GualaClosures

ANNUAL REPORT
2024

Translation from the Italian original which remains the definitive version

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

2024 GROUP HIGHLIGHTS

1954 Foundation	**37** Production sites	**>5,000** Employees	**€831 milion** Turnover	**7** R&D centres Bulgaria, Mexico, Ukraine, China, United Kingdom and 2 in Italy
300+ Closure models	**4** Product lines: Safety, prestige, roll-on and crown	**6** Destination markets: spirits, wine, water, beverages, oil & condiments and beer	**>200** Intellectual Property Rights	**100** Countries We have strong customer relations with

NET REVENUE BY GEOGRAPHICAL SEGMENT

EUROPE	AMERICAS	ASIA	OCEANIA	AFRICA	GROUP
€447.1m	€199.3m	€108.8m	€35.0m	€40.5m	€830.7m
53.8%	*24.0%*	*13.1%*	*4.2%*	*4.9%*	*100.0%*

NET REVENUE BY PRODUCT

SAFETY	PRESTIGE	ROLL-ON	CROWN	OTHER REVENUE	GROUP
€282.7m	€80.3m	€387.0m	€30.6m	€50.1m	€830.7m
34.0%	*9.7%*	*46.6%*	*3.7%*	*6.0%*	*100.0%*

NET REVENUE BY DESTINATION MARKET

SPIRITS	WINE	WATER	BEVERAGES	OLIVE OIL & CONDIMENTS	BEER	OTHER MARKETS	GROUP
€534.0m	€126.3m	€67.3m	€30.7m	€16.6m	€25.4m	€30.4m	€830.7m
64.3%	*15.2%*	*8.1%*	*3.7%*	*2.0%*	*3.1%*	*3.7%*	*100.0%*

Letter to stakeholders

Dear stakeholders,

After a beginning characterised by the persistence of unfavourable market conditions, the 2024 financial year recorded a gradual and generalised recovery in demand in all the main reference markets, closing with sales volumes in line with those registered in the previous year on a like-for-like basis.

The Group ended the year with a pro-forma turnover of Euro 876 million, which was 1% higher than in the financial year 2023, also due to the contribution of the acquisitions completed during the year.

Global demand in the *Wine and Spirits* categories grew in the third and fourth quarters, providing evidence of a substantial reduction in inventories, where over-saturation had severely restrained orders in FY2023. The *Spirits* market also confirms the tendency to focus on the high-end segments as a growth driver, thus supporting our commitment towards the development of distinctive products and technologies in the *Prestige* closures category.

A good growth and penetration in the North American market, where new business relations with interesting prospective developments have been established, is also confirmed.

Some critical issues remain and attention is focused on specific geographical areas, where the Group is reorganising its offer to face stronger local competition and new emerging trends in specific product categories.

During 2024, the Group continued its inorganic growth, strengthening its position as a complete supplier of closures for various market segments through the acquisition of Astir Vitogiannis, a leading company in the production of crown caps and a privileged partner of the most prestigious brands in the beverage sector for high-end products.

This initiative will enable the Group further to expand its product portfolio for glass bottle closures, consolidating business relationships with a large number of customers it already serves, as well as establishing new relationships with major players in the beverage and beer sectors.

Furthermore, significant investments aimed at improving and strengthening the industrial organisation of the Group, including the construction of a new plant in the United Kingdom (Gartcosh) that will integrate the activities currently distributed over two other sites, and the start of production in the new plant built in Nigeria (Lagos) that will see a further expansion of activities during 2025, were completed.

The growth in revenues and actions aimed at making structures and operating processes more efficient, through greater specialisation of production sites and greater use of industrial synergies, allowed the maintenance of a good level of profitability, which amounted to EUR 200 million in terms of Adjusted EBITDA pro-forma.

On the corporate reinforcement front, the acquisition of the minority shares of Guala Closures DGS Poland SA was finalised, thus assuming 100% control of the Polish company, which boasts the world's largest aluminium closure production facility, thereby strengthening its role as the Group's production Hub.

In addition, a minority shareholding was acquired in Guala Closures Bulgaria AD, a strategic company both for its production of moulds for other Group companies, and for the production of closures in the Prestige segment, defining a central role in the project to strengthen this sector.

Therefore, the aforementioned acquisitions of minorities are part of a strategy to further strengthen the policy of strong organisational and operational integration of the Group's commercial and production structures and to provide better support to customers.

We also continue our efforts to improve customer service with the strengthening of certain organisational support areas, which will see its full completion in the next financial year.

With regard to improving the sustainability of our production activities and attention to social policies, we continued along the virtuous path outlined in our three-year plan, which saw a significant improvement in the limitation of our Scope 1 and 2 emissions and a substantial increase in the use of raw materials from recycling processes.

The investments made to improve safety in our workplaces have also allowed us to extend ISO 45001 certification to a larger number of our production sites, testifying to our ongoing commitment and focus on improving the well-being of the Group's human resources.

Managing Director

Andrea Lodetti

(signed on the original)

COMPANY OFFICERS

BOARD OF DIRECTORS

Chairman	Gabriele Del Torchio
Managing Director	Andrea Lodetti
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

3. Separate financial statements of Guala Closures S.p.A. as of 31 December, 2024

DIRECTOR'S REPORT

GUALA CLOSURES GROUP

1.1 INTRODUCTION

€ 831m
2024 NET REVENUE

SALES NETWORK
IN OVER 100
COUNTRIES

4 PRODUCT
CATEGORIES

> 200
INTELLECTUAL
PROPERTY RIGHTS

37 PRODUCTION
PLANTS
&
1 SALES OFFICE

> 5,000
EMPLOYEES
AROUND THE WORLD

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.

During 2024, the Group produced closures in four product lines: safety, prestige, roll-on and crown for six different markets (spirits, wine, water, beverages, olive oil & condiments and beer).

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 and 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've reached a leading position, recognized 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 customers' objectives as its own, applying creativity, experience, integrity and dedication to provide customers with high-level closures and solutions, while reducing its environmental impact on society.

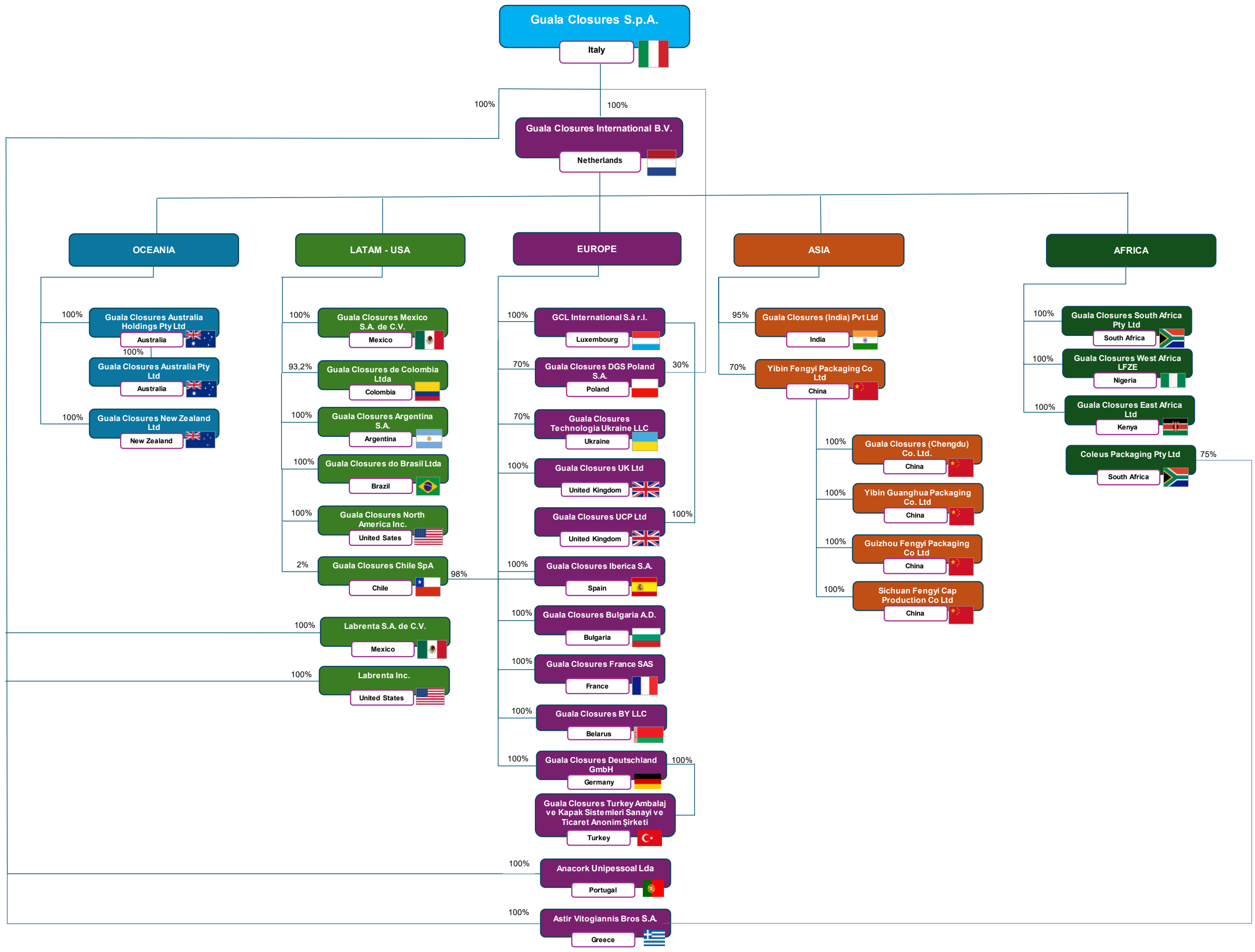
The pillars that guide the corporate Vision and Mission

- **EXCELLENCE:** The Group works to provide the best possible products and services, with the aim of highlighting its customers' brands;
- **SUSTAINABILITY:** Guala Closures is committed to promoting the objective of continuous and constant sustainable development in all Group companies, in order to contribute to growth that respects the environment, society and the economy;
- **INNOVATION:** The Group explores new solutions and opportunities and creates integrated projects that go beyond traditional aesthetic canons. Through research and development, Guala Closures improves production processes with an innovative approach in order to offer products that stand out in today's increasingly competitive market.

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 31 December 2024 (companies consolidated on a line-by-line basis):

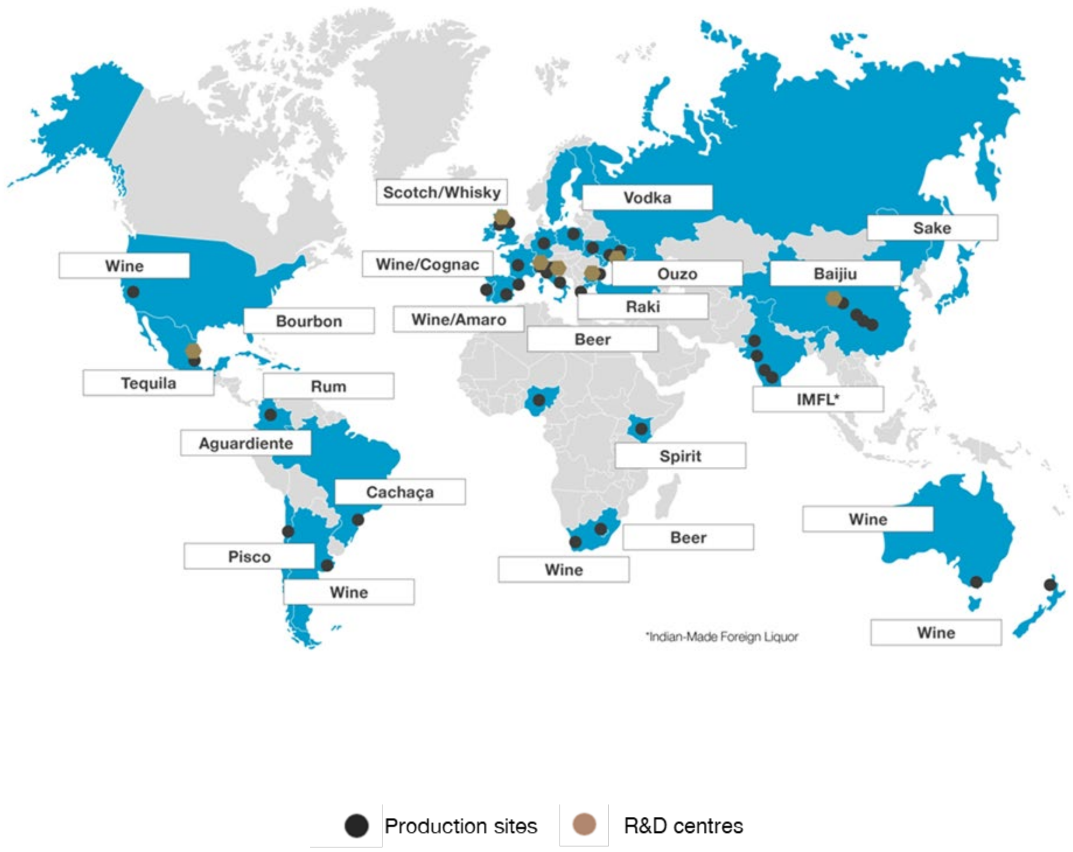


In 2024, the structure of the Group changed as follows:

- The deed of merger of Labrenta into Guala Closures S.p.A. was signed on 27 December 2023 and the merger took effect from 1 January 2024. It is useful to remember that on 16 October 2023 the merger of Labrenta into Guala Closures S.p.A. was approved by the Board of Directors of Guala Closures S.p.A. and Labrenta S.r.l. and on 19 October 2023 it was approved by the extraordinary shareholders' meeting of Guala Closures S.p.A. and Labrenta S.r.l..
- On 22 May 2024, Guala Closures West Africa LFZE was duly incorporated within the Nigeria Export Processing Zone.
- On 11 July 2024, Guala Closures S.p.A. finalised the acquisition of the remaining 30% stake in Guala Closures DGS Poland ('DGS').
- On 6 August 2024, the transfer of all shares of Astir Vitogiannis S.A. to Guala Closures S.p.A. was finalised. Astir directly owns 74.99% of Coleus Packaging (pty) Limited, a company incorporated in South Africa.
- On 18 October 2024, the winding-up of Beijing Guala Closures Co. Ltd. was finalised
- On 21 November 2024, Guala Closures International B.V. finalised the acquisition of the remaining 30% of Guala Closures Bulgaria A.D..
- On 16 December 2024, GCL International finalised the transfer of 100% of the shares in Guala Closures Deutschland GmbH and Guala Closures East Africa to Guala Closures International B.V.

1.3 INTERNATIONAL FOOTPRINT

The Guala Closures Group is a multinational Group with 37 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 four product lines and across six 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.

Prestige 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 Closures:

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.

Crown Closures:

High-quality crown closures designed for glass bottles help brands enhance their products and build strong customer relationships.

Destination markets:

Spirits:

Thanks to a considerable experience in the sector Guala Closures is able to offer customers a wide range of solutions which 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 enable recognition of the first opening of the bottle, guaranteeing product security.

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.

Olive 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.

Beer:

Famous breweries, but also innovative and rapidly growing craft breweries, choose the Group's crown closures range, which is based on flexibility, consistency and technical expertise capable of offering high-level products.

1.5 INNOVATION AND ECODESIGN

With the aim of keeping up with market trends, regulatory changes and consumer expectations, our research and development efforts are focused on lightweight and cost-efficient solutions for Asia, high-end aesthetics with natural fillers, high-end anti-counterfeiting concepts, plastic-free or low-plastic solutions for spirits.

In detail:

- In Asia, we are particularly focused on lighter solutions that reduce material consumption and costs, aligning with regional market dynamics (as well as sustainability goals).

- With a focus on some American projects, we are testing some natural fillers in expanded polymers, achieving superior aesthetics with a more sustainable material mix.

- As far as global trends are concerned, we are designing plastic-free or nearly plastic-free closures to meet the growing demand for easily recyclable and responsible solutions.

- We maintain our traditional focus on cutting-edge anti-counterfeiting technologies, which guarantee the authenticity and exclusivity of prestigious brands: 2 pilot projects are underway with 2 important Key accounts, which are using our patented NFC technology.

1.6 STRATEGY

2024 confirmed the Group's commitment to sustainability. During this period, the non-financial data of the recently acquired plants in China and Portugal were collected and numerous initiatives were launched.

Renewable energy used throughout the Group in 2024 increased to 61.7% from 51.5% in 2023; this was also achieved thanks to the construction of a solar field with a capacity of 3.2 MWh launched near the Indian plant in Goa.

The increased use of renewable energy and the numerous projects implemented locally to reduce energy consumption resulted in a 15% decrease in Scope 1 and 2 emissions compared to 2023.

In 2024, the percentage of recycled aluminium increased to 52%, compared to 41% in 2023, and this contributed to a 3% reduction in the intensity of Scope 3 emissions compared to 2023.

Certifications and evaluations:

In the first quarter, the Italian plants in Magenta, Spinetta Marengo and Termoli achieved ISO50001 (energy management systems) certification.

In the second quarter, the Argentine plant obtained FSCC22000 certification and the Italian plant in Breganze obtained ISO22000 certification (food safety management system).

In the third quarter, Guala Closures also obtained Ecovadis Gold certification with a score of 76.

According to EcoVadis, Guala Closures ranks in the TOP 3% of companies in the same sector.

In the second half of the year, the plants in Mexico, Bulgaria, Germany, France, China Gulin and China Chengdu obtained ISO45001 (Occupational Health and Safety Management Systems) 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 are currently the most widely used and internationally recognised standard in the field of non-financial reporting. The data in the report were subject to a limited review by PwC.

In the second half of the year, the double materiality definition process was also implemented, following the new CSRD requirements.

Governance:

In the first quarter, the Sustainability Board was renewed to better face the new challenges that lie ahead, including those in the field of reporting.

In the last quarter, internal training for the new Code of Ethics was launched, with a dedicated training platform.

FINANCIAL PERFORMANCE

2.1 GROUP PERFORMANCE

Key figures

(€m)	2023	2024	% variation	2023 PF [3]	2024 PF [4]	% variation
Revenues	**836.2**	**830.7**	***(0.7)%***	**868.5**	**876.1**	***0.9%***
Adjusted gross operating profit (Adjusted EBITDA) [1]	**180.5**	**186.3**	***3.2%***	**186.0**	**199.7**	***7.4%***
Adjusted gross operating profit (Adjusted EBITDA) [1] margin	***21.6%***	***22.4%***		***21.4%***	***22.8%***	
	Dec 31, 2023	**Dec 31, 2024**				
Net financial indebtedness [2]	727.8	**923.6**				
Employees		5,265				
Facilities: 37 production facilities and 1 sales offices in 25 countries on 5 continents						
Intellectual property rights		over 200				

Note:

(1) With reference to alternative performance indicators, such as Adjusted EBITDA, see the section 'Guala Closures Group Alternative Performance Indicators' hereof.
(2) Net financial indebtedness consists of financial liabilities minus cash and cash equivalents, as well as financial assets.
(3) 2023 PF includes twelve months of Anacorks and Fengyi - We note that the PF figures to December 2023 do not include the twelve months of Astir Group.
(4) 2024 PF includes 12 months of di Astir Group

Consolidated net revenue amounted to €830.7 million, with a decrease of €5.5 million compared to 2023 consolidated net revenue, mainly due to an unfavourable sales mix.

The Group's proforma net revenues increased by 0.9% compared to the previous financial year, driven by a good recovery in volumes, despite being affected by a slowdown in the first part of 2024 in traditionally important markets such as Europe and North America (a trend that was aggravated by the post-pandemic rebounds that occurred in 2023, generating a surplus in industry stocks Industry, affecting orders for the year in question).

Adjusted EBITDA margin increased from 21.4% to 22.8%, due to operational improvements as a result of current and previous year's investments and to continued efforts to control overhead expenditures.

Net financial indebtedness at 31 December 2024 (€924 million) is higher than at 31 December 2023 (+€196 million). The change is mainly due to the acquisition of Astir Vitogiannis Bros and the acquisition of minority interests in Poland (30%) and Bulgaria (30%), transactions also supported by the placement of an additional €150 million in bonds that extend the issue maturing in 2029.

Significant events of the year

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

BUSINESS:

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

On 16 October 2023, the merger of Labrenta into Guala Closures S.p.A. was approved by the Board of Directors of Guala Closures S.p.A. and Labrenta S.r.l., and on 19 October 2023, the merger was approved by the Extraordinary Shareholders' Meeting of Guala Closures S.p.A. and the Shareholders' Meeting of Labrenta S.r.l.

The merger deed was signed on 27 December 2023 and the merger took effect on 1 January 2024.

Inauguration of the Gulin Plant

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

This plant is particularly strategic, being located within an industrial park where one of the main Baijiu producers is present.

Addendum to the sale and purchase agreement for the acquisition of Fengyi

According to the sales contract entered into on 25 July 2023 and the subsequent addendum entered into on 15 March 2024, the buyer should have delivered a pro forma consolidated accounting situation of the Chinese companies at the closing date to the sellers by 30 April 2024, together with the determination of (i) the final net financial position and (ii) the final working capital.

With the addendum signed on 30 April 2024, the parties agreed to postpone the deadline for the delivery of these documents to 31 May 2024.

On 31 May 2024, the purchaser notified the sellers of the proposed price adjustment amount and thereafter the sellers raised no objection to the notification, pursuant to the clause of the Share Purchase and Sale Agreement. The price adjustment resulted in a price reduction of RMB 6.5 million or €839,000. As for payments, the amount deposited in escrow at the closing (equal to 10% of the paid price of RMB 95 million, or RMB 9.5 million) was released to the sellers for a total amount of RMB 2.9 million, while the remaining amount (RMB 6.5 million) was returned to the buyer.

After a final review, on 24 July 2024, the parties signed the ‘Amendment Agreement on the Terms of Payment of the Purchase Price’, setting out the amounts to be paid to each seller (also taking into account the subsequent expected payments).

Guala Closures West Africa LFZE

On 22 May 2024, Guala Closures West Africa LFZE was established in the Nigeria Export Processing Zone. Production at the new plant began in the fourth quarter of 2024, with the aim of expanding the Group's presence and strengthening its operations in Africa, which has significant growth potential.

Acquisition of 100% of Guala Closures DGS Poland

On 11 July 2024, Guala Closures S.p.A. finalised the acquisition of the remaining 30% of Guala Closures DGS Poland ('DGS'). The purchase price of the shares was EUR 56 million. DGS is one of the world's largest manufacturers of aluminium closures for spirits, wine and soft drinks and produces around 4 billion aluminium closures per year. This operation optimises the structure of the Group and allows full control over a particularly productive company.

Acquisition of Astir Vitogiannis

On 23 April 2024, Guala Closures S.p.A. signed an agreement to acquire Astir Vitogiannis Bros S.A., a leading manufacturer of crown closures. Astir produces over 12 billion closures per year and generated a consolidated turnover of EUR 75 million and an EBITDA of EUR 19 million in 2023. The acquisition is in line with Guala Closures' strategy of pursuing synergistic acquisitions and successfully integrating them in order to continue to profitably grow its business. With Astir's entry into the Group, Guala Closures will be able to offer the complete range of closures available for glass bottles on a global scale.

The acquisition of Astir allows the Group to expand its presence in emerging markets, characterised by population growth and increasing per capita consumption, and, at the same time, to supply closures for the ready-to-drink and non-alcoholic beverage segment. The acquisition was subject to various conditions, including antitrust approvals in certain jurisdictions, and was finalised on 6 August 2024 with the transfer of all shares of Astir Vitogiannis S.A. to Guala Closures. Astir directly owns 74.99% of Coleus Packaging (pty) Limited, a company incorporated in South Africa. The agreed Enterprise Value amounted to EUR 136 million and, following the adjustments and the deduction of the minority shareholding in Coleus, the parties recognised and agreed an amount of EUR 115.5 million and Guala Closures assumed the total bank debt of Astir and Coleus of EUR 15.5 million.

Payment of the second tranche of the purchase price for Labrenta

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

Fengyi's earn-out payment

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

Winding-up of Beijing Guala Closures Co. Ltd.

On 18 October 2024, the winding up the company was finalised.

Acquisition of 100% of Guala Closures Bulgaria

On 21 November 2024, Guala Closures International B.V. finalised the acquisition of the remaining 30% of Guala Closures Bulgaria A.D.. The purchase price of the shares was EUR 4.6 million.

GOVERNANCE:

Organization

On 27 September 2024, Mauro Caneschi resigned from his role as Managing Director of Guala Closures to pursue other opportunities outside the Group.

Andrea Lodetti was appointed Managing Director of the Group on 12 December 2024.

REFINANCING:

New Bond Offering and RCF increase

On 20 June 2024, Guala Closures S.p.A. issued an additional €150 million of bonds maturing in 2029 ('Additional 2029 Bonds') and the commitments under the 2027 RCF were increased to €175 million through a fungible increase. The Bonds were issued at an issue price of 100.500% and bear interest at a rate equal to three-month EURIBOR (subject to a floor of 0%) plus 4.00% per annum recalculated quarterly.
In conjunction with the provisions of the documents governing the 2029 Additional Bonds, on 20 June 2024 the existing guarantee was extended to secure the 2029 Additional Bonds and each of the guarantors reaffirmed its guarantee of the 2029 Additional Bonds to include the 2029 Additional Bonds.

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. In 2023, and also during 2024, there was no business interruption and no impact on customer service, as the Group's business model guarantees product delivery due to the availability of alternative production sites within the Group.

Although the area around the Sumy plant has become more dangerous in recent months, to date there has been no damage to property or persons impacting the Group's assets.

From the second half of 2022, GC Ukraine has transferred 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.

To further mitigate risk, the Ukrainian company has transferred most of its production assets and personnel to Nemyriv, where a new plant is already operational. Following this transfer, most of the production facilities and personnel were located in safe areas (Ternopil and Nemyriv), far from the ongoing conflict, while only a minimal production capacity remained in Sumy.

GC Ukraine 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 UE and the USA against Russia are currently not significantly impacting our business.

GC Belarus has been a dormant company since the outbreak of war.

Israel - Palestine Conflict

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

The main effect of this event, if any, is identified in the cost of transport to and from the Red Sea, which could be subject to delays.

In the near-term, the ongoing and persistent geopolitical uncertainty, primarily stemming from the conflicts in Russia-Ukraine and more recently from 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 2023 and 2024. For comparative purposes, please note that the 2024 figures include the effect of the consolidation of the Fengyi Group for 12 months (2 months in 2023), of Anacorks for 12 months (3 months in 2023) and those of the Astir Group for 5 months (acquired in the third quarter of 2024).

Consolidated Income Statement	2023 (*)		2024	
	(€'000)	*% of net revenue*	*(€'000)*	*% of net revenue*
Net revenue	**836,180**	*100.0%*	**830,678**	*100.0%*
Change in inventories of finished and semi-finished products	(12,216)	*(1.5%)*	6,925	*0.8%*
Other operating income	16,783	*2.0%*	12,419	*1.5%*
Capitalised costs for internal work	7,431	*0.9%*	7,570	*0.9%*
Costs for raw materials	(355,691)	*(42.5%)*	(352,897)	*(42.5%)*
Costs for services	(152,029)	*(18.2%)*	(162,075)	*(19.5%)*
Personnel expenditure	(164,655)	*(19.7%)*	(170,577)	*(20.5%)*
Other operating expenditure	(21,245)	*(2.5%)*	(10,495)	*(1.3%)*
Impairment losses	(4,457)	*(0.5%)*	(99,039)	*(11.9%)*
Gross operating profit (EBITDA)	**150,099**	*18.0%*	**62,507**	*7.5%*
Depreciation and amortisation	(53,112)	*(6.4%)*	(52,738)	*(6.3%)*
Operating profit (EBIT)	**96,987**	*11.6%*	**9,769**	*1.2%*
Financial income	19,183	*2.3%*	32,533	*3.9%*
Financial expenditure	(63,349)	*(7.6%)*	(88,823)	*(10.7%)*
Net financial expenditure	**(44,166)**	*(5.3%)*	**(56,290)**	*(6.8%)*
Profit/(loss) before taxation	**52,821**	*6.3%*	**(46,521)**	*(5.6%)*
Income taxes	(29,289)	*(3.5%)*	(4,266)	*(0.5%)*
Profit/(loss) for the period	**23,532**	*2.8%*	**(50,786)**	*(6.1%)*
Attributable to:				
- the owners of the parent	13,618	*1.6%*	(56,559)	*(6.8%)*
- third-party shareholders	9,914	*1.2%*	5,773	*0.7%*

Adjusted gross operating profit (Adjusted EBITDA)	**180,525**	*21.6%*	**186,350**	*22.4%*

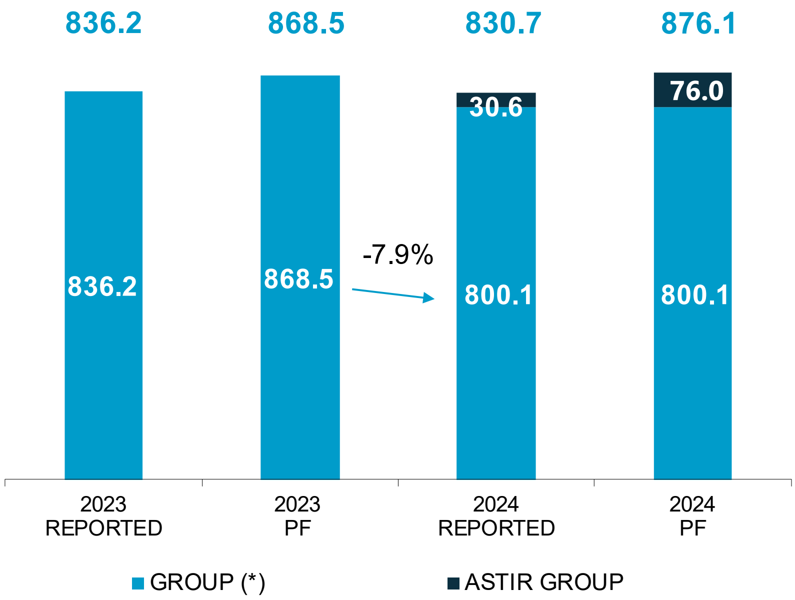
Note:

For information on the calculation of the adjusted gross operating profit reference should be made to page 44.

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

NET REVENUE

The following chart illustrates the 2024 trend in revenue compared to 2023.



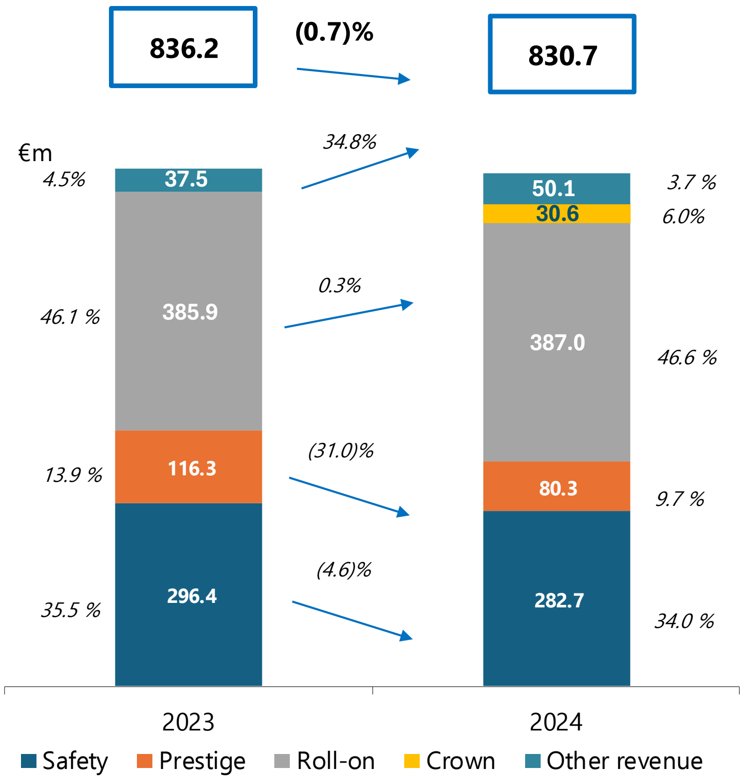
Group (*) without Astir
2023 PF includes 12 months of Anacorks and 12 months of Fengyi
2024 PF includes 12 months Astir Group

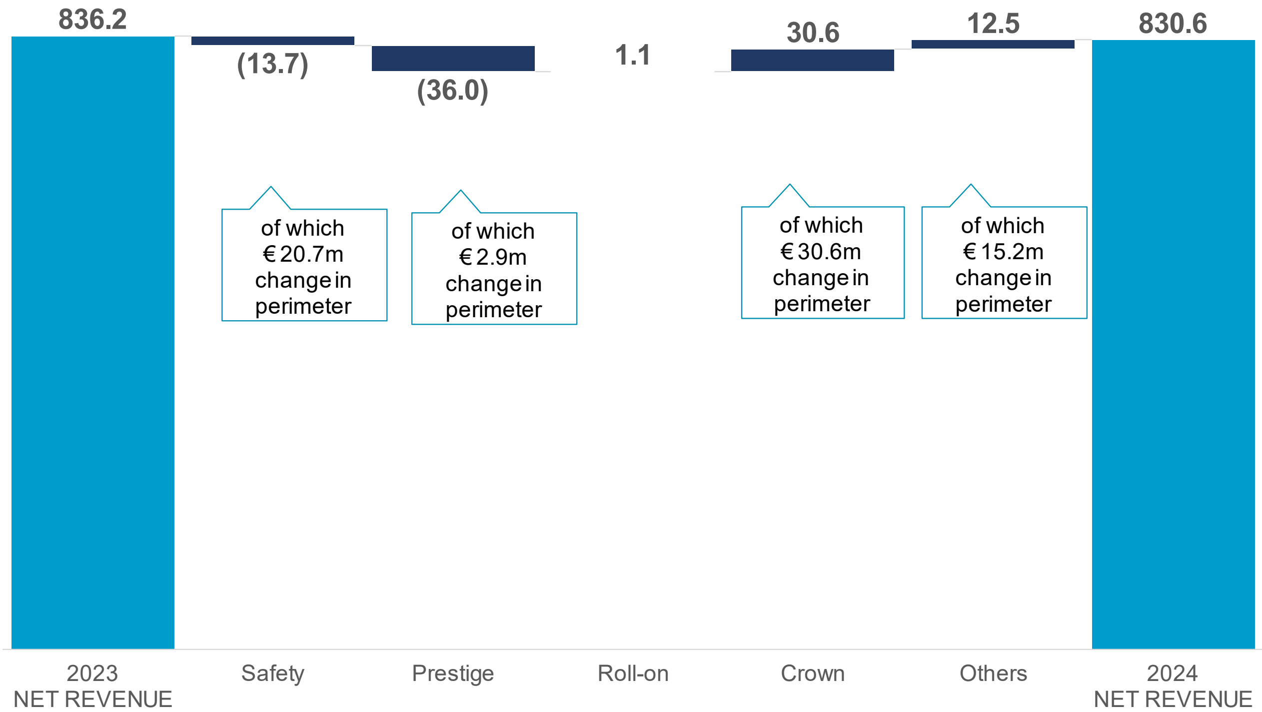
In 2024, consolidated net revenue was €830.7 million, with a decrease of €37.8 million (-4.5%) compared to 2023 PF and €5.5 million compared to 2023 consolidated net revenue, mainly due to an unfavourable sales mix.

The organic decrease of €68.4 million (-7.9%) (excluding 5-month revenues from the acquisition of Astir Group for €30.6 million) was mainly due to the decrease in the Safety and Prestige segments.

