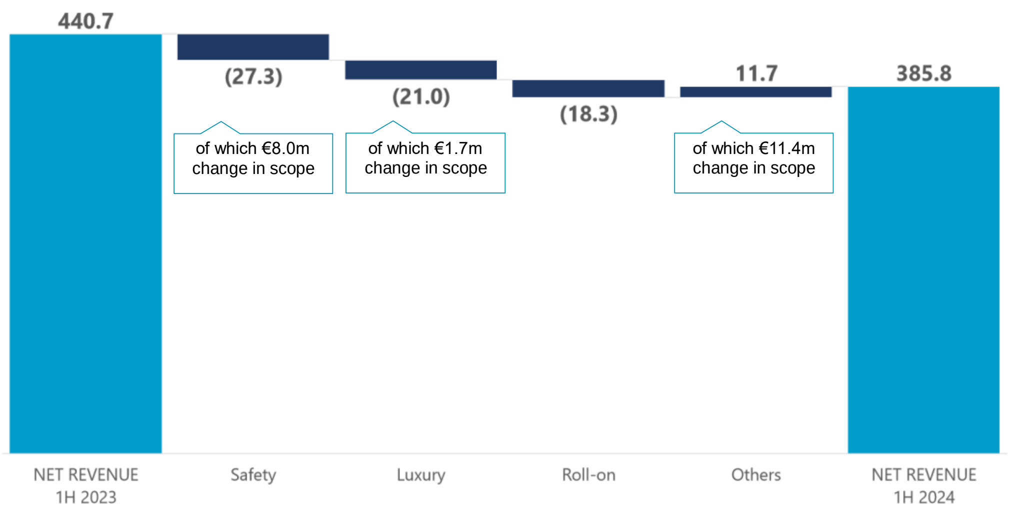
In the first half 2024, there is one customer that generated over 10% of revenue: approx. €46 million (roughly 12% of net revenue).

NET REVENUE BY PRODUCT

The following graphs give a breakdown of and changes in net revenue by product versus the first half of 2023:



(*) The 1H 2023 figures have been restated to be consistent with 1H 2024 classification

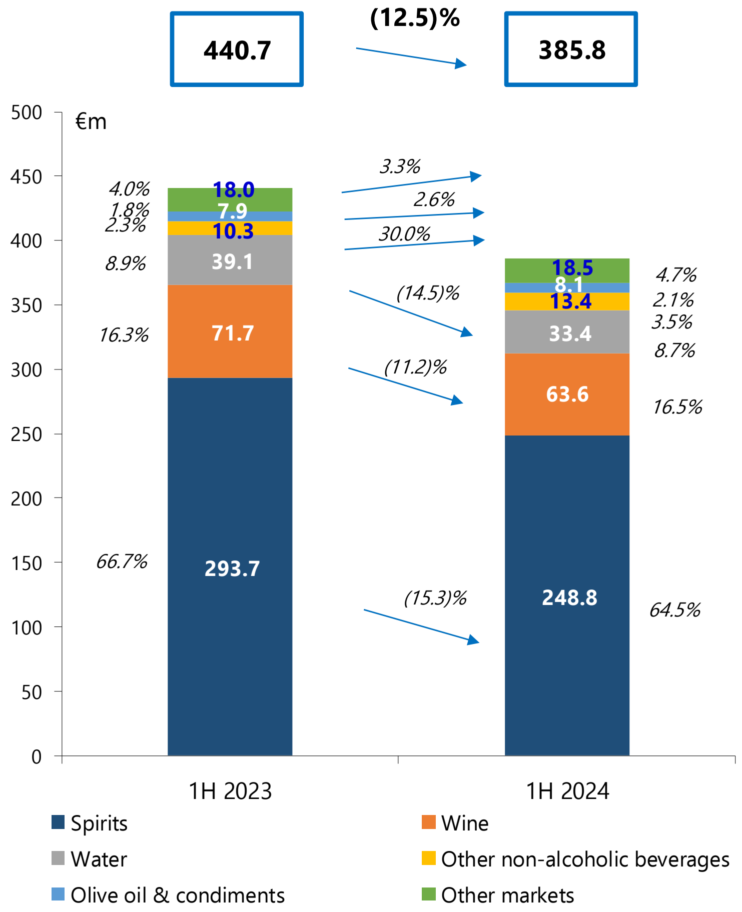


The change in scope includes first half 2024 revenues coming from Anacorks acquisition (€1.8 million) and from Group FengYi acquisition (€19.3 million).

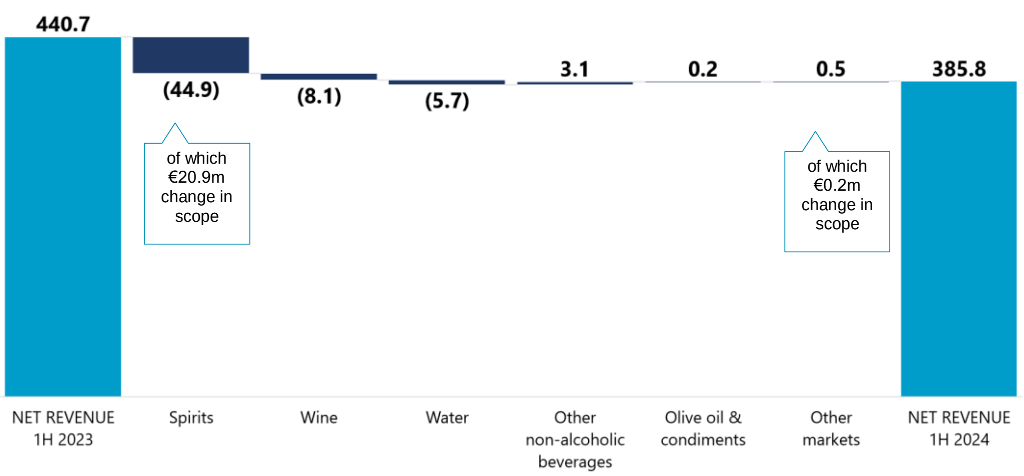
Evolution of revenue was impacted by destocking and market slowdown, which mainly impacted the Safety, Roll-on and Luxury product lines. Other revenue includes sales of products not classified in the three standard categories and sales of components and scraps.

NET REVENUE BY DESTINATION MARKET

The charts below indicate the trend in revenue by destination market:



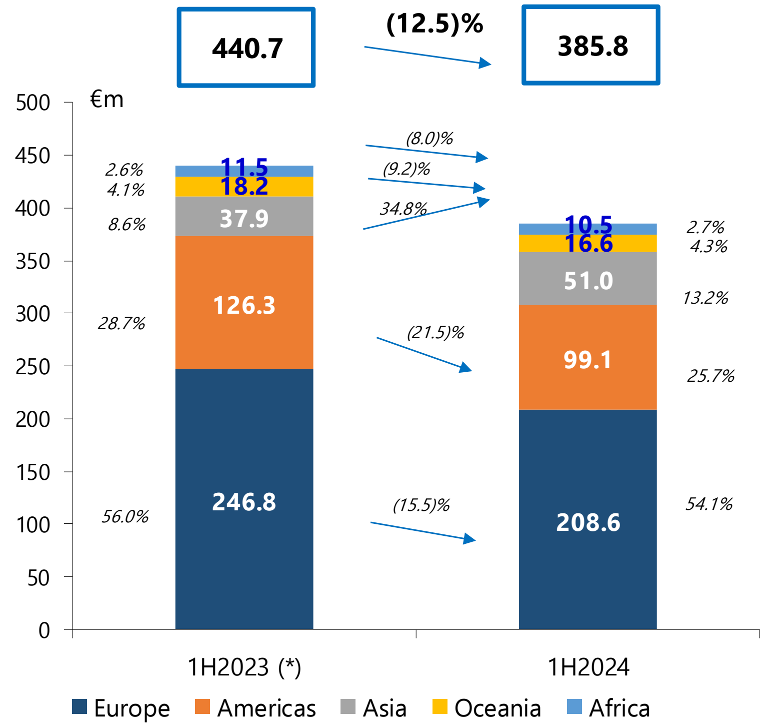
(*) The 1H 2023 figures have been restated to be consistent with 1H 2024 classification



Distinction between Water and Other non-alcoholic beverages should be taken as indicative.

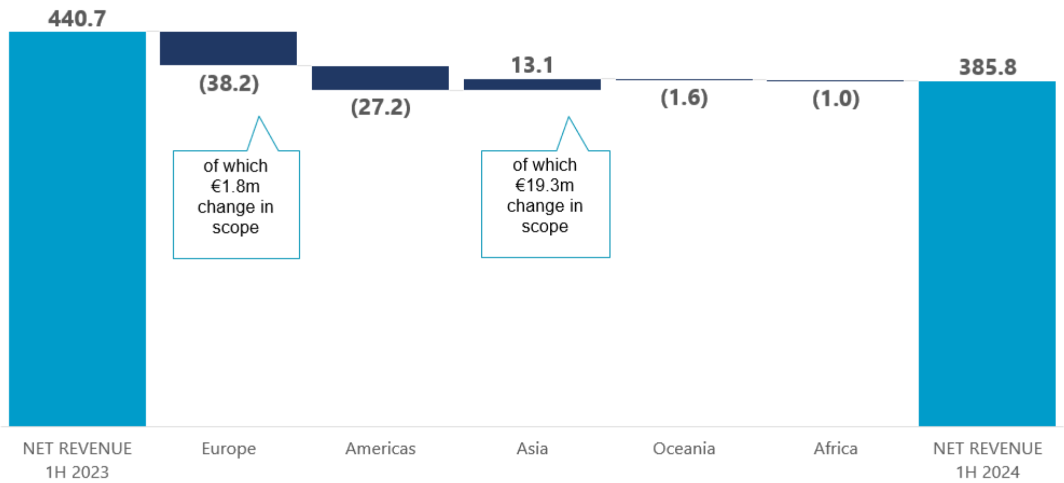
NET REVENUE BY GEOGRAPHICAL SEGMENT

The table below shows a breakdown of net revenue by geographical segment based on the location of the entity recording the revenue:



(*) The 1H 2023 figures have been restated to be consistent with 1H 2024 classification

The chart below indicates the trend in revenue by geographical segment:



Revenue decrease was stronger in Europe, net revenue from operations decreased by €38.2 million from €246.8 million in the first half 2023 (56.0% of net revenue) to €208.6 million in the first half 2024 (54.1% of net revenue).

The Group is not exposed to significant geographical risks other than normal business risks.

OTHER OPERATING INCOME

Other operating income is mainly composed by government grants and other recoveries. The amount (€4.1 million in the first half 2024) increased by €1.8 million compared to the first half 2023 mainly due to provision release.

INTERNAL WORK CAPITALISED

This caption decreased by €0.6 million from €3.7 million in the first half 2023 (0.8% of net revenue) to €3.1 million in the first half 2024 (0.8%). Internal work capitalised includes capitalised development expenditure and internal personnel expense for extraordinary maintenance on property, plant and equipment and increases of internal resources dedicated to SAP implementation.

COSTS FOR RAW MATERIALS

Costs for raw materials decreased by €33.6 million from €202.1 million in the first half 2023 (45.9% of net revenue) to €168.5 million in the first half 2024 (43.7%) mainly due to direct consequence of lower sale and production volumes.

COSTS FOR SERVICES

Costs for services decreased by €3.6 million from €79.0 million in in the first half 2023 (17.9% of net revenue) to €75.4 million in the first half 2024 (19.5%). Compared to first half 2023, the decrease is mainly due to lower utilities costs, both energy and gas.

PERSONNEL EXPENSE

Personnel expense decreased by €4.0 million from €85.9 million in the first half 2023 to €81.9 million in the first half 2024 mainly due to higher accounting of MIP (Management incentive plan) in first half 2023.

OTHER OPERATING EXPENSE

The table below breaks down and compares other operating expense in the two period:

(€'000)	First half		
	2023	**2024**	**diff.**
Accruals to provisions	405	147	(258)
Taxes and duties	1,409	1,309	(100)
Use of third-party assets	1,076	1,306	230
Impairment losses on trade receivables and contract assets	348	259	(89)
Other charges	1,912	776	(1,136)
Total	**5,150**	**3,797**	**(1,353)**

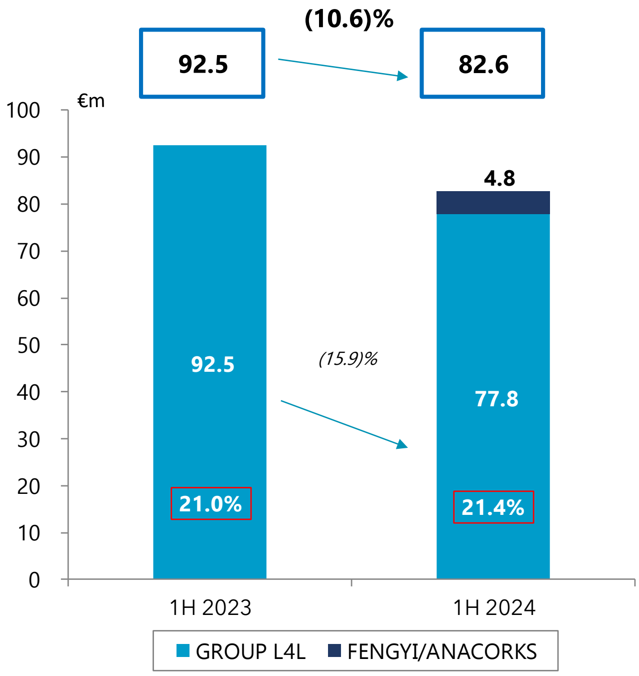
Other operating expense decreased by €1.4 million from €5.2 million in the first half 2023 (1.2% of net revenue) to €3.8 million in the first half 2024 (1.0% of net revenue).

ADJUSTED GROSS OPERATING PROFIT

In the first half 2024, the reported adjusted gross operating profit (adjusted EBITDA) amounts to €82.6 million, down €9.8 million (-10.6%) on the first half 2023 (€92.5 million). Fengyi and Anacorks positively contributed for €4.8 million.

The adjusted gross operating profit margin increased from 21.0% of net revenue in the first half 2023 to 21.4% in the first half 2024.

The following chart illustrates the first half 2024 trend in adjusted EBITDA compared to first half 2023:



Note: *The percentages shown in the boxes indicate the adjusted gross operating profit (adjusted EBITDA) as a percentage of net revenue.*

AMORTISATION AND DEPRECIATION

Amortisation and depreciation decreased by €1.5 million from €26.7 million in the first half 2023 (6.1% of net revenue) to €25.2 million (6.5%). The first half 2023 figures have been restated following the finalization of the purchase price allocation procedure for Labrenta.