NET REVENUE BY PRODUCT

The following graphs provide a breakdown of and changes in net revenue by product:



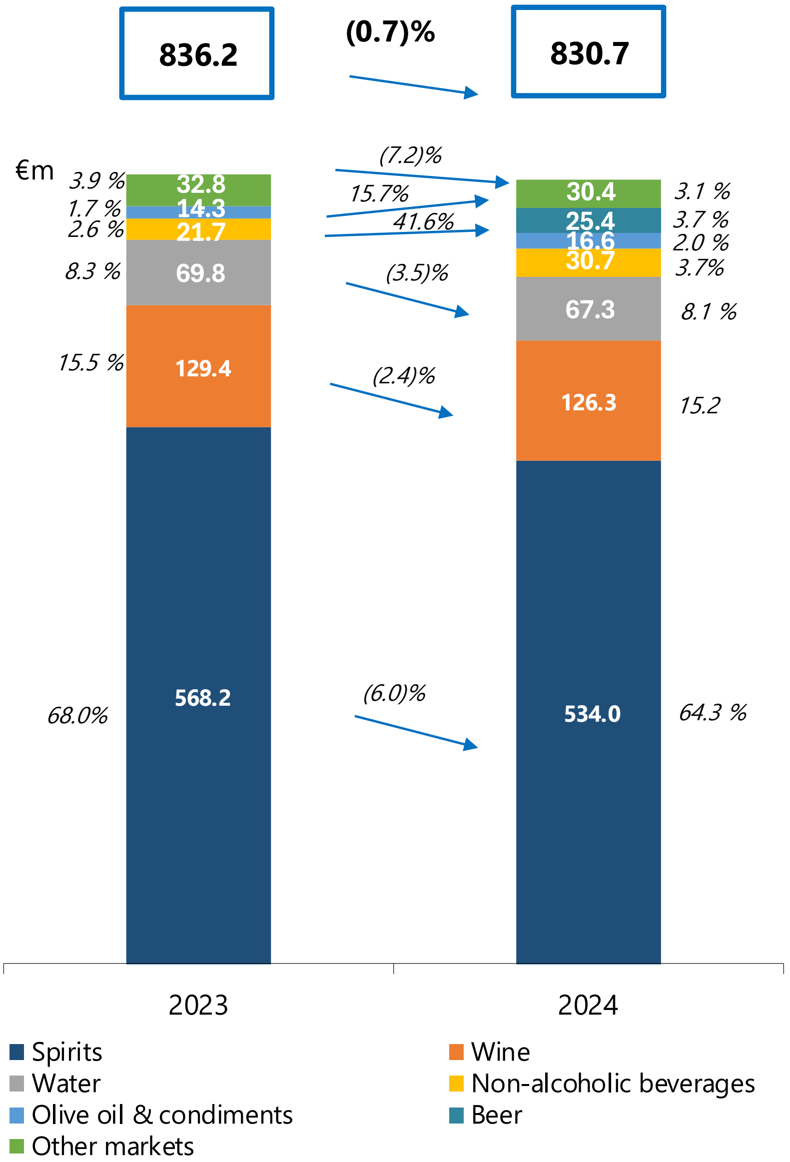


The change in perimeter includes nine months' sales from the acquisition of Anacorks (€3.0 million), ten months' sales from the acquisition of FengYi Group (€35.8 million) and five months' sales from the acquisition of Astir Group (€30.6 million).

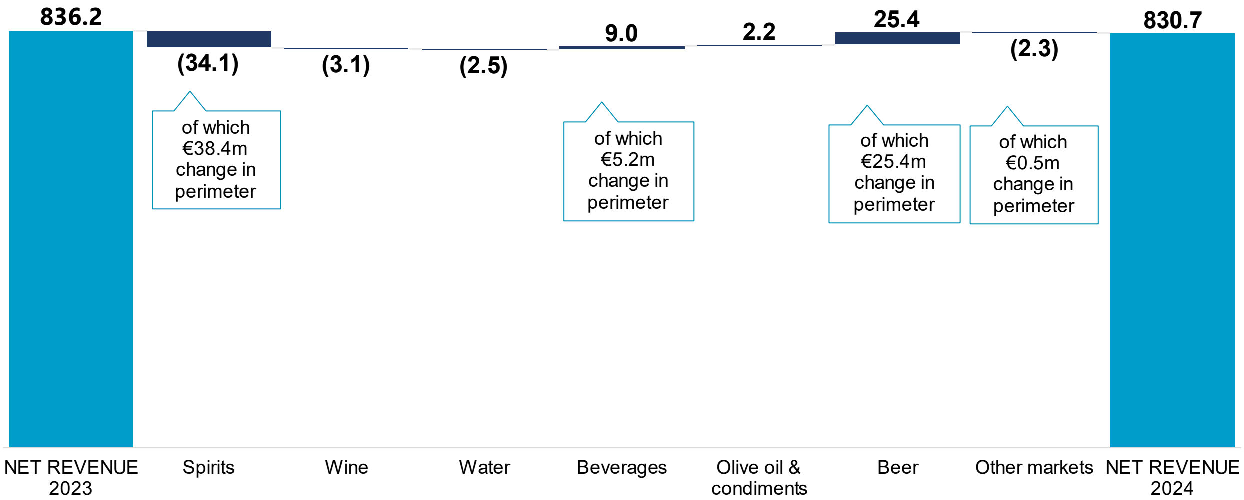
The development of revenues was affected by destocking and the market slowdown, which mainly affected the Safety and Prestige product lines. This reduction was offset by the entry into the Crown segment through the acquisition of the Astir Group in August 2024. Other revenues include sales of products not classified in the three standard categories and sales of components and scrap.

NET REVENUE BY DESTINATION MARKET

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



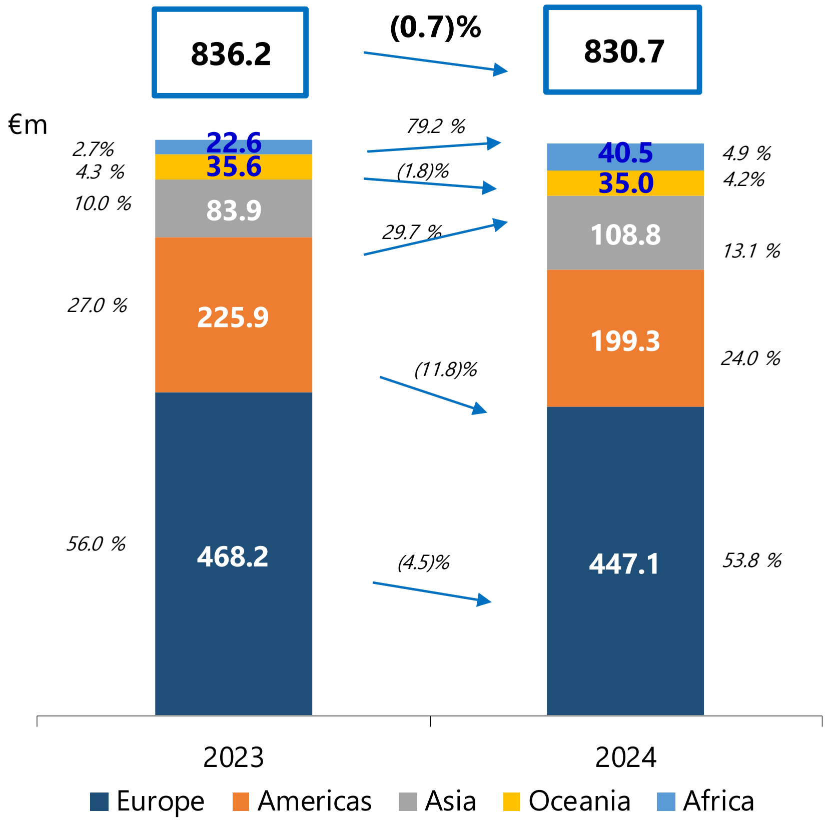
Source: *Internal data*



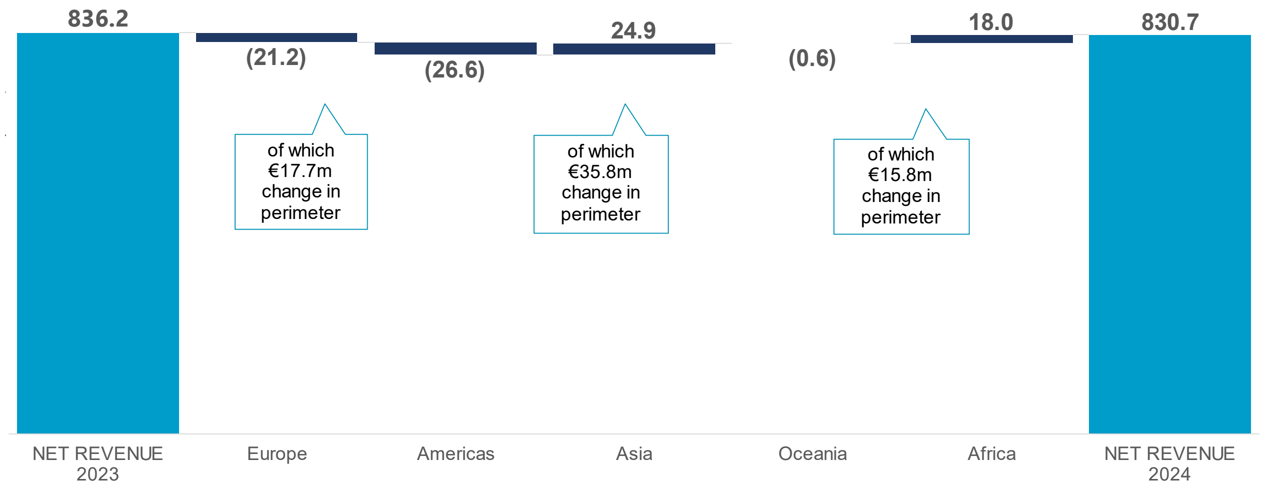
Distinction between Water and Other non-alcoholic beverages should be taken as indicative.

NET REVENUE BY GEOGRAPHICAL SEGMENT

The table below shows a breakdown of net revenue by geographical segment based on the location of the company that registered the sale:



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



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

OTHER OPERATING INCOME

Other operating income mainly includes public grants and insurance recovery. The decrease compared to 2023 is mainly due to the fact that the insurance compensation received for an accident in Magenta in the amount of €11.4 million was recognised in 2023, which was partially offset by releases in the period.

INTERNAL WORK CAPITALISED

This item is in line with the previous year (0.9% of net revenue). Internal work capitalised includes capitalised development expenditure and internal personnel expenditure 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 €2.8 million from €355.7 million in 2023 (42.5% of net revenue) to €352.9 million in 2024 (42.5%) mainly due to lower sales and production volumes.

COSTS FOR SERVICES

Costs for raw materials increased by €10.1 million from €152.0 million in 2023 (18.2% of net revenue) to €162.1 million in 2024 (19.5%). Compared to 2023, the increase is mainly due to higher costs for technical consultancy and transport.

PERSONNEL EXPENDITURE

Personnel expenditure increased by €5.9 million from €164.7 million in 2023 to €170.6 million in 2024. Such evolution mainly included the following impacts: (i) the consolidation of the activities of Fengyi for 12 months in 2024 (as opposed to 2 months in 2023) and Astir Group (5 months in 2024).

OTHER OPERATING EXPENDITURE

The table below breaks down and compares other operating expenditure in the two years:

(€'000)	2023	2024	diff.
Accrual of provisions	8,342	2,443	(5,899)
Taxes and duties	3,014	2,372	(643)
Use of third-party assets	2,288	2,278	(10)
Impairment losses on trade receivables and contract assets	3,318	1,206	(2,112)
Other expenditures	4,282	2,196	(2,087)
Total	**21,245**	**10,495**	**(10,750)**

Other operating expenditure decreased by €10.8 million from €21.2 million in 2023 (2.5% of net revenue) to €10.5 million in 2024 (1.3%), mainly due to the lower amounts set aside.

IMPAIRMENT LOSSES

Impairment losses increased by €94.6 million from €4.5 million in 2023 to €99.0 million in 2024. As of 31 December 2024, considering the actual and expected results, given the change in strategy implemented by the Group and the development of the markets in which the Group operates, certain impairment indicators were identified on indefinite intangible assets such as "customer lists" and "patents".

Pursuant to the Impairment Procedure and in accordance with accounting principles, the recoverable value of such intangible assets was then estimated with the support of an independent expert.

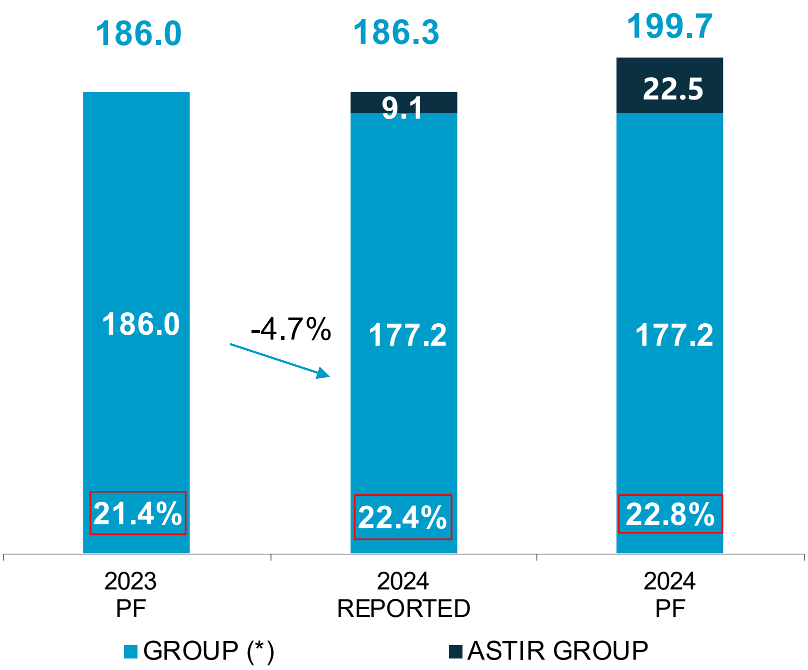
From the above analysis, the recoverable amount, identified as the 'fair value less costs of disposal', was lower than the carrying amount, thus resulting in an overall impairment loss of €99.0 million, of which €87.1 million related to the customer list and €11.9 million to the patents recognised.

ADJUSTED GROSS OPERATING PROFIT

In 2024, the reported adjusted gross operating profit (adjusted EBITDA) was €186.3 million, with an increase of €0.3 million (+0.2%) compared to 2023 PF (€186.0 million), of which €9.1 million coming from the Astir Group contribution.

The adjusted gross operating profit margin increased from 21.4% of net revenues in 2023 PF to 22.4% in 2024 (22.8% on a pro forma basis).

The following chart illustrates the 2024 trend in adjusted EBITDA compared to 2023 (on a pro-forma basis):



GROUP (*) without Astir
2023 PF including 12 months Anacorks and 12 months Fengyi
2024 PF includes 12 months of Astir Group

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 €0.4 million from €53.1 million in 2023 (6.4% of net revenue) to €52.7 million (6.3%).

OPERATING PROFIT

In 2024, the reported operating profit (EBIT) was €9.8 million, down €87.2 million (-89.9%) from 2023 (€97.0 million), mainly as a result of the impairment of the customer list and patents. Adjusted operating profit in 2024 would be €133.6 million compared to €127.4 million in 2023.

FINANCIAL INCOME AND EXPENDITURE

The following table breaks down financial income and expenditure by nature in 2023 and 2024:

(€'000)	2023	2024	diff.
Net interest expenditure	(25,001)	(52,986)	(27,985)
Net exchange gains/(losses)	(13,989)	6,971	20,960
Fair value losses on financial liabilities to non-controlling investors	(2,240)	(8,607)	(6,367)
Other net financial income (expenditure)	(2,936)	(1,668)	1,268
Net financial income / (expenditure)	**(44,166)**	**(56,290)**	**(12,124)**

Net financial expenditure increased by €12.1 million from €44.2 million in 2023 to €56.3 million in 2024.

This increase is mainly due to the negative impact of €28.0 million resulting from the increase in interest expense following the new bond issued in October 2023 and June 2024 and the negative effect of €6.4 million due to the greater change in the fair value of financial liabilities to minorities, partially offset by the positive impact of €21.0 million in exchange rate gains and €1.3 million in other net expenses.

INCOME TAXES

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

(€'000)	2023 (*)	2024	diff.
Current taxes	(36,509)	(30,715)	5,794
Deferred taxes	7,220	26,449	19,230
Total income taxes	**(29,289)**	**(4,266)**	**25,023**

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

Income taxes decreased by €25.0 million, mainly due to the release of deferred taxes as a result of impairments made during 2024 on customer list and patents.

RESULT OF THE YEAR

The result for 2024 is a loss of €50.8 million compared to a profit of €23.5 million in the previous financial year, with a negative difference of €74.3 million.

The decrease in 2024 is mainly due to the decrease in operating profit (€87.2 million) and the increase in net financial expenditure (€12.1 million), partially offset by the decrease in taxes (€25.0 million).

RECLASSIFIED STATEMENT OF FINANCIAL POSITION

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

(€'000)	**31 December 2023**	**31 December 2024**
Intangible assets	854,436	824,723
Property, plant and equipment	263,543	311,358
Right-of-use assets	20,439	28,710
Net working capital	154,234	204,601
Derivative assets/liabilities	(6,867)	(4,646)
Employee benefits	(8,545)	(7,922)
Other net liabilities	(87,941)	(75,878)
Net invested capital	**1,189,300**	**1,280,946**
Financed by:		
Net financial liabilities - third parties	857,512	1,023,771
Financial liabilities - Lease	21,367	29,734
Financial liabilities - non controlling investors	45,210	27,597
Cash & cash equivalents	(196,280)	(157,454)
Net financial indebtedness	**727,808**	**923,648**
Equity	**461,492**	**357,298**
Sources of financing	**1,189,300**	**1,280,946**

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

INTANGIBLE ASSETS

Intangible assets decreased by €29.7 million, mainly due to impairments (€99.0 million), amortisation for the period (€14.7 million) and the negative exchange rate effect (€1.6 million), partially compensated by the change in perimeter following the provisional value of the acquisition of the Astir Group (€78.4 million) and the net increase for the period (€7.1 million).

PROPERTY, PLAN AND EQUIPMENT

The €47.8 million increase in property, plant and equipment compared to 31 December 2023 is mainly due to capital expenditure for the period (€62.6 million) and the change in perimeter following the acquisition of the Astir Group (€15.0 million), partially offset by amortisation and depreciation for the period (€29.6 million)

Capital expenditure in 2024, totalling €62.6 million, refers to investments made to increase production capacity, develop new products, perform plant maintenance and EHS (Environment, Health and Safety) investments. These investments mainly refer to equipment in all five continents where the Group operates, with a specific focus on the Group's facilities in Italy, the United Kingdom, Spain, Poland, China and India.

RIGHT-OF-USE ASSETS

At 31 December 2024, right-of-use assets amount to €28.7 million and 2024 balance is in line with the previous year. The increase is fully compensated by the amortization of the period amounting to €8.5 million.

NET WORKING CAPITAL

The table below provides a breakdown of net working capital:

(€'000)	31 December 2023	31 December 2024
Inventories	124,354	160,135
Trade receivables	126,077	165,318
Trade payables	(96,196)	(120,851)
Net working capital (*)	**154,234**	**204,601**

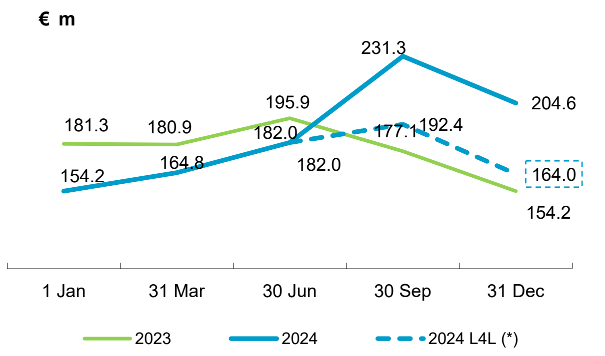
(*) These figures do not match those used to calculate the change in working capital in the statement of cash flows for the applicable year as those amounts have been adjusted to reflect changes in exchange rates on the opening balances and in the number of consolidated companies.
The above net working 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 last quarter's sales data divided by 90 days:

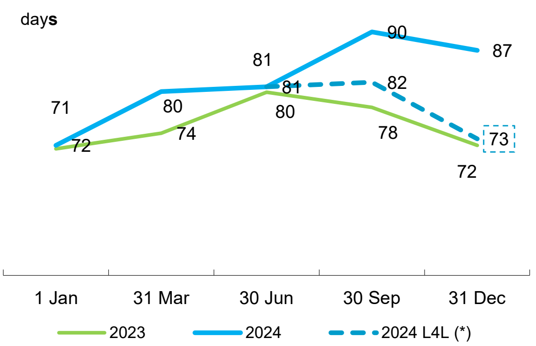
Days	31 December 2023	31 December 2024
Inventories	58	71
Trade receivables	59	68
Trade payables	(45)	(52)
Net working capital days	**72**	**87**

The charts below refer to the historical trend in net working capital by quarter:

VALUE



DAYS



2024 L4L (*) excludes Astir

Net working capital as at 31 December 2024 increased by €50.4 million. Compared to 31 December 2023, excluding the change in perimeter due to the acquisition of Astir, it increased by €9.8 million due to higher sales. The days of net working capital at 31 December 2024, excluding the change in perimeter due to the acquisition of Fengyi, are in line with 2023.

OTHER NET LIABILITIES

The table below shows a breakdown of other net liabilities:

(€'000)	**31 December 2023 (*)**	**31 December 2024**
Deferred tax assets	20,129	26,190
Deferred tax liabilities	(54,146)	(33,491)
Net DTA/(DTL)	**(34,016)**	**(7,301)**
Payables to employees and social security	(22,257)	(21,810)
Accrual of provisions	(12,572)	(8,457)
Liabilities for dividends	(276)	(1,131)
Liabilities for investments	(9,048)	(13,221)
Other net liabilities	(9,773)	(23,959)
Total net other liabilities	**(87,941)**	**(75,878)**

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

EQUITY

The table below shows a breakdown of equity:

(€'000)	**31 December 2023 (*)**	**31 December 2024**
Equity attributable to the owners of the parent	408,083	327,379
Equity attributable to non-controlling interests	53,409	29,919
Equity	**461,492**	**357,298**

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

The decrease in shareholders' equity is mainly due to the loss for the period (€50.8 million), the change in the scope of consolidation (€37.4 million) and the distribution of dividends (€8.2 million). The statement of changes in shareholders' equity provides further details on this regard.

NET FINANCIAL INDEBTEDNESS

The table below gives a breakdown of net financial indebtedness:

(€'000)	31 December 2023	31 December 2024
Net financial liabilities - third parties	857,512	1,023,771
Financial liabilities - Lease	21,367	29,734
Financial liabilities - non controlling investors	45,210	27,597
Cash & cash equivalents	(196,280)	(157,454)
Net financial indebtedness	**727,808**	**923,648**

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 2024, net financial debt increased by €195.8 million, mainly due to the impact of the acquisition of the Astir Group (€110.3 million, net of cash acquired) and the acquisition of the minority shares in Poland and Bulgaria (€54.0 million), transactions also supported by the placement of an additional €150 million in bonds that extend the issue to maturity in 2029.

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

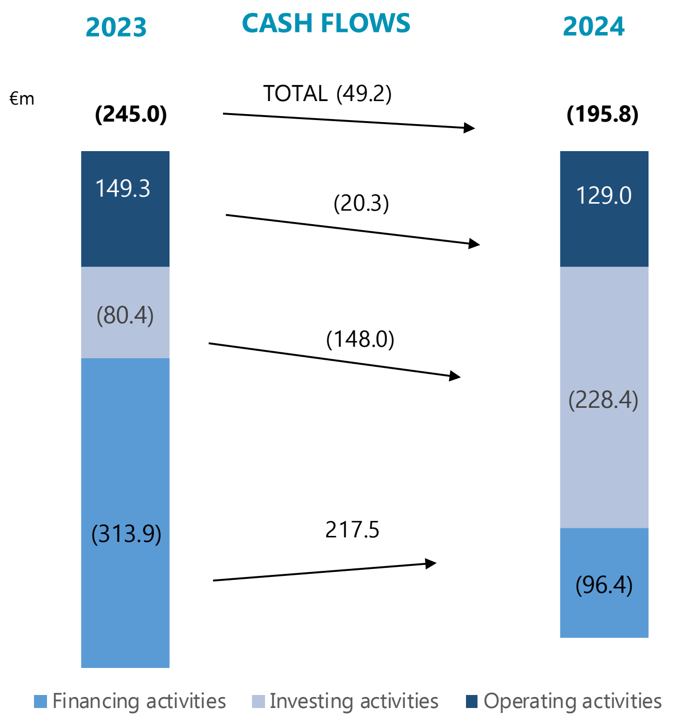
RECLASSIFIED STATEMENT OF CHANGES IN NET FINANCIAL INDEBTEDNESS

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

(Thousands of €)	2023	2024
A) Opening net financial indebtedness	**(482,787)**	**(727,808)**
Gross operating profit	150,099	62,508
Net gains on sale of non-current assets	(202)	(462)
Change in net working capital	34,451	(11,441)
Impairment of customer list and patents	-	99,039
Other operating items	1,162	13,959
Taxes	(36,228)	(34,609)
B) Net cash flows from operating activities	**149,281**	**128,993**
Net Capex	(70,215)	(64,934)
M&A Anacorks (2023) - (net of cash acquired)	22	-
M&A Fengyi (2023) - (net of cash acquired)	(10,174)	-
M&A Poland and Bulgaria	-	(54,000)
M&A Astir (net of cash acquired)	-	(110,337)
M&A Fengyi - price adjustment	-	839
C) Cash flows used in investing activities	**(80,367)**	**(228,431)**
Increases in financial indebtedness for right of use	(8,797)	(16,314)
Transaction costs not yet paid/(paid) on bonds issued in 2023/2024	2,934	(1,493)
Net interest expenditure	(27,937)	(59,604)
Dividends paid to shareholders	(250,000)	-
Dividends paid to minorities	(7,767)	(7,342)
Change in financial liabilities for put options	(2,240)	(8,607)
M&A Fengyi - Initial put option	(7,711)	-
M&A /Fengyi - initial debt	(5,710)	-
M&A Fengyi (2023) - Payables to previous shareholders	(7.197)	-
M&A minority Poland - Change in financial liability for put option	-	10,917
M&A Astir - initial debt	-	(15,460)
M&A Bulgaria - Change in financial liabilities for put options	-	3,533
Other financial items	2,546	6,532
Effect of exchange fluctuation	(2,057)	(8,564)
D) Change in net financial indebtedness due to financing activities	**(313,936)**	**(96,402)**
E) Total change in net financial indebtedness (B+C+D)	**(245,021)**	**(195,840)**
F) Closing net financial indebtedness (A+E)	**(727,808)**	**(923,648)**

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 consolidated financial statements.*

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



Net cash flows from operating activities

The Net cash flow from operating activities amounts to €129.0 million, down by €20.3 million compared to 2023 (€149.3 million) mainly due to the negative change in net working capital (€11.4 million compared to a positive change of €34.4 million in 2023), the decrease in gross operating profit (EBITDA) (€87.6 million), partially offset by the impairment of the customer list and patents (€99.0 million), the increase in other operating items (€12.8 million) and a lower tax outlay (€1.6 million).

Cash flows used in investing activities

Cash flows used in investing activities were €228.4 million, up €148.0 million on 2023 (€80.4 million).

This increase is mainly due to the cash outlay for the acquisition of Group Astir (€110.3 million), for the acquisition of the remaining 30% stake in Guala Closures DGS Poland (€49.9 million) and Guala Closures Bulgaria (€4.1 million), partially offset by lower capital expenditure (€5.3 million) due to lower investments made compared to 2023 and the price adjustment relating to the acquisition of FengYi (€0.8 million) received in 2024.

Change in net financial indebtedness due to financing activities

The change in net financial indebtedness due to financing activities in 2024 amounts to €-96.4 million, with a reduction of €217.5 million on 2023 (€-313.9 million).

The main positive factors behind this decrease are the following:

- Payment of dividends to shareholders (€250 million in 2023) and higher dividends paid to minorities (€0.4 million);
- M&A Poland - change in non-controlling interests of €10.9 million due to the cancellation of put option liabilities (€21.9 million) partially offset by the recognition of deferred payments (€11.0 million);
- M&A Bulgaria - change in minority liabilities of €3.5 million due to the cancellation of put option liabilities (€4.3 million) partially offset by the recognition of deferred payments (€0.8 million);
- Increase in other financial items (€3.9 million) mainly due to transactions in hyperinflationary economies.

partially offset by the following positive factors:

- Higher net interest (€31.7 million);
- Increase in right-of-use assets (€7.5 million);
- Greater negative effect of exchange rate fluctuations (€6.7 million);
- Increase in net financial debt due to acquisitions (€14.4 million in 2023 for Fengyi compared to €15.5 million for Astir Group);
- Greater negative change in the fair value of financial liabilities for put options (€6.4 million);
- Higher transaction costs paid on bonds issued (€1.5 million) (vs. €2.9 million not paid in 2023).

KEY FINANCIAL AND OTHER INDICATORS

Financial indicators

	2023 (*)	2024
Adjusted gross operating profit (€ mln)	180.5	186.3
Gross operating margin as a percentage of revenues (Adjusted gross operating profit/Net revenues)	21.6%	22.4%
ROS (Adjusted operating profit/Net revenue)	15.2%	16.1%
ROE (Profit/(Loss)/Equity)	5.1%	(14.2)%
ROCE (Adjusted operating profit / (Current Assets - Current Liabilities net of current financial liabilities))	8.7%	8.9%
ROI (Adjusted operating profit/Net invested capital)	10.7%	10.4%
Gearing ratio (Net financial indebtedness/Equity)	1.58	2.59
NWC days (Net working capital/Turnover of last quarter)	72	87

consolidated financial statement data - internal information

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

Notes:
- *In relation to the gross operating profit and adjusted gross operating profit, reference should be made to the section 'Alternative performance indicators' in this report.*
- *In relation to the net invested capital and net working capital, reference should be made to the reclassified statement of financial position in this report.*

Other indicators

The following table gives a breakdown of the Group's personnel by gender and number:

Number	31 December 2023			31 December 2024		
	Men	Women	TOTAL	Men	Women	TOTAL
Managers	315	92	407	318	105	423
White collars	655	352	1,007	662	395	1,057
Blue collars	2,887	1,007	3,894	2,837	948	3,785
Total	**3,857**	**1,451**	**5,308**	**3,817**	**1,448**	**5,265**

In addition, the Group also employed 808 temporary workers as at 31 December, 2024 (950 as at 31 December, 2023).

Alternative performance indicators of the 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 of IFRS indicators.

The **gross operating profit (EBITDA)** is calculated by adjusting the result for the year to exclude the effect of taxation, net financial expenditure and amortisation and depreciation.

The **adjusted gross operating profit (adjusted EBITDA)** is calculated by adjusting the profit (loss) for the period to exclude the effect of taxes, net financial expenses, amortisation and depreciation and the effects of other costs, such as reorganisation expenses, expenses for mergers and acquisitions (M&A), non-capitalised costs for the implementation of the SAP information system, expenses for MIP, non-recurring costs and impairment losses.

The **operating profit (EBIT)** is calculated by adjusting the result for the year to exclude the effect of taxation and net financial expenditure.

The **adjusted operating profit (adjusted EBIT)** is calculated by adjusting the profit (loss) for the period to exclude the tax effect, net financial expenditure and the effects of other costs, such as reorganisation expenses, expenses for mergers and acquisitions (M&A), non-capitalised costs for the implementation of the SAP information system, expenses for MIP, non-recurring costs and impairment losses.

Gross operating profit (EBITDA), adjusted gross operating profit (Adjusted EBITDA) and adjusted operating profit (Adjusted EBIT) are not performance measures defined by 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.

The **Group L4L** means the Group like-for-like, i.e., values recalculated on consistent area of consolidation in 2023.

PF stands for 'pro forma values', as to reflect the representation of acquisitions that took place during the reference financial year as if they had been effective for the entire financial year, for example as if the acquisition of the Astir Group had been effective from 1 January 2024.

Adjusted gross operating profit

(€'000)	**2023 (*)**	**2024**
Profit for the period	23,532	(50,786)
Income taxes	29,289	4,266
Profit before tax	**52,821**	**(46,521)**
Net financial expenditure	44,166	56,290
Depreciation and amortization	53,112	52,738
Gross operating profit (EBITDA)	**150,099**	**62,507**
Adjustments:		
Reorganisation costs	12,166	11,389
Merger and acquisition expenditures ("M&A")	4,597	2,983
Non-capitalised costs for SAP implementation	1,347	2,755
MIP (Management incentive plan)	7,674	4,263
Impairments	4,423	98,950
Others	218	3,502
Adjusted gross operating profit (Adjusted EBITDA)	**180,525**	**186,349**

Adjusted operating profit

(€'000)	**2023 (*)**	**2024**
Profit for the period	23,532	(50,786)
Income taxes	29,289	4,266
Profit before tax	**52,821**	**(46,521)**
Net financial expenditure	44,166	56,290
Operating profit (EBIT)	**96,987**	**9,769**
Adjustments:		
Reorganisation costs	12,166	11,389
Merger and acquisition expenditures ("M&A")	4,597	2,983
Non-capitalised costs for SAP implementation	1,347	2,755
MIP (Management incentive plan)	7,674	4,263
Impairments	4,423	98,950
Others	218	3,502
Adjusted operating profit (Adjusted EBIT)	**127,413**	**133,611**

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

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

The adjustments shown in the tables above refer mainly to:

- Reorganisation expenditures that relate to severance costs, transformation and reorganisation projects mainly related to Italy for EUR 8 million, Chile for EUR 1 million and UK/UCP for EUR 1.5 million;

- Net expenditures for mergers and acquisitions including due diligence and advisory costs mainly related to the acquisition of Astir for EUR 2.2 million and various other projects;

- Non-capitalised costs for SAP implementation incurred mainly in Italy for EUR 2 million and in the UK;

- Charges arising from the management incentive plan;

- Impairments made during the year on the customer list for EUR 87.1 million and on patents for EUR 11.9 million;

- Other non-operating miscellaneous costs mainly include costs incurred for the acquisition of the minority interest in Poland for EUR 0.6 million and the installation of the new plants in Ukraine for EUR 0.3 million.

2.2 Guala Closures S.p.A. performance

Operating offices

Guala Closures S.p.A. currently operates in Italy out of the following production facilities and locations:

- Milan, Piazza Vetra 17: headquarter and management operating office;

- Alessandria, Via Rana 12 Frazione Spinetta Marengo: the company's registered and operating offices and a plant for the production of plastic safety closures and aluminium closures;

- Termoli (Campobasso), località Pantano Basso Zona Industriale: a plant producing plastic safety closures and aluminium closures;

- Termoli (Campobasso), località Pantano Basso Zona Industriale: a warehouse;

- Basaluzzo (Alessandria), Via Novi 46: a warehouse;

- Basaluzzo (Alessandria), Via Novi 44: a warehouse;

- Magenta (Milan), Strada per Cascina Peralza 20: a site for printing and cutting aluminium;

- Breganze (Vicenza), Via dell'innovazione 2, where a factory is located for the production of high-end, customisable closures for the Spirits, Wine, Oil and Vinegar industry using materials such as wood, cork and plastic. The inclusion of this plant in the perimeter of Guala Closures S.p.A derives from the merger operation with the company Labrenta S.r.l.: on 27 December 2023, the deed of merger of Labrenta into Guala Closures S.p.A. was signed and the merger took effect on 1 January 2024.