OPERATING PROFIT

In the first half 2024, the reported operating profit (EBIT) is €49.8 million, down €6.6 million (-11.7%) on the first half 2023 (€56.4 million). Adjusted operating profit in the first half 2024 would be €57.4 million compared to €65.8 million in the first half 2023.

FINANCIAL INCOME AND EXPENSE

The following table breaks down financial income and expense by nature in the first half 2023 and 2024:

	First half		
(€'000)	**2023**	**2024**	**diff.**
Net interest expense	(9,536)	(23,158)	(13,622)
Net exchange gains/(losses)	(8,013)	5,283	13,296
Net fair value (losses) on financial liabilities to non-controlling investors	(2,440)	(830)	1,610
Other net financial income/(expense)	(928)	245	1,173
Net financial expense	**(20,917)**	**(18,460)**	**2,457**

Net financial expenses decreased by €2.4 million from €20.9 million in the first half 2023 to €18.5 million in the first half 2024.

Such decrease is mainly due to the €13.3 million positive impact of exchange rate (a loss of €8.0 million in the first half 2023 versus a gain of €5.3 million in the first half 2024), the €1.6 million positive effect of lower change in fair value of financial liabilities to non controlling investors (€2.4 million in the first half 2023 compared to €0.8 million in the first half 2024), the €1.2 million positive effects of the other net financial income/(expense), partially compensated by negative impact of €13.6 million from higher interest expense following the refinancing occurred in October 2023 and June 2024.

INCOME TAXES

The following table compares the income taxes in the first half 2023 and 2024:

(€'000)	First half		
	2023 (*)	**2024**	**diff.**
Current taxes	(20,150)	(14,321)	5,829
Deferred taxes	3,915	(1,399)	(5,314)
Total income taxes	**(16,235)**	**(15,720)**	**515**

(*) The first half 2023 figures have been restated following finalization of the purchase price allocation procedure for Labrenta.

PROFIT FOR THE PERIOD

The profit for the first half 2024 amounts to €15.6 million, down €3.6 million on the profit of €19.2 million for the first half 2023.

The decrease in the first half 2024 is mainly due to the decrease (€8.1 million) in the gross operating profit (EBITDA), partially compensated by the reduction in amortisation and depreciation (€1.5 million) and the decrease in net financial expense (€2.5 million).

RECLASSIFIED STATEMENT OF FINANCIAL POSITION

The following table shows the reclassified financial position of the Guala Closures Group as at June 30, 2024 with comparative figures as at December 31, 2023:

(€'000)	**December, 31 2023**	**June 30, 2024**
Intangible assets	855,727	851,951
Property, plant and equipment	260,949	278,057
Right-of-use assets	20,439	22,930
Net working capital	154,234	181,966
Net derivative liabilities	(6,867)	(2,010)
Employee benefits	(8,545)	(8,261)
Other net liabilities	(87,292)	(107,582)
Net invested capital	**1,188,645**	**1,217,052**
Financed by:		
Net financial liabilities	857,512	1,002,820
Financial liabilities - Lease	21,367	23,559
Financial liabilities - non-controlling investors	45,210	46,040
Cash and cash equivalents	(196,280)	(327,364)
Net financial indebtedness	**727,808**	**745,055**
Equity	460,837	471,997
Sources of financing	**1,188,645**	**1,217,052**

INTANGIBLE ASSETS

Intangible assets decreased by €3.8 million compared to December 31, 2023 mainly due to the amortisation of the period (€7.2 million) partially offset by the net increase of the period (€3.2 million) and the positive exchange translation impact (€0.1 million).

PROPERTY, PLANT AND EQUIPMENT

The €17.1 million increase in property, plant and equipment compared to December 31, 2023 is mainly due to the net investments of the period (€28.7 million), the positive translation impact (€1.8 million), partially offset by the depreciation of the period (€13.7 million).

Capital expenditure in the first half 2024, totalling €29.5 million, refers to investments made to increase production capacity, develop new products, perform plant maintenance and EHS (Environment, Health and Safety) investments. Capex mainly refers to equipment across all five continents where the group operates, with a specific focus on the Group's facilities in UK, Italy, India, Poland and China.

RIGHT-OF-USE ASSETS

At June 30, 2024, right-of-use assets amount to €22.9 million and mainly relate to the leases of the facilities where the group operates. The main increases relate to GC Iberica (€1.9 million), GC New Zealand (€1.2 million) and GC Italy (€1.7 million), partially compensated by depreciation of the period (€4.3 million).

NET WORKING CAPITAL

The table below provides a breakdown of net working capital:

(€'000)	December 31, 2023	June 30, 2024
Inventories	124,354	143,634
Trade receivables	126,077	155,735
Trade payables	(96,196)	(117,402)
Net working capital (*)	**154,234**	**181,966**

(*) These figures do not match those used to calculate the change in working capital in the statement of cash flows for the period as those amounts have been adjusted to reflect changes in exchange rates on the opening balances.

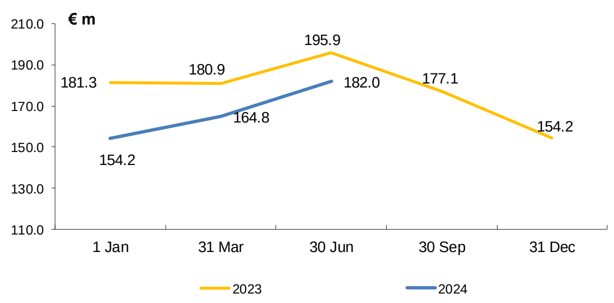
The above net working capital includes certain reclassifications compared to the consolidated format. A reconciliation schedule is attached as Annex B) to this report.

The table and chart below analyse net working capital days, calculated on the first half sales figures:

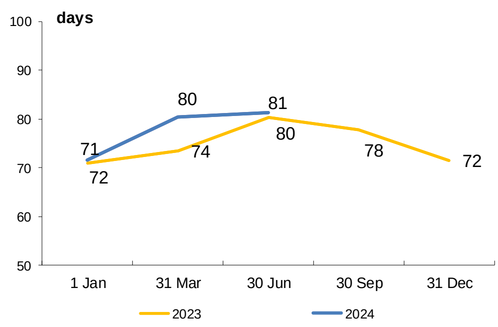
Days	December 31, 2023	June 30, 2024
Inventories	58	64
Trade receivables	59	70
Trade payables	(45)	(52)
Net working capital days	**72**	**81**

The chart below refers to the historical trend in net working capital by quarter:

VALUE



DAYS



Net working capital at June 30, 2024 amounted to €182.0 million, with an increase of €27.7 million compared to December 31, 2023. Compared to June 30, 2023 it decreased by €13.9 million due to lower revenues. Net working capital days in the first half 2024 were higher than first half 2023 mainly due to longer days in trade receivables and inventories.

OTHER NET LIABILITIES

The table below shows a breakdown of other net liabilities:

(€'000)	December 31, 2023	June 30, 2024
Deferred tax assets	20,129	15,081
Deferred tax liabilities	(53,497)	(50,242)
Net DTA/(DTL)	**(33,368)**	**(35,161)**
Payables to employees and social security	(22,257)	(19,251)
Provisions	(12,572)	(9,488)
Liabilities for dividends	(276)	(592)
Liabilities for investments	(9,048)	(10,988)
Other net liabilities	(9,773)	(32,102)
Total net other liabilities	**(87,292)**	**(107,582)**

Total net other liabilities for the first half 2024 amounts to €107.6 million, up €19.9 million compared to €87.3 million in December 31, 2023.

The increase in the first half 2024 in other net liabilities (€20.3 million) is mainly due to collection of the insurance reimbursement accrued in December 2023 for the incident occurred in Magenta plant and customer contribution for capex.

The reduction in payables to employees and social security (€3.0 million) is mainly due to the payment made for a settlement with a senior manager.

EQUITY

The table below shows a breakdown of equity:

(€'000)	December 31, 2023	June 30, 2024
Equity attributable to the owners of the parent	408,012	417,344
Equity attributable to non-controlling interests	52,826	54,653
Equity	**460,837**	**471,997**

The increase in equity is mainly due to profit of the period (€ 15.6 million) partially offset by dividend distribution for €4.2 million. The details of the above are provided in the statement of changes in equity.

NET FINANCIAL INDEBTEDNESS

The table below gives a breakdown of net financial indebtedness:

(€'000)	December 31, 2023	June 30, 2024
Net financial liabilities - third parties	857,512	1,002,820
Financial liabilities - Lease	21,367	23,559
Financial liabilities - non-controlling investors	45,210	46,040
Cash and cash equivalents	(196,280)	(327,364)
Net financial indebtedness	**727,808**	**745,055**

Note: *The above net financial indebtedness includes certain reclassifications compared to the consolidated financial statements. A reconciliation schedule is attached as Annex A) to this report.*

In the first half 2024, net financial indebtedness increased by €17.2 million mainly as the result of cash flows generated by operating activities (€47.2 million), offset by the cash flows used in investing activities (€29.9 million) and in financing activities (€34.6 million).

The details of the above are provided in the reclassified statement of changes in net financial indebtedness.

RECLASSIFIED STATEMENT OF CHANGES IN NET FINANCIAL INDEBTEDNESS

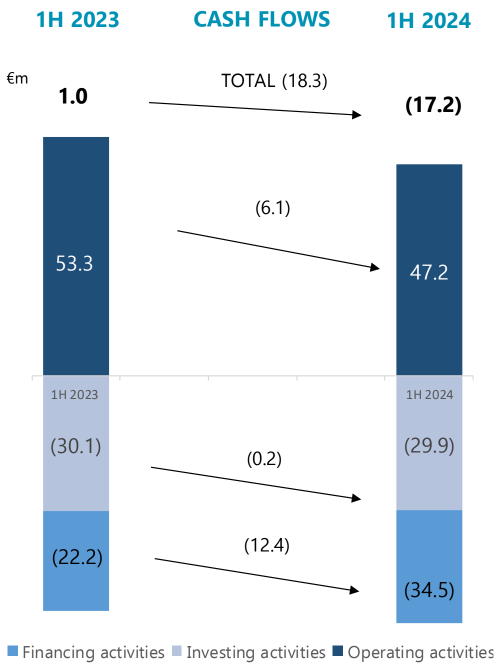
The reclassified statement of changes in net financial indebtedness for the first half 2024, compared with the first half 2023, is given below.

(€'000)	1H 2023 (*)	1H 2024
A) Opening net financial indebtedness	**(482,787)**	**(727,808)**
Gross operating profit	83,072	74,989
Net gains on sale of non-current assets	(225)	(76)
Change in net working capital	(11,562)	(29,103)
Other operating items	(1,066)	17,499
Derivatives	(119)	-
Taxes	(16,781)	(16,087)
B) Net cash flows from operating activities	**53,320**	**47,223**
Capex	(30,111)	(30,754)
M&A Fengyi - price adjustment	-	848
C) Cash flows used in investing activities	**(30,111)**	**(29,906)**
Increases in right-of-use assets	(4,619)	(6,182)
Transaction costs paid on Bond issued in 2023, net of transaction costs unpaid on bond issued in 2024	-	2,176
Net interest expense	(10,464)	(26,345)
Dividends paid	(4,374)	(3,454)
Change in financial liabilities for put options	(2,440)	(830)
Other financial items	814	4,395
Effect of exchange fluctuation	(1,069)	(4,324)
D) Change in net financial indebtedness due to financing activities	**(22,152)**	**(34,564)**
E) Total change in net financial indebtedness (B+C+D)	**1,056**	**(17,247)**
F) Closing net financial indebtedness (A+E)	**(481,731)**	**(745,055)**

(*) The first half 2023 figures have been restated following finalization of the purchase price allocation procedure for Labrenta.

Note: *Reference should be made to Annex C) Reconciliation between the change in net financial indebtedness and the change in cash and cash equivalents for the reconciliation between the above reclassified statement of changes in net financial indebtedness and the statement of cash flows included in these condensed interim consolidated financial statements.*

The following chart gives a breakdown of the change in net financial indebtedness, detailing the various items in in the first half 2024, compared to the first half 2023:



Net cash flows from operating activities

Net cash flows from operating activities totalled €47.2 million, down €6.1 million on the first half 2023 (€53.3 million) due to the decrease (€8.1 million compared to the first half 2023) in the gross operating profit (EBITDA) and higher absorption from change in net working capital (€17.5 million), partially offset by higher other operating items (€18.6 million) mainly related to insurance reimbursement received for the damage of a Magenta's lithography line due to damages caused by the fire occurred in 2022 and to customer contribution for capital expenditure.

Cash flows used in investing activities

Cash flows used in investing activities are €29.9 million, down €0.2 million on the first half 2023 (€30.1 million), mainly due to price adjustment related to the acquisition of Fengyi made in the first half 2024.

Change in net financial indebtedness due to financing activities

The change in net financial indebtedness due to financing activities in the first half 2024 shows an outflow of €34.5 million, up €12.4 million on the first half 2023 (outflow of €22.2 million).

Such increase refers to the following main negative effects:

- Higher net interest expense (€15.9 million);
- increase in right-of-use assets (€1.6 million);
- increase in effect of exchange rate fluctuation (€3.3 million);

partially offset by the following positive factors:

- Higher transaction costs unpaid on bond issued in 2024 partially offset by transaction costs paid on bonds issued in 2023 (€2.2 million);
- lower change in fair value loss on non-controlling investors' put options (€ 1.6 million);
- lower dividends paid to minorities (€ 0.9 million);
- higher other financial items (€3.3 million) mainly due to foreign operations in hyperinflationary economies.

Current trading and outlook

Guala Closures Group continues to focus on the following key areas:

- In 2Q 2024, notwithstanding unfavorable market conditions due to "system destocking" and lower demand, the Group managed to improve trends across main KPIs;
- Expansion in the crown market thanks to the acquisition of Astir Vitogiannis;
- Continuous focus on cost saving efficiencies and NWC optimization achieved through operational improvements initiatives;
- Acquisition of the minority stake in Poland was finalized, unlocking additional synergies to further streamline processes generating operational efficiencies.

Looking ahead, the Group expects external market conditions to remain challenging although foreseen improvements in business conditions compared to previous quarters. The focus continues to be on business development in all segments, new customers acquisition, operational efficiencies and the full integration of Astir Vitogiannis.

Alternative performance indicators - Guala Closures Group

In addition to the financial performance indicators required by IFRS, this report includes some alternative performance indicators (gross operating profit (loss), adjusted gross operating profit (loss), operating profit (loss), adjusted operating profit (loss), net financial indebtedness) which, although not required by IFRS, are based on IFRS values.

Management has presented the performance of gross operating profit, adjusted gross operating profit, operating profit and adjusted operating profit because it monitors them at a consolidated level and it believes that these measures are relevant to an understanding of the group's financial performance and should not be considered as substitutes for IFRS indicators.