Financial performance

The table below summarises the comparable financial performance of Guala Closures S.p.A. for the twelve months of 2023 and for the twelve months of 2024:

Statement of profit or loss Guala Closures S.p.A.	**2023**		**2024**	
	(€'000)	***% on net revenue***	***(€'000)***	***% of net revenue***
Net revenue	175,684	100.0%	174,041	100.0%
Changes in inventories of finished and semi-finished products	(3,948)	(2.2%)	(2,512)	(1.4%)
Other operating income	55,241	31.4%	38,074	21.9%
Capitalised costs for internal work	4,343	2.5%	4,318	2.5%
Costs for raw materials	(109,522)	(62.3%)	(105,923)	(60.9%)
Costs for services	(40,342)	(23.0%)	(44,552)	(25.6%)
Personnel expenditure	(44,381)	(25.3%)	(41,467)	(23.8%)
Other operating expenditures	(3,306)	(1.9%)	(2,480)	(1.4%)
Impairments	(34)	(0.0%)	(22,467)	(12.9%)
Gross operating profit	**33,736**	**19.2%**	**(2,968)**	**(1.7%)**
Depreciation and amortisation	(10,967)	(6.2%)	(14,786)	(8.5%)
Operating profit (EBIT)	**22,769**	**13.0%**	**(17,753)**	**(10.2%)**
Financial income	22,178	12.6%	30,622	17.6%
Financial expenditure	(28,154)	(16.0%)	(58,240)	(33.5%)
Dividends	-	-	36,157	20.8%
Net financial expenditure	**(5,976)**	**(3.4%)**	**8,539**	**4.9%**
Profit/(loss) before taxation	**16,792**	**9.6%**	**(9,214)**	**(5.3%)**
Income taxes	(3,259)	(1.9%)	3,334	1.9%
Profit/(loss) for the year	**13,533**	**7.7%**	**(5,880)**	**(3.4%)**
Adjusted gross operating profit (Adjusted EBITDA)	**50,009**	**28.5%**	**36,952**	**21.2%**

NET REVENUE

In 2024, the company recorded **net revenue of €174.0 million**, down €1.6 million compared to 2023, mainly due to the decrease in sales of semi-finished aluminium products. For finished products, it is possible to observe an increase in volumes (in the water, oil and wine sectors) accompanied by a decrease in sales prices, also influenced by the trend in raw material costs.

Export sales represented around 71% of turnover in 2024. The most significant countries to which exports were directed are as follows: Great Britain, Germany, Spain, Mexico, the United States, France and Sweden.

OTHER OPERATING INCOME

Other operating income decreased by €17.2 million from €55.2 million in 2023 (31.4% of net revenue) to **€38.1 million** in 2024 (21.9%).

It should be noted that in 2023, other operating income was increased by the insurance reimbursement (amounting to €11.4 million) related to an accident at the Magenta plant.

In 2024, other operating income mainly comprises:

a) the **Service Agreement** for the recharge to subsidiaries of costs incurred by Guala Closures S.p.A. on behalf of other Group companies for accounting, financial, treasury, purchasing, personnel management and data management services and the recharge of insurance and other costs incurred by Guala Closures S.p.A. on behalf of other Group companies (**€17.8 million**);

b) **royalties** charged to other Group companies to use the Guala Closures trademark (**€12.5 million**);

c) charging of **transport costs** (**€1.4 million**);

d) charging of **insurance costs** (**€0.8 million**);

e) charging of **technical consultancy (€1.1 million);**

f) charging of **fees** (**€1.3 million**);

g) charging of **personnel expenditure** (**€0.2 million**).

h) other revenues of **€2.9 million.**

INTERNAL WORK CAPITALISED

Capitalised **costs for internal work** are stable at **€4.3 million** in 2024 (2.5%).

This income consists of capitalised development costs for new closures and personnel costs used for capitalised extraordinary maintenance, partly re-invoiced for the portion relating to foreign subsidiaries.

COSTS FOR RAW MATERIALS

These costs decreased from €109.5 million in 2023 (62.3% of net revenue) to **€105.9 million** in 2024 (60.9% of net revenue) mainly due to the decrease in costs incurred for the purchase of aluminium also influenced by a lower average purchase price recorded during 2024.

COSTS FOR SERVICES

Costs for services increased from €40.3 million in 2023 (23.0% of net revenue) to €44.6 million in 2024 (25.6% of net revenue), mainly due to the increase in expenditure for technical and IT consultancy.

PERSONNEL expenditure

Staff costs decreased from €44.4 million in 2023 to **€41.5 million** in 2024, mainly due to the reduction of the amount related to the management bonus and incentive scheme. As far as the impact on net revenues is concerned, it went from 25.3% of net revenues in 2023 to 23.8% in 2024. The number of employees as at 31 December 2024 was 506 (468 in 2023), comprising 70 managers, 119 clerks and 317 workers.

OTHER OPERATING expenditure

Other operating expenditures decreased from €3.3 million in 2023 (1.9% of net revenue) to **€2.5 million** in 2024 (1.4%) mainly due to lower provisions.

IMPAIRMENT LOSSES

The **impairment losses** recognised in 2024 amounted to **€22.5 million,** compared to €0.03 million recognised in 2023, mainly due to the impairment of the Customer and Patent List. As at 31 December 2024, the change in strategy implemented by the company resulted in the emergence of indications of impairment for intangible assets with a finite life regarding 'customer list' and 'patents'. In accordance with the impairment procedure, the recoverable amount, defined in terms of ‘fair value less costs of disposal’ of the aforementioned intangible assets, was estimated with the support of an independent expert, referring to the provisions of IFRS 13 Fair Value Measurement. This fair value estimate resulted in the recognition of an overall impairment loss of €22.4 million, of which €11.5 million related to the customer list and €10.9 million to the registered patents.

ADJUSTED GROSS OPERATING PROFIT

The **gross operating profit** in 2024 is negative for **€3 million** (positive €33.7 million in 2023).

In 2024, the gross operating profit was negatively affected mainly by the impairment of the Customer and Patent List for €22.5 million, and then by lower sales revenue (€1.6 million) and lower Service Agreement revenue (€5 million).

In 2023, the gross operating profit was affected by the decrease in sales volumes, offset by the increase in operating revenues for the Service Agreement (+€8.7 million) and by the insurance reimbursement received (€11.4 million) relating to an accident that occurred in our Magenta plant.

Excluding the above costs, the adjusted gross operating profit for the 2024 would be €37.0 million, compared to €50.0 million in 2023.

AMORTISATION AND DEPRECIATION

Amortisation and depreciation increased from €10.9 million in 2023 (6.2% of net revenue) to **€14.8 million** in 2024 (8.5% of net revenue) mainly due to higher amortisation and depreciation on assets incorporated as a result of the merger with Labrenta S.r.l. effective 1 January 2024.

NET FINANCIAL INCOME

This item increased by **€14.5** million from a cost of €6.0 million to a profit of **€8.5** million in 2024.

The increase of €14.5 million was mainly due to dividends received in 2024 (€36.2 million), plus higher net foreign exchange gains (€2.6 million) and the increase in interest charged to other Group companies (€3.7 million) related to increases in intercompany loans granted. These increases are only partially offset by the increase in net interest expenditure to third parties (€28.0 million).

Details of financial income and expenses by type compared over two financial years are shown in the table below:

(€'000)	2023	2024
Net foreign exchange gain	147	2,752
Dividends income	-	36,157
Net interest expense - third parties	(26,407)	(54,386)
Net interest income - related parties	20,284	24,016
Net financial expenditure	**(5,976)**	**8,539**

INCOME TAXES

Income taxes went from a cost of €3.3 million (1.9% of net revenue) in 2023 to a revenue of €3.3 million (1.9% of net revenue) in 2024, mainly due to lower income taxes accompanied by an increase, compared to the previous year, of the positive impact of deferred tax assets, mostly related to the impairment losses of the Customer List and Patents.

RESULT OF THE YEAR

The **result for the year** decreases from a profit of €13.5 million (7.7% of net revenue) in 2023 to a loss of **€5.9 million (3.4%)** in 2024, mainly caused by the negative impacts from the above (including the impairment losses of the Customer and Patent List) only partially offset by the dividends received (€36.2 million) and the increase in deferred tax assets.

Reclassified statement of financial position

The following table shows the reclassified financial position as at 31 December, 2024 of Guala Closures S.p.A. with comparative figures as at 31 December, 2023:

(€'000)	31 December 2023	31 December 2024
Intangible assets	151,730	172,690
Property, plant and equipment	64,267	76,147
Right-of-use assets	2,734	5,245
Net working capital	51,699	55,134
Investments	701,145	836,741
Derivative liabilities	(6,867)	(4,650)
Employee benefits	(2,740)	(3,002)
Other assets / (liabilities)	(14,068)	(25,077)
Net invested capital	**947,901**	**1,113,228**
Financed by:		
Net financial liabilities - third parties	826,577	991,015
Current financial liabilities - related parties	14,057	21,881
Financial liabilities - IFRS 16 effects	2,937	5,511
Financial assets - related parties	(295,888)	(312,338)
Cash & cash equivalents	(79,888)	(68,804)
Net financial indebtedness	**467,795**	**637,266**
Equity	**480,106**	**475,962**
Sources of financing	**947,901**	**1,113,228**

INTANGIBLE ASSETS

Intangible assets increased by €21.0 million from €151.7 million as at 31 December 2023 to €172.7 million as at 31 December 2024, mainly due to the increase in intangible assets (€13.7 million) and goodwill (€28.2 million) arising from the merger with Labrenta S.r.l. effective 1 January 2024 and capital expenditure of €7.0 million partially offset by depreciation and amortisation for the year of €5.6 million and the impairment of the Customer List and Patents of €22.4 million.

PROPERTY, PLAN AND EQUIPMENT

Property, plant and equipment increased by €11.9 million from €64.3 million at 31 December, 2023 to €76.1 million at 31 December, 2024. The increase is mainly due to the increase in tangible assets (€6.3 million) resulting from the merger with Labrenta S.r.l. effective from 1 January 2024 to investments of €14.5m, partially offset by depreciation for the year of €6.7m and divestments of €2.2 million.

EQUITY INVESTMENTS

Equity investments increased by €135.6 million, from €701.1 million to €836.7 million, due to the net effect of the acquisition of 100% of Astir Vitogiannis Bros S.A. €115.5 million, the acquisition of 30% of the company Guala Closures DGS Poland for €60.9 million, for the incorporation of the shareholding in Anacorks Unipessoal Lda following the merger with Labrenta S.r.l., netted by the zeroing of the shareholding in Labrenta S.r.l. following the merger. This figure also includes equity investments in other companies of negligible amounts.

NET WORKING CAPITAL

The table below provides a breakdown of net working capital:

(€'000)	31 December 2023	31 December 2024
Inventories	23,412	20,411
Trade receivables - third parties	12,025	18,757
Trade receivables - related parties	44,546	56,933
Trade payables – third parties	(22,362)	(32,707)
Trade payables – related parties	(5,922)	(8,259)
Net working capital	**51,699**	**55,134**

The following table shows an analysis of net working capital in days, calculated on the basis of turnover in the last quarter of the financial year divided by 90 days.

Days	31 December 2023	31 December 2024
Inventories	60	43
Trade receivables - third parties	31	39
Trade receivables - related parties	115	120
Trade payables – third parties	(58)	(69)
Trade payables – related parties	(15)	(17)
Net working capital days	**133**	**116**

The net working capital increased from €51.7 million as at 31 December, 2023 to **€55.1 million** as at 31 December, 2024. The 2024 balance is influenced by the contribution from the merger with Labrenta S.r.l. (effective from 1 January, 2024) equal to €2.1 million, broken down as follows: net receivables €4.1 million, inventory €1.5 million and payables €3.5 million. Compared to 2023, the increase in net working capital is due to the increase in trade receivables from both third parties and related parties. This increase is only partially offset by the increase in trade payables to both related parties and third parties and by the decrease in inventories. With regard to net working capital in days, we went from 133 to 116 days, mainly thanks to the decrease in days of inventory and the improvement in days of trade payables, only partially offset by the increase in days of trade receivables from third parties and related parties.

OTHER ASSETS AND LIABILITIES

Other net liabilities totalled **€25.1 million** at 31 December, 2024, compared to €14.1 million at 31 December, 2023.

NET FINANCIAL INDEBTEDNESS

The table below gives a breakdown of net financial indebtedness:

(€'000)	31 December 2023	31 December 2024
Net financial liabilities	840,634	1,013,255
Financial liabilities - IFRS 16 effects	2,937	5,511
Net financial assets	(295,888)	(312,696)
Cash & cash equivalents	(79,888)	(68,804)
Net financial indebtedness	**467,795**	**637,266**

Net financial indebtedness increased by €169.5 million, from €467.8 million at 31 December 2023 to **€637.3 million** at 31 December 2024, mainly due to the issue of an additional €150 million of bonds maturing in 2029 (the 'Additional 2029 Bonds') on 20 June 2024, used, on 11 July 2024, for the acquisition of the remaining 30% stake in Guala Closures DGS Poland ('DGS') and, on 6 August 2024, of all the shares of Astir Vitogiannis S.A. (€115.5 million). The Bonds were issued at an issue price of 100.500% and bear interest at a rate equal to three-month EURIBOR (subject to a floor of 0%) plus 4.00% per annum recalculated quarterly.

More details of the above are provided in the reclassified statement of changes in net financial indebtedness – Guala Closures S.p.A..

Reclassified statement of changes in net financial indebtedness

The table below summarises the trend of the reclassified statement of changes in net financial indebtedness of Guala Closures S.p.A. for 2023 and 2024:

('000)	2023	2024
A) Opening net financial indebtedness	(218,484)	**(467,795)**
Contribution from merger	-	**(8,304)**
A) Opening net financial indebtedness	**(218,484)**	**(476,099)**
Gross operating profit	33,736	(2,968)
Net gains on sale of non-current assets	(344)	71
Change in net working capital	(13,353)	(1,317)
Impairments of customer list and patents	-	22,438
Other operating items	782	5,806
Taxes	(1,303)	471
B) Net cash flows from operating activities	**19,518**	**24,502**
Net investments	(18,981)	(19,456)
Change in liabilities for investments	(875)	4,008
Acquisition Astir Vitogiannis Bros S.A.	-	(115,450)
Acquisition Minority Interest Poland	-	(49,900)
C) Cash flows used in investing activities	**(19,856)**	**(180,798)**
Increase (decrease) in lease liabilities	(1,214)	(2,016)
Net interest expenditure	(6,124)	(30,370)
Transaction costs not yet paid/(paid) on Bond issued	2,934	(1,493)
Acquisition Labrenta - change in debt to Cortapedra S.r.l.	6,263	1,377
Other financial items	(980)	1,986
Dividends from Guala Closures International B.V.	-	36,157
Dividends paid to Shareholders	(250,000)	-
Payable for deferred payment of minority share Poland	-	(11,210)
Effect of exchange fluctuation	147	700
D) Change in net financial indebtedness due to financing activities	**(248,973)**	**(4,870)**
E) Total change in net financial indebtedness (B+C+D)	**(249,311)**	**(161,166)**
F) Closing net financial indebtedness (A+E)	**(467,795)**	**(637,266)**

Net financial indebtedness is calculated by subtracting cash and cash equivalents and financial assets from financial liabilities, as reconciled in Annex F) to the Management Report 'Reconciliation between the tables included in the Management Report with the classification used in the separate financial statements.

This indicator is provided to offer a better understanding of the Company's financial statements and is not to be considered a substitute for IFRS indicators.

Key financial and other indicators

Financial indicators

	2023	2024
Adjusted gross operating profit (Adjusted EBITDA) (€ mln)	50.0	37.0
EBITDA margin (Adjusted gross operating profit/Net revenue)	28.5%	21.2%
ROS (Adjusted operating profit/Net revenue)	22.2%	12.7%
ROCE (Adjusted gross profit/(Assets - current liabilities, net of current financial liabilities))	2.9%	1.5%
ROI (Adjusted operating profit/Net invested capital)	4.1%	2.0%
Gearing ratio (Net financial indebtedness/Equity)	0.97	1.34
NWC days (Net working capital/Revenue for the last quarter/90)	133	116

Source: *separate financial statements figures*

Notes: *In relation to the adjusted gross operating profit, reference should be made to the section 'Alternative performance indicators - Guala Closures S.p.A.' in this report.*

In relation to the net invested capital and net working capital, reference should be made to the section Reclassified statement of changes in net financial position - Guala Closures S.p.A. in this report.

Other indicators

The following table gives a breakdown of the company's personnel by gender and number:

Number	31 December 2023			31 December 2024		
	Men	Women	TOTAL	Men	Women	TOTAL
Executives and Managers	57	13	70	53	16	69
White collars	85	34	119	93	52	145
Blue collars	258	21	279	277	40	317
Total	**400**	**68**	**468**	**423**	**108**	**531**

With regard to the obligations set forth in the legislation on the protection of personal data (European Regulation 2016/679), we would like to inform you that the Company has updated the Privacy Organisational Model for Italy in 2024, which contains the minimum security measures for the protection and safeguarding of personal data in respect of the rights of the persons concerned.

There were no fatalities or serious accidents at work during the year that caused serious or very serious injuries to personnel on the company's payroll.

No charges for occupational diseases contracted by employees or former employees were brought against the company. There were no mobbing cases either.

Alternative performance indicators of Guala Closures S.p.A.

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

The management presented the performance values of the gross operating profit (EBITDA), the adjusted gross operating profit (Adjusted EBITDA) and the adjusted operating profit (Adjusted EBIT) because it monitors these performance values and believes that such values are significant for the purpose of understanding Guala Closures S.p.A.'s financial performance. (the Company) and are not to be considered a substitute of IFRS indicators.

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

The **Adjusted EBITDA** is calculated by adjusting the result for the period to exclude the effect of taxation, net financial expenses, amortisation and depreciation and other costs such as reorganisation expenditure, M&A expenditure, non-capitalised costs for the implementation of the SAP information system, MIP expenditure, impairment losses of the Customer List and Patents and other non-recurring costs.

The **Operating profit (EBIT)** is calculated by adjusting the result for the year to exclude the effect of taxation and net financial expenditure.

The **adjusted operating profit (Adjusted EBIT)** is calculated by adjusting the result for the year to exclude the effect of taxation, net financial expenditure, and other costs such as reorganisation expenditure, merger and acquisition (M&A) expenditure, expenditure related to non-capitalised costs for the implementation of the SAP information system, MIP expenditure, impairment losses of List Customers and Patents, and other non-recurring costs.

Gross operating profit (EBITDA), adjusted gross operating profit (Adjusted EBITDA) and adjusted operating profit (Adjusted EBIT) are not performance measures defined by the IFRS. The definitions of adjusted gross operating profit (Adjusted EBITDA) and adjusted operating profit (Adjusted EBIT) provided by the Company may not be comparable with similarly titled performance measures and disclosures by other entities.

Adjusted gross operating profit

(€'000)	2023	2024
Profit for the year	13,533	(5,880)
Income taxes	3,259	(3,334)
Profit before taxation	**16,792**	**(9,214)**
Net financial expenditure	5,976	(8,539)
Depreciation and amortisation	10,967	14,786
Gross operating profit	**33,736**	**(2,968)**
Adjustments:		
Reorganisation costs	4,496	7,982
Merger and acquisition ('M&A') expenditure	3,651	2,433
Expenditure for non-capitalised costs for the implementation of SAP	233	1,961
MIP	7,674	4,263
impairment of List Customers and Patents	-	22,427
Non-recurring charges	218	854
Adjusted gross operating profit	**50,009**	**36,952**

Adjusted operating profit

(€'000)	2023	2024
Profit for the year	13,533	(5,880)
Income taxes	3,259	(3,334)
Profit before taxation	**16,792**	**(9,214)**
Net financial expenditure	5,976	(8,539)
Operating profit	**22,769**	**(17,753)**
Adjustments:		
Reorganisation costs	4,496	7,982
Merger and acquisition ('M&A') expenditure	3,651	2,433
Expenditure for non-capitalised costs for the implementation of SAP	233	1,961
MIP	7,674	4,263
impairment of List Customers and Patents	-	22,427
Non-recurring charges	218	854
Adjusted operating profit	**39,041**	**22,166**

The adjustments shown in the tables above refer mainly to:

- Reorganisation expenditures that relate to severance costs, transformation and reorganisation projects for EUR 8 million;

- Net expenditures for mergers and acquisitions including due diligence and advisory costs mainly related to the acquisition of Astir for EUR 2.2 million and various other projects;

- Non-capitalised costs for SAP implementation for EUR 2 million;

- Charges arising from the management incentive plan;

- Impairments made during the year on the customer list for EUR 11.5 million and on patents for EUR 10.9 million;

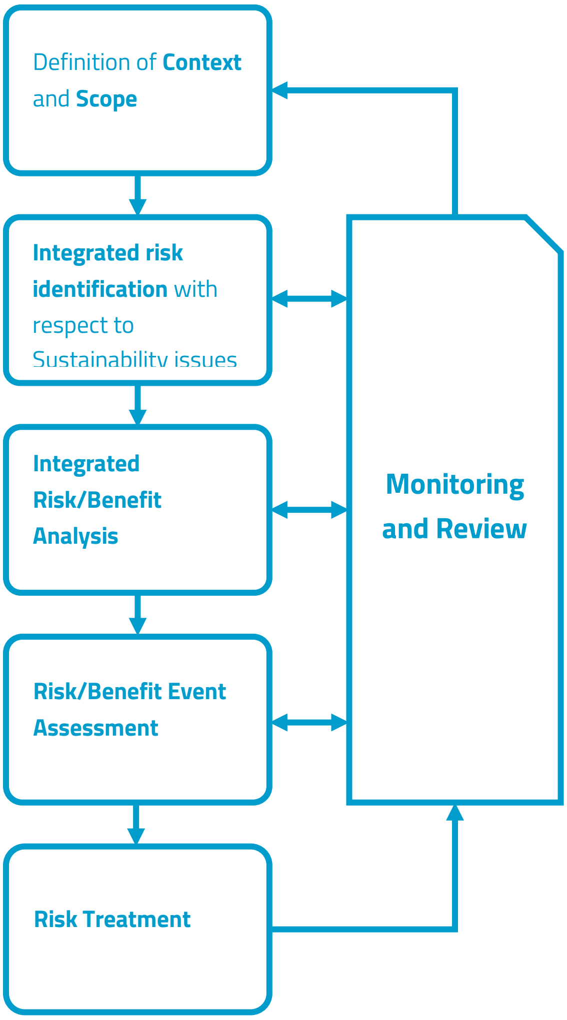
- Other non-operating miscellaneous costs mainly include costs incurred for the acquisition of the minority interest in Poland for EUR 0.6 million.

Other information

3.1 Analysis and management of risks and opportunities

The Guala Closures Group's internal control and risk management system promotes careful and correct corporate management, in line with the short, medium and long-term objectives set by the Board of Directors. The system in place at Group level makes it possible to identify, measure, manage and monitor the main risks, opportunities and related impacts for the company as a whole, as well as ensuring simultaneous communication of the necessary information to governing bodies and stakeholders.

In order to ensure access to reliable, up-to-date and timely information, the Guala Closures Group annually reviews and updates the analysis of risks and opportunities. The Board of Directors is responsible for adopting a structured internal control system, which delegates - through the Chief Executive Officer and the Risk Manager, and the Sustainability & Quality Manager for sustainability aspects - the management of analysis and reporting activities, which are coordinated at corporate level through the involvement of all the heads of the departments/functions as well as the Group's shareholder.



The Guala Closures Group has an Internal Control and Risk Management System that provides, among other elements, for the definition of an **Integrated Process for the Management of Risks and Opportunities**, the main objective of which is to adopt a structured, systematic and integrated approach, in particular, for the identification and assessment of the company's priority risks with potential negative effects and the subsequent definition of appropriate actions for the mitigation of the same.

In order to identify the company's priority risks, the Group has defined and periodically updates its **Risk Model** and applies specific *Risk Evaluation & Mapping* methodologies that make it possible to assign a numerical value of relevance (inherent and residual) to the identified risks, given by the overall result of the probability of occurrence, the robustness of the risk management mechanisms and the overall impact or magnitude with respect to economic-financial, operational, reputational and sustainability drivers.

Guala Closures Group's Risk Model also transversally integrates the relevant aspects from the Group's Sustainability perspective.

At corporate level, integrated risk management, developed in accordance with the 'CoSO-ERM' framework and national and international best practices, involves the identification, assessment and analysis of risks. It involves the evaluation of events that may lead to strategic, external, financial and operational risks/opportunities at corporate level and, among these, it also pays particular attention to the aspects of Sustainability for which the Group identifies potential or actual impacts (Impact Materiality) and the subsequent and periodic monitoring of Top Risks, thus providing an update of Guala Closures' risk profile in relation to strategic and management objectives. The risk assessment is carried out regularly and updated on an annual basis through various meetings with the managers of the various departments and also involving the Sustainability & Quality Manager for aspects relating to sustainability.

The results of the analyses, the assessments of the risks/benefits that have emerged and the related consequent audit, monitoring and risk verification plans are submitted to the Control Bodies and the Board of Directors, which, in acknowledging them, can in various ways provide specific inputs to the management and to the Internal Audit and Risk Management Function in order to increase further verification interventions.

Guala Closures is exposed to strategic, operational, financial and external risk factors (including compliance factors) that may be associated with both its business activities and the sector of activity in which it operates. The occurrence of such risk events could have negative effects on the Group's operating and business activities, as well as on the Group's economic, financial and equity performance.

The following are the main risk factors present in the Risk/Benefit Model that are periodically identified, analyzed, evaluated and managed by Guala Closures' management:

1. Financial Risks

2. Strategic Risks linked to industrial and product development

3. Business Development Risks

4. Strategic Market and Competition Risks

5. Risks deriving from the External Context (macroeconomic, environmental and socio-political context)

6. Compliance and Regulatory Development Risk

8. Governance, Organisation and Integrity Risks

9. Commercial Risks

10. Production and Logistics Risks

11. Risks associated with Asset management

12. Risks related to human resources (operational, regulatory and human rights, development and retention, diversity and inclusion)

13. Information Technology Risks

14. Reporting and Disclosure Risks

15. Risks in the management of relations with external stakeholders

16. Risks in the Supply Chain

The main risk and uncertainty factors that characterise the management of the Guala Closures Group's activities, also from a sustainability point of view, are illustrated below. It should therefore be noted that the above does not include all the risks identified and associated with the Group as part of the Risk Management process. The list of risks described in this section is largely in line with those indicated in 2023.

The financial risks are better described in Note (33) ‘Fair value of financial instruments and sensitivity analysis’ of the Notes to the consolidated financial statements.

Risks/opportunities specifically related to sustainable impact issues are described in section 2.4.1 Events involving risks.

Nature of the risk	Risk Management
Business Development and Acquisitions Risks In recent years, the Group has maintained a strategy of both organic and acquisition-based growth, expanding its market share as well as its product range. Growth, in particular non-organic growth, implies a greater risk as a result of the problems of integration of the companies acquired into the Group and the consolidation of market shares. This last aspect, relating to the management of the integration of new companies/markets in the context of the Group in terms of operations, alignment with existing standards and information systems, is particularly important in view of the strategy of continuous growth in the coming years.	The Parent Company has been structured over time, and is still evolving from the point of view of centralising Governance and organisational support structures, as well as overseeing M&A processes through analyses and evaluations carried out both with the support of consultants specialised in the various relevant analysis topics, and with the contribution of a transversal internal team. There are also intermediate roles between Corporate and Countries, such as Regional Manager, both for aspects relating to the commercial area and to the financial area, which allow for better management and monitoring of developments in individual countries.
Market risks and competition Social, sustainability and technological trends in recent decades could have a significant impact in terms of i) contraction of the alcoholic beverages sector or ii) changes in the type of closures required by the market (for example as a result of the growth of the PET market at the expense of glass and iii) simplification in closures as an effect of sustainability with a consequent reduction in the demand for closures produced by Guala Closures. The area where this risk is currently most felt is the Indian market. Market and competition risk can also translate into opportunities considering the growth in demand in new markets as well as the continuous incentive of the Research and Development area in the experimentation of new products and materials, precisely in view of expiring patents and pressure from customers.	The Group constantly monitors the evolution of demand trends in the reference sectors of its key customers, updating and diversifying its products. New product prototypes are tested both internally and in collaboration with customers in order to achieve the best results. In the short to medium term, significant risks have been identified in some of the markets in which the Group operates; the strategy, in addition to focusing on ongoing research, is constantly striving to open up new markets (geographic and product).
Evolving expectations Anticipating customer preferences in terms of technological and product development requires significant investments. In fact, product and process/plant innovation requires a high financial and organizational commitment in the research and development sector as well as in the monitoring of increasingly 'green' evolutionary trends but also rewarding in product differentiation (e.g. The Prestige segment).	The innovation of its closures and in general of its products has represented one of the main growth factors for the Guala Closures Group. In recent years, significant resources have been and continue to be allocated in this area to ensure the maintenance of its competitive advantage both with reference to the study of alternative materials, exclusive and technically more sophisticated products, and for the management of the end of life of the product (recycling). These investments take into account not only the changing expectations of customers and end consumers, but also sustainable trends that are increasingly relevant and in some cases mandatory.
Climate change Production activities and the execution of the Group's strategies are subject to the effects of natural events. Medium and long-term environmental and climate	The Group monitors the risks related to climatic phenomena and has in place emergency plans, reallocation of production and activation of alternative supply solutions, as well as insurance coverage related

changes, some of which can have significant impacts, could locally interfere with the supply chain and logistics distribution, as well as harm some customers by impacting the seasonality of production and sales.	to direct and indirect damage deriving from business interruption. From the point of view of the Supply Chain, the Group relies on international players with business continuity programs with guarantees of continuity in supply and logistics. The Group has also adopted the 'Sustainable Together 2030' programme to mitigate climate change.
Risk of instability in some countries and consequent adverse macroeconomic conditions (e.g. custom duties and anti-dumping policies) The presence of the Guala Closures Group in international markets, with regard to both production and marketing activities, exposes the Company to a set of risks deriving mainly from differences and structural elements of political, economic-inflationary, social, regulatory and financial instability with respect to the country of origin. These risk elements may lead to an alteration of normal market dynamics and, more generally, of business operating conditions. In particular, the continuation of armed conflicts (Russia-Ukraine and Middle East) has already had a concrete impact in the past in terms of the operational continuity of some subsidiaries. Currently, also as a result of the recent elections in the United States, emerging threats are arising in terms of wide-ranging customs duties (import/export) which may have repercussions both at an intra-Group level and on business with third parties. Despite optimal management, depending on how the context evolves, the problems already experienced may reoccur and the problems related to duties, the risks of which are more concentrated on raw materials, may prove complex.	Where appropriate, the Group adopts a 'local for local' strategy, creating production presences in rapidly developing countries to meet local demand with competitive industrial and logistical costs. This strategy is aimed at increasing the Group's competitiveness as well as enabling potential protectionist measures to be overcome. By geographically diversifying its business, the Group protects itself from local political and macroeconomic imbalances while suffering from certain inflationary dynamics and process inefficiencies. With particular regard to the conflict in Ukraine, where there is a Guala Closures plant, the Group has activated business continuity processes, including the temporary relocation of part of its activities to less risky areas, and is monitoring the context relating to duties in order to evaluate possible logistical and supply solutions on a case-by-case basis, with the aim of identifying and promptly implementing the necessary measures, minimising the consequent impact on the subsidiary and repercussions for the Group.
Compliance with laws and regulations The Group is subject to different and numerous laws and regulations at local and Parent level. This context, in particular in terms of the evolution of the regulations and the subsequent transposition in the Group, therefore determines the risk of any non-conformities that may impact not only in terms of financial penalties but in particular to the detriment of reputation. With reference to specific cases, among others, in particular: 1. the evolution **of European regulations on the use of plastics** (Packaging and Packaging Waste Regulation).	This risk situation is monitored through an articulated System of Internal Policies and Procedures, which also includes the Group 's Code of Ethics, which regulates the conduct and conduct of employees, as well as by Internal Compliance and Audit activities carried out both locally and at Corporate level, and by Regulatory Evolution Monitoring, which make it possible to define response strategies and initiatives planned in Reasonable time. 1. Guala Closures has an R&D department both at the central level and at the Region level that is continuously dedicated to the study of alternative products to plastic as well as to the development of mono-material products that facilitate the recycling of the product at the end of its life. Joint working Groups have also been created between the Sales, R&D, Sustainability and Legal & Compliance departments to continuously monitor regulatory

	developments while also remaining aligned with Clients in order to oversee any risks of negative economic impacts. This context allows Guala Closures the opportunity to propose, with greater interest from the market, more innovative and eco-sustainable material and product solutions as well as opening up possibilities in new markets where the Group is not currently present.
2. the implementation of **the European Supply Chain Act** on the supply chain regarding **Corporate Sustainability Due Diligence (CSDD).**	2. Guala Closures, in line with the objectives set by the European regulatory developments in the field of Supply Chain, has activated a process of evaluation of the main key suppliers at Group level not only from the point of view of quality standards but also of requirements in the sustainable field. This process will be progressively extended to broaden the categories and number of suppliers.
3. the conformity and safety of the products exposes the Group to the risks associated with alleged defects in the materials sold and to the **'food safety' regulations** which also include the production of materials that come into contact with food.	3. The entire production process is subject to specific control procedures in order to guarantee quality, compliance and safety, also in terms of the healthiness of the products produced in the Group's plants, in line with current legal requirements, as well as voluntary certification standards with constantly raised safety and performance objectives. The Group has long since structured a quality management system (covering all Group companies with regard to ISO 9001, ISO 14001, ISO 22000 standards; ISO 45001 certification currently present in Italy, Scotland and Poland, Bulgaria, France, Germany, Mexico and China will be progressively extended to all the Group's plants by 2030).
4. Violations of **legislation on the health and safety of workers and the environment**, violations of anti-corruption rules, in addition to reputational damage, impacts on employees and the environment, may also result in significant penalties against the of the company on the basis of the administrative liability of the entities (Legislative Decree no. 231 of 8 June 2001).	4. Guala Closures guarantees full compliance with the obligations provided for by Italian, individual country and international regulations on Health and Safety in the workplace and the Environment. In particular, in Italy, occupational health and safety legislation (Italian Legislative Decree No. 81/08) and subsequent updates have introduced specific obligations that have affected the management of activities at sites and the models for assigning responsibilities. Failure to comply with the regulations in force will result in criminal and/or civil sanctions against those responsible and, in some cases of violation of health and safety regulations, against companies, according to a European model of strict liability of the company also implemented in Italy (Italian Legislative Decree No. 231/01 With regard to HSE risks, the Group, in order to guarantee and preserve the Health and Safety of workers as well as the monitoring of regulatory compliance and environmental risks, has defined internal objectives, standards and procedures at