Gross operating profit (EBITDA) is calculated by adjusting the profit (loss) for the period to exclude the impact of taxation, net financial expense and amortisation/depreciation.

Adjusted gross operating profit (adjusted EBITDA) is calculated by adjusting the profit (loss) for the period to exclude the effect of taxation, net financial expense, amortisation/depreciation and the effects of other costs, such as expense related to the reorganisation costs, merger and acquisition expenses, SAP implementation costs not capitalised, MIP (Management Incentive Plan), non-recurring expenses and impairment losses.

Operating profit is calculated by adjusting the profit (loss) for the period to exclude the impact of taxation and net financial expense.

Adjusted operating profit (adjusted EBIT) is calculated by adjusting the profit (loss) for the period to exclude the effect of taxation, net financial expense and the effects of other costs, such as expense related to the reorganisation costs, merger and acquisition expenses, SAP implementation costs not capitalised, MIP (Management Incentive Plan), non-recurring expenses and impairment losses.

The gross operating profit, the adjusted gross operating profit and the adjusted operating profit are not defined performance measures in the IFRS. The group's definition of adjusted gross operating profit and adjusted operating profit may not be comparable with similarly titled performance measures and disclosures by other entities. The table below gives a summary of the gross operating profit.

Adjusted gross operating profit

(€'000)	First half 2023 (*)	2024
Profit for the period	19,243	15,596
Income taxes	16,235	15,720
Profit before tax	**35,477**	**31,316**
Net financial expense	20,917	18,460
Amortisation and depreciation	26,678	25,213
Gross operating profit	**83,072**	**74,989**
Adjustments:		
Reorganisation costs	309	2,007
Merger and acquisition expenses	2,356	1,787
SAP implementation costs not capitalised and training/ optimising	-	1,146
Impairment losses	211	-
MIP (Managment incentive plan)	6,504	2,137
Other	-	575
Adjusted gross operating profit	**92,453**	**82,642**

Adjusted operating profit

(€'000)	First half 2023 (*)	2024
Profit for the period	19,243	15,596
Income taxes	16,235	15,720
Profit before tax	**35,477**	**31,316**
Net financial expense	20,917	18,460
Operating profit	**56,394**	**49,776**
Adjustments:		
Reorganisation costs	309	2,007
Merger and acquisition expenses	2,356	1,787
SAP implementation costs not capitalised and training/ optimising	-	1,146
MIP (Managment incentive plan)	6,504	2,137
Impairment losses	211	-
Other	-	575
Adjusted operating profit (Adjusted EBIT)	**65,775**	**57,428**

(*) The first half 2023 figures have been restated following finalization of the purchase price allocation procedure for Labrenta.

The adjustments reported in the tables above are mainly referred to:

- Reorganisation costs refer to severance and restructuring costs mainly related to Italy (€1.7 million);
- Merger and acquisition expenses include due diligence and consultant costs mainly related to the Astir acquisition (€1.1 million) and to other various projects;
- Other mainly includes costs for customs guarantee and extraordinary inflation adjustments.

These indicators are shown in order to provide a better understanding of the group's financial performance and should not be considered as substitutes for IFRS indicators.

Net financial indebtedness consists of financial liabilities minus cash and cash equivalents and financial assets as reconciled in Annex B) to this report "Reconciliation between the tables included in the directors' report and the consolidated financial statements". This indicator is shown in order to provide a better understanding of the group's financial position and should not be considered as a substitute for IFRS indicators.

Annexes to the directors' report

Annex A)

Reconciliation between the tables included in the directors' report with the condensed interim consolidated financial statements – financial income and expense.

Annex B)

Reconciliation between the tables included in the directors' report with the condensed interim consolidated financial statements – statement of financial position.

Annex C)

Reconciliation between the tables included in the directors' report with the condensed interim consolidated financial statements – change in net financial indebtedness towards change in cash and cash equivalents.

Annex A)

Reconciliation between the tables included in the directors' report with the condensed interim consolidated financial statements – financial income and expense

(€'000)

Classification in reclassified financial income and expense	1H 2023	1H 2024	Classification in the notes to the consolidated financial statements (notes 13-14)
Net exchange losses	6,636	13,458	Exchange gains
Net exchange losses	(14,649)	(8,175)	Exchange losses
Net fair value losses on financial liabilities to non-controlling investors	(2,440)	(830)	Financial expense on financial liabilities to non-controlling investors
Net interest expense	506	2,103	Interest income
Net other financial expense	1,739	3,628	Other financial income
Net interest expense	(10,042)	(25,261)	Interest expense
Other net financial expense	(2,667)	(3,383)	Other financial expense
Total net financial expense	**(20,917)**	**(18,460)**	

Annex B)

Reconciliation between the tables included in the directors' report with the condensed interim consolidated financial statements – statement of financial position

(€'000)

Classification in the reclassified statement of financial position	December 31, 2023	June 30, 2024	Classification in the condensed interim consolidated financial statements
Net working capital	126,077	155,735	Trade receivables
Net working capital	124,354	143,634	Inventories
Net working capital	(96,196)	(117,402)	Trade payables
Total net working capital	**154,234**	**181,966**	
Other net liabilities	16,199	11,506	Current direct tax assets
Other net liabilities	8,984	11,532	Current indirect tax assets
Other net liabilities	20,825	10,513	Other current assets
Other net liabilities	16	19	Contract costs
Other net liabilities	20,129	15,081	Deferred tax assets
Other net liabilities	3,177	3,082	Other non-current assets
Other net liabilities	(17,463)	(10,710)	Current direct tax liabilities
Other net liabilities	(13,197)	(15,878)	Current indirect tax liabilities
Other net liabilities	(11,828)	(8,741)	Current provisions
Other net liabilities	(1,009)	(1,038)	Contract liabilities
Other net liabilities	(49,997)	(60,742)	Other current liabilities
Other net liabilities	(53,497)	(50,242)	Deferred tax liabilities
Other net liabilities	(744)	(747)	Non-current provisions
Other net liabilities	(8,889)	(11,217)	Other non-current liabilities
Total net other liabilities	**(87,292)**	**(107,582)**	
Net financial liabilities	(756)	(1,910)	Current financial assets
Net financial liabilities	(3,434)	(3,417)	Non-current financial assets
Net financial liabilities	17,637	25,470	Current financial liabilities
Financial liabilities - Lease	4,525	5,364	Current financial liabilities
Net financial liabilities	844,065	982,676	Non-current financial liabilities
Non controlling investors' put option	5,890	4,177	Current financial liabilities
Non controlling investors' put option	39,320	41,863	Non-current financial liabilities
Financial liabilities - Lease	16,841	18,195	Non-current financial liabilities
Cash and cash equivalents	(196,280)	(327,364)	Cash and cash equivalents
Total net financial indebtedness	**727,807**	**745,055**	

Annex C)

Reconciliation between the tables included in the directors' report with the condensed interim consolidated financial statements – change in net financial indebtedness towards change in cash and cash equivalents

(€'000)

	June 30, 2023	June 30,2024
Total change in net financial indebtedness	**1,056**	**(17,247)**
Increase in right-of-use assets	4,619	6,182
Proceeds from bonds	-	149,784
Net repayment of borrowings	(935)	(866)
Repayment of finance leases	(3,250)	(3,990)
Translation effect on foreign currency assets and liabilities	120	1,058
Net fair value gains on non-controlling investors' put options	2,440	830
Change in liabilities for financial expense	1,297	(1,352)
M&A Fengyi - price adjustment	-	(848)
Payment of transaction costs on bond issued	-	(2,886)
Change in financial assets	(90)	419
Total change in financial assets and liabilities	**4,202**	**148,330**
Total change in cash and cash equivalents	**5,258**	**131,083**

Condensed interim consolidated financial statements at June 30, 2024

Statement of profit or loss

For the six months ended June 30 (€'000)	2023 (*)	2024	Note
Net revenue	**440,668**	**385,757**	6
Change in finished goods and semi-finished products	8,798	11,608	
Other operating income	2,264	4,074	7
Internal work capitalised	3,668	3,076	8
Costs for raw materials	(202,112)	(168,461)	9
Costs for services	(78,962)	(75,383)	10
Personnel expense	(85,891)	(81,878)	11
Other operating expense	(4,803)	(3,538)	12
Impairment losses on trade receivables and contract assets	(348)	(259)	
Impairment losses	(211)	(6)	
Amortisation and depreciation	(26,678)	(25,213)	19-20-21
Financial income	8,881	19,189	13
Financial expense	(29,798)	(37,649)	14
Profit before taxation	**35,477**	**31,316**	
Income taxes	(16,235)	(15,720)	15
Profit for the period	**19,243**	**15,596**	
Attributable to:			
- the owners of the parent	13,150	9,185	
- non-controlling interests	6,093	6,411	

Statement of profit or loss and other comprehensive income

(€'000)	2023 (*)	2024
Profit (loss) for the period	**19,243**	**15,596**
Other comprehensive income (expense):		
Actuarial gains on defined benefit plans	19	123
Items that will not be reclassified to profit or loss:	***19***	***123***
Foreign currency translation differences for foreign operations	11,692	(4,025)
Hedging reserve	(1,818)	3,025
Hedging reserve for cash flow hedges reclassified to profit or loss	(58)	1,818
Tax on items that will or may be reclassified subsequently to profit or loss	555	(1,159)
Items that will or may be reclassified subsequently to profit or loss:	**10,370**	**(340)**
Other comprehensive income (expense) for the period, net of tax	**10,389**	**(218)**
Comprehensive income (expense) for the period	**29,632**	**15,378**
Attributable to:		
- the owners of the parent	22,492	9,332
- non-controlling interests	7,140	6,046

(*) The 1H 2023 figures have been restated following finalization of the purchase price allocation procedure for Labrenta.

The notes on pages 48 to 81 are an integral part of these condensed interim consolidated financial statements.

Statement of profit or loss

For the three months ended June 30 (€'000)	2023 (*)	2024	Note
Net revenue	**219,375**	**201,502**	6
Change in finished goods and semi-finished products	1,630	4,475	
Other operating income	1,499	1,064	7
Internal work capitalised	1,774	1,636	8
Costs for raw materials	(98,298)	(85,056)	9
Costs for services	(37,467)	(38,563)	10
Personnel expense	(45,689)	(42,695)	11
Other operating expense	(2,476)	(1,642)	12
Impairment losses on trade receivables and contract assets	(284)	(236)	
Impairment losses	(211)	(6)	
Amortisation and depreciation	(13,406)	(13,108)	19-20-21
Financial income	4,746	7,700	13
Financial expense	(14,941)	(18,850)	14
Profit before taxation	**16,251**	**16,221**	
Income taxes	(10,377)	(9,810)	15
Profit for the period	**5,874**	**6,411**	
Attributable to:			
- the owners of the parent	3,479	2,931	
- non-controlling interests	2,395	3,480	

Statement of profit or loss and other comprehensive income

For the three months ended June 30 (€'000)	2023 (*)	2024
Profit for the period	**5,874**	**6,411**
Other comprehensive income (expense):		
Actuarial gains on defined benefit plans	19	76
Items that will not be reclassified to profit or loss:	***19***	***76***
Foreign currency translation differences for foreign operations	9,555	(8,367)
Hedging reserve	(4,596)	(2,925)
Hedging reserve for cash flow hedges reclassified to profit or loss	3,329	4,596
Tax on items that will or may be reclassified subsequently to profit or loss	375	(394)
Items that will or may be reclassified subsequently to profit or loss:	**8,662**	**(7,090)**
Other comprehensive income for the period, net of tax	**8,681**	**(7,014)**
Comprehensive income for the period	**14,555**	**(603)**
Attributable to:		
- the owners of the parent	10,877	(3,800)
- non-controlling interests	3,677	3,197

(*) The 2023 figures have been restated following finalization of the purchase price allocation procedure for Labrenta.

Statement of financial position – ASSETS

(€'000)	December 31, 2023	June 30, 2024	Note
ASSETS			
Current assets			
Cash and cash equivalents	196,280	327,364	16
Current financial assets	756	1,910	
Trade receivables	126,077	155,735	17
Inventories	124,354	143,634	18
Current direct tax assets	16,199	11,506	
Current indirect tax assets	8,984	11,532	
Other current assets	20,825	10,513	
Total current assets	**493,475**	**662,194**	
Non-current assets			
Non-current financial assets	3,434	3,417	
Property, plant and equipment	260,949	278,057	19
Right-of-use assets	20,439	22,930	20
Intangible assets	855,727	851,951	21
Contract costs	16	19	
Deferred tax assets	20,129	15,081	
Other non-current assets	3,177	3,083	
Total non-current assets	**1,163,872**	**1,174,538**	
TOTAL ASSETS	**1,657,347**	**1,836,732**	

The notes on pages 48 to 81 are an integral part of these condensed interim consolidated financial statements.

Statement of financial position – LIABILITIES

(€'000)	December 31, 2023	June 30, 2024	Note
LIABILITIES AND EQUITY			
Current liabilities			
Current financial liabilities	28,053	35,012	22
Trade payables	96,196	117,402	23
Contract liabilities	1,009	1,038	
Current direct tax liabilities	17,463	10,710	
Current indirect tax liabilities	13,197	15,878	
Current provisions	11,828	8,741	24
Current derivative liabilities	68	-	
Other current liabilities	49,997	60,742	25
Total current liabilities	**217,810**	**249,523**	
Non-current liabilities			
Non-current financial liabilities	900,226	1,042,733	22
Employee benefits	8,545	8,261	
Deferred tax liabilities	53,497	50,242	
Non-current provisions	744	747	24
Non-current derivative liabilities	6,799	2,053	
Other non-current liabilities	8,889	11,176	
Total non-current liabilities	**978,699**	**1,115,212**	
Total liabilities	**1,196,510**	**1,364,735**	
Share capital and reserves attributable to non-controlling interests	42,942	48,242	
Profit for the period attributable to non-controlling interests	9,884	6,411	
Equity attributable to non-controlling interests	**52,826**	**54,653**	**27**
Share capital	68,907	68,907	
Share premium reserve	388,341	388,341	
Legal reserve	13,781	13,781	
Translation reserve	(13,904)	(17,907)	
Hedging reserve	(5,215)	(1,530)	
Retained earnings and other reserves	(57,445)	(43,434)	
Profit for the period	13,547	9,186	
Equity attributable to the owners of the parent	**408,012**	**417,344**	**26**
Total equity	**460,837**	**471,997**	
TOTAL LIABILITIES AND EQUITY	**1,657,347**	**1,836,732**	

The notes on pages 48 to 81 are an integral part of these condensed interim consolidated financial statements.