5. Local legislation in the countries in which the Group operates, as well as European and International **Privacy legislation**, can impose significant penalties and damage reputation in case of non-compliance.	Corporate level to be followed in all countries. In order to continuously and effectively manage these risks, the Guala Closures Group has also set up Health, Safety & Environment structures (both at Corporate level and at the level of individual subsidiaries) that monitor workplace safety, compliance with environmental impact issues and compliance with the regulations in force in the individual countries in which the Group operates with specific procedures as well as *internally defined* standards and best practices. The monitoring of the various facilities is also supported by voluntary certification systems and verification activities carried out by external specialists. 5. A few years ago, Guala Closures launched a project to centralise the governance of Privacy matters in order to better supervise and coordinate compliance with the regulatory requirements from time to time in the various countries where the Group operates. The strengthening process is still ongoing.
Fiscal risks and regulatory developments Changes in the domestic and international tax environment and complexity could increase the risks of proper application of the regulations as well as the overall business costs resulting from an increase in the Group's effective tax rate and lead to uncertain and/or unforeseen tax exposures.	The Group, through a specific Tax Corporate function and with the support of dedicated advisories at central and local level, regularly reviews its business strategy, tax policy and control system, in the light of regulatory changes and assesses any need to improve the tax framework as well as the likelihood of any negative outcomes resulting from audits in order to determine the adequacy of the provisions for taxes.
Ethics and Integrity Risks, including Fraud, Corruption and Conflict of Interests Risks The Group may incur the risk of unethical business practices due to a lack of integrity on the part of those involved in the operation and management of the business, inadequately mitigated conflicts of interest, or malicious or corrupt behaviour as a result of failure to comply with laws and regulations and/or policies and procedures defined at Group level.	Guala Closures pursues at all levels the development of an ethical culture through the definition and dissemination of a Group Code of Ethics, employee training, effective governance structures and fundamental internal controls to mitigate the risks associated with corporate ethics. In Italy, also in accordance with the provisions of Italian Legislative Decree No. 231/2001, Guala Closures has adopted an Organizational Model 231 approved by the Board of Directors of the Group Headquarters, to oversee risk-crime issues that recalls the organization, procedures and safeguards in place. Specific Group Policies on Anti-Corruption, Third Party Due Diligence and Sanctions are being implemented and will define the necessary controls to be implemented for all Group subsidiaries. A centralised monitoring and verification process for all Group companies will be activated as early as 2025. Any violation of the Group's Code of Ethics and the procedures defined in the field of ethics and integrity (including Model 231) requires reporting by internal staff or external stakeholders through the

	Whistleblowing platform with the aim of identifying any phenomenon either hidden or related to conduct 'unethical'.
Information Technology (IT), Cybersecurity e Privacy Information and data processing systems require continuous updating and alignment with the needs of strategic objectives. Infrastructures, also in consideration of their increasing pervasiveness in operational and business processes, are exposed to multiple risks deriving from anomalies, equipment failures, interruption of work or connectivity, programming errors and above all from external cyber-attacks deriving from unlawful conduct by third parties aimed at damaging confidentiality (Data Privacy), integrity and availability of data stored or processed by computer systems. These risks, although continuously monitored by Guala Closures, continue to be a relevant issue also in view of the 'human factor' and the consequent reputational damage.	The Group is mainly committed to the prevention and mitigation of risks related to possible malfunctions of the Systems through highly reliable solutions and protection of the company's information assets through the gradual strengthening of security systems (perimeter with signals, with Cloud-level equipment, redundancies, monitoring and audits) against unauthorized access and increasingly centralized corporate data management solutions to guarantee the highest level of supervision and monitoring, guaranteeing timely and decisive interventions, where necessary. The Group is progressively strengthening the IT security perimeter in accordance with best practices for all Group companies. In addition, thanks to the presence of Group Policies on Cybersecurity and Data Breaches, as well as through the transversal team that involves the Legal & Compliance and IT departments, it pursues the goal of continuous alignment with European GDPR, national and international regulations on data protection and protection. Training is also considered a fundamental element of monitoring and raising awareness of employees' behaviour.
Inadequacy of IT infrastructure in relation to strategic objectives For some years now, the Group has been facing a profound and complex change in its technological infrastructure and application systems in the face of the challenging strategic objectives defined and the process of digitalisation and standardisation of operational and management processes decided upon. This context, also in consideration of the continuous expansion of the Group's perimeter, leads to operational problems and a growing effort of the Organizational Structure with consequent risks of delays, inefficiencies and excessive relieving of human resources which, if not adequately monitored, could impact on objectives.	The IT development plan includes the extension of accounting systems managed through SAP, the implementation of Business Intelligence systems on management processes that feed both in terms of forecasting support and monitoring. In order to better deal with the technological change taking place, not only from the point of view of external specialist support, the Organisational Structure is constantly growing not only in terms of headcount but also in terms of new qualified skills and support of resources with training and change management paths.
Cost and scarcity of resources (raw materials and energy) The production of Guala Closures Group's products requires different types of raw materials, the main ones being aluminium and plastics, whose price fluctuations have a direct impact on production costs. With reference to energy and transport costs, the Group is also exposed to the price trends of a series of energy	These risks can be partly offset by short and medium-long term mitigation strategies, both for raw materials and for energy and transport purchases such as: increases in selling prices, specific agreements with customers, partial forward hedging on raw material

sources with a negative impact on profitability. Such risks are particularly significant in view of the geopolitical imbalances resulting from ongoing conflicts (Russia-Ukraine and Middle East), the possible imposition of customs duties and the resulting inflationary macroeconomic trend. The risks related to costs and scarcity of raw materials are also impacted by the Group's desire to implement a supply chain that takes into account the energy transaction under-way at national and international level, as well as current and future sustainability requirements that are expected to be defined also at the regulatory level.	purchases, stock management policies and/or various actions to recover efficiency on energy costs. From the point of view of the management of procurement processes, there are Group policies and procedures for the optimal management of the Supply Chain and a supplier rating process has been activated with respect to ethics and sustainability requirements. For the purposes of the energy transition path, the Group has defined decarbonisation targets and consequent investments.
Business Disruption and Supply Chain Risks The territorial fragmentation of operating activities, their partial interconnection as well as the management of a large number of third parties (suppliers) exposes the Group to risks of business interruption. Risk events can range from natural or accidental events, malicious behaviour, pandemics, malfunction of auxiliary systems or the interruption of utilities, materials and services supplies.	An articulated series of security measures, systems for the prevention of harmful events and mitigation of possible impacts on the business, also in light of current security programs as well as the insurance policies in place to cover property damage, guarantee adequate coverage against the risk of business interruption. Contributing to risk mitigation are the central monitoring by the Procurement department of key suppliers at Group level, the Group policies on the management of procurement and the rating system activated with a view to sustainable suppliers who share the same ethical values and social objectives and environmental standards defined by Guala Closures, guaranteeing high quality standards.
Interest rate risk The Group is exposed to interest rate risk since almost all of its outstanding financial liabilities involve the payment of financial charges. There is therefore a risk that interest rates will fluctuate upwards, leading to an increase in the level of borrowing costs (albeit partly offset by hedging transactions) with potential negative results on the financial statement. On the other hand, favourable interest rate developments may not be adequately exploited.	The primary interest rate risks is managed using derivative instruments are interest rate risk. Derivatives are designated as hedging instruments in the form of interest rate swap contracts to mitigate the risk associated with variable interest rate changes on loan and bond agreements not issued at a fixed interest rate. At corporate level there is constant monitoring of interest rates through financial reports for an informed and timely choice of management policies. By monitoring rates and frequent contacts with banks, refinancing opportunities are evaluated from a cost-benefit perspective.
Currency risk Exchange rate risk arises from fluctuations in exchange rates on sales and purchases denominated in currencies other than the functional currency of the various entities of the Group. In situations of particular macroeconomic instability in countries, such as the one currently underway due to the continuing effects of the conflict between Russia and Ukraine and the economic	In order to control exchange rate risk, the Group carries out periodic monitoring (ex-ante and ex-post) of exchange rates through monthly financial reports for an informed choice of any exchange rate hedging policies. The Group mitigates part of the exchange rate risk by correlating the currency of any financial exposures to the currency of the underlying transactions. To hedge against fluctuations in foreign currency exchange rates,

manoeuvres planned by the United States, this risk can be even more significant. The exchange rate risk is therefore linked to the development of the US dollar, Australian dollar, British pound, Indian rupee, Ukrainian hryvnia, Polish zloty, Argentine peso, Brazilian real, Chinese renminbi. This risk is always felt given the Group's continuous global development in new countries.	it adopts a hedging policy that provides for the purchase /sale of forward currency upon the occurrence of significant imbalances between costs and revenues denominated in foreign currencies. The Group has recently launched a Cash Pooling project that will be fully operational by 2025, in which the managed companies will operate with multicurrency current accounts. This management, in addition to optimising cash flows, will allow a partial mitigation of exchange rate risk thanks to a more centralised negotiation based on exchange rates defined at corporate level with financial institutions and greater coordination/early monitoring of the exchange rates decided/applied.
Credit risk Credit risk is the risk that a customer or one of the counterparties of a financial instrument causes a financial loss by failing to meet an obligation and derives mainly from trade receivables and financial investments. The Group's exposure to credit risk depends mainly on the specific characteristics of each client. Typical demographic variables of the Group's client portfolio, including the risk of insolvency in the sector and the countries in which customers operate, influence credit risk.	The Group reduces its credit exposure by means of supplier financing lines made available by the Group's main customers, effectively discounting part of its receivables without recourse. The Group's historical trend shows a decidedly low value of credit losses. This risk is largely offset by the corresponding provision for doubtful accounts allocated in the financial statement.

3.2 Related party transactions

All transactions with related parties are defined contractually and are regulated at market conditions.

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.. In relation to the fund's performance, the British company was not obliged to transfer resources to the fund, while the employees made their own contributions. Employees have paid their contributions.

The Group has share-based long-term incentive plans for certain members of management and other key employees and talents. Group's share-based payment plans and arrangements are cash-settled and provide the contingent right to receive cash at the time of the exit of the current actual shareholder of the Group or in case of IPO based on capital gain (range granted to the managers is estimated from 2% to 7% of the capital gain based on the exit price), subject to the fulfilment of a five-year service vesting condition (each year provide a vesting of 1/5 of the plan) and if certain exit price will be reached. The impact on the 2024 income statement of the plan is €4.3 million, while the liability outstanding at 31 December 2024 is €12.0 million.

Guala Closures S.p.A. also had transactions with other Group companies. Please refer to the notes to the separate financial statements 4) Net revenues, 5) Other operating income, 7) Raw material costs, 8) Service costs, 11) Financial income, 12) Financial expenses, 13) Financial income from equity investments, 17) Current and non-current financial assets, 18) Trade receivables, 23) Other current assets, 25) Equity investments, 33) Trade payables and 38) Other current liabilities.

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

3.3 Other information

There are no stock option plans or any share-based payment arrangements in place at 31 December, 2024 other than what already mentioned in the paragraph 3.2 Related party transactions

At 31 December, 2024, there were no free allocations of shares to employees.

Reference should be made to note 35) Related party transactions to the consolidated financial statements for information on the roles and responsibilities of the parent's directors.

At the reporting date, there are no proxies for share capital increases pursuant to Article 2443 of the Italian Civil Code, nor do the directors have the power to issue equity instruments or to authorise the repurchase of treasury shares.

No repurchases of treasury shares have taken place at the date of this report.

In 2024, the Group invested (net of divestments) €61.5 million (€70.2 million in 2023) to support future growth. The main investments in 2024 were made in the main European plants, particularly in Italy, the UK, Spain and Poland, and in those located in India and China. For additional information reference should be made to note 22) Property, plant and equipment.

In 2024, the costs for research and development activities amount to approximately €3.9 million. Approximately €1.7 million was capitalised in the financial year.

Outlook

The recovery in demand seen in the fourth quarter of 2024 and the level of orders received for the following year confirm a growth outlook for the whole of the first half of 2025, thanks also to the establishment of new commercial relationships.

The Group will continue to implement initiatives which have already been identified aimed at further improving management and production processes as well as at a greater exploitation of industrial synergies still unexpressed with the aim of consolidating and improving the level of profitability already achieved.

Initiatives will also be implemented aimed at containing and optimising working capital to support better cash generation.

The first quarter of 2025 will also see the start of operations at the Gartcosh production site, where all the production lines from the Kirkintilloch and Bridge of Allan plants will be progressively installed and the latter decommissioned by the end of the financial year.

On behalf of the Board of Directors
Managing Director
Andrea Lodetti
(signed on the original)

26 March 2025

Annexes to the directors’ report

Annex A)

Reconciliation between the tables included in the directors’ report with the consolidated financial statements – financial income and expenditure

Annex B)

Reconciliation between the statements presented in the management report and the classification used in the consolidated financial statement - statement of financial position

Annex C)

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

Annex D)

Reconciliation between the tables included in the directors’ report with the separate financial statements – financial income and expenditure

Annex E)

Reconciliation between the tables included in the directors’ report with the separate financial statements – statement of financial position

Annex F)

Reconciliation between the tables included in the directors’ report with the separate 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 consolidated financial statements – financial income and expenditure.

Classification in reclassified financial income and expenditure	2023	2024	Classification in the notes to the consolidated financial statements (notes 13-14)
Net exchange gains/(losses)	14,062	23,461	Exchange gains
Net exchange gains/(losses)	(28,051)	(16,491)	Exchange losses
Changes in the fair value of financial liabilities for put options on the purchase of minority interests	(2,240)	(8,607)	Financial charges for financial liabilities for the option to purchase minority interests
Net interest expenditure	1,771	3,797	Interest income
Net other financial expenditure	3,350	5,238	Other financial income
Net interest expenditure	(26,772)	(56,783)	Interest expenditure
Net other financial expenditure	(6,287)	(6,942)	Other financial expenditure
Dividends	-	36	Dividends
Total net financial expenditure	**(44,166)**	**(56,290)**	

Annex B)

Reconciliation between the tables included in the directors' report and the classification used in the consolidated financial statement- statement of financial position

(€'000)

Classification in the statement of financial position	31 December, 2023 (*)	31 December, 2024	Classification in the financial statement
Net working capital	126,077	165,318	Trade receivables
Net working capital	124,354	160,135	Inventories
Net working capital	(96,196)	(120,851)	Trade payables
Total net working capital	**154,234**	**204,601**	
Assets / (liabilities) for financial derivatives	-	3	Derivative assets
Assets / (liabilities) for financial derivatives	(6,867)	(4,650)	Derivative liabilities
Net derivative assets/(liabilities)	**(6,867)**	**(4,646)**	
Other net liabilities	16,199	13,810	Current direct tax assets
Other net liabilities	8,984	6,585	Current indirect tax assets
Other net liabilities	20,825	17,810	Other current assets
Other net liabilities	16	37	Contract costs
Other net liabilities	20,129	26,190	Deferred tax liabilities
Other net liabilities	3,177	2,499	Other non-current assets
Other net liabilities	(17,463)	(13,046)	Income tax liabilities
Other net liabilities	(13,197)	(8,867)	Current indirect tax liabilities
Other net liabilities	(11,828)	(7,654)	Current provisions
Other net liabilities	(1,009)	(1,179)	Contract liabilities
Other net liabilities	(49,997)	(64,403)	Other current liabilities
Other net liabilities	(54,139)	(33,491)	Deferred tax liabilities
Other net liabilities	(744)	(803)	Non-current provisions
Other net liabilities	(8,889)	(13,364)	Other non current liabilities
Total net other liabilities	**(87,934)**	**(75,878)**	
Net financial liabilities - third parties	(756)	(4,499)	Current financial assets
Net financial liabilities - third parties	(3,434)	(1,644)	Non-current financial assets
Net financial liabilities - third parties	17,637	22,380	Current financial liabilities
Financial liabilities - IFRS 16 effects	4,525	11,001	Current financial liabilities
Net financial liabilities - third parties	844,064	1,007,534	Non-current financial liabilities
Financial liabilities - non controlling investors	5,890	-	Current financial liabilities
Financial liabilities - non controlling investors	39,320	27,596	Non-current financial liabilities
Financial liabilities - IFRS 16 effects	16,841	18,733	Non-current financial liabilities
Cash & cash equivalents	(196,280)	(157,454)	Cash & cash equivalents
Total net financial indebtedness	**727,808**	**923,648**	

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

Annex C)

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

(€'000)

(€'000)	31 December 2023	31 December 2024
Total change in Net financial indebtedness	**(245,021)**	**(195,840)**
Increase in right-of-use assets	8,797	16,314
Proceeds from bonds	342,930	149,784
Repayment of borrowings and bonds	(2,486)	(159)
Repayment of finance leases	(8,526)	(7,947)
Exchange rate gains/loss on foreign currency financial assets/liabilities	(19)	(6,382)
Net fair value gains on non-controlling investors' put options	2,240	8,607
Change in liabilities for financial expenditure	3,306	7,539
M&A Labrenta - deferred payment	-	(2,233)
Transaction costs paid for bonds issued	(3,591)	(6,556)
Acquisition of initial indebtedness of Anacorks/Fengyi	20,618	-
Change in financial assets	(1,446)	(1,954)
Total change in financial assets and liabilities	**361,824**	**157,014**
Total change in cash and cash equivalents	**116,802**	**(38,826)**

Annex D)

Reconciliation between the tables included in the directors' report with the separate financial statements – financial income and expenditure

(€'000)

Classification in the reclassified Financial income and expenditures	2023	2024	Classification in the notes to the separate financial statements (notes 11-12)
Net exchange gains (losses)	1,356	3,607	Exchange gains
Net exchange gains (losses)	(1,209)	(855)	Exchange losses
Income from investments in subsidiaries	-	36,157	Financial Income from investments in subsidiaries
Net interest expense - third parties	537	2,668	Interest income
Net interest expense - third parties	(25,674)	(55,779)	Interest expenditure
Net interest expense - third parties	(1,271)	(1,606)	Other financial expenditure
Net interest income - related parties	20,284	24,347	Financial income - related parties
Total net financial expenditure	**(5,977)**	**8,539**	

Annex E)

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

(€'000)

Classification in the reclassified statement of financial position	31 December 2023	31 December 2024	Classification in the financial statement
Net working capital	12,025	18,756	Trade receivables - third parties
Net working capital	44,546	56,933	Trade receivables - related parties
Net working capital	23,412	20,411	Inventories
Net working capital	(22,362)	(32,707)	Trade payables – third parties
Net working capital	(5,922)	(8,259)	Trade payables – related parties
Total net working capital	**51,699**	**55,134**	
Financial derivative liabilities	(68)	-	Current financial derivative liabilities
Financial derivative liabilities	(6,799)	(4,650)	Non-current financial derivative liabilities
Total net derivative assets / (liabilities)	**(6,867)**	**(4,650)**	
Other assets / (liabilities)	3,578	3,636	Current direct tax assets
Other assets / (liabilities)	1,273	1,368	Current indirect tax assets
Other assets / (liabilities)	11,048	1,091	Other current assets - third parties
Other assets / (liabilities)	3,111	3,277	Other current assets - related parties
Other assets / (liabilities)	3,171	6,150	Deferred tax liabilities
Other assets / (liabilities)	1,897	2,186	Other non-current assets
Other assets / (liabilities)	(2,329)	(1,300)	Current direct tax liabilities
Other assets / (liabilities)	(1,122)	(1,065)	Current indirect tax liabilities
Other assets / (liabilities)	(2,047)	(544)	Provisions for current risks and charges
Other assets / (liabilities)	(22,873)	(25,946)	Other current liabilities - third parties
Other assets / (liabilities)	(869)	-	Other current liabilities - related parties
Other assets / (liabilities)	(8,674)	(13,189)	Other non-current liabilities - third parties
Other assets / (liabilities)	(231)	(743)	Provisions for non-current risks and charges
Total other assets / (liabilities)	**(14,068)**	**(25,077)**	
Net financial liabilities - third parties	(519)	(223)	Current financial assets - third parties
Net financial liabilities - third parties	(119)	(135)	Non-current financial assets - third parties
Net financial liabilities - third parties	2,843	16,858	Current financial liabilities - third parties
Net financial liabilities - third parties	824,372	974,515	Non-current financial liabilities - third parties
Financial liabilities - IFRS 16 effects	753	1,667	Non-current financial liabilities - third parties
Financial liabilities - IFRS 16 effects	2,183	3,844	Non-current financial liabilities - third parties
Financial assets - related parties	(9,452)	(13,499)	Current financial assets - related parties
Financial assets - related parties	(286,436)	(298,840)	Non-current financial assets - related parties
Net financial liabilities - related parties	3,720	5,387	Current financial liabilities - related parties
Net financial liabilities - related parties	10,337	16,495	Non-current financial liabilities - related parties
Cash & cash equivalents	(79,888)	(68,804)	Cash & cash equivalents
Total net financial indebtedness	**467,795**	**637,266**	

Annex F)

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

(€'000)

	31 December 2023	31 December 2024
Total change in Net financial indebtedness	**(249,311)**	**(161,166)**
Proceeds from new borrowings and bonds	342,930	149,784
Repayment of finance leases	(1,323)	(2,016)
Exchange rate gains/loss on foreign currency financial assets/liabilities	252	280
Acquisition of Labrenta S.r.l., debt to Cortapedra	(6,263)	(1,377)
Effects of IFRS 16	(109)	2,589
Change in liabilities for financial expenditure	2,667	11,311
Payment of transaction costs on Group refinancing	(3,591)	(6,556)
Cash Pooling	-	11,221
Change in financial assets	(25,416)	(16,451)
Total change in financial assets and liabilities	**309,148**	**148,785**

Total change in cash and cash equivalents	**59,837**	**(12,382)**

CONSOLIDATED FINANCIAL STATEMENTS

Statement of consolidated profit/(loss)

(€'000)	2023 (*)	2024	Notes:
Net revenue	**836,180**	**830,678**	7
Changes in inventories of finished and semi-finished products	(12,216)	6,925	
Other operating income	16,783	12,419	8
Capitalised costs for internal work	7,431	7,570	9
Costs for raw materials	(355,691)	(352,897)	10
Costs for services	(152,029)	(162,075)	11
Personnel expenditure	(164,655)	(170,577)	12
Other operating expenditure	(17,927)	(9,289)	13
Impairment losses on trade receivables and contract assets	(3,318)	(1,206)	
Impairments	(4,457)	(99,039)	24
Depreciation and amortisation	(53,112)	(52,738)	22-23-24
Financial income	19,183	32,533	14
Financial expenditure	(63,349)	(88,823)	15
Profit before tax	**52,822**	**(46,521)**	
Income taxes	(29,289)	(4,266)	17
Profit or loss	**23,533**	**(50,786)**	
Attributable to:			
- the owners of the Parent Company	13,618	(56,559)	
- third-party shareholders	9,914	5,773	

Statement of profit/(loss) and other components of the consolidated comprehensive income statement

(€'000)	2023 (*)	2024
Profit or loss	**23,533**	**(50,786)**
Other components of the comprehensive income statement:		
Actuarial gains on defined benefit plans (including taxes)	(95)	77
Total components that will not be reclassified in the result for the period:	***(95)***	**77**
Foreign currency translation differences for foreign operations	6,817	(9,570)
Net change in fair value of cash flow hedges	(6,867)	2,220
Tax variations	1,652	(537)
Total components that are/may be reclassified subsequently in the result for the period:	**1,602**	**(7,887)**
Other comprehensive income for the period, net of tax	**1,507**	**(7,810)**
Total comprehensive income for the period	**25,039**	**(58,596)**
Attributable to:		
- the owners of the Parent Company	14,781	(64,581)
- third-party shareholders	10,258	5,985

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

The notes on pages 83 to 160 are an integral part of this consolidated financial statement.

Consolidated statement of financial position - ASSETS

(€'000)	31 December 2023 (*)	31 December 2024	Notes:
ASSETS			
Current assets			
Cash & cash equivalents	196,280	157,454	19
Current financial assets	756	4,499	
Trade receivables	126,077	165,318	20
Inventories	124,354	160,135	21
Current direct tax assets	16,199	13,810	
Current indirect tax assets	8,984	6,585	
Active derivatives	-	3	
Other current assets	20,825	17,810	
Total current assets	**493,475**	**525,614**	
Non-current assets			
Non-current financial assets	3,434	1,644	
Property, plant and equipment	263,543	311,358	22
Right-of-use assets	20,439	28,710	23
Intangible assets	854,436	824,723	24
Contract costs	16	37	
Deferred tax liabilities	20,129	26,190	25
Other non-current assets	3,177	2,499	
Total non-current assets	**1,165,175**	**1,195,161**	
TOTAL ASSETS	**1,658,650**	**1,720,774**	

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

The notes on pages 83 to 160 are an integral part of this consolidated financial statement.

Consolidated statement of financial position – LIABILITIES

(€'000)	31 December 2023 (*)	31 December 2024	Notes:
LIABILITIES AND EQUITY			
Current liabilities			
Current financial liabilities	28,053	33,381	26
Trade payables	96,196	120,851	27
Contract liabilities	1,009	1,179	
Current direct tax liabilities	17,463	13,046	
Current indirect tax liabilities	13,197	8,867	
Current provisions	11,828	7,654	28
Current derivative liabilities	68	-	
Other current liabilities	49,997	64,403	29
Total current liabilities	**217,810**	**249,381**	
Non-current liabilities			
Non-current financial liabilities	900,226	1,053,864	26
Employee benefits	8,545	7,923	30
Deferred tax liabilities	54,146	33,491	
Non-current provisions	744	803	28
Non-current liabilities for financial derivatives	6,799	4,650	
Other non current liabilities	8,889	13,364	
Total non-current liabilities	**979,348**	**1,114,095**	
Total liabilities	**1,197,158**	**1,363,476**	
Capital and third-party reserves	43,495	24,146	
Third party operating profit	9,914	5,773	
Equity attributable to non-controlling interests	**53,409**	**29,919**	**32**
Share capital	68,907	68,907	
Share premium reserve	388,341	388,341	
Legal reserve	13,781	13,781	
Translation reserve	(13,904)	(23,688)	
Hedging reserve	(5,215)	(3,531)	
Retained earnings and other reserves	(57,445)	(59,872)	
Profit for the period	13,618	(56,559)	
Equity attributable to the owners of the parent	**408,083**	**327,379**	**31**
Total equity	**461,492**	**357,298**	
TOTAL LIABILITIES AND EQUITY	**1,658,650**	**1,720,774**	

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

The notes on pages 83 to 160 are an integral part of this consolidated financial statement.

Consolidated Cash Flow Statement

(€'000)	2023 (*)	2024	Note
Opening cash and cash equivalents	**79,478**	**196,280**	
A) Cash flows from operating activities			
Loss before taxation	52,822	(46,521)	
Adjustments:			
Depreciation and amortisation	53,112	52,738	22-23-24
Financial income	(19,183)	(32,533)	
Financial expenditure	63,349	88,823	
Impairment losses on fixed assets	4,457	99,039	24
Net gains on sale of non-current assets	(202)	(462)	
Variation:			
Receivables	21,232	(8,205)	20
Payables	(27,769)	20,670	27
Inventories	38,002	(25,113)	21
Impairment losses on receivables	2,985	1,206	20
Other operating items	(3,296)	13,959	
Taxes paid	(36,228)	(34,609)	
Net cash flows from operating activities	**149,281**	**128,993**	
B) Cash flows from investing activities			
Acquisitions of property, plant and equipment and intangible assets	(71,296)	(66,591)	22-23-24
Proceeds from sale of property, plant and equipment and intangible assets	1,081	1,657	22-23-24
Anacorks acquisition	22	-	
Fengyi acquisition (net of cash acquired)	(10,174)	-	5
Astir acquisition (net of cash acquired)	-	(110,337)	5
Acquisition of minority shares Poland and Bulgaria	-	(54,000)	
Fengyi acquisition - (Earn-out - price adjustment)	-	(4,746)	
Labrenta acquisition - deferred payment		(2,233)	
Net cash flows used in investing activities	**(80,367)**	**(236,250)**	
C) Cash flow from financing activities			
Interest received	1,452	2,441	
Interest paid	(26,569)	(57,532)	
Transaction costs paid for bonds issued	(3,591)	(6,556)	
Other financial items	3,196	4,949	
Dividends paid to shareholders	(250,000)	-	
Dividends paid to third parties	(7,767)	(7,342)	
Issuance of new bonds	342,930	149,784	26
Net repayment of loans	(2,486)	(159)	26
Repayment of leases	(8,526)	(7,947)	
Change in financial assets	(732)	(2,827)	
Net cash flows used in financing activities	**47,907**	**74,812**	
Net cash flows of the period	**116,821**	**(32,444)**	
Effect of exchange fluctuations on cash held	(19)	(6,382)	
Closing cash and cash equivalents	**196,281**	**157,454**	**19**

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

The notes on pages 83 to 160 are an integral part of this consolidated financial statement.

Consolidated Statement of changes in Equity

(€'000)	January 1, 2023	Allocation of 2022 result	Profit for the period	Other comprehensive income components	Comprehensive income for the period	Dividends	Acquisition of NCI	Total transactions with partners	31 December 2023	Fengyi PPA effect	31 December, 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**				**-**	(35,496)		**(35,496)**	**388,341**		**388,341**
Legal reserve	**2,310**	**11,471**			**-**			**-**	**13,781**		**13,781**
Translation reserve	**(20,348)**			6,443	**6,443**			**-**	**(13,904)**		**(13,904)**
Hedging reserve	**-**			(5,215)	**(5,215)**			**-**	**(5,215)**		**(5,215)**
Retained earnings and other reserves	**122,542**	**43,102**		(95)	**(95)**	(214,504)	(8,491)	**(222,994)**	**(57,445)**	**-**	**(57,445)**
Profit or loss	**54,574**	**(54,574)**	13,547		**13,547**			**-**	**13,547**	**71**	**13,618**
Equity	**651,822**	**0**	13,547	1,133	**14,680**	(250,000)	**(8,491)**	**(258,491)**	**408,011**	**71**	**408,082**
Non-controlling interests:											
Share capital and reserves	**33,252**	**13,204**		374	**374**	(8,690)	4,801	**(3,889)**	**42,942**	**553**	**43,495**
Profit or loss	**13,204**	**(13,204)**	9,884		**9,884**			**-**	**9,884**	**31**	**9,915**
Equity	**46,457**	**-**	9,884	374	**10,258**	(8,690)	**4,801**	**(3,889)**	**52,825**	**584**	**53,410**
Total equity	**698,279**	**0**	23,431	1,507	**24,937**	(258,690)	**(3,690)**	**(262,380)**	**460,836**	**655**	**461,492**

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

(€'000)	1 January 2024	Allocation of 2023 result	Profit for the period	Other comprehensive income components	Comprehensive income for the period	Dividends	Acquisition of NCI	Total transactions with partners	31 December 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)			(9,783)	**(9,783)**			**-**	**(23,688)**
Hedging reserve	(5,215)			1,684	**1,684**			**-**	**(3,531)**
Retained earnings and other reserves	(57,445)	13,618		77	**77**	-	(16,122)	**(16,122)**	**(59,872)**
Profit or loss	13,618	(13,618)	(56,559)		**(56,559)**			**-**	**(56,559)**
Equity	**408,082**	**-**	**(56,559)**	**(8,023)**	**(64,582)**	**-**	**(16,122)**	**(16,122)**	**327,379**
Non-controlling interests:									
Share capital and reserves	43,495	9,915		212	**212**	(8,198)	(21,278)	**(29,475)**	**24,146**
Profit or loss	9,915	(9,915)	5,773		**5,773**			**-**	**5,773**
Equity	**53,410**	**-**	**5,773**	**212**	**5,985**	**(8,198)**	**(21,278)**	**(29,475)**	**29,919**
Total equity	**461,492**	**-**	**(50,786)**	**(7,811)**	**(58,597)**	**(8,198)**	**(37,400)**	**(45,598)**	**357,298**

The notes on pages 83 to 160 are an integral part of this consolidated financial statement.

Notes to the consolidated financial statements at 31 December 2024

General information

(1) General information

Guala Closures S.p.A. (the 'Company' or the 'Parent Company') is a joint-stock company governed by the laws of Italy and registered with the Company Registry Office of Alessandria, with registered office in Spinetta Marengo (Alessandria), via Rana 12, industrial district D6. Guala Closures S.p.A. is directly owned by Special Packaging Solution Investments S.à r.l. ('SPSI'), and indirectly controlled by Investindustrial S.A.

The Guala Closures Group's main activities involve the design and manufacturing of closures for spirits, wine, beer 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 over 70 years' experience in the sector. It is also the leading European producer of aluminium closures for spirits bottles.

The financial statements were authorised for issue by the directors on 26 March 2025. The directors have the power to amend and reissue the financial statements.

(2) Accounting standards

These consolidated financial statements have been prepared in accordance with the IFRS issued by the International Accounting Standards Board and endorsed by the European Union and related interpretations.

This consolidated financial statement has been drawn up in Euro, rounding off the amounts to the nearest thousand. Any discrepancies between the 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 euro, unless otherwise stated.

The consolidated financial statements have been prepared on a historical cost basis, except for derivative instruments, share-based payments or similar, and contingent considerations arising from a business combination (i.e., put options to non-controlling shareholders), 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.

These consolidated financial statements have been prepared using the following formats:

- statement of profit or loss, whose items are classified by nature;
- statement of profit or loss and other comprehensive income;
- statement of financial position, whose asset and liability items 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 item 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.

The main principles of detection and evaluation considered relevant are set out below.

a) Accounting for business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a ‘concentration test’ that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is passed if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or Group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gains from a purchase at favourable prices are immediately recognised in profit/(loss) for the period, while transaction costs, other than those related to the issuance of debt securities or equity instruments, are recognised as expenses in profit/(loss) for the period when incurred.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree’s employees (acquiree’s awards), then all or a portion of the amount of the acquirer’s replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree’s awards and the extent to which the replacement awards relate to pre-combination service.

Investments in non-controlling interests ('NCI')

NCI are measured initially at their proportionate share of the acquiree’s identifiable net assets at the date of acquisition.

Changes in the Group’s interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group ‘controls’ an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates and a joint venture.

Associates are entities over whose financial and operating policies the Group exercises significant influence, but not control or joint control, whereas joint ventures are represented by an agreement through which the Group has rights to the net assets rather than rights to the assets and obligations for the liabilities.

Interests in associates and the joint venture are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence or joint control ceases.

Transactions eliminated on consolidation

Intra-Group balances and transactions, including any unrealised profits and losses (except for foreign currency transaction gains or losses) arising from intra-Group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

List of investments in subsidiaries and associates at 31 December 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	100%	Indirect (*)	Line-by-line
Guala Closures DGS Poland S.A.	Poland	PLN	595,000	100%	Indirect (*)	Line-by-line
Guala Closures BY LLC	Belarus	BYN	1,158,800	100%	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
Astir Vitogiannis Bros S.A.	Greece	EUR	1,003,200	100%	Direct	Line-by-line
ASIA						
Guala Closures India pvt Ltd.	India	INR	170,000,000	95%	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	18,000,000	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%	Direct	Line-by-line
Labrenta S.A. de C.V.	Mexico	MXN	3,791,970	100%	Direct	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
Coleus Packaging Pty Ltd.	South Africa	ZAR	1,501,000	75%	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

(b) Use of estimates and judgements

Management has to make judgements, estimates and assumptions that affect the application of accounting policies and the carrying amounts of assets, liabilities, costs and revenue. Estimates and related assumptions are based on past experience and other factors considered reasonable in the circumstances and have been adopted to estimate the carrying amount of assets and liabilities that cannot be easily assumed from other sources. However, as they are estimates, the actual figure may not match the result of the estimate. For information on the assumptions and uncertainties relating to estimates for which there is a significant risk of having to make significant changes in the following year, please refer to the following notes: provisions for doubtful accounts (Note (n) estimate of expected credit losses) and for inventory obsolescence (Note 21 inventory estimated recoverability), amortisation, depreciation and impairment of non-current assets (Notes (h) and (i)), employee benefits (Note 30 estimated actuarial assumptions), share-based payments (Note 12 personnel expenditure), taxes (Note 25 estimated future taxable income) provisions (Note 28), acquisition Fengyi and Astir (Note 5 acquisition of subsidiaries, business units and non-controlling interests), financial liabilities to non-controlling interests (Note 33 fair value put option).

Such estimates and assumptions are reviewed regularly. Any changes arising therefrom are recognised in the year in which the review takes place if this only affects that year. If the review relates to both current and future years, the change is recognised in the year in which the review takes place.

(c) Foreign currency

Functional currency and presentation currency

The figures stated in the financial statements of each Group company are measured using their functional currency, being the currency of the primary economic environment in which the company operates. The consolidated financial statements are drawn up in euro, the parent's functional and presentation currency.

Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates ruling at the transaction date.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the same date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the transaction date. Exchange differences are generally recognised in profit / (loss) and presented within financial expenditure.

However, exchange differences arising from the translation of the following items are recognised in other comprehensive income:

– an investment in equity securities designated as at FVOCI;

– a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and

– qualifying cash flow hedges to the extent that the hedges are effective.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into euro at the exchange rates at the reporting date. The revenues and costs of foreign companies, with the exception of companies operating in hyperinflationary economies, are converted at the exchange rate in force on the date of the operation.

Hyperinflationary economy: since 2018 Argentina has been considered a hyperinflationary economy as defined by IFRS, specifically IAS 29. Therefore, following the inclusion of Argentina among the countries with hyperinflationary economies, the Guala Closures Group applied IAS 29 - Financial Reporting in Hyperinflationary Economies from 1 July 2018, with retroactive effect from 1 January 2018. Financial Reporting in Hyperinflationary Economies.

At 31 December, 2024, the Group's operations in Argentina represented approximately 3% of its revenue, less than 1% of its operating performance and 1% of its assets.

As of April 2022, Turkey was included in the list of hyperinflationary economies, therefore, in this case too, IAS 29 - Financial Reporting in Hyperinflationary Economies was applied.

Exchange differences are recognised in other comprehensive income and presented in the translation reserve in equity. However, in the case of operations relating to subsidiaries that the Group does not fully own, then the relative proportional share is attributed to third party shares. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reallocated to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

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

	Average exchange rates		Spot exchange rates	
€1 = x foreign currency	**31 December 2023**	**31 December 2024**	**31 December, 2023**	**31 December 2024**
Pound sterling	0.86991	0.84659	0.8691	0.82918
US dollar	1.08159	1.08205	1.1050	1.03890
Indian rupee	89.32487	90.53073	91.9045	88.93350
Mexican peso	19.18974	19.82492	18.7231	21.55040
Colombian peso	4,675.92417	4,406.54750	4,267.5200	4,577.55000
Brazilian real	5.40163	5.82678	5.3618	6.42530
Chinese renminbi	7.65907	7.78627	7.8509	7.58330
Argentinian peso	892.92390	1,070.80610	892.9239	1,070.80610
Polish zloty	4.54206	4.30575	4.3395	4.27500
New Zealand dollar	1.76183	1.78794	1.7504	1.85320
Australian dollar	1.62848	1.63994	1.6263	1.67720
Ukrainian hryvnia	39.55835	43.46949	41.9960	43.68550
Bulgarian lev	1.95580	1.95580	1.9558	1.95580
South Africa rand	19.9544	19.8317	20.3477	19.6188
Chilean peso	908.0842	1020.9925	977.0700	1033.7600
Kenyan shilling	151.3035	145.9972	173.2685	134.2959
Turkish lira	32.6531	36.7372	32.6531	36.7372

(d) Cash and cash equivalents

Cash and cash equivalents include cash balances and on-demand deposits as well as all highly liquid investments with an original expiry date equal to or of less than three months.

Cash and cash equivalents are calculated in the same way for both the statement of financial position and statement of cash flows.

(e) Inventories

Inventories are measured at the lower of purchase or production cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

The production cost of finished goods includes the portions of the costs of raw materials and external materials and processing, as well as all other direct and indirect production costs reasonably attributable to the products, excluding financial expenditure.

Purchase or production cost is calculated on a weighted average cost basis.

Obsolete and/or slow-moving inventories are written down on the basis of their estimated possibility of use or future realisable value, through an accrual to the specific allowance adjusting the value of inventories. The amount is reinstated if, in subsequent years, the reasons for the write-down no longer exist.

(f) Property, plant and equipment

Property, plant and equipment are recognised at historical cost, including directly related ancillary costs necessary for the use of the asset. Borrowing costs related to loans taken out specifically for investments in property, plant and equipment are considered part of the carrying amount of the related assets and, as such, capitalised.

Subsequent expenditure is included in an asset's carrying amount when it is probable that the future economic benefits exceeding those determined originally will flow to the Group. This expenditure is depreciated over the related asset's residual useful life. All other expenditure is expensed in the year in which it is incurred.

Property, plant and equipment are shown net of accumulated amortisation and depreciation and am and any impairment losses determined as set out later on.

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. The depreciation periods are as follows:

Amortisation period (years)	
Buildings	30 – 35
Light constructions	8 – 10
Specific plant, machinery, presses and moulds	4 – 25
Generic plant	10 – 13
Laboratory equipment	2 – 3
Canteen equipment, office furniture and equipment and fittings for exhibitions and trade fairs	8 – 10
Vehicles, canteen facilities	4 – 6
Internal means of transport, electronic equipment and mobile phones	5 – 8

Subsequent expenditure is included in an asset's carrying amount when it is probable that the future economic benefits exceeding those determined originally will flow to the Group. This expenditure is depreciated over the related asset's residual useful life. All other expenditure is expensed in the year in which it is incurred.

When an asset is sold or when there are no expected future economic benefits from the use of an asset, it is eliminated from the balance sheet and any loss or gain (calculated as the difference between the sale value and the book value) is recognised in the profit or loss for the financial year in which the asset is eliminated.

(g) Intangible assets

Goodwill

Goodwill arising from the acquisition of subsidiaries is initially recognised at cost. After initial recognition, goodwill is not amortised and is adjusted for any accumulated impairment losses, determined using the criteria described in Note (n) impairment losses.

Trademark

Trademarks are generally valued at cost, determined in the same way as for property, plant and equipment. The Guala Closures Trademark has an indefinite useful life as there is no foreseeable limit to the period over which the asset could cease to generate cash flows for the Group.

Guala Closures Trademark is adjusted for any accumulated impairment losses, determined using the criteria described in paragraph (n) impairment losses.

Research expenditure

Expenditure on research undertaken to gain scientific and technical knowledge and information is recognised as an expenditure when incurred.

Development expenditure

Development expenditure, which also relates to the application of research findings to a plan or design for the production of new or substantially improved products or processes, is capitalised when the product or process is feasible in technical and commercial terms and the Group has adequate resources to complete the development stage and the Group has concluded that it will have the ability to use it.

Capitalised development expenditure is measured at cost, net of accumulated depreciation and amortisation and impairment losses.

Other intangible assets

These assets are measured at cost, determined in the same way as described for property, plant and equipment.

Other intangible assets, which all have a finite useful life, are subsequently shown net of accumulated depreciation and amortisation and any impairment losses, determined in the same way as described for property, plant and equipment.

Useful life is periodically re-examined and any changes, where necessary, are made with prospective application.

The amortisation periods for intangible assets are as follows:

Amortisation period (years)	
Development expenditure	5
Patents and trademarks	5 - 10
Software	5
Licences	5
Customer list	40
Other capitalised expenditure	5 or in line with the contract term

Subsequent expenditure is included in an asset's carrying amount when it is probable that the future economic benefits exceeding those determined originally will flow to the Group. This expenditure is amortised over the related asset's residual useful life. All other expenditure is expensed in the year in which it is incurred.

The gain or loss arising from the disposal of an intangible asset is determined as the difference between the net disposal proceeds and carrying amount. It is recognised in profit or loss at the time of disposal.

(h) Income taxes

Income taxes comprise current and deferred tax. They are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income (OCI).

Current income taxes for the financial year correspond to the tax charges to be paid (amounts to be recovered) and any adjustments to tax charges or credits from previous financial years.

They are measured using tax rates enacted or substantially enacted at the reporting date.

Current tax also includes any tax arising from dividends and any interest and penalties imposed by the tax authorities following their review of the tax position of previous years which found a difference in tax due.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

The income tax consequences of dividends are recognised when the dividend is approved.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. Therefore, new information may become available in the future that may cause the Group to change its judgement regarding the adequacy of existing tax liabilities. The related adjustments to tax liabilities will affect tax expenditure for the financial year in which such determination is made.

(i) Financial instruments

Recognition and measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

With the exception of trade receivables without a significant financing component, financial assets are initially measured at fair value plus, in the case of financial assets or liabilities not measured at fair value through profit/(loss) (FVTPL), transaction costs directly attributable to the acquisition or issue of the financial asset. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition, unless the Group changes its business model for managing financial assets. In such case, all affected financial assets are reclassified on the first day on the first reporting period following the change in business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets (see paragraph (l)). On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated criteria and objectives of the portfolio and the practical application of those criteria; the stated criteria and objectives of the portfolio and the practical application of those criteria, including, among others, whether the strategy of the company's management is based on obtaining interest income from the contract, maintaining a certain interest rate profile, the alignment of the duration of the financial assets with that of the related liabilities or the expected financial flows or the collection of financial flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's key managers;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g., whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, value and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of the evaluation, the 'capital' is the fair value of the financial asset at the time of initial recognition, while the 'interest' represents the consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time, and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as for profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the 'solely payments of principal and interest' criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium on its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is immaterial at initial recognition.

Financial assets: subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit /(loss) for the financial year. See Note (I) for derivatives designated as hedging instruments.
Financial assets measured at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income calculated using the effective interest method, exchange gains and losses and impairment are recognised in profit/(loss) for the financial year. Any gain or loss on derecognition is recognised in profit/(loss) for the financial year.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, exchange gains and losses and impairment are recognised in profit/(loss). Other net profits and losses are recognised in other components of the comprehensive income statement. When the financial statements are finalised, the profits or losses accumulated in the other components of the comprehensive income statement are reclassified as profit/(loss) for the financial year.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit/(loss) for the financial year.

Financial liabilities: classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expenditure, are recognised in profit/(loss) for the financial year. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains/(losses) are recognised in profit/(loss) for the year, as are any gains or losses arising from derecognition. Any profits deriving from a purchase at favourable prices are immediately recognised in the profit/(loss) for the financial year.

See note (I) for financial liabilities designated as hedging instruments.

Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also eliminates a financial liability in its accounts in the event of a change in the relative contractual terms and the financial flows of the modified liability are substantially different. In this case, a new financial liability is recognised at fair value based on the amended contractual terms.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit /(loss) of the financial year.

Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(j) Derivative financial instruments and hedge accounting

Derivative financial instruments and hedge accounting

The Group may holds derivative financial instruments to hedge its raw material foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

The Group may designate certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in raw material exchange rates and interest rates and certain derivatives and non-derivative financial liabilities as hedges of currency risk on a net investment in a foreign operation.

At the inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative financial instrument is designated as a hedging instrument against exposure to variability in cash flows, the effective portion of changes in the fair value of the derivative financial instrument is recognised in other components of the statement of comprehensive income and presented in the cash flow hedge reserve. The effective portion of the changes in fair value of the derivative financial instrument that is recognised in other comprehensive income is limited to the cumulative change in the fair value of the hedged instrument (at present value) from the inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts (‘forward points’) is separately accounted for as a cost of hedging and recognised in a costs of hedging reserve within equity in the statement of comprehensive income.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventories, the amount accumulated in the hedging reserve and the cost of hedging reserve is included directly in the initial cost of the non-financial item when it is recognised.

For all other hedged forecast transactions, the amount accumulated in the hedging reserve and the cost of hedging reserve is reclassified to profit or loss in the same year or years during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item’s cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same year or years as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to profit or loss.

In 2024, all derivative contracts were designated as hedging instruments.

(I) Share capital and equity

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a decrease in equity, net of any tax effects.

Repurchase and reissue of ordinary shares (treasury shares)

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury share reserve. The amount received from the subsequent sale or re-issue of treasury shares is recognised as an increase in shareholders' equity. Any positive or negative difference resulting from the transaction is recognised in the share premium reserve.

Business combinations

When as a result of a takeover/acquisition of control not involving the entire stake in the acquiree, the Group has the potential obligation to acquire the residual investment in the acquiree should the non-controlling investors exercise a put option and the non-controlling investor still has present access to the economic benefit associated with the underlying ownership interests, it recognises a liability calculated by discounting the estimated value at the exercise date using the present access method whereby a liability is recognised decreasing the equity item 'Retained earnings (losses carried forward)' in the first year, with subsequent remeasurement recognised in profit or loss as financial expenditure.

(I) Impairment losses

Non-derivative financial instruments

Financial instruments and contract assets

The Group recognises loss allowances for ECLs on:

- financial assets measured at amortised cost;
- contract assets.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured as 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group’s historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as enforcing a security (if any are held).

Expected losses on long-term receivables are the expected losses on receivables arising from all possible defaults over the expected life of a financial instrument.

Expected 12-month credit losses are the expected credit losses arising from possible defaults over a period of twelve months from the end of the financial year (or a shorter period if the expected life of a financial instrument is less than 12 months).

The maximum period to be considered when assessing expected credit losses is the maximum contractual period during which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

Credit-impaired financial assets.

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

The gross carrying amount of a financial asset is (partially or fully) impaired to the extent the company has no reasonable expectations of its recovery. For customers, the Group individually makes an assessment of the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Non-financial assets

At the end of each financial year, the Group assesses whether there is any objective evidence of impairment of the carrying amounts of its non-financial assets, other than inventories and deferred tax assets. If, based on such assessment, it appears that the assets have been impaired, the Group estimates their recoverable amount. The recoverable value of the goodwill and the Guala Closures Trademark is, instead, estimated annually through an impairment test.

For the purpose of identifying any impairment losses, assets are Grouped into the smallest identifiable Group of assets that generates cash flows that are largely independent of the cash flows generated by other assets or Groups of assets (the 'CGUs' or 'cash-generating units'). Goodwill arising from a business combination is allocated to CGUs or Groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(m) Employee benefits

The Group's net obligation in respect of defined contribution plans relates to the post-employment benefit plans whereby the Group companies pay fixed contributions to an entity that is legally separated on a mandatory, contractual or voluntary basis without there being any actual or constructive obligation to make additional payments if the entity does not hold sufficient assets to pay all accrued pension benefits relating to current or past services. Contributions payable are recognised in profit or loss on an accruals basis and classified as personnel expenditure.

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefits that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the Projected Unit Credit Method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprises actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The Group determines the net interest expenditure (income) on the net defined benefit liability (asset) for the year by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the year as a result of contributions and benefit payments. Net interest expenditure and other expenditures related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefits that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

IFRIC 14 clarifies the provisions of IAS 19 'Employee benefits' with respect to the measurement of defined benefit plan assets when there is a minimum funding requirement. A defined benefit plan is in surplus when the fair value of the plan assets exceeds the present value of the defined benefit obligation. IFRIC 14/IAS 19 only permit the recognition of this surplus at the present value of the financial benefits available through refunds or reductions in future contributions. Moreover, disclosure is required when the plan requires a minimum contribution that could give rise to a liability.

For Italian companies, starting from 1 January, 2007, the Finance Act (Law No. 296 of 27 December, 2006, the '2006 Finance Act') and the relevant implementation decrees introduced important changes in the rules governing post-employment benefits ('TFR'), including the need for employees to decide on the allocation of their future benefits. In particular, this reform established that employees had to transfer the new amounts of their benefits to established pension funds or leave them with the company; in the latter case, the company would pay these amounts to a specific INPS (Italian social security institution) treasury account. Therefore, the post-employment benefits stated in the consolidated financial statements refer to the amount due to employees, not yet paid but vested up to 31 December, 2006.

(n) Provisions

Provisions include certain or probable costs and charges, the amount or due date of which is unknown at year end. A provision is recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow from the Group of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the obligation. Provisions are recognised at the value representing the best estimate of the amount that the Company would pay to settle the obligation or to transfer it to third parties at the end of the financial year. If the impact of discounting the time value of money is significant, the provision is determined by discounting expected future cash flows using a pre-tax discount rate that reflects the current market assessment of the time value of money. Where discounting is used, the increase in the provision due to the passage of time is recognised as interest expenditure.

(o) Revenue

The Group adopts IFRS 15, Revenue from Contracts with Customers. Specifically, IFRS 15 introduced a new model for revenue recognition based on the following five steps:

- identify the contract with a customer;
- identify the performance obligations in the contract;
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract;
- recognise revenue when (or as) the entity satisfies a performance obligation.

Revenues are entered in the financial statements, net of returns, discounts, allowances and bonuses, as well as taxes directly related to the sale of products and the provision of services, and are valued taking into account the amount specified in the contract with the customer. The Group, which generally operates as principal, recognises revenue when it transfers control of the goods or services (point in time). Control of the safety and standard closures is transferred to the customers when the goods are delivered to their premises, i.e., when the goods are taken over by the carrier selected by the customer if earlier and, accordingly, the Group recognises the related revenue at such times. There are generally no further contractual obligations for the Group.

There are no significant discounts for final customers and there are no contracts which enable customers to return products in exchange for new ones or cash reimbursements.

Usually, no costs are incurred to obtain or perform contracts with customers.

(p) Government grants

Grants relating to assets and income are recognised when there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Grants related to assets are recognised as deferred revenue under ‘Other liabilities’ in the statement of financial position and are taken to profit or loss on a systematic basis to offset them against the depreciation and amortisation of the relevant assets. Grants relating to income are recognised under Other operating income.

(q) Financial income and expenditure

The Group's financial income and finance expenditure include:

- interest income;
- interest expenditure,
- dividend income;
- the net gain or loss on the disposal of investments in debt securities measured at FVOCI;
- the net gain or loss on financial assets at FVTPL;
- the exchange gain or loss on financial assets and financial liabilities;
- impairment losses (and reversals) on investments in debt securities carried at amortised cost or FVOCI;
- the gain on the remeasurement to fair value of any pre-existing interest in an acquiree in a business combination;
- the fair value loss on contingent consideration classified as a financial liability;
- hedge ineffectiveness recognised in profit or loss; and
- the reclassification of net gains and losses previously recognised in OCI on cash flow hedges of interest rate risk and foreign currency risk for borrowings.

Interest income and expense are recognised in profit / (loss) on an accrual basis using the effective interest method. Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expenditure, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit impaired) or to the amortised cost of the liability. However, for financial assets that have become credit impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit impaired, then the calculation of interest income reverts to the gross basis.

(r) Determination of fair value

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

Several standards and disclosure requirements require the determination of fair value of financial and non-financial assets and liabilities.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e., the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices);
- Level 3 – valuation techniques for which the input data are not observable for the asset or liability.

If the inputs used to measure the fair value of an asset or a liability are categorised into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the level of the lowest level input that is significant to measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(s) Leasing

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

A. Leases in which the Group is a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone prices. However, for the leases of property, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as that of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The Group measures the lease liability at the present value of the unpaid lease payments at the commencement date, discounting them using the interest rate implicit in the lease. Where it is not possible to easily determine this rate, the Group uses the incremental borrowing rate (i.e., the incremental borrowing rate of each company belonging to the Guala Closures Group) or the incremental borrowing rate of the Guala Closures Group.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The Group considered the renewal options when determining the lease term and, specifically, considered as reasonably certain the exercise of the first renewal option which may be included in the lease. With respect to leases that do not contain annual automatic renewal options, the Group considered the lease term based on the time horizon of the business plan prepared by Group management, assuming that this time horizon properly reflects a period of time adequate to assess the lease term with a reasonable certainty. Assessment of the reasonable certainty of exercising the renewal option affects the lease term which, in turn, significantly affects the lease liability and the right-of-use asset.

These assets are subsequently measured at amortised cost using the effective interest method. The lease liability is valued at amortised cost using the effective interest method and is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, if the company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets separately from property, plant and equipment and intangible assets and it recognises lease liabilities under 'financial liabilities'.

B. Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expenditure on a straight-line basis over the lease term.

C. Leases in which the Group is a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone prices.

When the Group acts as lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Group recognises ease payments received under operating leases as income on a straight-line basis over the least term as part of 'other revenue'.

(t) Share based payment

The Group's share-based payment plans and arrangements are primarily cash-settled payment arrangements,

For cash-settled plans, the fair value of the amounts payable to employees is recognized as an expenditure, with a corresponding increase in liabilities (employee benefits), over the vesting period. The liability is remeasured at each reporting date and at the settlement date so that the ultimate liability equals the cash payment on the settlement date. Any changes in the fair value of the liability are recognized in profit or loss.

(3) Changes to standards

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

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

  The additions were approved on 20 December 2023. Specifically, emphasis is placed on the time concept of transferring cash or other resources to the counterparty to extinguish the liability. The following aspects are also clarified: i) what is meant by the right to defer the maturity; ii) that the right of deferral must exist at the end of the financial year; iii) that the classification is not affected by the probability that the entity will exercise its right to defer settlement; and iv) only if an embedded derivative in a convertible liability is itself an equity instrument, the maturity of the liability has no impact on its classification.

  - Non-current Liabilities with Covenants (issued on 31 October, 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 - 'Leasing', Lease Liability in a Sale and Leaseback (issued on 22 September, 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 that a lessee seller shall measure the lease liability arising from the leaseback in such a way as to ensure that it does not recognise any amount of gains or losses that relate to the right of use retained by it. 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 25 May, 2023)

  The amendments clarify the characteristics of supplier financing agreements (such as reverse factoring instruments) and define the information that must be provided regarding the impact of these agreements on the company's liabilities and cash flows (e.g. terms and conditions, book value and financial statement item in which financial payables are recorded, indicating those for which the financial supplier has already paid the corresponding portion of the trade payable, due dates of financial payables and comparable trade payables not included in the agreements).

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

These accounting standards, amendments and interpretations have been endorsed but are not yet applicable/have not been adopted in advance by the Group. 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' (issued 15 August 2023)

  The amendments clarify the procedures to be followed in the event of a lack of currency convertibility. The amendments introduce requirements for determining when a currency is convertible into another currency and when it is not, and require an entity to estimate the spot exchange rate when determining that a currency is not convertible into another currency. These additions will be applicable to financial statements for periods ending on or after 1 January 2025.

- IFRS 18 Financial Statement Presentation and Disclosure (issued 9 April 2024)

  On 9 April 2024, the International Accounting Standards Board issued IFRS 18, which replaces IAS 1 - ‘Presentation of Financial Statements’, establishing the requirements for the presentation of information in financial statements in order to improve the consistency of the information provided and facilitate comparability between different financial statements. The standard focuses particularly on the presentation of the income statement, for which a predefined structure is provided, divided into categories (operating, investing, financing, tax and discontinued operations) and the same number of subtotals; but it also establishes rules for the aggregation and disaggregation of information based on their common characteristics in order to identify the information to be provided directly in the financial statements rather than in the explanatory notes. The standard will be applicable to financial statements for periods ending on or after 1 January 2027.

- IFRS 19 - ‘Subsidiaries without public accountability: Disclosures’ (published 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 company that prepares consolidated financial statements) to choose to apply the reduced disclosure requirements of IFRS 19, while continuing to apply the recognition, measurement and presentation requirements of other IFRS standards Application of the standard is optional for eligible entities. The standard will come into force for accounting periods beginning on or after 1 January 2027, but earlier application is permitted.

- Modifications to the classification and evaluation of financial instruments (Modifications to IFRS 9 and IFRS 7) (published on 30 May 2024)

  On 30 May 2024, the International Accounting Board issued amendments to the classification and measurement requirements of IFRS 9 and to the disclosure requirements of IFRS 7. The amendments clarify that a financial liability is derecognised on the ‘settlement date’ and introduce the option of derecognising financial liabilities settled through an electronic payment system before the settlement date, if certain conditions are met. They also clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG) characteristics and other similar contingent characteristics, and clarify the treatment of non-recourse assets and contractually linked instruments.
  The amendments are effective for annual periods beginning on or after 1 January 2026. Earlier application of the Amendments is permitted

- Contracts for the purchase of electricity that depends on natural sources (Amendments to IFRS 9 and IFRS 7) (published on 18 December 2024)

  On 18 December 2024, the International Accounting Board issued amendments to improve companies' reporting of the financial effects of contracts for the purchase of electricity that depends on natural sources, often structured as power purchase agreements (PPAs).

Contracts for the purchase of electricity from natural sources help companies in securing an electricity supply from wind or solar energy sources. Since the amount of electricity generated under such contracts can vary due to uncontrollable factors related to weather conditions, current accounting requirements may not adequately represent how these contracts affect company performance. In response, the IASB has made targeted amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to improve the information regarding these contracts in the financial statements. The amendments include: (i) clarification of the application of the ‘own use’ requirements; (ii) granting of hedge accounting if these contracts are used as hedging instruments; and (iii) addition of new disclosure requirements to enable investors to understand the effect of these contracts on the company's financial performance and cash flows. These amendments are effective for annual periods beginning on or after 1 January 2026. Earlier application of the Amendments is permitted

These new documents, whose date of entry into force has been postponed, have not been adopted for the preparation of these consolidated financial statements. They will be applied from the mandatory date of entry into force. Analyses of the potential impacts of these standards are currently underway but are not expected to be significant.

(4) Operating segments

Reportable segments are the Group's strategic divisions as determined in accordance with the quantitative and qualitative requirements of IFRS 8.

The Group has only one reportable segment, the Closures division which represents the Group's core business. The Group's top management (who are accountable for operating decisions) reviews internal management reports on a monthly basis.

Other activities in 2023 include the PET division that was dismissed in 2024.

Information regarding the results of the group's reportable segment is included below, together with the mandatory information of IFRS 8. Performance is measured based on segment revenue, profit (loss) before taxation, amortisation and depreciation, trade receivables, inventories, trade payables, property, plant and equipment, right of- use assets and capital expenditure as included in the internal management reports that are reviewed by the CEO and by the board of directors.

Management considers the above information as the most suitable to evaluate the results of the segment compared to other entities that operate in these industries.

Other asset and liability figures cannot be reported by segment as management believes that the availability of such information by segment is not material.

(€'000)	**Closures**		**Other operations**		**Total**	
	2023 (*)	**2024**	**2023**	**2024**	**2023 (*)**	**2024**
Net revenue	834,493	830,678	1,687	-	836,180	830,678
Amortisation and depreciation	(53,112)	(52,738)	-	-	(53,112)	(52,738)
Financial income	19,183	32,533	-	-	19,183	32,533
Financial expense	(63,349)	(88,823)	-	-	(63,349)	(88,823)
Profit/(loss) before taxation	52,808	(46,521)	14	-	52,822	(46,521)
Net capex (**)	(70,215)	(64,934)	-	-	(70,215)	(64,934)

(*) The 2023 figures have been restated following finalization of the purchase price allocation procedure fo Fengyi

(**) Acquisitions of property, plant and equipment and intangible assets net of proceeds from sale of property, plant and equipment and intangible assets.

(€'000)	**Closures**		**Other operations**		**Total**	
	December 31, 2023 (*)	**December 31, 2024**	**December 31, 2023**	**December 31, 2024**	**December 31, 2023 (*)**	**December 31, 2024**
Trade receivables	126,077	165,318	-	-	126,077	165,318
Inventories	124,354	160,135	-	-	124,354	160,135
Trade payables	(96.196)	(120,851)	-	-	(96,196)	(120,851)
Property, plant and equipment and Right of use assets	283,982	340,068	-	-	283,982	340,068

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

Reporting by geographical segment

The Closures segment operates from a network of production facilities on all five continents and the main countries in terms of third-party sales are the United Kingdom, Italy, Mexico, India, Poland, China, North America, Spain, Deutschland, South Africa, Ukraine, Argentina, Australia, Brasil, France and Greece.

In presenting information on the basis of geographical segments, segment revenue and segment assets are based on the geographical location of the operations/subsidiaries.

(€'000)	**2023**	**2024**
United Kingdom	139,752	136,283
Italy	117,150	98,907
Mexico	120,861	81,214
India	65,267	59,494
Poland	65,569	53,210
China	13,270	49,289
North America	46,143	48,851
Spain	51,145	43,939
Deutschland	41,407	41,631
South Africa	14,724	32,842
Ukraine	29,775	31,591
Argentina	14,507	25,968
Australia	22,216	24,139
Brazil	19,562	17,969
France	16,667	17,168
Greece	-	14,772
Other countries	58,164	53,409
Net revenue	**836,180**	**830,678**

	Non-current assets other than financial instruments and deferred tax assets: property, plant and equipment, rights of use assets and intangible assets		Deferred tax assets	
(€'000)	**December 31, 2023(*)**	**December 31, 2024**	**December 31, 2023**	**December 31, 2024**
Italy	593,565	657,983	3,341	6,150
Australia	78,092	69,553	1,879	1,690
India	50,506	40,865	1,184	807
Poland	51,549	39,382	-	-
Mexico	51,738	36,091	86	83
Spain	41,231	36,175	255	213
Ukraine	18,344	18,033	-	302
United Kingdom	68,856	88,682	2,828	7,754
South Africa	10,633	15,166	-	248
Brazil	11,375	7,921	-	-
Deutschland	9,950	10,120	1,885	1,469
New Zealand	9,322	7,420	206	221
Kenya	5,942	7,032	485	531
Chile	7,357	4,979	1,492	1,410
France	6,904	4,155	-	-
China	16,869	19,984	712	385
Argentina	2,915	4,701	1,679	1,288
Other countries	71,118	77,102	1,966	1,947
Consolidation adjustments	32,126	19,446	2,132	1,692
Total	**1,138,418**	**1,164,792**	**20,129**	**26,190**

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

The Group is not exposed to significant geographical risks other than normal business risks except for what highlighted in paragraph (6) Russia – Ukraine conflict.

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

(5.1) Acquisition of Yibin Fengyi Packaging Co., Ltd

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

Consideration transferred

In relation to the agreement, the Parties acknowledged and agreed that the Purchase Price at closing was RMB 120.2 million (RMB 95.2 million paid at closing and the remaining RMB 25 million paid equally half at the 12th months and half at 24th months after closing) plus the contribution of 30% of the shareholding in Guala Closures Chengdu Co. Ltd.

The sale agreement provides a maximum earn-out to the sellers equal to RMB 31 million, based upon certain thresholds for the delta between EBITDA 2023 and EBITDA 2022.

Transaction costs were about €0.9 million.

The following table summarises the acquisition-date fair value of each major class of consideration transferred.

(€'000)	Amount as at 31 October 2023
Cash paid at acquisition date	12,264
Disposal Chegdu (30% - minority)	1,679
Deferred price	3,223
Earn-out	3,974
Total Consideration	**21,140**

Identifiable assets acquired and liabilities assumed

Recognized assets acquired and liabilities assumed at the acquisition date are summarized below:

(€'000)	Amounts recognised at the acquisition date
Property, plant and equipment	6,961
Financial assets	708
Inventories	5,096
Trade receivables	11,797
Trade payables	(9,112)
Other current assets	2,166
Other current liabilities	(3,417)
Contract Liability	(341)
Other Long Term liabilities	(230)
Financial liabilities	(6,112)
Deferred taxes	(468)
Tax Payable	(556)
Tax Receivable	77
Cash & cash equivalents	2,091
Net identifiable assets and liabilities	**8,658**
Net identifiable assets and liabilities to acquire 70% of the Group	**6,061**

Goodwill

The effects of the operation are accounted for with effect from 1 November 2023, the date on which control was transferred to the Group from the previous shareholders.

Goodwill arising from the acquisition is recognised as:

	Amount as at 31 October 2023	
(€'000)	Provisional	Final
Consideration paid as at 31 October 2023	21,140	21,140
Price adjustment to 31 May 2024	(839)	(839)
Net identifiable assets and liabilities	(6,061)	(6,061)
Initial difference to be allocated	**14,240**	**14,240**
Fair value adjustments		**1,721**
Machinery & equipment		1,402
Buildings		318
Deferred tax liabilities		**(430)**
Residual goodwill	**14,240**	**12,949**

The residual goodwill arising on the acquisition mainly relates to the skills and technical knowledge of Fengyi's employees.

The goodwill recognised in the financial statements will not be deductible for income tax purposes.

The comparative figures at 31 December 2023 have been restated to reflect the effects of the completion of the PPA procedure relating to this business combination on 1 November 2023. In these consolidated financial statements, the income deriving from the acquisition is recorded under the item 'Goodwill' for a value of €12.9 million, corresponding to the difference between the amount transferred for the purchase of Fengyi shares and the value of the consolidated net assets.

(5.2) Acquisition Astir Vitogiannis Bros S.A.

On 6 August 2024, following the agreement reached on 23 April 2024, the transfer of all shares in Astir Vitogiannis S.A. to Guala Closures S.p.A. was finalised. Astir is a leading producer of crown caps, with an annual production of over 12 billion caps. In the financial year ending in 2023, it generated a turnover of 75 million euro and an EBITDA of 19 million euro.

Consideration transferred

In connection with the deal, the parties agreed that the purchase price at closing was €115.5 million.

The following table summarises the acquisition-date fair value of each major class of consideration transferred:

(€'000)	Amount as at 06 August 2024
Cash paid at acquisition date	115,450
Total Consideration	**115,450**

Identifiable assets acquired and liabilities assumed

Recognized assets acquired and liabilities assumed at the acquisition date are summarized below:

(€'000)	Consolidated amounts recognised at the acquisition date
Property, plant and equipment	14,979
Intangible assets	21
Rights of use	113
Inventories	12,352
Financial assets	197
Trade receivables	32,191
Trade payables	(4,419)
Other current assets	3,730
Other current liabilities	(5,871)
Other non-current assets	116
Other non-current liabilities and provisions	(77)
Financial liabilities	(15,478)
Deferred taxes	(925)
Tax liabilities	(4,963)
Tax Credits	2,426
Cash & cash equivalents	5,114
Net identifiable assets and liabilities	**39,505**
Minority share of Coleus	**(2,441)**
Net identifiable assets and liabilities for the acquisition of Astir Group (100% Astir and 75% Coleus)	**37,064**

Provisional Goodwill

Under IFRS 3, if the sum of the consideration transferred exceeds the fair value of the net assets acquired and the net liabilities assumed at the acquisition date, the excess amount should be allocated to goodwill (for more information, reference should be made to the section on 'Goodwill').

The effects of the transaction have been recognised as of 6 August, 2024.

Goodwill arising from the acquisition has been recognised as:

(€'000)	**Amount as at 06 August 2024**
Amount	115,450
Net identifiable assets and liabilities	(37,064)
Provisional goodwill arising from the acquisition	**78,386**

Considering the short period of time that has elapsed between the date of the business combination and the reference date of the consolidated financial statements of 31 December 2024, the complexity of the process of allocating fair value to the assets acquired, liabilities assumed and contingent liabilities assumed by Astir Vitogiannis Bros S.A., the longer period of 12 months from the date of the business combination permitted by the relevant legislation, precisely by virtue of the complexity described, in these consolidated financial statements as at 31 December 2024, the differential deriving from the acquisition was provisionally recognised under Goodwill for a value of €78.4 million, corresponding to the difference between the value of the consolidated net assets of Astir Vitogiannis Bros S.A. and the amount transferred for the purchase of the shares of Astir Vitoginnis Bros S.A., Ltd by the buyers.

The recognised goodwill will not be deductible for income tax purposes.

If within one year of the acquisition date, we become aware of new information regarding facts and circumstances existing at the acquisition date such as to identify adjustments to the above amounts, or if there are additional provisions existing at the acquisition date, the related calculations will be revised.

(6) 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. In 2023, and also during 2024, there was no business interruption and no impact on customer service, as the Group's business model guarantees product delivery due to the availability of alternative production sites within the Group.

Although the area around the Sumy plant has become more dangerous in recent months, to date there has been no damage to property or persons impacting the Group's assets.

From the second half of 2022, GC Ukraine has transferred 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.

To further mitigate risk, the Ukrainian company has transferred most of its production assets and personnel to Nemyriv, where a new plant is already operational. Following this transfer, most of the production facilities and personnel were located in safe areas (Ternopil and Nemyriv), far from the ongoing conflict, while only a minimal production capacity remained in Sumy.

GC Ukraine 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 UE and the USA against Russia are currently not significantly impacting our business.

GC Belarus has been a dormant company since the outbreak of war.

Israel - Palestine Conflict

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

The main effect of this event, if any, is identified in the transport costs to and from the Red Sea, which could be subject to delays.

In the near-term, the ongoing and persistent geopolitical uncertainty, primarily stemming from the conflicts in Russia-Ukraine and more recently from 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.