Statement of cash flows

(€'000)	first half		
	2023 (*)	**2024**	**Note**
Opening cash and cash equivalents	**79,478**	**196,280**	
A) Cash flows from operating activities			
Profit before taxation	35,477	31,316	
Adjustments:			
Amortisation and depreciation	26,678	25,213	19-20-21
Financial income	(8,881)	(19,189)	
Financial expense	29,798	37,649	
Impairment losses on fixed assets	211	6	
Net gains on sale of non-current assets	(225)	(76)	
Variation:			
Receivables	(4,939)	(30,223)	17
Payables	(431)	20,785	23
Inventories	(6,191)	(19,665)	18
Other operating items	(1,396)	17,493	
Income taxes paid	(16,781)	(16,087)	
Net cash flows from operating activities	**53,320**	**47,223**	
B) Cash flows from investing activities			
Acquisitions of property, plant and equipment and intangible assets	(30,731)	(31,266)	19-20-21
Proceeds from sale of property, plant and equipment and intangible assets	620	512	19-20-21
Net cash flows used in investing activities	**(30,111)**	**(30,754)**	
C) Cash flows from financing activities			
Interest received	573	1,463	
Interest paid	(11,347)	(26,021)	
Transaction costs paid for bonds issued	-	(2,886)	
Other financial items	2,418	3,432	
Dividends paid to minorities	(4,374)	(3,454)	
Proceeds from new bonds	-	149,784	22
Net repayment of borrowings	(935)	(867)	22
Repayment of leases	(3,250)	(3,990)	
Change in financial assets	(90)	419	
Net cash flows used in financing activities	**(17,004)**	**117,880**	
Net cash flows of the period	**6,205**	**134,349**	
Effect of exchange fluctuations on cash held	(949)	(3,265)	
Closing cash and cash equivalents	**84,734**	**327,364**	**16**

(*) The 2023 figures have been restated following finalization of the purchase price allocation procedure for Labrenta and to be consistent with 1H 2024 classification.

The notes on pages 48 to 81 are an integral part of these condensed interim consolidated financial statements.

Statement of changes in equity

(€'000)	January 1, 2023	Allocation of 2022 result	Profit for the period	Other comprehensive income	Comprehensive income for the period	Total transactions with owners	June 30, 2023	Labrenta PPA	June 30, 2023 (*)
	A)	B)			C)	D)	A)+B)+C)+D)	E	A)+B)+C)+D)+E)
Attributable to the owners of the parent:									
Share capital	68,907				-	-	68,907		68,907
Share premium reserve	423,837				-	-	423,837		423,837
Legal reserve	2,310	1,592			-	-	3,902		3,902
Translation reserve	(20,348)			10,645	10,645	-	(9,703)		(9,703)
Hedging reserve	-			(1,322)	(1,322)	-	(1,322)		(1,322)
Retained earnings and other reserves	122,543	53,604		19	19	-	176,166	(622)	175,544
Profit for the period	55,196	(55,196)	13,678		13,678	-	13,678	(529)	13,149
Equity	652,445	-	13,678	9,342	23,020	-	675,465	(1,151)	674,314
Non-controlling interests:		0			0				
Share capital and reserves	33,252	13,204		1,047	1,047	(4,480)	43,024	-	43,024
Profit for the period	13,204	(13,204)	6,093		6,093		6,093	-	6,093
Equity	46,457	-	6,093	1,047	7,140	(4,480)	49,117	-	
Total equity	698,901	-	19,771	10,389	30,160	(4,480)	724,582	(1,151)	723,431

(*) The first half 2023 figures have been restated following finalization of the purchase price allocation procedure for Labrenta.

(€'000)	January 1, 2024	Allocation of 2023 result	Profit for the period	Other comprehensive income	Comprehensive income for the period	Total transactions with owners	June 30, 2024
	A)	B)			C)	D)	A)+B)+C)+D)
Attributable to the owners of the parent:							
Share capital	68,907				-	-	68,907
Share premium reserve	388,341				-	-	388,341
Legal reserve	13,781	-	-	-	-	-	13,781
Translation reserve	(13,904)			(4,002)	(4,002)	-	(17,907)
Hedging reserve	(5,215)			3,685	3,685	-	(1,530)
Retained earnings and other reserves	(57,445)	13,547		464	464	-	(43,434)
Profit for the period	13,547	(13,547)	9,186		9,186	-	9,186
Equity	408,012	-	9,186	146	9,332	-	417,344
Non-controlling interests:							
Share capital and reserves	42,942	9,884		(364)	(364)	(4,218)	48,243
Profit for the period	9,884	(9,884)	6,411		6,411	-	6,411
Equity	52,826	-	6,411	(364)	6,046	(4,218)	54,654
Total equity	460,837	-	15,596	(218)	15,378	(4,218)	471,997

The notes on pages 48 to 81 are an integral part of these condensed interim consolidated financial statements.

Notes to the condensed interim consolidated financial statements at June 30, 2024

General information

(1) General information

Guala Closures S.p.A. is a company limited by shares set up under Italian law and registered with the Alessandria company registerar. Its registered office is in via Rana 12, zona industriale D6, Spinetta Marengo (Alessandria). Guala Closures S.p.A. is directly owned by Special Packaging Solution Investments S.à r.l. (“SPSI”), and its ultimate parent company is Investindustrial S.A..

The Guala Closures Group’s main activities involve the design and manufacturing of closures for spirits, wine and non-alcoholic beverages such as water, olive oil and vinegar to be sold mainly on international markets.

Currently, the group is the European and international leader in the production of safety closures for spirits bottles, with 70 years’ experience in the sector. It is also the leading European producer of aluminium closures for spirits bottles.

(2) Accounting policies

These condensed interim consolidated financial statements at June 30, 2024 have been prepared in accordance with IAS 34 - Interim Financial Reporting endorsed by the European Union.

Except for that set out in section 3 “Changes to standards”, the accounting policies applied to prepare the condensed interim consolidated financial statements by all the group companies are the same as those applied to prepare the consolidated financial statements of the Guala Closures Group at December 31, 2023, to which reference should be made.

These condensed interim consolidated financial statements have been prepared in Euros, rounding the amounts to the nearest thousand. Any discrepancies between the condensed interim consolidated financial statements balances and those in the tables of these notes are due exclusively to the rounding and do not alter their reliability or substance.

Figures are shown in thousands of Euros, unless otherwise stated.

1H/6M means the first six months of the year from January 1 to June 30. Q2 means the three months of the year from April 1 to June 30.

The condensed interim consolidated financial statements have been prepared on a historical cost basis, except for derivatives, share based payments or similar and contingent consideration arising in a business combination (i.e., the put option on non-controlling interests) which are measured at fair value, and on a going concern basis. There are no business risks and/or any identified uncertainties which may cast doubts on the group’s ability to continue as a going concern.

The condensed interim consolidated financial statements have been prepared using the following formats:

- statement of profit or loss, whose captions are classified by nature;
- statement of profit or loss and other comprehensive income;
- statement of financial position, whose asset and liability captions are classified as current or non-current;
- statement of cash flows, prepared using the indirect method;
- the statement of changes in equity, prepared to present changes in equity.

For each asset and liability caption including amounts due within and after one year, the amount which is expected to be received or paid after one year is shown.

Neither the company nor the group are subject to management or coordination activities.

In preparing the condensed interim consolidated financial statements in accordance with IFRS, management has made estimates and assumptions that affect the carrying amount of assets and liabilities and the disclosure of contingent assets and liabilities at the reporting date. Actual results may differ from these estimates. Main estimates are used to recognise the loss allowance, the allowance for inventory write-down, current assets and liabilities classified as held for sale, depreciation/amortisation and impairment losses on non-current assets, employee benefits, taxes, provisions, measurement of derivatives, market warrants and measurement of the effects of business combinations.

In accordance with IAS 34 - Interim Financial Reporting, the interim measurement of the figures of the condensed interim consolidated financial statements may rely on a greater use on estimation methods than annual consolidated financial statements. The measurement procedures carried out to this end ensure the reliability of the information provided and that all material financial information necessary to understand the group’s financial position and financial performance is provided.

List of investments in subsidiaries and associates at June 30, 2024

	Registered office	Currency	Share/quota capital	Investment percentage	Type of investment	Method of consolidation
EUROPE						
Anacorks Unipessoal Lda	Portugal	EUR	37,000	100%	Direct	Line-by-line
Guala Closures International B.V.	The Netherlands	EUR	92,000	100%	Direct	Line-by-line
GCL International Sarl	Luxembourg	EUR	15,140,700	100%	Indirect (*)	Line-by-line
Guala Closures UK Ltd.	United Kindom	GBP	134,000	100%	Indirect (*)	Line-by-line
Guala Closures UCP Ltd.	United Kindom	GBP	3,509,000	100%	Indirect (*)	Line-by-line
Guala Closures Iberica, S.A.	Spain	EUR	9,879,980	100%	Indirect (*)	Line-by-line
Guala Closures France SAS	France	EUR	2,748,000	100%	Indirect (*)	Line-by-line
Guala Closures Technologia Ukraine LLC	Ukraine	UAH	90,000,000	70%	Indirect (*)	Line-by-line
Guala Closures Bulgaria AD	Bulgaria	BGN	6,252,120	70%	Indirect (*)	Line-by-line
Guala Closures DGS Poland S.A.	Poland	PLN	595,000	70%	Indirect (*)	Line-by-line
Guala Closures BY LLC	Belarus	BYN	1,158,800	85%	Indirect (*)	Line-by-line
Guala Closures Deutschland GmbH	Germany	EUR	500,000	100%	Indirect (*)	Line-by-line
Guala Closures Turkey Ambalaj ve Kapak Sistemleri Sanayi ve Ticaret Anonim Şirketi	Turkey	TRY	11,000,000	100%	Indirect (*)	Line-by-line
ASIA						
Guala Closures India pvt Ltd.	India	INR	170,000,000	95%	Indirect (*)	Line-by-line
Beijing Guala Closures Co. Ltd.	China	CNY	20,278,800	100%	Indirect (*)	Line-by-line
Guala Closures (Chengdu) Co. Ltd.	China	CNY	37,199,770	70%	Indirect (*)	Line-by-line
Fengyi Guala Closures (Sichuan) Co Ltd	China	CNY	21,857,140	70%	Indirect (*)	Line-by-line
Yibin Guanghua Packaging Co. Ltd	China	CNY	5,000,000	70%	Indirect (*)	Line-by-line
Guizhou Fengyi Packaging Co Ltd	China	CNY	10,000,000	70%	Indirect (*)	Line-by-line
Sichuan Fengyi Cap Production Co Ltd	China	CNY	10,000,000	70%	Indirect (*)	Line-by-line
LATIN AMERICA and NORTH AMERICA						
Guala Closures Mexico, S.A. de C.V.	Mexico	MXN	94,630,010	100%	Indirect (*)	Line-by-line
Guala Closures Argentina S.A. (**)	Argentina	ARS	498,960,489	100%	Indirect (*)	Line-by-line
Guala Closures do Brasil LTDA	Brazil	BRL	10,736,290	100%	Indirect (*)	Line-by-line
Guala Closures de Colombia LTDA	Colombia	COP	8,691,219,554	93.2%	Indirect (*)	Line-by-line
Guala Closures Chile SpA	Chile	CLP	6,504,935,369	100%	Indirect (*)	Line-by-line
Guala Closures North America, Inc.	United States	USD	60,000	100%	Indirect (*)	Line-by-line
Labrenta Inc.	United States	USD	10,000	100%	Indirect (*)	Line-by-line
Labrenta S.A. de C.V.	Mexico	MXN	3,791,970	100%	Indirect (*)	Line-by-line
OCEANIA						
Guala Closures New Zealand Ltd.	New Zealand	NZD	5,700,000	100%	Indirect (*)	Line-by-line
Guala Closures Australia Holdings Pty Ltd.	Australia	AUD	34,450,501	100%	Indirect (*)	Line-by-line
Guala Closures Australia Pty Ltd.	Australia	AUD	810	100%	Indirect (*)	Line-by-line
AFRICA						
Guala Closures South Africa Pty Ltd.	South Africa	ZAR	60,000,100	100%	Indirect (*)	Line-by-line
Guala Closures East Africa Pty Ltd.	Kenya	KES	30,300,000	100%	Indirect (*)	Line-by-line
Guala Closures West Africa LFZE	Nigeria	USD	100,000	100%	Indirect (*)	Line-by-line

(*) Reference should be made to the chart illustrating the group structure for further details on the indirect investments
(**) The share capital reported for Guala Closures Argentina S.A. represents the nominal value and does not include the revaluation for inflation

The following exchange rates are applied to translate those financial statements presented in currencies that are not legal tender in Italy:

€1 = x foreign currency	Average exchange rates		Spot exchange rates	
	1H 2023	1H 2024	December 31, 2023	June 30, 2024
Pound sterling	0.87662	0.85455	0.8691	0.84638
US dollar	1.08110	1.08118	1.1050	1.07050
Indian rupee	88.87752	89.98042	91.9045	89.24950
Mexican peso	19.65502	18.51753	18.7231	19.56540
Colombian peso	4,962.26833	4,239.97667	4,267.5200	4,463.00000
Brazilian real	5.48332	5.49455	5.3618	5.89150
Chinese renminbi	7.48977	7.80107	7.8509	7.77480
Argentine peso	278.50220	975.38830	892.9239	975.38830
Polish zloty	4.62592	4.31673	4.3395	4.30900
New Zealand dollar	1.73248	1.77517	1.7504	1.76010
Australian dollar	1.59938	1.64222	1.6263	1.60790
Ukrainian hryvnia	39.53155	42.20858	41.9960	43.26580
Bulgarian lev	1.95580	1.95580	1.9558	1.95580
South African rand	19.6798	20.2467	20.3477	19.4970
Chilean peso	871.2383	1016.7683	977.0700	1021.5400
Kenyan shilling	142.4895	152.0201	173.2685	138.3845
Turkish lira	28.3193	35.1868	32.6531	35.1868

(3) Changes to standards

The new standards and/or amendments thereto applicable to annual reporting periods beginning on or after January 1, 2024 are set out below.

- Amendment to IAS 1 - 'Presentation to Financial Statements' includes the following amendments:
  - Classification of Liabilities as Current or Non-current and Deferral of Effective Date (issued on January 23, 2020 and July 15, 2020 respectively)

  The amendment specifies the requirements to classify liabilities as current or non-current by clarifying i) what is meant by a right to defer the settlement; ii) that if an entity has the right to roll over an obligation for at least twelve months after the end of the reporting period, it classifies the obligation as non-current, even if it would otherwise be due within a shorter period; iii) that the classification is unaffected by the likelihood that an entity will exercise its deferral right; and iv) that the settlement refers to a transfer to the counterparty that results in the extinguishment of the liability.

  - Non-current Liabilities with Covenants (issued on October 31, 2022)

  The amendments clarify that only covenants with which an entity must comply on or before the reporting date will affect a liability's classification as current or non-current; while additional disclosures are required for non-current liabilities arising from loan arrangements that are subject to covenants to be complied with within twelve months after the reporting period.

- Amendment to IFRS 16 - 'Leases', Lease Liability in a Sale and Leaseback (issued on September 22, 2022)

  A sale and leaseback transaction involves the transfer of an asset by an entity (the seller-lessee) to another entity (the buyer-lessor) and the leaseback of the same asset by the seller-lessee. The amendment specifies how a seller-lessee measures the lease liability, which arises in a sale and leaseback transaction, to ensure that it does not recognise any amount of the gain or loss related to the right-of-use retained. The amendment does not change the accounting for leases unrelated to sale and leaseback transactions.

- Amendments to IAS 7 - 'Statement of Cash Flows' and IFRS 7 - 'Financial Instruments: Disclosures: Supplier Finance Arrangements' (issued on May 25, 2023)

  The amendments address the disclosure requirements to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk.

The new standards and amendments have not any significant impacts on the condensed interim consolidated financial statements.

The following accounting standards, amendments and interpretations are not yet endorsed, and the Group is still assessing the impact of these amendments on its financial position or operating results, in so far as they are applicable.

- Amendments to IAS 21 - 'The Effects of Changes in Foreign Exchange Rates: Lack of Exchange ability' (issued on August 15, 2023)

  The amendments clarify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking, as well as require the disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable. The first application is scheduled for 1 January 2025.

- IFRS 18 Presentation and Disclosures in Financial Statements (issued on 9 April 2024)

On 9 April 2024 the International Accounting Standards Board issued IFRS 18 which replaces IAS 1 – 'Presentation and Disclosure in Financial Statements' and introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, there are consequential amendments to other accounting standards. The first application is scheduled for 1 January 2027.

- IFRS 19 – 'Subsidiaries without Public Accountability: Disclosures' (issued on 9 May, 2024)

  On 9 May 2024 the International Accounting Board issued IFRS 19 'Subsidiaries without Public Accountability: Disclosures' which allows eligible entities (Subsidiaries without public accountability of a parent that prepares consolidated financial statement available for public use) to elect to apply IFRS 19's reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS standards. The application of the standard is optional for eligible entities. The standard will became effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

These new documents, having a deferred date of entry into force, were not adopted for the preparation of these condensed interim consolidated financial statements, but will be applied starting from the date of entry into force established as mandatory. No significant impact is expected on the consolidated financial statements from the adoption of these new documents.

(4) Acquisitions of subsidiaries, business units and non-controlling interests

(4.1) Acquisitions of Yibin Fengyi Packaging Co., Ltd

On October 31, 2023, following the agreement reached on July 25, Guala Closures International B.V. entered into a sale and purchase agreement with Mr. Yinzhang Zhu and Ms. Yumin Zhuo to acquire the majority stake of the share capital of Yibin Fengyi Packaging Co. Ltd, based in Yibin - China, which operates mainly in the production and sale of plastic liquor bottle closures and boxes.

Provisional Goodwill

Goodwill arising from the acquisition is provisionally recognised as:

(€'000)	**Amount as at 31 May 2024**
Consideration paid October 31,2023	21,140
Price adjustment May 31,2024	(848)
Net identifiable assets and liabilities	(6,061)
Provisional goodwill arising from the acquisition	**14,231**

In consideration of the period of time which elapsed between the date of the business combination and the date of 30 June 2024 of these condensed interim consolidated financial statements, the complexity of the process of allocating the fair value to the assets acquired, liabilities assumed and contingent liabilities assumed by Yibin Fengyi Packaging Co., Ltd, the longer term of 12 months from the date of the business combination allowed by the reference legislation precisely because of the aforementioned complexity, in these condensed interim consolidated financial statements as at 30 June 2024, the proceeds deriving from the acquisition were provisionally recognised under the item "Goodwill" for a value of €14.2 million, corresponding to the difference between the lower value of the consolidated net assets of Yibin Fengyi Packaging Co., Ltd and the consideration transferred for the purchase of Yibin Fengyi Packaging Co., Ltd shares from the buyers paid on October 31,2023 and the price adjustment agreed on May 31, 2024.

If new information obtained within one year of the date of the acquisition about facts and circumstances that existed at the date of acquisition identifies adjustments to the above amounts, or any additional provisions that existed at the date of the acquisition, then the accounting for the acquisition will be revised.

For additional information, reference should be made to note (5) Acquisitions of subsidiaries, business units and non-controlling interests of Guala Closures Annual report as at December 31, 2023.

Pursuant to the Share Purchase Agreement executed on July 25, 2023, the buyer was supposed to deliver to the sellers within 90 (ninety) business days from closing, a pro-forma consolidated statement of accounts of the Chinese Companies as of the closing date together with the determination, of (i) the final net financial position, and (ii) the final working capital.

On May 31, 2024, the buyer notified the sellers with its proposed price adjustment amount, and subsequently the sellers accepted / did not have any objection to the notice, pursuant to Share Purchase Agreement clause. The price adjustment led to a price decrease of RMB 6.5 million, corresponding to €848 thousand. Payment-wise, the escrow amount created at closing (equal to 10% of the price paid RMB95 million, i.e. RMB 9.5 million) will be released to sellers for a total amount of RMB 2.9 million, while the remaining amount (RMB 6.5 million) will be released back to the buyer.

After a final review with the escrow account agent and the transaction advisors, on July 24, 2024, the parties signed the “Amendment Agreement on Payment arrangement about the Purchase Price”, finalizing the amount to be paid to each seller, also taking into consideration the subsequent planned payments.

(5) Russia – Ukraine conflict and Israel – Palestine conflict

Russia – Ukraine conflict

The group is continuously monitoring the conflict started in February 2022, actively working to optimize the organization of production and logistic. No business interruption occurred in 2023 and in the first months of 2024 and no impact on customers service, as the Group business model guarantees product delivery thanks to the availability of alternative production sites within the Group.

Although the area around the Sumy plant has become more dangerous over the past few months, there has been no damage to property or people impacting the Group's assets to date.

Among other things, GC Ukraine in second half 2022 moved a part of its production lines to a satellite plant located in the city of Ternopil, near the Polish Border, where the company employs around 100 people.

GC Ukraine still has to comply with certain administrative restrictions on currency conversion transactions and payments abroad adopted by the National Bank of Ukraine and transactions with Russian and Belarussian-based companies are forbidden. These restrictions do not apply to aluminium importation.

The current sanctions adopted by the EU and the USA against Russia are currently not significantly impacting our business.

GC Belarus is a dormant entity since the outbreak of war.

Israel – Palestine conflict

The ongoing conflict between Israel and Palestine has no significant impact on the Guala Closures Group's business. The main effect of this event, if any, is identified among transfer costs to and from the Red Sea, which may be slowed.

In the near-term, the ongoing and persistent geopolitical uncertainty, primarily stemming from the conflicts in Russia-Ukraine conflict and more recently the conflict in the Middle East, remains a risk factor in the global economic landscape. The Group constantly monitors developments in the global geopolitical environment that could require a review of the current corporate strategies and/or the introduction of measures to safeguard its competitive positioning and performance. In addition, the Group constantly monitors and assesses the markets in which it operates, as well as customers’ behavioural patterns.

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Statement of profit or loss

(6) Net revenue

The table below shows a breakdown of net revenue by geographical segment:

(€'000)	Q2		first half	
	2023	**2024**	**2023**	**2024**
Europe	120,927	109,523	246,848	208,608
Americas	65,579	53,050	126,265	99,112
Asia	18,342	25,082	37,857	51,037
Oceania	8,762	8,427	18,236	16,551
Africa	5,765	5,420	11,461	10,449
Total	**219,375**	**201,502**	**440,668**	**385,757**

The table below illustrates net revenue by product:

(€'000)	Q2		first half	
	2023	**2024**	**2023**	**2024**
Safety closures	77,093	65,533	151,700	124,354
Luxury closures	32,198	21,843	63,600	42,595
Roll-on closures	103,264	99,490	207,400	189,121
Other revenue	6,819	14,636	17,968	29,687
Total	**219,375**	**201,502**	**440,668**	**385,757**

The table below illustrates net revenue by destination market:

(€'000)	Q2		first half	
	2023	**2024**	**2023**	**2024**
Spirits closures	149,376	130,922	293,700	248,825
Wine closures	34,240	32,601	71,700	63,646
Water closures	19,917	17,462	39,100	33,415
Non-alcoholic beverages closures	5,575	7,609	10,300	13,392
Olive oil & condiments closures	3,929	4,152	7,900	8,108
Other markets	6,336	8,752	17,968	18,371
Total	**219,375**	**201,502**	**440,668**	**385,757**

(7) Other operating income

This caption includes:

(€'000)	Q2		first half	
	2023	**2024**	**2023**	**2024**
Sundry recoveries/repayments	314	649	679	1,476
Government grants	108	170	267	309
Gains on sale of non-current assets	137	68	225	76
Other	939	177	1,094	2,213
Total	**1,499**	**1,064**	**2,264**	**4,074**

(8) Internal work capitalised

(€'000)	Q2		first half	
	2023	**2024**	**2023**	**2024**
Internal work capitalised	1,774	1,636	3,668	3,076
Total	**1,774**	**1,636**	**3,668**	**3,076**

(9) Costs for raw materials

This caption includes:

(€'000)	Q2		first half	
	2023	**2024**	**2023**	**2024**
Raw materials and supplies	85,227	84,315	183,067	157,260
Packaging	3,653	3,975	7,882	7,150
Consumables and maintenance	2,526	3,132	5,936	5,860
Fuels	126	177	319	322
Other purchases	1,493	1,016	2,666	5,696
Change in inventories	5,272	(7,560)	2,241	(7,827)
Total	**98,298**	**85,056**	**202,112**	**168,461**

Costs for raw materials decreased by €33.6 million from €202.1 million in the first half 2023 (45.9% of net revenue) to €168.5 million in the first half 2024 (43.7%).

(10) Costs for services

This caption includes:

(€'000)	Q2		first half	
	2023	2024	2023	2024
Electricity / heating	8,845	8,349	20,732	16,777
Transport	8,661	9,261	18,792	17,307
External processing	4,088	4,632	8,051	8,388
Maintenance	2,666	2,654	5,560	5,920
Sundry industrial services	2,838	3,219	5,268	6,333
Legal and consulting fees	3,036	2,833	5,555	5,256
Travel	1,208	1,172	2,344	2,368
Insurance	1,073	1,191	2,259	2,399
Administrative services	759	947	1,612	1,732
Technical assistance	788	899	1,303	1,875
Directors' fees	733	236	1,480	859
Cleaning service	498	423	982	839
Commissions	466	420	952	843
External labour / porterage	386	656	855	1,033
Security	225	383	429	501
Advertising services	268	109	476	301
Telephone costs	177	72	349	329
Entertainment expenses	114	264	235	422
Commercial services	18	30	332	257
Expos and trade fairs	(28)	(13)	103	76
Other	648	826	1,293	1,568
Total	**37,467**	**38,563**	**78,962**	**75,383**

(11) Personnel expense

This caption includes:

(€'000)	Q2		first half	
	2023	2024	2023	2024
Wages and salaries	31,580	33,174	63,618	62,982
Social security contributions	4,631	5,068	9,440	9,645
Expense from defined benefit plans	498	569	1,013	1,130
Other costs	8,980	3,885	11,820	8,122
Total	**45,689**	**42,695**	**85,891**	**81,878**

Personnel expense decreased by €4.0 million from €85.9 million in the first half 2023 to €81.9 in the first half 2024 mainly due to higher accounting of MIP (Management incentive plan) in first half 2023.

At June 30, 2023, December 31, 2023 and June 30, 2024, the group had the following number of employees:

	June 30, 2023	December 31, 2023	June 30, 2024
Blue collars	3,713	3,894	3,759
White collars	983	1,007	985
Managers	375	407	414
Total	**5,071**	**5,308**	**5,158**

Figures at December 31, 2023 and June 30, 2024 include also Fengyi employees, whilst June 30, 2023 do not include those of Fengyi.

(12) Other operating expense

This caption includes:

(€'000)	Q2		first half	
	2023	**2024**	**2023**	**2024**
Accruals to provisions	221	81	405	147
Taxes and duties	735	855	1,409	1,309
Use of third-party assets	503	649	1,076	1,306
Other charges	1,017	56	1,913	776
Total	**2,476**	**1,642**	**4,803**	**3,538**

Short-term leases costs, i.e., with a term of less than 12 months, and leases for which the underlying asset is of low value, which have been excluded from the scope of IFRS 16 as per the practical expedient, are recognised in the caption “Use of third-party assets” on a straight-line basis over the lease term.

(13) Financial income

This caption includes:

(€'000)	Q2		first half	
	2023	**2024**	**2023**	**2024**
Exchange gains	3,577	7,599	6,636	13,458
Interest income	218	938	506	2,103
Financial income on financial liabilities to non-controlling investors	-	(2,275)	-	-
Other financial income	950	1,438	1,739	3,628
Total	**4,746**	**7,700**	**8,881**	**19,189**

The foreign exchange gains were mainly generated by companies that realize part of their transaction in Euro or USD against local currencies.

Interest income increased by €1.6 million in the first half 2024 compared to the first half 2023 mainly due to accrued interests on cash invested in time deposit.

Other financial income increased by €1.9 million in the first half 2024 compared to the first half 2023 mainly due to operations in hyperinflationary economies.

(14) Financial expense

This caption includes:

(€'000)	Q2		first half	
	2023	2024	2023	2024
Interest expense	5,048	12,725	10,042	25,261
Exchange losses	7,306	3,338	14,649	8,175
Financial expense on financial liabilities to non-controlling investors	1,299	830	2,440	830
Other financial expense	1,288	1,957	2,667	3,383
Total	**14,941**	**18,850**	**29,798**	**37,649**

Interest expense of €25.3 million mainly refers to the Guala Closures S.p.A. bonds.

The foreign exchange losses were mainly generated by companies that realize part of their transaction in Euro or USD against local currencies.

The change in fair value of the financial liabilities to non-controlling investors, in the first half 2023 compared to December 31, 2022, generated a financial expense of €2.4 million, similarly the change in fair value of the financial liabilities in the first half 2024 compared to December 31, 2023 generated a financial expense of €0.8 million.

Other financial expense increased by 0.7 million in the first half 2024 compared to the first half 2023 and includes €0.9 million interest costs related to the application of IFRS 16.

(15) Income taxes

This caption includes:

(€'000)	Q2		first half	
	2023 (*)	2024	2023 (*)	2024
Current taxes	(12,293)	(8,297)	(20,150)	(14,321)
Deferred taxes	1,916	(1,513)	3,916	(1,399)
Total	**(10,377)**	**(9,810)**	**(16,235)**	**(15,720)**

(*) The 2023 figures have been restated following finalization of the purchase price allocation procedure for Labrenta.