STATEMENT OF PROFIT/(LOSS) AND OTHER COMPONENTS OF THE CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

(7) Net revenue

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

(€'000)	2023	2024
Europe	468,171	447,133
Americas	225,935	199,326
Asia	83,890	108,782
Oceania	35,579	34,933
Africa	22,606	40,504
Total	**836,180**	**830,678**

The table below illustrates net revenue by product:

(€'000)	2023	2024
Safety Closures	296,449	282,730
Prestige Closures	116,323	80,276
Roll-on Closures	385,882	386,955
Crown	-	30,561
Other revenue	37,527	50,156
Total	**836,180**	**830,678**

The table below illustrates net revenue by destination market:

(€'000)	2023	2024
Spirits closures	568,180	533,969
Wine closures	129,390	126,294
Water closures	69,756	67,306
Beverage closures	21,714	30,743
Olive oil & condiment closures	14,327	16,575
Beer closures	-	25,366
Other markets	32,813	30,425
Total	**836,180**	**830,678**

(8) Other operating income

This item includes:

(€'000)	2023	2024
Sundry recoveries/repayments	12,909	4,078
Government subsidies	881	432
Gains on sale of non-current assets	202	512
Other	2,790	7,397
Total	**16,783**	**12,419**

(9) Internal work capitalised

(€'000)	2023	2024
Capitalised costs for internal work	7,431	7,570
Total	**7,431**	**7,570**

(10) Costs for raw materials

This item includes:

(€'000)	2023	2024
Raw materials and supplies	297,212	326,285
Packaging	13,675	14,267
Consumables and maintenance	10,094	10,547
Fuels	630	829
Other purchases	9,521	14,372
Change in inventories	24,559	(13,403)
Total	**355,691**	**352,897**

Costs for raw materials decreased by €2.8 million from €355.7 million in 2023 (42.5% of net revenue) to €352.9 million in 2024 (42.5%).

(11) Costs for services

This item includes:

(€'000)	2023	2024
Electricity / heating	38,000	37,389
Transport	34,153	37,027
External processing	18,110	16,261
Maintenance	11,138	11,769
Sundry industrial services	10,448	10,732
Legal and consulting fees	9,923	9,345
Technical assistance	4,339	9,170
Travel	4,218	4,710
Insurance	4,178	4,374
Administrative services	3,162	3,512
Directors' fees	3,109	5,030
Cleaning service	1,855	1,654
Commissions	1,703	1,597
External labour / porterage	1,619	1,710
Advertising services	616	524
Security	818	992
Telephone costs	712	689
Commercial services	512	911
Entertainment expenditures	570	1,094
Expos and trade fairs	270	250
Other	2,578	3,335
Total	**152,029**	**162,075**

(12) Personnel expenditure

This item includes:

(€'000)	2023	2024
Wages and salaries	126,129	132,272
Social security contributions	18,481	19,194
Net expenditure from defined benefit plans	2,133	2,091
Other costs	17,912	17,020
Total	**164,655**	**170,577**

Personnel expenses increased by €5.9 million, mainly due to the change in perimeter given by the Fengyi Group (two months in 2023 compared to twelve months in 2024) and Astir (five months in 2024).

The Group has defined a long-term incentive plan involving certain members of management and other key employees. The plan is cash-settled and provides for the conditional right of the Beneficiaries to receive payment when the current sole shareholder of the Guala Closures Group leaves or, in the event of a new listing on the stock exchange, and the benefit is based on the capital gain (the share allocated to the Beneficiaries is estimated at 2% to 7% of the capital gain) that the sole shareholder will realise, subject to the requirement to work for the company for five years (each year provides for the vesting of 1/5 of the plan), upon the occurrence of a minimum realised capital gain. The impact on the 2024 income statement of the plan is €4.3 million, while the liability outstanding at 31 December 2024 is €12.0 million.

Details of fees paid to the key management personnel are provided in note 35) Related party transactions.

At 31 December, 2023 and 31 December, 2024, the Group had the following number of employees:

Number	31 December 2023	31 December 2024
Blue collars	3,894	3,785
White collars	1,007	1,057
Managers	407	423
Total	**5,308**	**5,265**

(13) Other operating expenditure

This item includes:

(€'000)	2023	2024
Allocations to provisions	8,342	2,443
Taxes and duties	3,014	2,372
Use of third-party assets	2,288	2,278
Other charges	4,282	2,196
Total	**17,927**	**9,289**

Costs for short-term leases, i.e., leases with a term not exceeding 12 months and leases of assets with a low unit value, which in application of the practical expedient provided for by IFRS 16 have been excluded from its application, are accounted for as 'Use of third-party assets' on a straight-line basis over the lease term.

(14) Financial income

This item includes:

(€'000)	2023	2024
Exchange gains	14,062	23,461
Interest income	1,771	3,797
Dividends	-	36
Other financial income	3,350	5,238
Total	**19,183**	**32,533**

(15) Financial expenditure

This item includes:

(€'000)	2023	2024
Interest expenditure	26,772	56,783
Exchange losses	28,051	16,491
Financial expenditures on financial liabilities to non-controlling investors	2,240	8,607
Other financial expenditure	6,287	6,942
Total	**63,349**	**88,823**

Interest expenditure of €56.8 million mainly refers to the Guala Closures S.p.A. bonds.

(16) Income and expenditure on financial assets/liabilities

The following table shows income and expenditure on financial assets/liabilities, specifying which are recognised in profit or loss and which directly in equity:

(€'000)	2023	2024
Recognized in profit or loss		
Interest income	1,771	3,797
Exchange gains	14,062	23,461
Dividends	-	36
Other financial income	3,350	5,238
Total financial income	**19,183**	**32,533**
Interest expenditure on financial liabilities measured at amortized cost	(26,772)	(56,783)
Exchange losses	(28,051)	(16,491)
Financial expenditures on financial liabilities to non-controlling investors	(2,240)	(8,607)
Other financial expenditure	(6,287)	(6,942)
Total financial expenditure	**(63,349)**	**(88,823)**
Net financial expenditure recognised in profit or loss	**(44,166)**	**(56,290)**
Recognised directly in equity in the Hedging reserve		
Net change in fair value of cash flow hedges	(6,866)	2,215
Change in tax impact	1,651	(532)
Total recognized directly in equity	**(5,215)**	**1,684**

The effective portion of the changes in fair value of cash flow hedges is due to the subscription of zero Cost Collars derivatives to hedge the exposure to the floating interest rate of the floating rate bonds maturing in 2029. Please refer to note (26) Current and non-current financial liabilities

(17) Income taxes

This item includes:

(€'000)	2023 (*)	2024
Current taxes	(36,509)	(30,715)
Deferred taxes	7,220	26,449
Total	**(29,289)**	**(4,266)**

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

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

Reconciliation between the theoretical and effective tax charge

The difference between the theoretical and effective tax charge is mainly related to the impact of the different tax rates in foreign countries, tax-exempt revenue, non-deductible costs and the use of prior year tax losses.

(€'000)	2023 (*)	2024
Profit before taxation	**52,822**	**(46,521)**
Income tax using Italian tax rate (2023 and 2024: 24%)	**(13,014)**	**11,165**
Effect of tax rates in foreign jurisdictions	340	1,446
Reduction of the tax rate	4	(1,222)
Non-deductible expenditure	(14,282)	(55,311)
Tax exempt income	-	37,774
Tax incentives	10,769	6,973
Current-year losses for which no deferred tax asset is recognized	2,098	3,478
Recognition of previously unrecognized tax losses (Deferred tax asset on losses carried forward not previously recognised)	2,897	25,101
Changes in estimates related to prior years (Including late Adjustment on income tax declaration)	(11)	-
Total increase	**1,816**	**18,240**
Effective tax	(11,198)	29,405
IRAP	(2,314)	-
Other taxes, other than income taxes	(15,708)	(33,670)
Total taxes for the financial year	**(29,289)**	**(4,266)**

(*) The 2023 figures were restated following the finalisation of the Fengyi price allocation procedure

Other taxes refer to the devaluation of foreign tax credits whose recovery is not certain based on the expected taxable income of the companies that registered them, as well as taxes relating to previous years.

On 1 January 2024, the regulations of the so-called 'Pillar Two' came into force, as provided for by EU Directive No. 2523 of 14 December 2022, implemented in Italy by Legislative Decree No. 209 of 27 December 2023 (hereinafter, the 'Decree'), aimed at limiting unfair tax competition by introducing a global minimum tax rate (i.e., the 'Global Minimum Tax') of 15% in every jurisdiction where large multinationals operate. These rules apply to the Guala Closures Group, as a Multinational Group that exceeds the revenue threshold of 750 million euro for two of the four previous financial years, with Guala Closures S.p.A. as the ultimate parent company (the 'UPE').

The Group, as already done for the finalisation of the Annual Financial Statements at 31 December 2023, has carried out a specific analysis in order to identify 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 first of all the 'CbCR Transitional Safe Harbours' test ('CbCR TSH').

Based on this analysis conducted on the data as of 31 December 2024 the CbCR TSH tests were passed in all jurisdictions in which the Group operates, with the exception of Mexico and India. With regard to these jurisdictions, an estimate was made of the potential supplementary taxation, applying the tax percentage to the pre-tax profit recorded by the entities located in these countries, in order to reach the minimum effective tax rate of 15%, also considering the screen represented by the mark-up on personnel costs and on tangible assets held for business purposes. Based on this estimate, the tax exposure was not significant.

(18) Notes to the statement of cash flows

The following is a reconciliation of liabilities arising from financing activities for the year ended 31 December, 2024:

Thousands of euro		**Note**
Total liabilities from financing activities at 1 January, 2024	**928,278**	
Cash effect		
Proceeds from new borrowings and bonds	149,784	
Repayment of borrowings and bonds	(159)	
Repayment of finance leases	(7,933)	
Interest paid	(57,532)	
Transaction costs paid for the issuance of new bonds and Revolving Credit Facility	(3,622)	
Labrenta deferred payment	(2,233)	
Fengyi earn out and deferred payment Fengyi	(5,585)	
Non- Cash effect		
Financial liabilities IFRS 16 accounting	16,301	23
Interest and other financial expenditure	58,828	14-15
Translation effect	(126)	
Changes in fair value of liabilities to non-controlling investors	8,607	26
Unpaid transaction costs	(1,441)	
Transaction amortisation costs	4,897	26
Increase indebtedness from the acquisition of Astir	15,460	
Poland and Bulgaria put option - change of scope	(26,220)	
Poland and Bulgaria Deferred payment	11,770	
Debt Reduction vs Cortapedra	(1.377)	
Other changes	(452)	
Total liabilities from financing activities at 31 December, 2024	**1,087,245**	

Consolidated statement of financial position

(19) Cash and cash equivalents

Cash and cash equivalents totalled €157,454 thousand at 31 December, 2024 (€196,280 thousand at 31 December, 2023). Cash and cash equivalents incorporated by the acquisition of Astir Group amount to €5,114 thousand.

(20) Trade receivables

This item may be analysed as follows:

(€'000)	**31 December 2023**	**31 December 2024**
Trade receivables	132,595	170,321
Provision for doubtful debts	(6,518)	(5,004)
Total	**126,077**	**165,318**

The loss allowance changed as follows:

(€'000)	**31 December 2024**
Opening balance	6,518
Business combination	753
Foreign exchange translation difference	(74)
Accrual for the period	1,188
Utilisations/releases of the period	(3,381)
Final provision for doubtful debts	**5,004**

As at 31 December 2024, the provision refers to a limited number of customers for whom credit losses are expected. Accruals of the period include charges related to Ukrainian customers and the expected credit loss on trade receivables for the Group to reflect uncertainties in the macro-economic environment.

(21) Inventories

This item may be analysed as follows:

(€'000)	31 December 2023	31 December 2024
Raw materials, consumables and supplies	65,377	86,337
(Allowance for inventory write-down)	(6,527)	(4,782)
Work in progress and semi-finished products	35,279	38,688
(Allowance for inventory write-down)	(2,058)	(1,169)
Finished products and goods	33,329	37,794
(Allowance for inventory write-down)	(1,262)	(1,364)
Advance payments	217	4,631
Total	**124,354**	**160,135**

Changes in 2024 are as follows:

(€'000)	31 December 2024
1 January 2024	124,354
Exchange losses	(1,312)
Business combination	12,352
Change in raw materials, consumables and supplies	13,403
Changes in inventories of finished and semi-finished products	6,925
Change in advance payments	4,414
31 December 2024	**160,135**

The allowance for inventory write-down changed as follows:

(€'000)	31 December 2024
Allowance for inventory write-down	9,847
Foreign exchange translation difference	(53)
Accruals	(2,478)
Closing balance	**7,316**

(22) Property, plant and equipment

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

(€'000)	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other Activities	Assets under construction and payments on account	Total
Historical cost at 31 December, 2023	71,882	270,110	32,112	5,244	54,266	**433,614**
Accumulated depreciation and impairment losses at 31 December, 2023	(12,493)	(143,995)	(13,363)	(2,814)	-	**(172,665)**
Carrying amount at 31 December, 2023	**59,389**	**126,116**	**18,749**	**2,429**	**54,266**	**260,949**
Restatement PPA (Fengyi)	505	2,089	-	-	-	**2,594**
Carrying amount at 1 January 2024	**59,894**	**128,205**	**18,749**	**2,429**	**54,266**	**263,543**
Business combination	3,228	9,417	17	597	1,721	**14,979**
Foreign exchange translation difference	(33)	1,316	283	(947)	(558)	**61**
Increases	1,031	9,380	1,582	398	50,169	**62,560**
Disposals	0	(68)	(1)	(228)	(753)	**(1,049)**
Write up (impairment losses)	(473)	451	-	-	-	**(22)**
Reclassifications	1,532	31,487	3,254	392	(35,807)	**857**
Depreciation	(4,005)	(21,905)	(3,107)	(557)	-	**(29,573)**
Historical cost at 31 December, 2024	77,621	324,097	37,247	5,455	69,038	**513,459**
Accumulated depreciation and impairment losses at 31 December, 2024	(16,447)	(165,814)	(16,469)	(3,371)	-	**(202,100)**
Carrying amount at 31 December, 2024	**61,174**	**158,283**	**20,778**	**2,084**	**69,038**	**311,358**

(*) Opening figures have been reclassified for consistency with the 2024 classification.

Investments in 2024, amounting to €62.6 million, are mainly related to investments aimed at increasing production capacity, developing new products, maintaining plants and investing in environment, health and safety (EHS).

Investments were mainly categorised as assets in progress and refer to machinery in all five continents where the Group operates. With a specific focus on the UK, the increase of €25.3 million was due to the new plant in Gartcosh (Scotland). The Group expects the Gartcosh plant to become fully operational in the second half of 2025. The remaining amount of €36.2 million refers mainly to Italy, India, Spain, Poland and China.

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

As at 31 December 2024, there were no collateral guarantees on property, plant and equipment, except as disclosed in Note 34) Commitments and Guarantees to the Consolidated Financial Statements.

(23) Right-of-use assets

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

(€'000)	Rights-of-Use - Land and Buildings	Rights-of-Use - Plants and Machinery	Rights-of-Use - Industrial and Commercial Equipment	Rights-of-Use - Other Assets	Total
Historical cost at 31 December, 2023	29,222	10,662	5,114	6,233	**51,231**
Accumulated depreciation and impairment losses at 31 December, 2023	(18,385)	(4,828)	(3,526)	(4,052)	**(30,792)**
Carrying amount at 31 December, 2023	**10,837**	**5,834**	**1,587**	**2,181**	**20,439**
Carrying amount at 1 January 2024	**10,837**	**5,834**	**1,587**	**2,181**	**20,439**
Business combination	-	-	60	53	**113**
Foreign exchange translation difference	125	951	(1)	210	**1,286**
Increases	13,656	152	590	2,135	**16,533**
Disposals	(71)	(49)	62	(160)	**(219)**
Reclassifications	2,544	(3,468)	(60)	-	**(984)**
Depreciation and amortisation of Rights of Use	(5,375)	(1,137)	(663)	(1,283)	**(8,458)**
Historical cost at 31 December, 2024	45,476	8,249	5,765	8,470	**67,960**
Accumulated depreciation and impairment losses at 31 December, 2024	(23,760)	(5,965)	(4,189)	(5,335)	**(39,250)**
Carrying amount at 31 December, 2024	**21,716**	**2,284**	**1,576**	**3,135**	**28,710**

The greatest increases in rights-of-use refer to land and buildings, in particular for new lease agreements stipulated in Ukraine and West Africa.

(24) Intangible assets

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

(€'000)	Development expenditure	Licences and patents	Goodwill	Other	Assets under construction and payments on account	Total
Historical cost at 31 December, 2023	7,363	145,480	547,218	233,940	7,966	**941,966**
Accumulated depreciation and impairment losses at 31 December, 2023	(3,876)	(37,994)	-	(44,369)	-	**(86,239)**
Carrying amount at 31 December, 2023	**3,487**	**107,486**	**547,218**	**189,571**	**7,966**	**855,727**
Restatement PPA (Fengyi)			**(1,291)**			**(1,291)**
Carrying amount at 1 January 2024	**3,487**	**107,486**	**545,927**	**189,571**	**7,966**	**854,436**
Business combination	-	7	78,386	14	-	**78,408**
Foreign exchange translation difference	(184)	88	64	(1,367)	(184)	**(1,584)**
Increases	137	234	-	80	7,448	**7,899**
Decreases	-	-	(839)	-	-	**(839)**
Impairment losses	-	(11,938)	-	(87,068)	(11)	**(99,017)**
Reclassifications	2,324	3,557	(0)	34	(5,788)	**126**
Depreciation	(1,069)	(6,540)	-	(7,099)	-	**(14,707)**
Historical cost at 31 December, 2024	9,640	137,427	623,538	145,634	9,431	**925,669**
Accumulated depreciation and impairment losses at 31 December, 2024	(4,945)	(44,534)	-	(51,468)	-	**(100,946)**
Carrying amount at 31 December, 2024	**4,696**	**92,894**	**623,538**	**94,166**	**9,431**	**824,723**

Licences and patents mainly refer to the Guala Closures Trademark for €66.9 million. This Trademark is not amortised as it has an indefinite useful life.

Goodwill increased by €78.4 million following the acquisition of the Astir Group in August 2024 while it decreased by €0.8 million due to the price adjustment of Fengyi.

For further information, reference should be made to note 5.2) Acquisition of Astir Vitogiannis Bros S.A.

Since its recognition on July 31, 2018, goodwill has never been impaired.

In accordance with the Group's procedures, the Group verifies the recoverability of goodwill and other assets with an indefinite useful life at least annually, or more frequently if specific events and circumstances, internal or external, occur that may indicate the existence of a possible reduction in value.

Goodwill recoverability is tested at consolidated level, considering Guala Closures Group as a single Cash Generating Unit (CGU).

Indeed:

- Guala has a single, integrated investment strategy at Group level, pursued on the basis of centralised cost/benefit analyses that maximise the return on investment for the entire Guala Closures Group, while taking into account the performance objectives of the individual legal entities;
- by virtue of the centralised strategy described above, the investments of the individual legal entities are approved by the Group in line with the above mentioned integrated strategy;
- strategic guidance and coordination activities are carried out centrally by a single management team;

Therefore, in accordance with the above mentioned Group procedure:

1) in the case of trigger events, the recoverable value of individual assets with a finite useful life is estimated, defined as 'fair value less costs of disposal';

2) The value of assets with an indefinite useful life is estimated, identified in:

    a. The 'Guala Closures' Trademark, whose recoverable amount is initially estimated as 'fair value less costs of disposal'.

    b. In the goodwill allocated to the 'Guala Closures' Group, whose recoverable amount is estimated as value in use at the level of the 'Guala Closures' CGU.

Assets with a definite useful life

As at 31 December 2024, considering the actual and expected results, given the change in strategy implemented by the Group and the development of the markets in which the Group operates, certain indicators of impairment were identified for intangible assets with a definite life such as "customer lists" and "patents".

Pursuant to the Impairment Procedure and in accordance with accounting principles, the recoverable value of such intangible assets was then estimated with the support of an independent expert.

From the above analysis, the recoverable amount, identified as the 'fair value less costs of disposal', was lower than the carrying amount, thus resulting in an overall impairment loss of €99.0 million, of which €87.1 million related to the customer list and €11.9 million to the patents recognised.

Goodwill

The goodwill was subjected to an impairment test with reference to the financial statement date and no need emerged to recognise an impairment loss on the carrying amounts recognised in the financial statements at 31 December 2024.

The recoverability of the recorded values has been verified, with the support of an independent expert, by comparing the net invested capital (carrying amount) of the CGU with the related recoverable value. The recoverable amount of goodwill is equal to value in use, i.e., the present value of the operating cash flows which arise from the Group's approved business plan figures for 2025-2029. This cash flow is then discounted using discount rates that are representative of the current market assessments of the time value of money and that take account of the risks specific to the Group's activities.

The discounted cash flow model is based on the projections reflected in the business plan approved by the Board of Directors on 26 March 2025, which forecasts a compound annual growth rate (CAGR) of net revenues and EBITDA of 4% and 5%, respectively. The terminal growth rate was determined based on management's estimate of the long-term compound annual EBITDA growth rate, consistent with the assumption that a market participant would make. Such growth rate is consistent with the inflation expected in the countries in which the Group operates weighted by revenue for the geographical segment.

The following assumptions were used in the 2024 valuation:

- the Group's WACC was calculated by weighting the WACC of each country with the percentage of net revenues for each country's target market compared to consolidated net revenues, with a weighted average of 9.73%;

- The discount rate corresponds to an estimate, net of taxes, determined on the basis of historical experience and the average cost of capital of the industrial sector based on a possible debt percentage of 32.22% at the market interest rate of 3.68% (net of taxes).

- long-term growth rate ‘g’: a value of 2.6% was used, calculated by weighting the estimated rate of inflation of each country (source: The Economist-December 2024) for the incidence of net revenues per target market on total net revenues, in line with the calculation of the discount rate.

The estimated recoverable value is significantly higher than the book value.

The estimates and projected figures to which the above parameters are applied are calculated by management based on past experience and the expected developments of the markets in which the Group operates at the reporting date. To this end, the current international macro-economic situation and the possible financial impacts, may result in uncertain scenarios in terms of achieving the objectives and levels of activity set out in the projections.

Based on the above, the Group carried out a sensitivity analysis of changes in the WACC and ‘g’ rates,

This sensitivity analyses highlighted the Group's low vulnerability to the effects of the crisis in the medium term and resilience in the ability to generate income in the long term.

However, the estimate of goodwill’s recoverable amount requires management’s discretion and use of estimates, and, therefore, goodwill may be impaired in the future due to presently-unforeseeable changes in the scenario.

Group management constantly monitors the circumstances and events which may result in an additional impairment test.

Trademark

The trademark was subjected to impairment tests at the balance sheet date, and its fair value was estimated using the Relief from Royalty (RFR) approach. No impairment was identified.

The royalty used for the calculation represents the rental charge amount, which would be paid to the licensor if this hypothetical arrangement were in place based suitable comparable transactions and prices involving third parties. The following assumptions were used in the 2024 valuation:

- the revenues deriving from the brand are based on the Projections approved by the Board of Directors on 26 March 2025 as previously mentioned;

- the Royalty rate corresponds to the rate paid for the Group's components to Guala Closures S.p.A. and is in line with the reference market;

- the discount rate was quantified consistently with the level of value being estimated in terms of the unlevered cost of capital (therefore higher than the WACC considered for impairment purposes);

- long-term growth rate 'g' was used calculated by weighting the estimated inflation rate for each country (source: The Economist-December 2024) for the incidence of net revenues per target market on total net revenues, in line with the calculation of the discount rate.

(25) Deferred tax assets and liabilities

The following table gives a breakdown of these items at 31 December, 2023 and 31 December 2024:

(Thousands of €)	Assets		Liabilities		Net Value	
	31 December 2023	**31 December 2024**	**31 December 2023**	**31 December 2024**	**31 December 2023**	**31 December 2024**
Allowance for inventory write-down	1,743	1,448	162	(144)	1,905	1,304
Taxed allowance for receivables impairment	5,788	5,264	8	(292)	5,796	4,972
Accruals to provisions	619	533	-	-	619	533
Other	6,627	8,454	(2,659)	(8,802)	3,969	(348)
Losses carried forward	32,128	38,255	(132)		31,996	38,255
ACE Deferred Allocation	2,470	2,718	-	-	2,470	2,718
Derecognition of intragroup profit on inventories	1,150	1,117	-	(0)	1,150	1,117
intragroup gains	816	816	-	-	816	816
Leases	614	378	(621)	(633)	(7)	(255)
Property, plant and equipment and intangible assets	2,443	237	(87,005)	(58,647)	(84,562)	(58,409)
Employee benefits	1,153	1,072	(285)	(172)	868	900
Derivatives	1,613	1,097	-	-	1,613	1,097
Reclassification of deferred tax assets/liabilities	(37,035)	(35,199)	37,035	35,199	-	-
TOTAL	**20,129**	**26,190**	**(53,497)**	**(33,491)**	**(33,367)**	**(7,301)**

Changes in net deferred tax assets/liabilities may be analysed as follows:

(Thousands of €)	31 December 2023	Change in perimeter	Changes in profit and loss	Changes in equity	Exchange rate gains/losses	31 December 2024
Allowance for inventory write-down	1,905		(587)		(14)	1,304
Taxed allowance for receivables impairment	5,796		(486)		(337)	4,972
Accruals to provisions	619	116	(203)		1	533
Other	3,969	(925)	(3,604)	(20)	232	(348)
Losses carried forward	31,996		6,145		114	38,255
ACE Deferred Allocation	2,470		248		-	2,718
Derecognition of intragroup profit on inventories	1,150		(33)		-	1,117
Intragroup gains	816		-		-	816
Leases	(7)		(257)		9	(255)
Property, plant and equipment and intangible assets	(84,562)	(647)	25,050		1,750	(58,409)
Employee benefits	868		176	(39)	(105)	900
Derivatives	1,613		-	(517)	-	1,097
Reclassification of deferred tax assets/liabilities	-		-	-	-	-
TOTAL	**(33,367)**	**(1,457)**	**26,449**	**(576)**	**1,650**	**(7,301)**

Tax losses that may be carried forward at 31 December, 2024 amount to €212,063 thousand and may be used according to the legislation in the various countries where the reporting companies are based. Tax losses that can be carried forward indefinitely amount to €178,675 thousand and refer to Guala Closures International B.V., Guala Closures S.p.A., Guala Closures France SAS, Guala Closures South Africa Pty Ltd, Guala Closures UCP Ltd., Guala Closures UK Ltd., Guala Closures Chile, Guala Closures North America and Labrenta Inc.

Based on the most recent estimates of future taxable income, the Group recognised deferred tax assets on tax loss carry forwards of around €38,255 million, corresponding to estimated future taxable income of €150,964 thousand.

Therefore, tax loss carry forwards not included in the calculation of deferred tax assets recognised in the Group's statement of financial position at 31 December, 2024 total €61,099 thousand, corresponding to potential deferred tax assets of €13,160 thousand if they were recognised.

(26) 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 33) Fair value of financial instruments and sensitivity analysis for further information on the Group's exposure to interest and currency risks.

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

(€'000)	**31 December 2023**	**31 December 2024**
Current financial liabilities		
Interest on bonds	1,889	2,149
Other bank loans and borrowings	6,476	10,138
Other financial liabilities	19,687	21,094
	28,052	***33,381***
Non-current financial liabilities		
Bonds	850,000	1,000,000
Transaction costs	(24,875)	(25,256)
Other bank loans and borrowings	4,716	16,046
Other financial liabilities	70,385	63,075
	900,226	***1,053,864***
Total	**928,278**	**1,087,245**

'Bonds' refer to:

- 3¼% Senior Secured Notes maturing in 2028 (the '**2028 Notes**') of €500 million in aggregate principal amount issued under an indenture dated 7 July, 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 15 June and 15 December of each year and will mature on 15 June, 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.

- New Senior Secured Notes maturing in 2029 (the '**2029 Notes**') of €350 million in aggregate principal amount issued under an indenture among, *inter alios*, Guala Closures, U.S. Bank Trustees Limited, as trustee and security agent (the '**2029 Notes Indenture**'). The proceeds of the 2029 Notes have been used to fund a distribution to the shareholder of Guala Closures, the purchase price for the acquisition of Yibin Fengyi Packaging Co., Ltd ('Fengyi') and cash on financial statement for general corporate purposes (including to fund further bolt-on acquisitions), and to pay fees and expenditures associated thereto.

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 15 December, 15 March, 15 June and 15 September, beginning on 15 December, 2023. In order to hedge its exposure to the 2029 Notes' floating interest rate, on 13 October, 2023, Guala Closures S.p.A. entered into (i) an ISDA Master Agreement with both 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 29 June, 2029. At any time on or after 13 October, 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 20 June 2024, Guala Closures issued EUR 150 million aggregate nominal amount of Additional 2029 Notes (the '**Additional 2029 Notes**'). The bonds were issued at an issue price of 100.500% and bear interest at a rate equal to three-month EURIBOR (subject to a floor of 0%), reset quarterly, plus 4.00% per annum. The Notes have the same terms 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 28 June, 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) + 2.5%. The 2027 RCF will expire 15 December, 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. Based on the decreasing financial leverage coefficient, the RCF 2027 margin is equal to 2.5%.

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

Guala Closures continuously evaluates and identifies opportunities for value-added acquisitions and is currently actively considering some of these opportunities. At the same time, Guala Closures evaluates market conditions to potentially raise the necessary capital to finance such acquisitions, as well as to refinance existing debt and/or to finance commercial activities and capital expenditures. To this end, Guala Closures may decide 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 31 December, 2023 and 31 December 2024 are shown below:

				Nominal amount					
					Current	Non-current			
(€'000)	**Currency**	**Nominal interest rate**	**Year of maturity**	**Total December 31, 2023**	**Within one year**	**Between 1 to 5 years**	**More than five years**	**Current**	**Total non-current**
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**
Senior Secured 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 FRSN 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 expenditure - 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
Debt for financing previous owner FengYi	CNY	n.a.	n.a.	2,274	-	2,274	-	-	2,274
Other liabilities (Payables to Cortapedra Srl for the acquisition of Labrenta Srl)	€	3.00%	2026	13,977	3,640	10,337	-	3,640	10,337
Other liabilities (Liabilities to FengYi for 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**

					Current	Non-current			
(€'000)	Currency	Nominal interest rate	Year of maturity	Total 12/31/24	Within one year	Between 1 to 5 years	More than five years	Current	Total non-current
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	(8,412)	-	(8,412)	-	-	(8,412)
TOTAL SSN 2028 bonds - Guala Closures S.p.A.				**492,265**	**677**	**491,588**	**-**	**677**	**491,588**
Senior Secured Notes issued by Guala Closures S.p.A.	€	Euribor 3M+4%	2029	500,000	-	500,000	-	-	500,000
Interest on bonds	€	n.a.	2024	1,472	1,472	-	-	1,472	-
Transaction costs	€	n.a.	2029	(14,897)	-	(14,897)	-	-	(14,897)
TOTAL SSFRN 2029 bonds - Guala Closures S.p.A.				**486,575**	**1,472**	**485,103**	**-**	**1,472**	**485,103**
Bank loans and borrowings:									
Transaction costs	€	n.a.	2027	(1,948)	-	(1,948)	-	-	(1,948)
TOTAL Senior Revolving Credit Facility - Guala Closures S.p.A.,				**(1,948)**	**-**	**(1,948)**	**-**	**-**	**(1,948)**
Other accrued expenditure - Guala Closures S.p.A..	€	n.a.	2024	239	239	-	-	239	-
Labrenta S.r.l. loans (Italy)	€	n.a.	n.a.	2,605	1,167	1,439	-	1,167	1,439
Loans Itaú Bank (Brazil)	BRL	n.a.	2025	4	4	-	-	4	-
Overdraft Bulgaria	BGN	n.a.	n.a.	4	4	-	-	4	-
Financial Lease (Poland)	PLN	n.a.	n.a.	276	124	152	-	124	152
Financial Lease (Bulgaria)	BGN	n.a.	n.a.	872	347	526	-	347	526
Financial Lease (Coleus)	ZAR	n.a.	n.a.	5	5	-	-	5	-
Noco Banco (Anacorks)	€	Euribor 1M +1.25%	2027	120	48	72	-	48	72
Facilities Group FengYi (China)	CNY	3.50%	n.a.	6,476	6,476	-	-	6,476	-
Bancomer loans (Mexico)	USD	2.95%	2025	545	385	160	-	385	160
Loans (Astir)	€	Euribor 3M+2.2%	n.a.	479	479	-	-	479	-
Loans (Coleus)	ZAR	11.50%	n.a.	14,558	860	13,698	-	860	13,698
TOTAL other bank loans and borrowings				**26,184**	**10,138**	**16,046**	**-**	**10,138**	**16,046**
Other financial liabilities:									
Leases (IFRS 16)	€	n.a.	n.a.	29,734	11,001	14,590	4,143	11,001	18,733
Non-controlling investors' put options	€	n.a.	n.a.	27,596	-	27,596	-	-	27,596
Debt for financing previous owner FengYi	CNY	n.a.	n.a.	2,157	2,157	-	-	2,157	-
Other liabilities (Payables to Cortapedra Srl for the acquisition of Labrenta Srl)	€	3%	2026	10,672	5,387	5,285	-	5,387	5,285
Deferred payment Poland	€	4%	2028	11,210	-	11,210	-	-	11,210
Deferred payment Bulgaria	€	Euribor 3M+3%	2027	770	520	250	-	520	250
Other liabilities (Liabilities to FengYi minority)	CNY	n.a.	2025	1,612	1,612	-	-	1,612	-
Other liabilities	€	n.a.	n.a.	417	417	-	-	417	-
TOTAL other financial liabilities				**84,169**	**21,094**	**58,931**	**4,143**	**21,094**	**63,075**
TOTAL				**1,087,245**	**33,381**	**1,049,721**	**4,143**	**33,381**	**1,053,864**

The item '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 (refer to note 33 to the consolidated financial statements for the assumptions underlying the calculation).

The so-called 'present access method' was used for accounting purposes, which consists of recording the financial liability as a contra-entry to the shareholders' equity reserve in the first financial year, while any change during the financial year is recorded under financial income (expenditure) in the profit or loss for the year, continuing in any case to show the minority interest separately since, to all intents and purposes, they have the right to access the economic results connected to share ownership.

Reference should be made to Note 33) Fair value of financial instruments and sensitivity analysis for further details.

The Senior Revolving Credit Facility's availability at 31 December, 2024 is shown in the table below:

Credit facility	Available amount ('000)	Amount used at 31 December, 2024	Residual available amount at 31 December, 2024	Repayment date
Senior Revolving Credit Facility due 2027	175,000	-	**175,000**	final repayment 15/12/2027
Total	**175,000**	**-**	**175,000**	

(27) Trade payables

These may be analysed as follows:

(€'000)	31 December 2023	31 December 2024
Suppliers	95,850	120,230
Advance payments	346	621
Total	**96,196**	**120,851**

At 31 December, 2024, trade payables may be analysed by original currency as follows:

(€'000)	EUR	USD	GBP	Other currencies	Total
Trade payables	51,484	11,694	8,548	49,125	**120,851**

Other currencies include trade payables in the following local currencies:

(€'000)	31 December 2024
Chinese renminbi	11,769
Polish zloty	8,325
Indian rupee	6,314
South Africa rand	5,927
Australian dollar	5,271
Mexican peso	3,659
Ukrainian hryvnia	1,710
Argentinian peso	1,632
Chilean peso	1,205
Brazilian real	908
Kenyan shilling	712
New Zealand dollar	598
Bulgarian lev	566
Others	529
Total	**49,125**

(28) Provisions

This item may be analysed as follows:

CURRENT PROVISIONS:

(€'000)	31 December 2023	31 December 2024
Provision for company reorganisations	5,756	5,271
Provision for returns	2,096	451
Other provisions	3,975	1,933
Total current provisions	**11,828**	**7,654**

Changes in the provisions are as follows:

(€'000)	31 December 2024
Opening current provisions	11,828
Exchange losses	96
Accrual for the period	2,381
Uses/releases	(6,651)
Closing current provisions	**7,654**

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

NON-CURRENT PROVISIONS:

(€'000)	31 December 2023	31 December 2024
Provision for legal disputes	560	608
Provisions for agent's termination indemnity	184	195
Total non-current provisions	**744**	**803**

Changes in the provisions are as follows:

(€'000)	31 December 2024
Opening current provisions	744
Business combination	77
Accrual for the period	22
Uses/releases	(40)
Closing non-current provisions	**803**

(29) Other current liabilities

This item may be analysed as follows:

(€'000)	31 December 2023	31 December 2024
Amounts due to employees	17,800	18,120
Liabilities for capital expenditure	9,048	13,221
Social security charges payable	4,456	3,689
Payables for dividends	276	1,131
Other Payables	18,417	28,240
Total	**49,997**	**64,403**

The increase in liabilities for investments is mainly due to higher debts for capital expenditure in the United Kingdom and Italy. The item other payables mainly includes payables for non-recurring costs and deferred income. In particular, the increase compared to 31 December 2023 is due to payables for contributions received from customers for capital expenditure.