The changes in deferred tax assets recognised in profit or loss do not reflect the change in the corresponding captions of the statement of financial position due to the effect of transactions recognised directly in OCI.

Change in deferred tax liabilities recognised directly in OCI

(€'000)	first half	
	2023	2024
Change in deferred tax liabilities on fair value adjustments on cash flow hedges	555	(1,159)
Total	**555**	**(1,159)**

On January 1, 2024, the so-called "Pillar Two" regulations came into force, as provided for by EU Directive no. 2523 of December 14th, 2022, implemented in Italy by the legislative decree no. 209 of December 27, 2023 (hereinafter, the "Decree"), aimed at placing a limit on unfair tax competition, introducing a global minimum tax rate (i.e. "Global

Minimum Tax") at 15% in each jurisdiction where large multinational companies operate. These rules apply to the Guala Closures Group, as a Multinational Group exceeding the revenue threshold of €750 million, for two out of the previous four financial years - having Guala Closures S.p.A. as its ultimate parent entity (the "UPE").

The Group, as already done for the Annual Report's finalization at December 31, 2023, carried out a specific analysis - based on actual figures at June 30, 2024 - in order to identify (and, therefore, to confirm) the scope of application of the Pillar Two regulations, as well as the potential impacts deriving from the application of the regulations in the various countries in which it operates, taking into account the "Transitional Safe Harbours" ("TSH").

Based on this analysis, the TSH's tests are substantially exceeded in all jurisdictions in which the Group is present and, in any event, it is believed that, based on the assessments made to June 30,2024, the combined application of the TSH and the Pillar Two rules would not result in a significant Top-Up-Tax exposure for the Guala Closures Group in 2024.

The above considerations are based on a forward-looking assessment of the tax liability, determined in light of available actual data (actual) and information at June 30, 2024 and on the basis of a simplified approach.

Finally, it should be noted that, no significant effects arose on deferred taxation calculation resulting from the entry into force of the Pillar Two rules.

Statement of financial position

(16) Cash and cash equivalents

Cash and cash equivalents totalled €327,364 thousand at June 30, 2024 (€196,280 thousand at December 31, 2023). The increase is due to the cash coming from refinancing occurred in June 2024, as described in the note (22) Current and non current financial liabilities.

(17) Trade receivables

This caption may be analysed as follows:

(€'000)	**December 31, 2023**	**June 30, 2024**
Trade receivables	132,595	160,863
Loss allowance	(6,518)	(5,128)
Total	**126,077**	**155,735**

The loss allowance changed as follows:

(€'000)	**June 30, 2024**
Opening balance	6,518
Exchange translation effect	(77)
Accruals	259
Utilisations/releases of the period	(1,573)
Closing balance	**5,128**

At June 30, 2024, the allowance relates to a few customers for which credit losses are expected.

(18) Inventories

This caption may be analysed as follows:

(€'000)	December 31, 2023	June 30, 2024
Raw materials, consumables and supplies	65,377	71,247
Allowance for inventory write-down	(6,527)	(5,115)
Work in progress and semi-finished products	35,279	42,067
Allowance for inventory write-down	(2,058)	(1,294)
Finished products and goods	33,329	37,177
Allowance for inventory write-down	(1,262)	(1,047)
Advance payments for inventory	217	599
Total	**124,354**	**143,634**

Changes in 2024 are as follows:

(€'000)	June 30, 2024
January 1, 2024	124,354
Exchange translation effect	(536)
Change in raw materials, consumables and supplies	7,827
Change in finished goods and semi-finished products	11,608
Change in advance payments for inventory	381
June 30, 2024	**143,634**

The allowance for inventory write-down changed as follows:

(€'000)	June 30, 2024
Opening balance	9,847
Exchange translation effect	(20)
Accrual/(Utilisations/releases) of the period	(2,371)
Closing balance	**7,456**

(19) Property, plant and equipment

The following table shows the changes in this caption in 2024:

(€'000)	Land and buildings	Plant and machinery (*)	Industrial and commercial equipment	Other assets	Assets under construction and payments on account (*)	Total
Historical cost at December 31, 2023	71,882	270,110	32,112	5,244	54,266	**433,614**
Accumulated depreciation and impairment losses at December 31, 2023	(12,493)	(143,995)	(13,363)	(2,814)	-	**(172,665)**
Carrying amount at December 31, 2023	**59,389**	**126,116**	**18,749**	**2,429**	**54,266**	**260,949**
Carrying amount at January 1, 2024	**59,389**	**126,116**	**18,749**	**2,429**	**54,266**	**260,949**
Exchange translation effect	(356)	1,910	240	147	(190)	**1,752**
Increases	176	1,823	84	115	27,261	**29,460**
Disposals	-	(10)	(0)	(2)	(729)	**(741)**
Reclassifications	700	4,836	2,184	570	(7,947)	**344**
Depreciation	(1,260)	(10,514)	(1,572)	(361)	-	**(13,707)**
Historical cost at June 30, 2024	72,402	278,670	34,620	6,075	72,662	**464,429**
Accumulated depreciation and impairment losses at June 30, 2024	(13,753)	(154,509)	(14,934)	(3,176)	-	**(186,371)**
Carrying amount at June 30, 2024	**58,649**	**124,161**	**19,686**	**2,899**	**72,662**	**278,057**

(*) The opening figures have been reclassified to be consistent with 1H 2024 classification

In the first half 2024, capex increase of €29.5 million mainly refers to investments made to increase production capacity, develop new products, perform plant maintenance and EHS (Environment, Health and Safety) investments.

Capital expenditures are still mainly classified as assets under construction and refer to equipment across all five continents where the group operates. In the first half 2024 they increased by €27.3 million compared to December 31, 2023. With a specific focus on UK, the increase of €12.4 million is due to the new plant located in Gartcosh (Scotland). The Group expects the Gartcosh facility to begin operations in the last quarter of 2024 and to become fully operational in the second half of 2025. The residual amount of €14.9 million mainly refers to Italy, India, Poland and China.

Property, plant and equipment include the cost of internal work capitalised.

None of the Group’s property, plant and equipment has been pledged as collateral at the reporting date.

(20) Right-of-use assets

The following table shows the changes in this caption in 2024:

(€'000)	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Total
Historical cost at December 31, 2023	29,222	10,662	5,114	6,233	**51,231**
Accumulated depreciation and impairment losses at December 31, 2023	(18,385)	(4,828)	(3,526)	(4,052)	**(30,792)**
Carrying amount at December 31, 2023	**10,837**	**5,834**	**1,587**	**2,181**	**20,439**
Carrying amount at January 1, 2024	**10,837**	**5,834**	**1,587**	**2,181**	**20,439**
Exchange translation effect	161	896	10	(18)	**1,048**
Increases	4,223	1,151	265	621	**6,259**
Decreases	(12)	(60)	85	(89)	**(77)**
Reclassifications	1,409	(1,758)	(54)	-	**(403)**
Depreciation of right-of-use assets	(2,425)	(1,045)	(343)	(523)	**(4,336)**
Historical cost at June 30, 2024	35,002	10,891	5,419	6,747	**58,058**
Accumulated depreciation and impairment losses at June 30, 2024	(20,810)	(5,873)	(3,869)	(4,575)	**(35,128)**
Carrying amount at June 30, 2024	**14,191**	**5,019**	**1,549**	**2,171**	**22,930**

(21) Intangible assets

The following table shows the changes in this caption in 2024:

(€'000)	Development expenditure	Licences and patents	Goodwill	Other	Assets under development and payments on account	Total
Historical cost at December 31, 2023	7,363	145,480	547,218	233,940	7,966	**941,966**
Accumulated amortisation and impairment losses at December 31, 2023	(3,876)	(37,994)	-	(44,369)	-	**(86,239)**
Carrying amount at December 31, 2023	**3,487**	**107,486**	**547,218**	**189,571**	**7,966**	**855,727**
Carrying amount at January 1, 2024	**3,487**	**107,486**	**547,218**	**189,571**	**7,966**	**855,727**
Exchange translation effect	(52)	91	(13)	143	(48)	**120**
Increases	9	-	-	-	4,028	**4,037**
Disposals/decrease	-	-	(848)	-	-	**(848)**
Impairment losses	-	-	-	-	(5)	**(5)**
Reclassifications	1,898	1,351	-	2	(3,161)	**91**
Amortisation	(461)	(3,153)	-	(3,557)	-	**(7,171)**
Historical cost at June 30, 2024	9,218	146,921	546,357	234,085	8,780	**945,361**
Accumulated depreciation and impairment losses at June 30, 2024	(4,337)	(41,147)	-	(47,926)	-	**(93,410)**
Carrying amount at June 30, 2024	**4,881**	**105,775**	**546,357**	**186,159**	**8,780**	**851,951**

Licences and patents mainly refer to the Guala Closures trademark which is not amortised as from 2021 as it has an indefinite useful life and is tested annually for impairment, or when impairment indicators are identified for impairment.

Goodwill includes an amount of €14.2 million deriving of the acquisition of Fengyi Group occurred in October 2023. In consideration of the complexity of the process of allocating the fair value to the assets acquired, liabilities assumed contingent liabilities assumed by Fengyi and the relevant longer term of 12 months from the date of the business combination in these consolidated interim condensed financial statements the proceeds deriving from the acquisition are still provisionally recognized under the item “Goodwill”.

Reference should be made to note 4.1) Acquisition of Yibin Fengyi Packaging CO., Ltd for further information.

Goodwill, is not amortised but is tested for impairment. Since recognition, goodwill has never been impaired.

The Group checks the recoverability of goodwill at least once a year, or more frequently if specific events or circumstances indicate impairment, by testing relevant CGU (cash-generating unit).

Reference should be made to the 2023 annual report for information on the previous impairment test.

The Directors have not identified specific events and/or circumstances that could identify impairment indicators and, therefore, the need to update the impairment test carried out for the consolidated financial statements at December 31, 2023.

(22) Current and non-current financial liabilities

This section provides information on the contractual terms governing the group’s bank overdrafts, loans and bonds.

Reference should be made to note 28) Fair value of financial instruments and sensitivity analysis for further information on the group’s exposure to interest and currency risks.

Financial liabilities at December 31, 2023 and June 30,2024 are shown below:

(€'000)	**December 31,2023**	**June 30, 2024**
Current financial liabilities		
Bonds	1,889	2,261
Other bank loans and borrowings	6,476	6,732
Other financial liabilities	19,687	26,019
	28,052	***35,012***
Non-current financial liabilities		
Bonds	850,000	1,000,000
Transaction costs	(24,875)	(28,081)
Other bank loans and borrowings	4,716	3,617
Other financial liabilities	70,385	67,197
	900,226	***1,042,733***
Total	**928,278**	**1,077,745**

"Bonds" refer to:

- Senior Secured Notes maturing in 2028 (the "**2028 Notes**") of €500 million in aggregate principal amount issued under an indenture dated July 7, 2021 among, *inter alia*, Guala Closures, U.S. Bank Trustees Limited, as trustee and security agent, *mandatario con rappresentanza* and security representative (*rappresentante*) of the Holders of the Notes pursuant to article 2414-bis.3 of the Italian Civil Code (the "**2028 Notes Indenture**").

  The 2028 Notes bear fixed interest at a rate of 3¼% per annum, payable semi-annually in arrears on June 15 and December 15 of each year and will mature on June 15, 2028. The 2028 Notes Indenture contain key covenants based on incurrence tests that, among other things, limit the ability of Guala Closures and its restricted subsidiaries to incur or guarantee additional indebtedness and issue certain preferred stock, pay dividends, redeem capital stock and make certain investments, make certain other restricted payments, create or permit to exist certain liens, impose restrictions on the ability of its subsidiaries to pay dividends or make other payments, dispose of its assets, merge or consolidate with other entities, and impair the security interests for the benefit of the holders of the Notes. Each of these covenants is subject to a number of important limitations and exceptions.

- Senior Secured Floating Rate Notes maturing in 2029 (the "**2029 Notes**") of €350 million in aggregate principal amount issued under an indenture dated October 13, 2023 among, *inter alios*, Guala Closures, U.S. Bank Trustees Limited, as trustee and security agent (the "2029 Notes Indenture").
  The 2029 Notes bear interest at a rate equal to three-month EURIBOR (subject to a 0% floor) plus 4.00% per annum, reset quarterly, payable quarterly in arrears on each of December 15, March 15, June 15 and September 15, beginning on December 15, 2023. In order to hedge its exposure to the 2029 Notes' floating interest rate, on October 13, 2023, Guala Closures S.p.A. entered into (i) an ISDA Master Agreement with each of Deutsche Bank AG and UniCredit S.p.A. (each, an "ISDA"), which are each in compliance with and secured by the Intercreditor agreement among the Company, U.S. Bank Global Corporate trust Limited as Original Super Senior Agent, U.S. Bank Trustees Limited as Security Agent, and others; and (ii) an Interest Rate Collar transaction referencing the full principal amount of the 2029 Notes in order to hedge the Company's exposure to the floating interest rate payable on the 2029 Notes.
  Guala Closures negotiated two different Zero Cost Collars derivates, both ending in October 2027, one for a notional of €175 million, tenor 4 years, cap 4%, floor 2.376% and one for a notional of €175 million, tenor 4 years, cap 4%, floor 2.380%.

  The 2029 Notes will mature on June 29, 2029. Prior to October 13, 2024, Guala Closures will be entitled, at its option, to redeem all or a portion of the 2029 Notes by paying a "make-whole" premium. At any time on or after

October 13, 2024, Guala Closures may redeem all or part of the 2029 Notes at par, plus accrued and unpaid interest thereon. The 2029 Notes Indenture contains the same key covenants based on incurrence tests included in the 2028 Notes Indenture.
On June 20, 2024, Guala Closures issued €150 million in aggregate principal amount of additional 2029 Notes (the "**Additional 2029 Notes**"). The Notes have been issued at an issue price of 100.500% and bear interest at a rate equal to three-month EURIBOR (subject to a 0% floor), reset quarterly, plus 4.00% per annum. The Notes have the same terms as, and are expected to be fungible with, the Company's existing Senior Secured Floating Rate Notes due 2029.