(30) Employee benefits

These may be analysed as follows:

(€/000)	31 December 2023	31 December 2024
Post-employment benefits - Guala Closures S.p.A.	2,740	3,002
Other	5,805	4,921
Total	**8,545**	**7,923**

Changes in Employee benefits are as follows:

(€/000)	31 December 2023	31 December 2024
Balance at January 1	8,055	8,545
Exchange rate profit/(losses)	(33)	(746)
Change in profit or loss for the period - personnel costs	2,571	3,001
Change recognized in profit or loss - other (income)/expenditure	(103)	(406)
Change in other components of comprehensive income	58	(25)
Benefits paid	(2,002)	(2,445)
Value as at 31 December	**8,545**	**7,923**

The liability for post-employment benefits ('TFR' – Trattamento di fine rapporto) relates to Guala Closures S.p.A. for employee departures, determined using actuarial techniques and regulated by Article 2120 of the Italian Civil Code. The benefit is paid when the employee leaves the company as a lump sum, the amount of which corresponds to the total benefits accrued during the employees' service period based on payroll costs as revalued until their departure. Following the pension reform, from 1 January 2007, accruing benefits have been transferred to a pension fund or a treasury fund held by Italy's social security institution (INPS). Companies with less than 50 employees can continue the scheme as in previous years.

Therefore, contributions of future TFR to pension funds or the INPS treasury fund entails that these amounts will be treated as a defined contribution plan. Amounts vested before 1 January 2007 continue to be accounted for as defined benefits to be assessed based on actuarial assumptions.

Changes in post-employment benefits and the main assumptions used in their measurement are detailed below:

(€/000)	31 December 2024
Balance at January 1	2,740
Change recognized in profit or loss - other (income)/expenditure	656
Change in other components of comprehensive income	(13)
Benefits paid	(381)
31 December	**3,002**

Actuarial parameter baseline:

	31 December 2023	31 December 2024
Average inflation rate	2.00% p.a.	2.00% p.a.
Discount rate	2.94% p.a.	2.93% p.a.
Annual rate of increase in post-employment benefits	3.00% p.a.	3.00% p.a.

For valuations at 31 December, 2024, an annual fixed discount rate of 2.93% was used based on the value of the indexes AA corporate bonds 7 -10 year duration at the valuation date, as per the requirements of IAS 19.

The Group expects to pay around €0.4 million of benefits to its defined benefit plan in 2025.

Sensitivity analysis:

The reasonably possible changes in the assumptions at the reporting date shown in the following table, assuming that all the other variables remain unchanged, would have had the following effects on the TFR of Guala Closures S.p.A. as of 31 December 2024:

	Defined benefit obligation	
(€'000)	Increase	Decrease
Turnover rate (1% variation)	5	(5)
Average inflation rate (0.25% movement)	30	(30)
Discount rate (0.25% movement)	(47)	48

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The defined benefit plan of Guala Closures Deutschland depends on some works agreement of the company to its board members, executives and employees affecting all regular staff employees over the age of 25, if employment began before the age of 55 and employment by the company was established before 30 November 2006, and if the employment is active with the company as of 1 January 2020.

Changes in defined benefit plan and the main assumptions used in their measurement are detailed below:

(€'000)	31 December 2023	31 December 2024
January 1	1,485	1,724
Interest	123	108
Past service cost/Settlements	(7)	-
Change in other components of comprehensive income	134	(106)
Benefits paid	(11)	(10)
Value as at 31 December	**1,724**	**1,715**

Actuarial parameter baseline:

	31 December 2023	31 December 2024
Discount rate	3.25%	3.25%
Future salary increases	2.25%	2.25%
Future pension increases ('Average' rate)	1.80%	2.00%

Sensitivity analysis:

Reasonably possible changes at the reporting date, assuming the other variables do not change, would have affected Guala Closures Deutschland's defined benefit plan at 31 December, 2024 by the amounts shown below:

	Defined benefit obligation	
(€'000)	Increase	Decrease
Pension indexation (0.5% variation)	121	(110)
Salary rate (0.5% variation)	74	(84)
Discount rate (0.5% variation)	(169)	195

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Guala Closures UK has a defined benefit pension plan under which the employees of the former Metalclosures Ltd have the right to a pension. This plan has a surplus at 31 December, 2024 (i.e., the fair value of the plan assets is higher than the present value of the defined benefit obligation). As required by IAS 19 and IFRIC 14, the surplus that can be recognised must be less than the benefits available in the form of reimbursements or the contribution holiday: following completion of the West Bromwich site restructuring plan in 2008, the amount of the contribution holiday is zero and, therefore, the English company has not recognised the fund surplus. In addition, the Group did not have contingent liabilities at the reporting date as the fund covers the present value of its future obligations with its plan assets.

During 2022, the Directors entered into a buy-in agreement which provides for a significant portion of the Plan's net assets to be transferred to a third-party insurance company, as an investment decision that allows the transfer to insurance of the risk arising from the benefits to be paid to Plan members.

This may be converted to a 'buy-out' in the future whereby the liabilities would be extinguished from the company's perspective, and obligation to pay members' benefits would be passed to the insurer. This would become possible following completion of various administrative and legal procedures. Upon completion, the obligation would be fully transferred and the company relieved of any future liability. Since at the financial statement date there is evidence that the buy-out process has not yet been completed and there is uncertainty as to whether the company will gain access to any surplus assets arising from the pension scheme, in particular according to the terms of the buy-in agreement signed during the financial year, no impact of this transaction is recognised in the financial statements following the guidance of IFRIC 14.

For disclosure purposes, the amounts of the fund obligations and plan assets, as well as the baseline actuarial parameters used for their calculation, are shown below:

(€'000)	**31 December 2023**	**31 December 2024**
Present value of the obligations	(43,262)	(40,280)
Fair value of plan assets	49,902	45,386
Total	**6,639**	**5,106**

Changes in the components of Guala Closures UK Ltd.'s pension fund may be analysed as follows.:

Changes in the net amount of the fund:

(€'000)	**31 December 2023**	**31 December 2024**
Balance at January 1	7,236	6,639
Net exchange rate Profit/(Losses)	168	281
Social security cost related to work performance	(113)	-
Interest on defined benefit obligation	(2,120)	(1,956)
Social security cost related to work performance	2,473	2,238
Scheme administration expenditure	(489)	(1,337)
Actuarial (gains) losses	(517)	(760)
31 December	**6,639**	**5,106**

Changes in the present value of the obligations:

(€'000)	**31 December 2023**	**31 December 2024**
Balance at January 1	(44,536)	(43,262)
Net exchange rate Profit/(Losses)	(899)	(2,057)
Social security cost related to work performance	(113)	-
Interest on defined benefit obligation	(2,120)	(1,956)
Contribution by plan participants	(3)	-
Benefits paid	4,284	3,927
Actuarial gains	124	3,069
Value as at 31 December	**(43,262)**	**(40,280)**

Changes in the fair value of plan assets:

(€'000)	31 December 2023	31 December 2024
Balance at January 1	51,772	49,902
Net exchange rate Profit/(Losses)	1,048	2,338
Social security cost related to work performance	2,473	2,238
Scheme administration expenditure	(489)	(1,337)
Contribution by plan participants	3	-
Benefits paid	(4,264)	(3,927)
Actuarial losses	(641)	(3,828)
Value as at 31 December	**49,902**	**45,386**

Plan assets comprise (major categories of plan assets as a percentage of the total plan assets):

	31 December 2023	31 December 2024
Equities	0%	0%
Bonds	0%	0%
Gilts	0%	0%
Annuities	14%	14%
Cash	86%	86%

All equities and government bonds have quoted prices in active markets.

Actuarial parameter baseline:

	31 December 2023	31 December 2024
Future salary increases	n/a	n/a
Rate of increase in pensions provided (average)	3.00% p.a.	3.00% p.a.
Average inflation rate	3.10% p.a.	3.25% p.a.
Discount rate	4.60% p.a.	5.40% p.a.

The Group does not expect to have to pay further contributions in the next financial year in relation to obligations deriving from defined benefit plans.

Sensitivity analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, assuming the other variables do not change, would have affected Guala Closures UK's defined benefit pension plan at 31 December, 2024 by the amounts shown below:

(€'000)	Impact on present value of the obligations	Impact on fair value of plan assets
Life expectancy (+1 year)	(55)	-
Average inflation rate (-0.25% p.a.)	2	-
Discount rate (+0.25% p.a.)	24	-

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

(31) Equity attributable to the owners of the parent

The paid-up and subscribed share capital of Guala Closures S.p.A. at 31 December, 2024 remained unchanged compared to 31 December, 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 the Group has access to external sources of financing at 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.

More information is available in the director’s report section 2.1) Significant events during the year.

(32) Equity attributable to non-controlling interests

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

(€’000)	**Non-controlling interests (%) at 31 December, 2023**	**Non-controlling interests (%) at 31 December, 2024**	**Balance at 31 December, 2023**	**Balance at 31 December, 2024**
Guala Closures Technologia Ukraine LLC	30.0%	30.0%	18,081	16,978
Guala Closures India pvt Ltd.	5.0%	5.0%	2,926	2,842
Guala Closures de Colombia LTDA	6.8%	6.8%	792	656
Guala Closures Bulgaria A.D.	30.0%	-	2,625	-
Guala Closures DGS Poland S.A.	30.0%	-	23,681	-
Guala Closures BY LLC	15.0%	-	(23)	-
Fengyi Group	30.0%	30.0%	5,327	6,617
Coleus	-	25.0%	-	2,827
Total			**53,409**	**29,919**

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

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

The following tables summarise the information relating to each of the Group’s subsidiaries that have material non-controlling interests, before any intragroup eliminations.

(€'000)	Guala Closures Technologia Ukraine LLC	Guala Closures (India) Pvt Ltd	Fengyi Guala Closures (Sichuan) Co Ltd CONS	Coleus	Other individually immaterial subsidiaries	Total
Non-controlling interests percentage	**30%**	**5%**	**30%**	**25%**		
Non-current assets	18,342	41,788	21,160	6,628		
Current assets	55,638	32,218	44,950	31,125		
Non-current liabilities	(1,099)	(4,486)	(4,412)	(13,957)		
Current liabilities	(16,289)	(12,680)	(39,642)	(12,489)		
Equity	**56,592**	**56,840**	**22,055**	**11,306**		
Equity attributable to non-controlling interests	**16,978**	**2,842**	**6,617**	**2,827**	**656**	**29,919**
Total revenue (third parties + related parties)	**64,471**	**61,596**	**65,293**	**15,789**		
Operating result	13,279	3,953	3,555	1,259		
Other comprehensive income (OCI) components	(878)	1,992	701	284		
Comprehensive income/(expense)	**12,401**	**5,945**	**4,256**	**1,543**		
Profit (loss) allocated to non-controlling interests	3,984	198	1,066	315	210	**5,773**
OCI allocated to non-controlling interests	(263)	100	210	71	95	**212**
Comprehensive income (expense) allocated to non-controlling interests	**3,720**	**297**	**1,277**	**386**	**305**	**5,985**
Cash flows from operating activities	9,986	9,429	2,726	2,147		
Cash flows used in investing activities	(5,956)	(5,225)	(7,743)	(651)		
Cash flows used in financing activities (including dividends to NCI)	(17,005)	(7,424)	(1,826)	(16,530)		
Net increase (decrease) in cash and cash equivalents	**(12,974)**	**(3,220)**	**(6,842)**	**(15,034)**		
Dividends to non-controlling interests	4,824	379	-	-	296	**5,499**

In addition, dividends were distributed to Guala Closures DGS Poland S.A. for €2,266 thousand and to Guala Closures Bulgaria A.D. for €450 thousand.

OTHER INFORMATION

(33) 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 31 December, 2023 and 31 December, 2024. There were no movements from one level to another in the reporting period. With reference to the definition of the levels of the fair value hierarchy, see the section 'Accounting standards'.

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			(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)	(6,867)	-	-	(59,751)	-	(6,867)	(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 to FengYi minority)	22				(2,274)	(2,274)				
Liability to Cortapedra for Labrenta S.r.l. acquisition	22				(13,977)	(13,977)				-
Liabilities to FengYi minority	22				(7,197)	(7,197)				-
Other financial liabilities	22				(47)	(47)				-
		-	-	-	(979,264)	(979,264)	-	(820,072)	-	(820,072)

31/12/2024		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	19			165,318		165,318				-
Financial assets				6,143		6,143				-
Cash and cash equivalents	18			157,454		157,454				-
		-	-	328,915	-	328,915	-	-	-	-
Financial liabilities measured at fair value										
IRS used for hedging			(4,650)			(4,650)		(4,650)		(4,650)
MIP		(11,937)				(11,937)			(11,937)	(11,937)
Non-controlling investors' put options	25	(27,596)				(27,596)			(27,596)	(27,596)
		(39,534)	(4,650)	-	-	(44,184)	-	(4,650)	(39,534)	(44,184)
Financial liabilities not measured at fair value (*)										
	25				(14,168)	(14,168)		(14,168)		(14,168)
Unsecured bank loans	25				(10,069)	(10,069)		(10,069)		(10,069)
Secured bond issues	25				(978,840)	(978,840)		(974,268)		(974,268)
Lease liabilities (IFRS 16)	25				(29,734)	(29,734)				-
Trade payables	26				(120,851)	(120,851)				-
Other liabilities (Liabilities to Fengyi minority)	25				(2,157)	(2,157)				
Liabilities to Cortapedra for Labrenta S.r.l. acquisition	25				(10,672)	(10,672)				-
Liabilities to Fengyi minority	25				(1,612)	(1,612)				-
Poland/Bulgaria Deferred payment	25				(11,980)	(11,980)				
Other financial liabilities	25				(417)	(417)				-
		-	-	-	(1,180,500)	(1,180,500)	-	(998,504)	-	(998,504)

(*) 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 inputs

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.

Financial instruments measured and not measured at fair value

Type	Valuation technique	Significant unobservable inputs
Secured bond issues	Discounted cash flows	Not applicable.
Aluminium derivatives held for trading 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 like the Euro-MTF 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 Zero Cost Collars derivatives, 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 in 2024.

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.

<table>
<tr><th>Type</th><th>Valuation technique</th><th>Significant unobservable inputs</th><th>Inter-relationship between significant unobservable inputs and fair value measurement</th></tr>
<tr><td>Non-controlling interests' put options</td><td>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.</td><td>Expected Cash Flows in Projections;
inflation data regarding the Eurozone and the USA, used to calculate risk-free rates (1.9%-2.2%);
discount rate specific to the country in which the subsidiary operates, adjusted by the Group's credit risk (5.9%-18.2%);
expected date of put option exercise based on demographic assumptions (age of retirement 60-64) and any change of control clauses.</td><td>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 based 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.</td></tr>
</table>

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 31 December, 2023 and 2024 are shown below:

(€'000)	
Value as at 31 December, 2023	52,884
Included in 'financial expenditure' Net fair value loss (unrealised)	8,607
Poland and Bulgaria put option - change of perimeter	(26,220)
MIP - fair value	4,263
Balance at 31 December, 2024	**39,533**

Sensitivity analysis

Reasonably possible changes at 31 December, 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%	763
	(1%)	(814)
Growth rate	1%	(475)
	(1%)	461
Expected date of put option exercise	+ 1 year	2,717
	- 1 year	(3,088)

(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.

Credit risk

This is the risk that a customer or the counterparty to a financial instrument is unable to meet an obligation, leading to a financial loss. These risks arise mainly in relation to trade receivables and financial investments. These risks arise mainly in relation to trade receivables and financial investments.

The Group's exposure to credit risk depends mainly on the specific characteristics of each client. The demographics of the Group's customer portfolio, including the sector insolvency risk and the country risk, have an impact on the credit risk.

The Group accrues a loss allowance equal to the estimated losses on trade and other loans and receivables. The Group sets aside a doubtful debt provision that reflects the estimate of losses on trade receivables and other receivables, the main components of which are individual write-downs of significant exposures and the collective write-down of homogeneous groups of assets against losses already suffered that have not yet been identified. The collective impairment losses are calculated on the basis of historical payment statistics.

Most of the Group's trade receivables are due from leading operators of the alcoholic and non-alcoholic beverage segment. The Group maintains long-term business relationships with the majority of its customers. Most of its trading relationships are with longstanding customers.

The Group reduces its credit exposure by means of supplier financing lines made available by the Group's main customers, effectively reducing part of its receivables to a non-recourse discount.

The Group's historical figures indicate a modest amount of credit losses. The risk is fully covered by the corresponding loss allowance recognised in the separate financial statements.

There are no cases of particularly concentrated credit risk in geographical terms.

At 31 December 2023 and 31 December 2024, trade receivables may be analysed by geographical segment as follows:

(€'000)	**31 December 2023**	**31 December 2024**
Europe	50,823	51,799
Asia	25,655	33,128
Latin America	31,115	39,410
Oceania	5,053	4,726
Rest of the world	13,431	36,253
Total	**126,077**	**165,318**

At 31 December 2024, trade receivables may be analysed by due date as follows:

(€'000)	**Gross amount 31 December 2024**	**Write-downs 31 December 2024**	**Net Value 31 December 2024**
Not past due	145,491	(1,488)	144,003
0-30 days past due date	15,063	(336)	14,727
31-120 days past due date	7,605	(1,018)	6,587
More than 120 days past due date	2,163	(2,162)	0
Total	**170,321**	**(5,004)**	**165,318**

The Group believes that the unimpaired amounts that are past due by more than 90 days are still collectible, based on historical payment behaviour and extensive analyses of the underlying customers' credit ratings.

Based on historical default rates, the Group believes that, apart from the above, no loss allowance is necessary in respect of trade receivables not yet due or past due by up to 90 days.

At 31 December, 2024, trade receivables may be analysed by original currency as follows:

(€'000)	EUR	USD	INR	GBP	Other	Total
Trade receivables	40,893	33,796	12,972	3,510	74,147	**165,318**

Other currencies include trade receivables in the following local currencies:

(€'000)	31 December 2024
South Africa rand	18,407
Chinese renminbi	17,315
Mexican peso	6,643
Polish zloty	6,358
Ukrainian hryvnia	5,474
Argentinian peso	4,200
Australian dollar	3,542
Kenyan shilling	2,940
Brazilian real	2,859
Chilean peso	2,708
Colombian peso	2,368
New Zealand dollar	1,184
Others	151
Total	**74,147**

Liquidity risk

This risk regards the Group's ability to meet its obligations arising from financial liabilities.

The Group's approach to liquidity management is to ensure adequate funds are always available to meet its obligations at the expiry dates, both in normal conditions and at times of financial difficulty, without incurring borrowing expenditure at terms higher than market conditions.

The Group generally ensures there is sufficient cash and cash equivalents to cover forecast short-term operating expenditures, including those related to financial liabilities. Contingent effects arising from extreme situations that cannot reasonably be forecast, such as natural disasters, are excluded from the above.

The aim of Guala Closures Group's financing strategy is to maintain a well-balanced maturity profile for liabilities to thereby reduce the refinancing risk. Historically, the Group has always met its obligations on time and has been able to re-finance indebtedness before its expiry.

Reference should be made to the tables in Note 26) Current and non-current financial liabilities to these consolidated financial statements for information on the Group's loans, credit lines and facilities at the reporting date.

Exposure to liquidity risk

The following are the outstanding contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements:

		Contractual cash flows			
(€'000)	**Carrying amount**	**Within one year**	**From one to 5 years**	**After 5 years**	**Total financial flows contractual**
Non-derivative financial liabilities					
Put option on non-controlling interests	27,596	-	(36,329)	-	(36,329)
Secured bank loans	14,168	(3,557)	(16,933)	-	(20,490)
Unsecured bank loans	10,069	(6,447)	(1,608)	-	(8,054)
Secured bond issues	978,840	(47,492)	(1,148,951)	-	(1,196,443)
Finance lease liabilities	29,734	(11,001)	(14,590)	(4,143)	(29,734)
Trade payables	120,851	(120,851)	-	-	(120,851)
Other liabilities (Liabilities to Fengyi minority)	2,157	(2,157)	-		(2,157)
Debt for deferred price Fengyi	1,612	(1,612)	-	-	(1,612)
Debt per deferred price Poland and Bulgaria	11,980	(11,980)	-	-	-
Payables to Cortapedra Srl for the acquisition of Labrenta Srl	10,672	(5,387)	(5,285)	-	(10,672)
Other	417	(417)	-	-	(417)
Total	**1,208,096**	**(210,901)**	**(1,223,696)**	**(4,143)**	**(1,426,760)**
Derivative financial liabilities					
Interest rate swaps used for hedging	4,650	-	-	-	-
Total	**4,650**	**-**	**-**	**-**	**-**

The interest payments on variable interest rate loans and bond issues in the table above and included in contractual cash flows reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change. The future cash flows on the put options on non-controlling interests and derivative instruments may be different from the amount in the above table as interest rates and exchange rates or the relevant conditions underlying the contingency change.

Except as previously reported, it is not expected that the cash flows included in the maturity analysis will materialise significantly earlier, or at significantly different amounts.

Interest rate risk

Interest rate risk relates to volatility of the market rates which determine the interest expenditure paid on outstanding loans.

The Group is exposed to interest rate risk since part of its outstanding financial liabilities provides for the payment of financial charges based on variable rates subject to short-term repricing.

The Group hedges the portion of the liability subject to interest rate risk.

Effective interest rate and repricing analysis

The following table shows the effective interest rate at the reporting date and for the period in which the related rate may be reviewed for interest-bearing financial assets and liabilities:

		Repricing period					
(€'000)	**Effective interest rate December 2024**	**Total 12-31-24**	**Up to 6 months**	**6 - 12 months**	**1 - 2 years**	**2 - 5 years**	**After 5 years**
Bonds							
Bonds - Senior Secured Notes issued by Guala Closures S.p.A.	3.25%	500,000	500,000	-	-	-	-
Interest on bonds	n.a.	677	677	-	-	-	-
Transaction costs	n.a.	(8,412)	(8,412)	-	-	-	-
TOTAL SSN 2028 bonds - Guala Closures S.p.A.		**492,265**	**492,265**	**-**	**-**	**-**	**-**
Bonds - Senior Secured Notes issued by Guala Closures S.p.A.	Euribor 3M+4%	500,000	500,000	-	-	-	-
Interest on bonds	n.a.	1,472	1,472	-	-	-	-
Transaction costs	n.a.	(14,897)	(14,897)	-	-	-	-
TOTAL SSFRN 2029 bonds - Guala Closures S.p.A.		**486,575**	**486,575**	**-**	**-**	**-**	**-**
Bank loans and borrowings:							
Transaction costs	n.a.	(1,948)	(1,948)	-	-	-	-
Total Senior Revolving Credit Facility - Guala Closures S.p.A.,		**(1,948)**	**(1,948)**	**-**	**-**	**-**	**-**
Other accrued expenditure - Guala Closures S.p.A..	n.a.	239	239	-	-	-	-
Labrenta S.r.l. loans	n.a.	2,605	2,605	-	-	-	-
Loans Itaú Bank (Brazil)	n.a.	4	4	-	-	-	-
Overdratf Bulgaria	n.a.	4	4				
Financial Lease (Poland)	n.a.	276	276				
Financial Lease (Bulgaria)	n.a.	872	872	-	-	-	-
Financial Lease (Coleus)	n.a.	5	5				
Noco Banco (Anacorks)	Euribor 1M+1.25%	120	120	-	-	-	-
Facilities Group FengYi (China)	n.a.	6,476	6,476	-	-	-	-
Bancomer loans (Mexico)	2.95%	545	545				
Loans (Astir)	Euribor 3M+2.2%	479	479	-	-	-	-
Loans (Coleus)	11.50%	14,558	14,558				
TOTAL other bank loans and borrowings		**26,184**	**26,184**	**-**	**-**	**-**	**-**
Other financial liabilities							
Leases (IFRS 16)	n.a.	29,734	29,734	-	-	-	-
Non-controlling investors' put options	n.a.	27,596	27,596				
Debt for financing previous owner FengYi	n.a.	2,157	2,157	-	-	-	-
Other liabilities (Payables to Cortapedra Srl for the acquisition of Labrenta Srl)	3.00%	10,672	10,672				
Deferred payment Poland	4.00%	11,210	11,210				
Deferred payment Bulgaria	Euribor 3M+3%	770	770				
Other liabilities (Liabilities to FengYi minority)	n.a.	1,612	1,612				
Other liabilities	n.a.	417	417	-	-	-	-
TOTAL other financial liabilities		**84,169**	**84,169**	**-**	**-**	**-**	**-**
TOTAL		**1,087,245**	**1,087,245**	**-**	**-**	**-**	**-**

Sensitivity analysis

The fair value of financial liabilities was calculated by an external actuary using the following methodology:

- the cash flows generated by the outstanding liabilities are identified both in terms of interest and principal. These cash flows are calculated with reference to the interest rates and the related repayment plan;

- the individual cash flows are discounted using risk-free rates ruling on the measurement date;

- the individual cash flows are discounted using risk-free rates ruling on the measurement date; these rates are deducted from the swap rates using the bootstrap method for each expiry date of the corresponding cash flow based on the resulting time curve;

- furthermore, the individual cash flows are discounted using an additional rate, based on the Group's credit standing, calculated as the weighted average of the spreads applied to the different financing agreements. The spreads applied to the financing agreements are deemed to objectively represent the Group's credit standing and subsequent significant changes should not arise given its current financial position.

Senior Secured bonds accrue interest at a fixed rate. The Senior Revolving Credit Facility had not been utilised as at 31 December 2024 and, therefore, no sensitivity analysis needs to be carried out for the cash flows of these financial liabilities.

The interest rate applied to Floating Rate Senior Secured Notes is variable: the following table shows the variation in the event of a change in the interest rate with the assumption of applying a discount rate for creditworthiness:

		+100 *bps*	**-100 *bps***
Floating rate bonds maturing in 2029	Euribor 3M (floor 0%) + 4%	(17,429)	15,956

Currency risk

This risk relates to the effect of fluctuations in exchange rates on sales and purchases in currencies other than the functional currencies of the various Group companies.

The Group is exposed to currency risk, particularly in relation to fluctuations of the US dollar, British pound, Australian dollar, Indian rupee, Ukrainian hryvnia and Polish zloty.

Interest on loans is denominated in the currency of the cash flows generated by the Group's underlying transactions.

The risk of exchange fluctuations was managed in the past using currency hedges when significant differences are noted between cost and revenue in foreign currency and such differences were hedged through currency swaps. These provided for the purchase/sale of agreed amounts in foreign currency at a set exchange rate against the Euro.

Sensitivity analysis

The appreciation of the Euro, as indicated below, against the USD, GBP, AUD, INR, UAH and PLN at 31 December, 2024 would have increased (decreased) equity and profit or loss by the amounts shown below. The analysis is based on the variations in the exchange rates considered reasonably possible at the end of the financial year and assumes that all the other variables, in particular interest rates, remain unchanged, without considering the effects of forecast sales and purchases. The analysis is performed on the same basis, although the changes in exchange rates differed to those expected, as indicated below.

	Strengthening		**Weakening**	
2024	**Assets**	**Operating result**	**Liabilities**	**Operating result**
USD (10% change)	1,738	1,738	(1,422)	(1,422)
GBP (10% change)	1,041	1,041	(852)	(852)
AUD (10% change)	(105)	(105)	86	86
INR (10% change)	1,452	1,452	(1,188)	(1,188)
UAH (10% change)	2,419	2,419	(1,979)	(1,979)
PLN (10% change)	326	326	(266)	(266)

Other price risk

As a result of the nature of its activities, the Group is exposed to the risk of fluctuations in the purchase price of raw materials, particularly plastics and aluminium.

The risk of fluctuations in the purchase price of plastics has not been hedged as these raw materials were not listed on international markets.

The risk of fluctuations in the purchase price of aluminium is partly hedged based on market needs and outlook through derivatives which set the forward purchase price.

(34) Commitments and guarantees

Following SPSI's acquisition of 100% of the voting shares in Guala Closures' share capital on 3 August 2021, SPSI has pledged, in accordance with Italian law, the shares held in Guala Closures S.p.A. ('Pegno Italia') in order to guarantee Guala Closures' €500 million 3¼% Senior Secured Bonds due 2028 issued on 7 July 2021 (the "2028 Bonds") and the new €80.0 million (equivalent) multi-currency revolving credit facility (the 'RCF 2027'). 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 Bonds and the 2027 RCF, on 17 December 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 guaranteed the 2028 Bonds and the RCF 2027 (the 'Initial Guarantors').

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

(i) specific security deed under Australian law by Guala Closures International B.V. on (i) shares held in Guala Closures Australia Holdings, Pty Ltd and (ii) on intragroup receivables due from 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) Scottish 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.

The other commitments of the Group companies at 31 December, 2024 are as follows:

(€'000)	31 December 2024
Guala Closures S.p.A.	
Third party assets held by the Group	7,998

(35) Related party transactions

Transactions with the key management personnel are set out below:

(€'000)	Costs registered in the period									
	Fees for positions	Incentives	Remuneration for employment	Accrual for TFR and other supplementary pension funds	Non-Cash benefits	Other benefits	**Total**	TFR debt at 31 December, 2024	Other liabilities at 31 December, 2024	**Cash flows for the financial year**
Total key management personnel	1,215	1,455	568	40	8	1,990	**5,276**	-	7,213	4,074

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.. In relation to the fund's performance, the British company was not obliged to transfer resources to the fund, while the employees made their own contributions. Employees have paid their contributions. (Reference should be made to note 30).

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.

(36) Contingent liabilities

There are no contingent liabilities to report.

(37) Statutory auditors' and independent auditors' fees

The statutory auditors' fees are as follows:

(€/000)	Costs recognised in the year			
	Fees for position held	**Total**	**Liabilities at December 31, 20234**	**Cash flows for the year**
Total - statutory auditors	130	130	130	107

(€'000)	*Provider*	*Beneficiary*	*2024 fees*
Audit fees	PwC S.p.A.	Parent	326
	PwC	Foreign subsidiaries	1,401
	Other independent auditors	Foreign subsidiaries	97
			1,823
Other services provided			
Revision Sustainability Report	PwC S.p.A.	Parent	47
Total			**1,870**

(38) Events after the reporting period

There are no significant events to report after the end of the financial year.

On behalf of the board of directors
Managing Director
Andrea Lodetti
(signed on the original)

26 March 2025

SEPARATE FINANCIAL STATEMENTS
Guala Closures SpA

Statement of Profit/(Loss)

(Euro)	2023	2024	Note
Net revenue	**175,684,221**	**174,040,980**	4
Changes in inventories of finished and semi-finished products	(3,947,856)	(2,512,456)	
Other operating income	55,241,428	38,073,950	5
Capitalised costs for internal work	4,343,050	4,318,120	6
Costs for raw materials	(109,521,924)	(105,923,250)	7
Costs for services	(40,341,894)	(44,551,830)	8
Personnel expenditure	(44,380,900)	(41,466,540)	9
Other operating expenditure	(3,190,803)	(2,199,970)	10
Impairment losses on trade receivables and contract assets	(115,000)	(280,000)	
Impairment losses	(34,144)	(22,466,720)	
Depreciation and amortisation	(10,967,318)	(14,785,774)	26-27-28
Financial income	22,177,541	30,621,890	11
Income from equity investments	-	36,157,310	13
Financial expenditure	(28,154,027)	(58,239,770)	12
Profit (Loss) before taxation	**16,792,374**	**(9,214,060)**	
Income taxes	(3,259,457)	3,333,757	15
Profit (Loss) for the year	**13,532,917**	**(5,880,303)**	

Statement of profit/(loss) and other components of the comprehensive income

(Euro)	2023	2024
Profit (Loss) for the year	**13,532,917**	**(5,880,303)**
Other comprehensive income		
Actuarial gains/(losses) on defined benefit plans (including taxes)	**(37,308)**	**52,635**
Items that will not be reclassified to profit or loss:	**(37,308)**	**52,635**
Net change in fair value of cash flow hedges	(6,866,797)	**2,215,939**
Change in tax impact	1,651,829	(532,395)
Items that will or may be reclassified subsequently to profit or loss:	**(5,214,968)**	**1,683,544**
Other comprehensive income/(expenditure) for the year, net of tax	**(5,252,276)**	**1,736,179**
Total comprehensive expenditure for the year	**8,280,641**	**(4,144,124)**

The notes on pages 168 to 239 are an integral part of the separate financial statements.

Statement of financial position

ASSETS

(Euro)	31 December 2023	31 December 2024	Note
Current assets			
Cash & cash equivalents	79,888,331	68,804,370	16
Current financial assets	9,970,156	13,721,420	17
Trade receivables	56,570,976	75,689,552	18
Inventories	23,412,388	20,410,650	19
Current direct tax assets	3,578,198	3,636,030	20
Current indirect tax assets	1,273,144	1,367,810	21
Derivative assets	-	3,450	22
Other current assets	14,158,431	4,364,790	23
Total current assets	**188,851,624**	**187,998,072**	
Non-current assets			
Non-current financial assets	286,555,153	298,974,658	17
Investments	701,145,013	836,740,910	25
Property, plant and equipment	64,266,760	76,146,910	26
Right-of-use assets	2,734,119	5,244,700	27
Intangible assets	151,730,179	172,689,730	28
Deferred tax assets	3,170,788	6,150,330	30
Other non-current assets	1,896,924	2,186,070	31
Total non-current assets	**1,211,498,936**	**1,398,133,308**	
TOTAL ASSETS	**1,400,350,559**	**1,586,131,380**	

The notes on pages 168 to 239 are an integral part of the separate financial statements.

Statement of financial position

LIABILITIES

(Euro)	31 December 2023	31 December 2024	Note
LIABILITIES AND EQUITY			
Current liabilities			
Current Loans and borrowings	6,562,877	22,244,850	32
Trade payables	28,284,288	40,966,070	33
Direct tax liabilities	2,328,904	1,300,000	34
Current indirect tax liabilities	1,122,019	1,065,070	35
Current provisions	2,047,168	543,610	36
Current derivative liabilities	67,780	-	37
Other current liabilities	23,741,750	25,945,540	38
Total current liabilities	**64,154,786**	**92,065,140**	
Non-current liabilities			
Non-current loans and borrowing	837,645,487	996,521,480	32
Other non current liabilities	8,674,440	13,188,760	39
Employee benefits	2,740,102	3,001,500	40
Non-current liabilities for financial derivatives	6,798,990	4,649,810	37
Non-current Provisions	230,850	742,910	36
Total non-current liabilities	**856,089,869**	**1,018,104,460**	
Total liabilities	**920,244,655**	**1,110,169,600**	
Equity			
Share capital	68,906,646	68,906,646	
Share premium reserve	388,340,575	388,340,575	
Legal reserve	13,781,329	13,781,329	
Other reserves	687,345	14,220,262	
Hedging reserve	(5,214,968)	(3,531,424)	
Profit carried forward	72,060	124,695	
Profit/(Losses) for the year	13,532,917	(5,880,303)	
Total equity	**480,105,904**	**475,961,780**	41
TOTAL LIABILITIES AND EQUITY	**1,400,350,559**	**1,586,131,380**	

The notes on pages 168 to 239 are an integral part of the separate financial statements.