Guala Closures has an available amount of €80 million (equivalent) multi-currency revolving credit facility (the "**2027 RCF**") governed by English law (with information undertakings, restrictive covenants, events of default and related definitions interpreted in accordance with New York law), entered into on June 28, 2021, by and between Guala Closures, as borrower, U.S. Bank Global Corporate Trust Limited, as the agent, and Deutsche Bank Aktiengesellschaft, Credit Suisse AG, Milan Branch, Goldman Sachs Bank Europe SE, Unicredit S.p.A. and Bank of America Designated Activity Company, as mandated lead arrangers. The 2027 RCF bears an interest rate applicable to drawn amounts equal to EURIBOR (for loans in Euro), SONIA (for loans in pounds sterling) and LIBOR (for loans in any other currency) (subject, in each case, to a floor of zero) + 2.25%. This margin decreased from the original rate of 2.5% to 2.25% based on the decreasing leverage-based margin ratchet set out in the 2027 RCF. The 2027 RCF will expire December 15, 2027. Furthermore, on August 8, 2022, Guala Closures subscribed an "Additional Facility Lender" to the "2027 RCF" with Cassa Depositi e Prestiti S.p.A. ("CDP") for an amount €16 million. The expiry date of the additional facility is in line with the 2027 RCF bearing an interest rate applicable to drawn amounts equal to EURIBOR, LIBOR or a different parameter identified as the Compounded Reference Rate (2027 RCF + 2.5% p.a.) but based on the decreasing leverage-based margin ratchet set out in the 2027 RCF. The 2027 RCF margin decreased from the original rate of 2.5% to 2.25% based on the decreasing leverage-based margin.

In connection with the offering of the 2029 Notes, on October 13, 2023 and on June 20,2024, certain lenders made available an additional facility under the existing Revolving Credit Facility Agreement in an aggregate principal amount of respectively €54 million and €25 million, by way of a fungible increase of the total commitments under the 2027 RCF to €175 million.

Guala Closures continually evaluates and identifies opportunities for value-accretive bolt-on acquisitions and is currently actively considering certain of these opportunities. In parallel, Guala Closures assesses market conditions to potentially raise capital to fund any such acquisitions as well as to refinance our existing debt and/or finance the business activities and capital expenditures. To that end, Guala Closures may choose to raise additional financing, depending on market conditions and other circumstances, in the near future.

The interest rates and maturity dates of the financial liabilities at December 31, 2023 and June 30,2024 are shown below:

December 31, 2023				Nominal amount					
					Current	Non- current			
(€'000)	**Currency**	**Nominal interest rate**	**Year of maturity**	**Total December 31, 2023**	**Within one year**	**Between one and five years**	**More than five years**	**Current**	**Total non-current**
Bonds									
Bonds - Senior Secured Notes issued by Guala Closures S.p.A.	€	3.25%	2028	500,000	-	500,000	-	-	500,000
Interest on bonds	€	n.a.	2022	677	677	-	-	677	-
Transaction costs	€	n.a.	2028	(10,649)	-	(10,649)	-	-	(10,649)
TOTAL SSN 2028 bonds - Guala Closures S.p.A.				**490,028**	**677**	**489,351**	**-**	**677**	**489,351**
Bonds - Senior Secured Floating Rate Notes issued by Guala Closures S.p.A.	€	Euribor 3M+4%	2029	350,000	-	-	350,000	-	350,000
Interest on bonds	€	n.a.	2022	1,212	1,212	-	-	1,212	-
Transaction costs	€	n.a.	2029	(12,272)	-	-	(12,272)	-	(12,272)
TOTAL SSFRN 2029 bonds - Guala Closures S.p.A.				**338,940**	**1,212**	**-**	**337,728**	**1,212**	**337,728**
Bank loans and borrowings:									
Transaction costs	€	n.a.	2027	(1,954)	-	(1,954)	-	-	(1,954)
Total Senior Revolving Credit Facility - Guala Closures S.p.A.				**(1,954)**	**-**	**(1,954)**	**-**	**-**	**(1,954)**
Other accrued expenses - Guala Closures S.p.A.	€	n.a.	2023	157	157	-	-	157	-
Facilities Labrenta S.r.l. (Italy)	€	n.a.	n.a.	4,796	1,912	-	2,883	1,912	2,883
Loans Itaú Bank (Brazil)	BRL	n.a.	2024	22	17	5	-	17	5
Financial Lease (Poland)	PLN	n.a.	n.a.	276	131	145	-	131	145
Financial Lease (Bulgaria)	BGN	n.a.	n.a.	1,103	322	782	-	322	782
Noco Banco (Anacorks)	€	Euribor 1M+1.25%	2027	234	-	234	-	-	234
Facilities Group FengYi (China)	CNY	n.a.	n.a.	3,728	3,574	154	-	3,574	154
Bancomer loans (Mexico)	USD	n.a.	2024	875	362	513	-	362	513
TOTAL other bank loans and borrowings				**11,192**	**6,476**	**1,833**	**2,883**	**6,476**	**4,716**
Other financial liabilities:									
Leases (IFRS 16)	€	n.a.	n.a.	21,367	4,525	14,741	2,101	4,525	16,841
Non-controlling investors' put options	€	n.a.	n.a.	45,210	5,890	39,320	-	5,890	39,320
Other liabilities (Liabilities vs FengYi minority)	CNY	n.a.	n.a.	2,274	-	2,274	-	-	2,274
Other liabilities (Liabilities vs Cortapedra: Acquisition Labrenta Srl)	€	3.00%	2026	13,977	3,640	10,337	-	3,640	10,337
Other liabilities (Liabilities vs FengYi minority: Acquisition FengYi)	CNY	n.a.	2025	7,197	5,585	1,612	-	5,585	1,612
Other liabilities	€	n.a.	n.a.	47	47	-	-	47	-
TOTAL other financial liabilities				**90,071**	**19,687**	**68,284**	**2,101**	**19,687**	**70,385**
TOTAL				**928,278**	**28,052**	**557,514**	**342,712**	**28,052**	**900,226**

June 30, 2024				Nominal amount					
					Current	Non- current			
(€'000)	**Currency**	**Nominal interest rate**	**Year of maturity**	**Total June 30, 2024**	**Within one year**	**Between one and five years**	**More than five years**	**Current**	**Total non-current**
Bonds									
Bonds - Senior Secured Notes issued by Guala Closures S.p.A.	€	3.25%	2028	500,000	-	500,000	-	-	500,000
Interest on bonds	€	n.a.	2024	677	677	-	-	677	-
Transaction costs	€	n.a.	2028	(9,547)	-	(9,547)	-	-	(9,547)
TOTAL SSN 2028 bonds - Guala Closures S.p.A.				**491,130**	**677**	**490,453**	**-**	**677**	**490,453**
Bonds - Senior Secured Floating Rate Notes issued by Guala Closures S.p.A.	€	Euribor 3M+4%	2029	500,000	-	500,000	-	-	500,000
Interest on bonds	€	n.a.	2022	1,584	1,584	-	-	1,584	-
Transaction costs	€	n.a.	2029	(16,259)	-	-	(16,259)	-	(16,259)
TOTAL SSFRN 2029 bonds - Guala Closures S.p.A.				**485,324**	**1,584**	**500,000**	**(16,259)**	**1,584**	**483,741**
Bank loans and borrowings:									
Transaction costs	€	n.a.	2027	(2,275)	-	(2,275)	-	-	(2,275)
Total Senior Revolving Credit Facility - Guala Closures S.p.A.				**(2,275)**	**-**	**(2,275)**	**-**	**-**	**(2,275)**
Other accrued expenses - Guala Closures S.p.A.	€	n.a.	2023	203	203	-	-	203	-
Facilities Labrenta S.r.l. (Italy)	€	n.a.	n.a.	3,783	1,431	2,352	-	1,431	2,352
Loans Itaú Bank (Brazil)	BRL	n.a.	2024	12	12	-	-	12	-
Financial Lease (Poland)	PLN	n.a.	n.a.	289	128	160	-	128	160
Financial Lease (Bulgaria)	BGN	n.a.	n.a.	969	330	639	-	330	639
Noco Banco (Anacorks)	€	Euribor 1M+1.25%	2027	123	-	123	-	-	123
Facilities Group FengYi (China)	CNY	n.a.	n.a.	4,217	4,217	-	-	4,217	-
Argentina	ARS	n.a.	n.a.	37	37			37	
Bancomer loans (Mexico)	USD	n.a.	2024	716	374	343	-	374	343
TOTAL other bank loans and borrowings				**10,350**	**6,732**	**3,617**	**-**	**6,732**	**3,617**
Other financial liabilities:									
Leases (IFRS 16)	€	n.a.	n.a.	23,559	5,364	15,665	2,530	5,364	18,195
Non-controlling investors' put options	€	n.a.	n.a.	46,040	4,177	41,863	-	4,177	41,863
Other liabilities (Liabilities vs FengYi minority)	CNY	n.a.	n.a.	2,232	2,232	-	-	2,232	-
Other liabilities (Liabilities vs Cortapedra: Acquisition Labrenta Srl)	€	3.00%	2026	14,167	8,640	5,527	-	8,640	5,527
Other liabilities (Liabilities vs FengYi minority: Acquisition FengYi)	CNY	n.a.	2025	7,197	5,585	1,612	-	5,585	1,612
Other liabilities	€	n.a.	n.a.	20	20	-	-	20	-
TOTAL other financial liabilities				**93,216**	**26,019**	**64,667**	**2,530**	**26,019**	**67,197**
TOTAL				**1,077,745**	**35,012**	**1,056,462**	**(13,729)**	**35,011**	**1,042,733**

The caption “Non-controlling investors’ put options” refers to the right of some non-controlling investors to exercise a put option if certain conditions are met.

This liability was calculated as the discounting of the determined value of the put option at its estimated time of exercise.

This caption has been recognised using the present access method, whereby the financial liability was recognised as a reduction in equity in the first year. The fluctuation in each year, if any, is recognised under financial income (expense) in profit or loss and the non-controlling interests continue to be presented separately as, to all effects, the non-controlling investors have the right to access the profit or loss pertaining to their investment.

Reference should be made to note 28) Fair value of financial instruments and sensitivity analysis for further details.

The Senior Revolving Credit Facility’s availability at June 30, 2024 is shown in the table below:

Credit facility	Available amount ('000)	Amount used at June 30, 2024	Residual available amount at June 30, 2024	Expiring date
Senior Revolving Credit Facility due 2027	175,000	-	**175,000**	12/15/2027
Total	**175,000**	**-**	**175,000**	

(23) Trade payables

These may be analysed as follows:

(€'000)	**December 31, 2023**	**June 30, 2024**
Suppliers	95,850	116,411
Advance payments to suppliers	346	991
Total	**96,196**	**117,402**

(24) Provisions

This caption may be analysed as follows:

<u>CURRENT PROVISIONS:</u>

(€'000)	**December 31, 2023**	**June 30, 2024**
Provision for company reorganisations	5,756	4,501
Provision for returns	2,096	1,325
Other provisions	3,975	2,915
Total current provisions	**11,828**	**8,741**

Changes in the provisions are as follows:

(€'000)	June 30, 2024
Opening balance	11,828
Exchange translation effect	44
Accruals	112
Utilisations	(2,706)
Reversal	(538)
Closing current provisions	**8,741**

The utilisations of €2.7 million refer to €1.4 million for redundancies following the relocation of the plant in UK, €0.9 million for returns and €0.4 million for other minors.

The movement of the period relates to the items described above.

NON-CURRENT PROVISIONS:

(€'000)	December 31, 2023	June 30, 2024
Provision for legal disputes	560	557
Provision for agents' termination indemnity	184	190
Total non-current provisions	**744**	**747**

(25) Other current liabilities

This caption may be analysed as follows:

(€'000)	December 31, 2023	June 30, 2024
Amounts due to employees	17,800	15,290
Liabilities for investments	9,048	10,988
Social security charges payable	4,456	3,961
Liabilities for dividends	276	592
Other liabilities	18,417	29,911
Total	**49,997**	**60,742**

Other liabilities mainly include liabilities for non-recurring costs and deferred income. In particular it includes liabilities for contribution received by customer for capital expenditures which increased compared to December 31, 2023.

(26) Equity attributable to the owners of the parent

The paid-up and subscribed share capital of Guala Closures S.p.A. at June 30, 2024 remained unchanged compared to December 31, 2023 and amounts to €68,907 thousand consisting of 70,028,654 ordinary shares.

The group seeks to maintain a sufficient level of capitalisation, while giving shareholders satisfactory returns and ensuring that the Group has access to external sources of financing on acceptable terms, including the maintaining of an adequate rating.

The group monitors the debt/equity ratio on an ongoing basis, particularly in terms of net indebtedness and cash flows generated by operating activities.

The board of directors carefully monitors the balance between greater returns through the right level of indebtedness and the advantages of a sound financial position.

(27) Equity attributable to non-controlling interests

Equity attributable to non-controlling interests relates to the following consolidated companies:

(€'000)	**Non-controlling interests (%) at December 31, 2023**	**Non-controlling interests (%) at June 30, 2024**	**Balance at December 31, 2023**	**Balance at June 30, 2024**
Guala Closures Technologia Ukraine LLC	30.0%	30.0%	18,081	19,003
Guala Closures India Pvt Ltd.	5.0%	5.0%	2,926	3,214
Guala Closures de Colombia LTDA	6.8%	6.8%	792	578
Guala Closures Bulgaria A.D.	30.0%	30.0%	2,625	2,324
Guala Closures DGS Poland S.A.	30.0%	30.0%	23,681	23,900
Guala Closures BY LLC	15.0%	15.0%	(23)	(51)
Fengyi Guala Closures Group	30.0%	30.0%	4,744	5,685
Total			**52,826**	**54,653**

Reference should be made to the statement of changes in equity for changes in equity attributable to the non-controlling interests.

OTHER INFORMATION

(28) Fair value of financial instruments and sensitivity analysis

(a) Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, at December 31, 2023 and June 30, 2024. There were no movements from one level to another in the reporting period. The “Accounting policies” section provides information about the fair value hierarchy.

December 31, 2023		Carrying amount					Fair value			
(€'000)	Note	Designated at FVTPL	Fair value - hedging instruments	Loans and receivables at amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value (*)										
Trade receivables	17			126,077		**126,077**				-
Financial assets				4,190		**4,190**				-
Cash and cash equivalents	16			196,280		**196,280**				-
		-	**-**	**326,547**	**-**	**326,547**	**-**	**-**	**-**	-
Financial liabilities measured at fair value										
Aluminium derivatives used for hedging		-	(68)			**(68)**		(68)		**(68)**
IRS used for hedging		-	(6,799)			**(6,799)**		(6,799)		**(6,799)**
MIP		(7,674)				**(7,674)**			(7,674)	**(7,674)**
Non-controlling investors' put options	22	(45,210)				**(45,210)**			(45,210)	**(45,210)**
		(52,884)				**(59,751)**		**-**	**(52,884)**	**(59,751)**
Financial liabilities not measured at fair value (*)										
Secured bank loans	22				(816)	**(816)**		(816)		**(816)**
Unsecured bank loans	22				(8,422)	**(8,422)**		(8,422)		**(8,422)**
Secured bond issues	22				(828,968)	**(828,968)**		(810,834)		**(810,834)**
Lease liabilities (IFRS 16)	22				(21,367)	**(21,367)**		-		-
Trade payables	23				(96,196)	**(96,196)**				-
Other liabilities (Liabilities vs FengYi minority)	22				(2,274)	**(2,274)**				-
Liabilities vs Cortapedra: Acquisition Labrenta Srl)	22				(13,977)	**(13,977)**				-
Liabilities vs FengYi minority	22				(7,197)	**(7,197)**				-
Other financial liabilities	22				(47)	**(47)**				-
		-	**-**	**-**	**(979,264)**	**(979,264)**	**-**	**(820,072)**	**-**	**(820,072)**

June 30, 2024		Carrying amount					Fair value			
(€'000)	Note	Designated at FVTPL	Fair value - hedging instruments	Loans and receivables at amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value (*)										
Trade receivables	17			155,735		**155,735**				-
Financial assets				5,326		**5,326**				-
Investments in associates				-		-		-		-
Cash and cash equivalents	16			327,364		**327,364**				-
		-	**-**	**488,424**	**-**	**488,424**	**-**	**-**	**-**	-
Financial liabilities measured at fair value										
Aluminium derivatives used for hedging		-	-			-		-		-
IRS used for hedging		-	(2,053)			**(2,053)**		(2,053)		**(2,053)**
MIP		(9,811)				**(9,811)**			(9,811)	**(9,811)**
Non-controlling investors' put options	22	(46,040)				**(46,040)**			(46,040)	**(46,040)**
		(55,851)				**(57,904)**		**-**	**(55,851)**	**(57,904)**
Financial liabilities not measured at fair value (*)										
Secured bank loans	22				574	**574**		574		**574**
Unsecured bank loans	22				(8,612)	**(8,612)**		(8,612)		**(8,612)**
Secured bond issues	22				(976,454)	**(976,454)**		(958,418)		**(958,418)**
Lease liabilities (IFRS 16)	22				(23,559)	**(23,559)**		-		-
Trade payables	23				(117,402)	**(117,402)**				-
Other liabilities (Liabilities vs FengYi minority)	22				(2,232)	**(2,232)**				-
Liabilities vs Cortapedra: Acquisition Labrenta Srl)	22				(14,167)	**(14,167)**				-
Liabilities vs FengYi minority	22				(7,197)	**(7,197)**				-
Other financial liabilities	22				(57)	**(57)**				-
		-	**-**	**-**	**(1,149,107)**	**(1,149,107)**	**-**	**(966,456)**	**-**	**(966,456)**

(*) The Group has not disclosed the fair values of some financial instruments, such as cash and cash equivalents, trade receivables, financial assets, trade payables, lease liabilities and other financial liabilities, because their carrying amounts are a reasonable approximation of fair values.

(b) Measurement of fair values

(i) Valuation techniques and significant unobservable input

Level 1

There are no financial instruments classified in level 1 at the reporting period.

Level 2

The following table shows the valuation techniques used in measuring level 2 fair values.

Type	Valuation technique	Significant unobservable inputs
Secured bond issues Finance lease liabilities Financial assets	Discounted cash flows	Not applicable.
Interest rate derivatives	Market comparison technique: the fair values are based on broker quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions of similar instruments	Not applicable.

Even though secured bond issues are quoted on the OTC market as on the Euro-MTF market in Luxembourg, no relevant transactions were recorded during the year and therefore, these financial instruments were classified as level 2.

Furthermore, the fair value information for financial assets and financial liabilities not measured at fair value is not included as their carrying amount is a reasonable approximation of fair value.

The derivative agreements used by the Group are forward and option exchange contracts covering aluminium exposure on raw material purchases and two Zero Cost Collars derivates, both ending in October 2027, one for a notional of €175 million, tenor 4 years, cap 4%, floor 2.376% and one for a notional of €175 million, tenor 4 years, cap 4%, floor 2.380%. All derivatives contracts were designated as hedge accounting relationships from 2023.

Level 3

The following tables show the valuation techniques used in measuring Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Non-controlling interests' put options	• Discounted cash flows: The fair value is determined considering the expected payment, capitalised at the reporting date, net of the expected dividend yields, discounted to present value using a credit risk-adjusted discount rate. The expected payment is calculated considering the fair value of the subsidiary or its equity based on the relevant contractual agreements with non-controlling investors. • Forecasted EBITDA and net financial position based on the agreement with minority. The fair value is determined considering the expected EBITDA and Net financial position, discounted to present value using a credit risk-adjusted discount rate.	Expected cash flows in the Projections; • inflation data about, Poland, Euro Area and the USA, used to calculate risk-free rates (2.0%-2.7%); • discount rate specific to the country in which the subsidiary operates, adjusted by the group's credit risk (5.5%-17.7%); • expected date of put option exercise based on demographic assumptions (age of retirement 60-72) and any change of control clauses.	The estimated fair value would increase if: • the gross operating profit was higher; • the net financial position was better; • the risk-free rate of the country decreased; • the expected dividend yield decreased; • the inflation rate differential between Ukraine and the USA increased the discount rate adjusted by the group's credit risk; • the expected inflation rate of the country in which the subsidiary is domiciled increased in the last year of the Projections; • the expected exercise date for the put option was earlier due to the bringing forward of the pensionable or mortality date and/or exercise of the change-of-control clauses of Guala Closures Group and local administrators.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Management Incentive Plan	Average of the results of the following methods: • Montecarlo: The value of Shares was estimated on the basis of the prediction of 100,000 scenarios; • Binomial tree: The binomial method was applied by developing 400 scenarios over the selected maturity horizon, backtracking from end to start to check at every node whether early exercise is profitable.	• stock price • discount rate • vesting period	The estimated fair value would increase if: • the gross operating profit was higher; • the risk-free rate of the country decreased; • the expected exercise date for the vesting was earlier due to the exit of the shareholders.

(ii) Level 3 fair values

Reconciliation of Level 3 fair values

Level 3 fair values at December 31, 2023 and June 30,2024 are shown below:

(€'000)	
December 31, 2023	52,884
Included in "financial expense" Net fair value loss (unrealised)	830
MIP - Net fair value loss	2,137
Balance at June 30, 2024	**55,851**

Sensitivity analysis

Reasonably possible changes at June 30, 2024 to one of the significant inputs that is not directly observable, while assuming other inputs remain constant, would have had the following effects on the fair value of the non-controlling investors' put options:

(€'000)	**Increase/(decrease) in input data not directly observable**	**Favourable/(unfavourable) effect on the profit (loss) for the period**
Risk-adjusted discount rate	1%	896
	(1%)	(944)
Growth rate	1%	(549)
	(1%)	524
Expected date of put option exercise	+ 1 year	3,559
	- 1 year	(3,663)

(b) Financial risk management

The group is exposed to the following risks as a result of its operations:

- credit risk;
- liquidity risk;
- interest rate risk;
- currency risk;
- other price risk.

Guala Closures S.p.A.'s board of directors has overall responsibility for establishing and monitoring a risk management system for the group.

The proxy system ensures the risk management guidelines are implemented and regularly monitored.

The finance department is responsible for the monitoring and, in carrying out such activities, it uses information generated by the internal control system.

(29) Commitments and guarantees

Following the acquisition by SPSI of 100% of the voting shares in the capital of Guala Closures, on August 3, 2021, SPSI granted an Italian law governed share pledge in respect of the shares it owns in Guala Closures (the "Italian Pledge") to secure Guala Closures' €500 million 3¼% Senior Secured Notes due in 2028 issued on July 7, 2021 (the "2028 Notes") and its €80.0 million (equivalent) multi-currency revolving credit facility (the "2027 RCF"). On August 3, 2021, Guala Closures granted a Dutch law governed share pledge over the shares that it holds in Guala Closures International B.V. to secure the 2028 Notes and the 2027 RCF (the "Dutch Pledge" and together with the Italian Pledge, the "Initial Collateral").

In accordance with the provisions of the documents governing the 2028 Notes and the 2027 RCF, on December 17, 2021, Guala Closures Australia Holdings, Pty Ltd, Guala Closures Australia Pty Ltd, Guala Closures, Ibérica, S.A.U., Guala Closures International B.V. and Guala Closures U.K. Limited provided a guarantee of the 2028 Notes and the 2027 RCF (the "Initial Guarantors").

In addition, on December 17, 2021, Guala Closures' obligations and the guarantee obligations of each of the other Initial Guarantors under the 2028 Notes and the 2027 RCF were secured by the following pledges:

- (i) Australian law governed specific security deed granted by Guala Closures International B.V. in respect of (i) shares held in Guala Closures Australia Holdings, Pty Ltd and (ii) intra-group receivables owed to it by Guala Closures Australia Holdings, Pty Ltd;
- (ii) Australian law governed specific security deed granted by Guala Closures Australia Holdings, Pty Ltd in respect of (i) shares held in Guala Closures Australia Pty Ltd and (ii) intra-group receivables owed to it by Guala Closures Australia Pty Ltd;
- (iii) Dutch law governed receivables pledge granted by Guala Closures in respect of intra-group receivables owed to it by Guala Closures International B.V.;
- (iv) Polish law governed share pledge granted by Guala Closures International B.V. in respect of shares held in Guala Closures DGS Poland S.A.;
- (v) Scots law governed share pledge granted by Guala Closures International B.V. in respect of shares held in Guala Closures U.K. Limited; and
- (vi) Spanish law governed share pledge granted by Guala Closures International B.V. in respect of shares held in Guala Closures Ibérica S.A. (together, the "Post-Closing Collateral").

In accordance with the provisions of the documents governing the 2028 Notes and the 2027 RCF, on March 18, 2022, Guala Closures México, S.A. de C.V. ("Mexican Guarantor" and together with the Initial Guarantors, the "Guarantors") provided a guarantee of the 2028 Notes and the 2027 RCF. In addition, on March 18, 2022, Guala Closures' obligations and the guarantee obligations of each other Guarantor under the 2028 Notes and the 2027 RCF were secured by (i) a Mexican law governed share pledge granted by Guala Closures International B.V. in respect of shares held in the Mexican Guarantor and (ii) a Mexican law governed non-possessory receivables pledge granted by the Mexican Guarantor in respect of intra-group receivables owed to it by any of its material subsidiaries (the "Mexican Collateral" and together with the Initial Collateral and the Post-Closing Collateral, the "Collateral").

In addition, on August 8, 2022, Guala Closures established a €16.0 million (equivalent) multi-currency revolving credit facility (the "Additional RCF"). The Additional RCF was guaranteed by the Guarantors and secured by the Collateral on the same basis as the 2027 RCF and confirmatory collateral (or equivalent) was granted in respect of the existing Collateral to cover the Additional RCF in each applicable jurisdiction.

On October 13, 2023, Guala Closures issued €350 million Senior Secured Floating Rate Notes due in 2029 (the "2029 Notes") and commitments under the 2027 RCF (including the Additional RCF) were increased to €150 million by way of a fungible increase. On October 23, 2023, the Italian Pledge was extended to secure the 2029 Notes, and on November 2, 2023, the Dutch Share Pledge was extended to secure the 2029 Notes. In addition, in accordance with the provisions of the documents governing the 2029 Notes, on December 20, 2023, the Guarantors provided a guarantee of the 2029 Notes, and each of the Post-Closing Collateral and the Mexican Collateral was extended to secure the 2029 Notes.

On June 20, 2024, Guala Closures issued €150 million in aggregate principal amount of additional 2029 Notes (the “Additional 2029 Notes”) and commitments under the 2027 RCF (including the Additional RCF) were increased to €175 million by way of a fungible increase. In accordance with the provisions of the documents governing the Additional 2029 Notes, on June 20, 2024, the existing Collateral was extended to secure the Additional 2029 Notes, and each of the Guarantors reaffirmed its guarantee of the 2029 Notes to include the Additional 2029 Notes.

(30) Related party transactions

Transactions with key management personnel are set our below:

(€'000)	Costs recognised in the period						Accrual for post-employment benefits at June 30, 2024	Payables at June 30, 2024	Cash flows for the period
	Fees for positions held	Incentives	Remuneration for employment	Accrual for post-employment benefits and other supplementary pension funds	Non-cash benefits	**Total**			
Total key management personnel	662	1,614	310	19	4	**2,609**	6	6,478	2,167

Special Packaging Solutions Investments S.à r.l. is a related party of Guala Closures S.p.A. as it owns 100% of the share capital of Guala Closures S.p.A..

Related parties also include the pension fund for employees of the former Metal Closures Ltd. (now Guala Closures UK Ltd.) managed by Metal Closures Group Trustees Ltd. Considering the performance of the pension fund, the English company was not required to transfer funds thereto. Employees have paid their contributions.

There are no significant transactions with other related parties in addition to those indicated in this report or in the notes to the consolidated financial statements.

(31) Contingent liabilities

Guala Closures India

In 2021 a tax audit was opened in India by the local Transfer Pricing Officer, after which, the entire management fees paid by Guala Closures India were disallowed as the arm's length price was calculated as 'nil'. The Transfer Pricing Officer applied the same adjustment to Indian FY 2012-13 to FY 2013-14, FY 2015-16 to FY 2018-19, for a total taxable amount of about INR769 million (about €8.4 million). Based on the documents collected about the costs under dispute and based on various Indian judicial precedents available on this topic, the company believes it has necessary evidence to defend its position before the appellate authority.

(32) Events after the reporting period

Acquisition of 100% Guala Closures DGS Poland

On July 11, 2024, Guala Closures S.p.A. finalized the acquisition of the remaining 30% stake in Guala Closures DGS Poland (“DGS”). The purchase price of the shares amounts to €56 million. DGS is one of the world’s largest aluminum closures producers for spirits, wine and non-alcoholic beverages producing approximately 4 billion aluminum closures annually. This transaction streamlines the Group's structure and enables it to have full and direct access to a highly cash-generative business.

Payment of second tranche of Labrenta purchase price

On August 2, 2024, Guala Closures S.p.A. paid €2.2 million as second tranche of Labrenta purchase price. That amount includes the reduction of the consideration owned by Cortapedra S.r.l. to Labrenta S.r.l. for the acquisition of Labrenta South America and other purchase price adjustments.

Completion of the Acquisition of Astir Vitogiannis S.A.

On August 6, 2024, following the agreement reached on April 23, 2024, has been finalised the completion of the transfer of all shares of Astir Vitogiannis S.A. to Guala Closures. Astir directly owns 74.99% of Coleus Packaging (pty) Limited, a Sud African incorporated company. The agreed Enterprise Value amounted to €136 million and following the closing adjustments and the deduction of the minority interest in Coleus, the Parties hereby acknowledge and agreed the amount of €115.5 million and Guala Closures assumed the total bank debt of Astir and Coleus of €11.3 million.

Payment of Fengyi earn-out

On August 19, 2024, Guala Closures International B.V. paid €3.9 million of earn-out accounted for the acquisition of Fengyi.

On behalf of the board of directors
CEO
Mauro Caneschi

September 12, 2024