Statement of cash flows

(Euro)	2023	2024	Note
Opening cash and cash equivalents	**20,051,434**	**79,888,331**	
Contribution from merger		1,297,775	
Post-merger cash and cash equivalents post merger		**81,186,106**	
A) Cash flows from operating activities			
Profit before tax	16,792,374	(9,214,030)	
Adjustments for:			
Depreciation and amortisation	10,967,318	14,785,770	28-27-28
Financial income	(22,177,541)	(66,779,200)	11
Financial expenditure	28,154,027	58,239,770	12
Net gains on sale of non-current assets	(343,910)	70,790	
Changes in:			
Receivables, payables and inventories	(13,352,317)	(1,317,000)	18-19-33
Customer List and Patent impairment		22,437,970	
Other	781,408	5,806,260	
VAT and indirect tax assets/liabilities	1,224,860	2,095,560	21-35
Income taxes paid	(2,527,949)	(1,624,661)	20-34
Net cash flows from operating activities	**19,518,270**	**24,501,229**	
Cash flows used in investing activities			
Acquisitions of property, plant and equipment and intangible assets	(24,485,620)	(17,564,343)	26-28
Proceeds from sale of property, plant and equipment and intangible assets	4,629,260	2,116,210	26-28
Acquisition Astir Vitogiannis Bros S.A.	-	(115,450,063)	
Acquisition of minority share Guala Closures DGS Poland	-	(49,900,000)	
Deferred payment Labrenta S.r.l.	-	(2,233,054)	
Net cash flows used in investing activities	**(19,856,360)**	**(183,031,250)**	
C) Cash flow from financing activities			
Interest received	13,647,188	23,063,490	11-12
Interest paid	(21,551,713)	(49,990,516)	11-12
Transaction costs paid for new Bonds and for Senior Revolving Facility	(3,590,791)	(6,555,845)	
Other financial items	(2,912,461)	(67,780)	
Dividends from GC International B.V.	-	36,157,310	13
Dividends paid	(250,000,000)	-	
Proceeds from new borrowings and bonds	342,930,000	149,783,610	32
Repayment of borrowings and bonds	-	(2,190,000)	
Loans granted to Related parties	(40,171,885)	(13,020,120)	32
Cash Pooling	-	11,220,990	
Reimbursements received from Related parties	22,439,219	-	
Repayment of finance leases	(1,322,590)	(2,016,187)	32
Change in financial assets	560,960	(576,490)	17
Net cash flows from operating activities	**60,027,927**	**145,808,461**	
D) Net cash flows for the year	**59,689,837**	**(12,721,560)**	
Effect of exchange fluctuations on cash held	147,060	339,824	
E) Closing cash and cash equivalents	**79,888,331**	**68,804,370**	

The notes on pages 168 to 239 are an integral part of the separate financial statements.

Statement of changes in equity

(Euro)	Value at 1 January 2023	Allocations of 2022 profit	Operating result for the year to 31 December 2023	Other comprehensive income components	Reclassification Shareholders meeting 29 September 2023		Dividend distribution Shareholders meeting 29 September 2023	Value as at 31 December 2023
					Incr. Reserve	Cov. losses		
Share capital	68,906,646							68,906,646
Share premium reserve	423,836,890						(35,496,315)	388,340,575
Legal reserve	2,310,127	1,592,045			9,879,157			13,781,329
Other reserves	203,482,030	30,248,852		-	(9,879,157)	(8,660,696)	(214,503,685)	687,345
Hedging reserve	-			(5,214,968)				5,214,968
Losses carried forward	(8,551,328)			(37,308)		8,660,696		72,060
Profit or loss	***31,840,897***	***31,840,897***	***13,532,917***					***13,532,917***
Total equity	**721,825,262**	**-**	**13,532,917**	**(5,252,276)**	**-**	**-**	**(250,000,000)**	**480,105,904**

(Euro)	Value at 1 January 2024	Allocations of 2023 profit	Operating result for the year to 31 December 2024	Other comprehensive income components	Value as at 31 December 2024
Share capital	68,906,646				68,906,646
Share premium reserve	388,340,575				388,340,575
Legal reserve	13,781,329				13,781,329
Other reserves	687,345	13,532,917			14,220,262
Hedging reserve	(5,214,968)			1,683,544	(3,531,424)
Losses carried forward	72,060			52,635	124,695
Profit or loss	***13,532,917***	***(13,532,917)***	***(5,880,303)***		***(5,880,303)***
Total equity	**480,105,904**	**-**	**(5,880,303)**	**1,736,179**	**475,961,780**

The notes on pages 168 to 239 are an integral part of the separate financial statements.

Notes to the separate financial statements of Guala Closures S.p.A., at 31 December, 2024



General information

1. The company's activities and key changes in its ownership structure during the year

Guala Closures S.p.A. is a joint-stock company regulated according to the legal system in force in Italy and registered at the Alessandria Company Register Office, with registered office in Spinetta Marengo (Alessandria), via Rana 12, industrial zone D6. Guala Closures S.p.A is directly owned by Special Packaging Guala Closures S.p.A is directly controlled by Special Packaging Solution Investments S.à r.l ('SPSI') ('SPSI'), and indirectly controlled by Investindustrial S.A. .

The financial statements were authorised for issue by the directors on 26 March 2025. The directors have the power to amend and reissue the financial statements.

Guala Closures S.p.A.'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 on domestic and international markets.

Guala Closures S.p.A. mainly operates in the design and production of anti-adulteration closures (Safety), customised closures (Prestige), Roll-on closures and other kinds.

Significant events of the year

The main events which affected Guala Closures S.p.A. in 2024 are summarised below:

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

On 16 October 2023, the merger of Labrenta into Guala Closures S.p.A. was approved by the Board of Directors of Guala Closures S.p.A. and Labrenta S.r.l., and on 19 October 2023, the merger was approved by the Extraordinary Shareholders' Meeting of Guala Closures S.p.A. and the Shareholders' Meeting of Labrenta S.r.l.

The merger agreement was signed on 27 December 2023, while the accounting and tax effects of the merger took effect on 1 January 2024.

To facilitate understanding of the accounting effects of the merger, the following table has been prepared and shows:

- the amounts resulting from the financial statements for the previous financial year ended 31 December 2023 of the incorporating company Guala Closures S.p.A.;
- the amounts resulting from the balance sheet as of 31 December 2023 of the incorporated company Labrenta S.r.l.;
- the amounts recorded as of 1 January 2024 resulting from the merger of the two companies.

Merger contribution Labrenta S.r.l.

(Thousands of €)	Guala Closures S.p.A.	Labrenta S.r.l.	Merger script	1 January 2024
Intangible assets	151,730	13,697	29,598	195,025
Property, plant and equipment	64,267	6,310		70,577
Right-of-use assets	2,734	2,973		5,707
Net working capital	51,699	2,118		53,817
Investments	701,145	2,361	(43,115)	660,391
Assets / (liabilities) for financial derivatives	(6,867)			(6,867)
Employee benefits	(2,740)	(597)		(3,337)
Other assets/liabilities	(14,068)	(5,041)		(19,108)
Net invested capital	**947,901**	**21,821**	**(13,516)**	**956,205**
Financed by:				
Net financial liabilities - third parties	826,577	4,796		831,373
Net financial liabilities - related parties	14,057	2,061	(2,061)	14,057
Financial liabilities - IFRS 16 effects	2,937	3,044		5,981
Financial assets - related parties	(295,888)	(299)	2,061	(294,125)
Cash & cash equivalents	(79,888)	(1,298)		(81,186)
Net financial indebtedness	**467,795**	**8,304**	**-**	**476,099**
Equity	**480,106**	**13,516**	**(13,516)**	**480,106**
Sources of financing	**947,901**	**21,821**	**(13,516)**	**956,205**

Acquisition of 100% of Guala Closures DGS Poland

On 11 July 2024, Guala Closures S.p.A. finalised the acquisition of the remaining 30% of Guala Closures DGS Poland (‘DGS'). The purchase price of the shares was EUR 56 million. DGS is one of the world's largest manufacturers of aluminium closures for spirits, wine and soft drinks and produces around 4 billion aluminium closures per year. This operation optimises the structure of the Group and allows full control over a particularly productive company.

Acquisition of Astir Vitogiannis

On 23 April 2024, Guala Closures S.p.A. signed an agreement to acquire Astir Vitogiannis Bros S.A., a leading manufacturer of crown closures. Astir produces over 12 billion closures per year and generated a consolidated turnover of EUR 75 million and an EBITDA of EUR 19 million in 2023. The acquisition is in line with Guala Closures' strategy of pursuing synergistic acquisitions and successfully integrating them in order to continue to profitably grow its business. With Astir's entry into the Group, Guala Closures will be able to offer the complete range of closures available for glass bottles on a global scale.

The acquisition of Astir allows the Group to expand its presence in emerging markets, characterised by population growth and increasing per capita consumption, and, at the same time, to supply closures for the ready-to-drink and non-alcoholic beverage segment. The acquisition was subject to various conditions, including antitrust approvals in certain jurisdictions, and was finalised on 6 August 2024 with the transfer of all shares in Astir Vitogiannis S.A. to Guala Closures. Astir directly owns 74.99% of Coleus Packaging (pty) Limited, a company incorporated in South Africa. The agreed Enterprise Value amounted to EUR 136 million and, following the adjustments and the deduction of the minority shareholding in Coleus, the parties recognised and agreed an amount of EUR 115.5 million and Guala Closures assumed the total bank debt of Astir and Coleus of EUR 15.5 million.

Payment of the second tranche of the purchase price for Labrenta

On 2 August 2024, Guala Closures S.p.A. paid EUR 2.2 million as the second instalment of the purchase price of Labrenta. This amount is net of purchase price adjustments for a counter value of € 1,377 thousand.

Consequently, both the debt to Cortapedra S.r.l. and the goodwill from the merger initially accounted for were reduced by this amount. The initial goodwill of €29.6 million was thus reduced to €28.2 million.

New Bond Issuance and Increase of the RCF

On June 20, 2024, Guala Closures S.p.A. issued an additional €150 million in bonds due 2029 ("Additional 2029 Bonds"), and the commitments under the 2027 RCF were increased by €25 million to €175 million through a fungible increase. The bonds were issued at an issue price of 100.500% and bear interest at a rate equal to the three-month EURIBOR (subject to a floor of 0%) plus 4.00% per annum, recalculated quarterly.

In conjunction with the provisions of the documents governing the Additional 2029 Bonds, on June 20, 2024, the existing guarantee was extended to secure the Additional 2029 Bonds, and each guarantor reaffirmed their guarantee of the 2029 Bonds to include the Additional 2029 Bonds.

2. Changes to standards

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

- Reference to Conceptual Framework (Amendments to IFRS 3): the changes in Reference to the Conceptual Framework (Amendments to IFRS 3):
    - update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework;
    - add to IFRS 3 a requirement that, for transactions and other events within the scope of IAS 37 or IFRIC 21, an acquirer applies IAS 37 or IFRIC 21 (instead of the Conceptual Framework) to identify the liabilities it has assumed in a business combination;
    - add to IFRS 3 an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.
- Property, Plant and Equipment - Proceeds before Intended Use (Amendments to IAS 16): amends the standard to prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss.
- Onerous contracts - Costs of fulfilling a contract (Amendments to IAS 37): specify that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).
- Annual improvements to IFRS Standards (Cycle 2018–2020), containing the following amendments to IFRS:

- IFRS 1 First-time Adoption of International Financial Reporting Standards - Subsidiary as a first-time adopter. The amendment permits a subsidiary that applies paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to IFRS.
- IFRS 9 Financial Instruments - Fees in the '10 per cent' test for derecognition of financial liabilities. The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in paragraph B3,3,6 of IFRS 9 in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.
- IFRS 16 Leases - Lease incentives. The amendment to Illustrative Example 13 accompanying IFRS 16 removes from the example the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example.
- IAS 41 Agriculture - Taxation in fair value measurements. The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique. This will ensure consistency with the requirements in IFRS 13.
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1).
- Amendments to IAS 12 - 'Income Taxes' Deferred Tax related to Assets and Liabilities arising from a Single Transaction (issued on 7 May 2021).
- Amendments to IAS 12 - 'Income Taxes: International Tax Reform - Pillar Two Model Rules' (issued 23 May 2023).
- IFRS 17 - Insurance contracts and Amendments to IFRS 17 Initial Application of IFRS 17 and IFRS 9 – Comparative Information.
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2).
- Definition of Accounting Estimates (Amendments to IAS 8).

The new standards and amendments are not expected to have any significant impacts on the consolidated financial statements.

In addition, the following list includes the recent changes to the standards or amendments that are required to be applied for an annual period beginning after 1 January 2024 and that are available for early adoption in annual periods beginning on 1 January 2024:

- Amendments to IFRS 16 'Leases: Lease Liability in a Sale and Leaseback' (issued on 22 September 2022)
- Amendments to IAS 1 'Presentation of Financial Statements':

  • Classification of liabilities as current or non-current (issued 23 January 2020);

  • Classification of liabilities as current and non-current - Deferral of effective date (issued on 15 July 2020); and

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

These new documents, whose date of entry into force has been postponed, have not been adopted for the preparation of this separate financial statement. They will be applied from the mandatory date of entry into force.

3. Accounting standards

The separate financial statements of Guala Closures S.p.A. as of 31 December 2024 have been prepared in accordance with the International Accounting Standards (IAS/IFRS) issued by the International Accounting Standards Board and endorsed by the European Union and related interpretations.

They have been prepared in euro, rounding the amounts to the nearest thousand. Any discrepancies between the separate 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 euro, unless otherwise specified.

These separate financial statements have been prepared on a historical cost basis, except for derivatives, market warrants and contingent consideration arising in a business combination 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 company's ability to continue as a going concern.

These separate financial statements have been prepared using the following formats:

- statement of profit or loss, whose items are classified by nature;
- statement of profit or loss and other comprehensive income;
- statement of financial position, whose asset and liability items 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 item 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.

(a) Use of estimates and judgements

Management has to make judgements, estimates and assumptions that affect the application of accounting policies and the carrying amounts of assets, liabilities, costs and revenue. Estimates and related assumptions are based on past experience and other factors considered reasonable in the circumstances and have been adopted to estimate the carrying amount of assets and liabilities that cannot be easily assumed from other sources. However, as they are estimates, the actual figure may not match the result of the estimate. For information on the assumptions and uncertainties relating to estimates for which there is a significant risk of having to make significant changes in the following year, please refer to the following notes: provisions for doubtful accounts (Note (n) expected credit loss estimate) and for inventory obsolescence (Note 19 estimate of inventory recoverability), amortisation, depreciation and impairment of non-current assets (Notes (h) (i) estimate of useful life of assets), employee benefits (Note (o) estimate of actuarial assumptions), taxes (Note 20 estimate of future taxable income), provisions (Note 36), measurement of derivative financial instruments (Note 22 estimate of interest rates) and measurement of the effects of business combinations (Note 44 estimate of fair value of assets and liabilities acquired).

Such estimates and assumptions are reviewed regularly. Any changes arising therefrom are recognised in the year in which the review takes place if this only affects that year. If the review relates to both current and future years, the change is recognised in the year in which the review takes place.

b) Accounting for business combinations

The company accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the company. In determining whether a particular set of activities and assets is a business, the company assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The company has an option to apply a ‘concentration test’ that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is passed if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or Group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any goodwill that arises is tested annually for impairment. Any gains from a purchase at favourable prices are immediately recognised in profit/(loss) for the period, while transaction costs, other than those related to the issuance of debt securities or equity instruments, are recognised as expenses in profit/(loss) for the period when incurred.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

(c) Foreign currency

Foreign currency transactions, including the effects of fair value adjustments arising from business combinations and goodwill from acquisitions of entities whose functional currency is not the euro, are translated into the functional currency applying the exchange rate ruling on the transaction date. Monetary items in foreign currency at the end of the financial year are converted into Euro using the exchange rate at the end of the financial year. Exchange gains and losses are taken to profit or loss. Non-monetary items measured at their historical cost in foreign currency are translated using the exchange rate ruling on the transaction date. Non-monetary items measured at fair value in foreign currency are translated into euro using the exchange rates ruling on the date their fair value was determined.

(d) Cash and cash equivalents

Cash and cash equivalents include cash balances and on-demand deposits as well as all highly liquid investments with an original expiry date equal to or of less than three months.

Cash and cash equivalents are calculated in the same way for both the statement of financial position and statement of cash flows.

(e) Inventories

Inventories are measured at the lower of purchase or production cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

The production cost of finished goods includes the portions of the costs of raw materials and external materials and processing, as well as all other direct and indirect production costs reasonably attributable to the products, excluding financial expenditure.

Purchase or production cost is calculated on a weighted average cost basis.

Obsolete and/or slow-moving inventories are written down on the basis of their estimated possibility of use or future realisable value, through an accrual to the specific allowance adjusting the value of inventories. The amount is reinstated if, in subsequent years, the reasons for the write-down no longer exist.

(f) Equity investments

Investments in subsidiaries, associates and jointly-controlled companies are measured at cost, net of any impairment losses. Cost is the purchase price or the amount recognised following the merger and reflects the contribution amount in the financial statements at the acquisition-date considered in said financial statements.

Any positive difference arising at the time of purchase, between the acquisition cost and the company's share of equity at the fair value of the investee, is included in the carrying amount of the investment and is tested annually for impairment, comparing the full carrying amount of the investment with its recoverable amount (the higher of fair value less costs to sell and value in use).

If there is evidence of impairment, an impairment loss is recognised. If the company's share of losses of an investee exceeds the carrying amount of the investment and the company has the obligation to cover it, the carrying amount of the investment is reduced to zero and the additional losses are recognised as a provision. If the impairment loss subsequently decreases or ceases to exist, it is reversed in profit or loss up to the original carrying amount.

Investments in other companies, consisting of non-current financial assets not held for trading, for which the fair value is difficult to determine, since they are unlisted companies, are measured at acquisition or subscription cost, reduced, if necessary, by impairment losses. If the company's share of losses exceeds the carrying amount of the recognised investment, the carrying amount of the investment is reduced to zero and the share of further losses is not recognised as a liability, unless the company has a legal or constructive obligation to cover them.

(g) Property, plants and equipment

Property, plant and equipment are recognised at historical cost, including directly related ancillary costs necessary for the use of the asset. Borrowing costs related to loans taken out specifically for investments in property, plant and equipment are considered part of the carrying amount of the related assets and, as such, capitalised.

Subsequent expenditure is included in an asset's carrying amount when it is probable that the future economic benefits exceeding those determined originally will flow to the company. This expenditure is depreciated over the related asset's residual useful life. All other expenditure is expensed in the year in which it is incurred.

Property, plant and equipment are shown net of accumulated depreciation and amortisation and any impairment losses determined as set out later on. Depreciation and amortisation are calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in profit or loss.

Land is not depreciated.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. The depreciation periods are as follows:

	Amortisation period (years)
Buildings	35
Light constructions	11
Specific plant, machinery, presses and moulds	15 – 25
Generic plant	11
Laboratory equipment	5
Canteen equipment, office furniture and equipment and fittings for exhibitions and trade fairs	5 – 9
Vehicles, canteen facilities	6
Internal means of transport, electronic equipment and mobile phones	6

Subsequent expenditure is included in an asset’s carrying amount when it is probable that the future economic benefits exceeding those determined originally will flow to the company. This expenditure is depreciated over the related asset’s residual useful life. All other expenditure is expensed in the year in which it is incurred.

When an asset is sold or when there are no expected future economic benefits from the use of an asset, it is eliminated from the balance sheet and any loss or gain (calculated as the difference between the sale value and the book value) is recognised in the profit or loss for the financial year in which the asset is eliminated.

(h) Intangible assets

Trademark

Trademarks are generally valued at cost, determined in the same way as for property, plant and equipment. The Guala Closures Trademark has an indefinite useful life as there is no foreseeable limit within which the business could cease generating cash flows for the Company.

Guala Closures Trademark is adjusted for any accumulated impairment losses, determined using the criteria described in paragraph (o) impairment losses.

Goodwill

Goodwill arising from the acquisition of subsidiaries is initially recognised at cost. After initial recognition, goodwill is not amortised and is reduced by any accumulated impairment losses, determined as described in Note (o) Impairment losses.

Other intangible assets

These assets are measured at cost, determined in the same way as described for property, plant and equipment.

Other intangible assets, which all have a finite useful life, are subsequently shown net of accumulated depreciation and amortisation and any impairment losses, determined in the same way as described for property, plant and equipment.

Useful life is periodically re-examined and any changes, where necessary, are made with prospective application.

The gain or loss arising from the disposal of an intangible asset is determined as the difference between the net disposal proceeds and carrying amount.

Research expenditure

Expenditure on research undertaken to gain scientific and technical knowledge and information is recognised as an expenditure when incurred.

Development expenditure

Development expenditure, which also relates to the application of research findings to a plan or design for the production of new or substantially improved products or processes, is capitalised when the product or process is feasible in technical and commercial terms and the company has adequate resources to complete the development stage.

Capitalised development expenditure is measured at cost, net of accumulated depreciation and amortisation and impairment losses.

It is classified under 'Internal work capitalised'.

The amortisation periods for intangible assets are as follows:

	Amortisation period (years)
Development expenditure	5
Patents and trademarks	5 – 10
Software	5
Licences	5
Customer list	40
Other capitalised expenditure	5 or in line with the contract term

Subsequent expenditure is included in an asset's carrying amount when it is probable that the future economic benefits exceeding those determined originally will flow to the company. This expenditure is amortised over the related asset's residual useful life. All other expenditure is expensed in the year in which it is incurred.

Profits or losses arising from the disposal of an intangible asset are determined as the difference between the disposal value and the book value of the asset and are recognised in the financial year of disposal.

(i) Leasing

At inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Leases in which the company is a lessee

The company recognises a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the company by the end of the lease term or the cost of the right-of-use asset reflects that the company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as that of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The Company values the lease liability at the present value of unpaid lease payments due at the effective date, discounting them using the lease's implicit interest rate. Where it is not possible to determine this rate easily, the Company uses the marginal financing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

The company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

These assets are subsequently measured at amortised cost using the effective interest method. The lease liability is valued at amortised cost using the effective interest method and is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company’s estimate of the amount expected to be payable under a residual value guarantee, if the company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The company presents right-of-use assets that do not meet the definition of investment property in 'property, plants and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases and leases of low-value assets

The company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expenditure on a straight-line basis over the lease term.

Leases in which the company is a lessor

At inception or on modification of a contract that contains a lease component, the company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone prices.

When the company acts as lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the company makes an overall assessment of whether the lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the company applies IFRS 15 to allocate the consideration in the contract.

The company applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease. The company further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The company recognises lease payments received under operating leases as income on a straight-line basis over the least term as part of 'other revenue''.

(j) Income taxes

Income taxes comprise current and deferred tax. They are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income (OCI).

Current tax comprises the expected tax payable or receivable on the taxable profit or loss for the year and any adjustment to tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantially enacted at the reporting date.

Current tax also includes any tax arising from dividends, royalties and interests, as well as penalties imposed by the tax authorities following their review of the tax position of previous years which found a difference in tax due.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

The income tax consequences of dividends are recognised when the dividend is approved.

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This evaluation is based on estimates and assumptions that may contain evaluations on the outcome of future events, for which new information may become available in the future that could lead the Company to change its judgement on the adequacy of existing tax liabilities. The related adjustments to tax liabilities will affect tax expenditure for the financial year in which such determination is made.

(k) Financial instruments

Recognition and measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the company becomes a party to the contractual provisions of the instrument.

With the exception of trade receivables without a significant financing component, financial assets are initially measured at fair value plus, in the case of financial assets or liabilities not measured at fair value through profit/(loss) (FVTPL), transaction costs directly attributable to the acquisition or issue of the financial asset. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified after their initial recognition, unless the Company changes its business model for managing financial assets. In such case, all affected financial assets are reclassified on the first day on the first reporting period following the change in business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets (see paragraph (m)). On initial recognition, the company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: business model assessment

The company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the company's key managers;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g., whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, value and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the company's continuing recognition of the assets.

Financial assets that are held for trading or whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of the evaluation, the 'capital' is the fair value of the financial asset at the time of initial recognition, while the 'interest' represents the consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time, and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as for profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

Additionally, for a financial asset acquired at a significant discount or premium on its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is immaterial at initial recognition.

Financial assets: subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit /(loss) for the financial year. See note (m) for derivatives designated as hedging instruments.
Financial assets measured at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses, and impairment losses are recognised in profit or loss for the year, as are any gains or losses from derecognition.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, exchange gains and losses and impairment are recognised in profit/(loss) for the financial year. Other net profits and losses are recognised in other components of the comprehensive income statement. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment, Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial liabilities: classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expenditure, are recognised in profit/(loss) for the financial year. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains/(losses) are recognised in profit/(loss) for the year, as are any gains or losses arising from derecognition.

See note (m) for financial liabilities designated as hedging instruments.

Derecognition

Financial assets

The company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also eliminates a financial liability in its accounts in the event of a change in the relative contractual terms and the financial flows of the modified liability are substantially different. In this case, a new financial liability is recognised at fair value based on the amended contractual terms.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the statement of financial position when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(l) Derivative financial instruments and hedge accounting

Derivative financial instruments and hedge accounting

The company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures, Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

The company designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in exchange rates and interest rates and certain derivatives and non-derivative financial liabilities as hedges of currency risk on a net investment in a foreign operation.

At the inception of designated hedging relationships, the company documents the risk management objective and strategy for undertaking the hedge, The company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative financial instrument is designated as a hedging instrument against exposure to variability in cash flows, the effective portion of changes in the fair value of the derivative financial instrument is recognised in other components of the statement of comprehensive income and presented in the cash flow hedge reserve. The effective portion of the changes in fair value of the derivative financial instrument that is recognised in other comprehensive income is limited to the cumulative change in the fair value of the hedged instrument (at present value) from the inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The company designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts (‘forward points’) is separately accounted for as a cost of hedging and recognised in a costs of hedging reserve within equity in the statement of comprehensive income.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventories, the amount accumulated in the hedging reserve and the cost of hedging reserve is included directly in the initial cost of the non-financial item when it is recognised.

For all other hedged forecast transactions, the amount accumulated in the hedging reserve and the cost of hedging reserve is reclassified to profit or loss in the same year or years during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same year or years as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to profit or loss.

(m) Share capital and equity

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a decrease in equity, net of any tax effects.

Repurchase and reissue of ordinary shares (treasury shares)

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury share reserve. The amount received from the subsequent sale or re-issue of treasury shares is recognised as an increase in shareholders' equity. Any positive or negative difference resulting from the transaction is recognised in the share premium reserve.

Business combinations

When as a result of a takeover/acquisition of control not involving the entire stake in the acquiree, the company has the potential obligation to acquire the residual investment in the acquiree should the non-controlling investors exercise a put option and the non-controlling investor still has present access to the economic benefit associated with the underlying ownership interests, it recognises a liability calculated by discounting the estimated value at the exercise date using the present access method whereby a liability is recognised decreasing the equity item 'Retained earnings (losses carried forward)' in the first year, with subsequent remeasurement recognised in profit or loss as financial expenditure.

(n) Impairment losses

Non-derivative financial instruments

Financial instruments and contract assets

The company recognises loss allowances for ECLs on:

– financial assets measured at amortised cost;

– contract assets.

The company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured as 12-month ECLs at the reporting date:

– debt securities that are determined to have low credit risk at the reporting date; and;

– other debt securities and bank balances for which credit risk (i,e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the company considers reasonable and supportable information that is relevant and available without undue cost or effort, this includes both quantitative and qualitative information and analysis, based on the company's historical experience and informed credit assessment and including forward-looking information.

The company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the company in full, without recourse by the company to actions such as enforcing a security (if any are held);

Expected losses on long-term receivables are the expected losses on receivables arising from all possible defaults over the expected life of a financial instrument.

Expected 12-month credit losses are the expected credit losses arising from possible defaults over a period of twelve months from the end of the financial year (or a shorter period if the expected life of a financial instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the company is exposed to credit risk.

Expected credit losses are an estimate of credit losses weighted according to probability. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Credit-impaired financial assets

At each reporting date, the company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired, A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

The gross carrying amount of a financial asset is (partially or fully) impaired to the extent the company has no reasonable expectations of its recovery. For customers, the company individually makes an assessment of the timing and amount of write-off based on whether there is a reasonable expectation of recovery, The company expects no significant recovery from the amount written off, However, financial assets that are written off could still be subject to enforcement activities in order to comply with the company's procedures for recovery of amounts due.

Non-financial assets

At the end of each financial year, the Company assesses whether there is any objective evidence of impairment of the carrying amounts of its non-financial assets, excluding inventories and deferred tax assets. If, based on this assessment, it appears that the assets have indeed been impaired, the Company estimates their recoverable amount. The recoverable amount of goodwill, on the other hand, is estimated annually.

For the purpose of identifying any impairment losses, assets are Grouped into the smallest identifiable Group of assets that generates cash flows that are largely independent of the cash flows generated by other assets or Groups of assets (the ‘CGUs’ or ‘cash-generating units’). Goodwill acquired through a business combination is allocated to the CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Losses due to a reduction in value are recognised in profit/(loss) for the year. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(o) Employee benefits

The company’s net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefits that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. Such liabilities are related mainly to TFR, as provided by Italian law.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the Projected Unit Credit Method. When the calculation results in a potential asset for the company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The company determines the net interest expenditure (income) on the net defined benefit liability (asset) for the year by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments, Net interest expense and other charges related to defined benefit plans are recognised in profit/(loss) for the year.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss, The company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Starting from 1 January 2007, the Finance Act (Law no, 296 of December 27, 2006, the '2007 Finance Act') and the relevant implementation decrees introduced important changes in the rules governing post- employment benefits ('TFR'), including the need for employees to decide on the allocation of their future benefits. In particular, this reform established that employees had to transfer the new amounts of their benefits to established pension funds or leave them with the company; in the latter case, the company would pay these amounts to a specific INPS (Italian social security institution) treasury account. Therefore, the post-employment benefits stated in the separate financial statements at the end of the year refers to the amount due to employees, not yet paid but vested up to 31 December 2006.

(p) Provisions

Provisions include certain or probable costs and charges, the amount or due date of which is unknown at year end. A provision is recognised when a company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow from the company of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the obligation. Provisions are recognised at the value representing the best estimate of the amount that the Company would pay to settle the obligation or to transfer it to third parties at the end of the financial year. If the impact of discounting the time value of money is significant, the provision is determined by discounting expected future cash flows using a pre-tax discount rate that reflects the current market assessment of the time value of money. Where discounting is used, the increase in the provision due to the passage of time is recognised as interest expenditure.

(q) Revenue

The company has applied IFRS 15 Revenue from Contracts with Customers since 1 January 2018. Specifically, IFRS 15 introduced a new model for revenue recognition based on the following five steps:

- identify the contract with a customer;
- identify the performance obligations in the contract;
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract;
- recognise revenue when (or as) the entity satisfies a performance obligation.

Revenues are entered in the financial statements, net of returns, discounts, allowances and bonuses, as well as taxes directly related to the sale of products and the provision of services, and are valued taking into account the amount specified in the contract with the customer. The company, which generally operates as principal, recognises revenue when it transfers control of the goods or services (point in time), Control of the safety and standard closures is transferred to the customers when the goods are delivered to their premises, i.e., when the goods are taken over by the carrier selected by the customer if earlier and, accordingly, the company recognises the related revenue at such times. There are generally no further contractual obligations for the company.

There are no significant discounts for final customers and there are no contracts which enable customers to return products in exchange for new ones or cash reimbursements.

Usually, no costs are incurred to obtain or perform contracts with customers.

(r) Government grants

Grants relating to assets and income are recognised when there is reasonable assurance that the company will comply with the conditions attaching to them and that the grants will be received. Grants related to assets are recognised as deferred revenue under ‘Other liabilities’ in the statement of financial position and are taken to profit or loss on a systematic basis to offset them against the depreciation and amortisation of the relevant assets. Grants relating to income are recognised under Other operating income.

(s) Financial income and expenditure

The company's financial income and finance expenditure include:

– interest income;

– interest expenditure;

– dividend income;

– dividends on preference shares classified as financial liabilities;

the net gain or loss on the disposal of investments in debt securities measured at FVOCI;

– the net gain or loss on financial assets at FVTPL;

– the exchange gain or loss on financial assets and financial liabilities;

– impairment losses (and reversals) on investments in debt securities carried at amortised cost or FVOCI;

– the gain on the remeasurement to fair value of any pre-existing interest in an acquiree in a business combination;

– the fair value loss on contingent consideration classified as a financial liability;

– hedge ineffectiveness recognised in profit or loss; and

– the reclassification of net gains and losses previously recognised in OCI on cash flow hedges of interest rate risk and currency risk for borrowings.

Interest income and expense are recognised in profit / (loss) on an accrual basis using the effective interest method. Dividend income is recognised in profit or loss on the date on which the company's right to receive payment is established.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

– the gross carrying amount of the financial asset; or

– the amortised cost of the financial liability.

In calculating interest income and expenditure, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit impaired) or to the amortised cost of the liability. However, for financial assets that have become credit impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit impaired, then the calculation of interest income reverts to the gross basis.

(t) Determination of fair value

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or the most advantageous market to which the company has access at that date. The fair value of a liability reflects its non-performance risk.

Several standards and disclosure requirements require the determination of fair value of financial and non-financial assets and liabilities.

When one is available, the company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the company measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e., the fair value of the consideration given or received, If the company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price, Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3 – valuation techniques for which the input data are not observable for the asset or liability.

If the inputs used to measure the fair value of an asset or a liability are categorised into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the level of the lowest level input that is significant to measurement.

The company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Statement of Profit/(Loss)

(4) Net revenue

Net revenue from third parties amounts to **€98,907 thousand** in 2024.

Net revenue may be analysed by geographical segment as follows:

(€'000)	2023	2024
Europe	75,900	85,312
Asia	6,532	4,744
Latin America	1,247	2,343
Rest of the world	15,694	6,508
Total	**99,373**	**98,907**

A breakdown by type of product is as follows:

(€'000)	2023	2024
Roll-on Closures	41,996	46,661
Safety Closures	46,922	35,543
Prestige Closures	4,756	10,325
Other revenue	5,699	6,378
Total	**99,373**	**98,907**

A breakdown by destination market is as follows:

(€'000)	2023	2024
Spirits closures	68,128	60,862
Olive oil & condiment Closures	10,625	12.529
Wine closures	8,629	10,680
Water & beverage closures	6,128	8,089
Other markets	5,788	6,470
Non-alcoholic beverage	75	277
Total	**99,373**	**98,907**

During 2024, the Company recognised **net revenue of €98,907** thousand, down from 2023. It is possible to observe an increase in volumes (in the water, oil and wine sectors) accompanied by a decrease in sales prices, also influenced by the trend in raw material costs.

Net revenue from subsidiaries amounts to **€75,134 thousand** in 2024.

(€'000)	2023	2024
Guala Closures Deutschland GmbH	16,352	16,773
Guala Closures Iberica, S.A.	16,386	14,683
Guala Closures UCP Ltd	15,703	14,134
Guala Closures Uk Ltd	11,926	10,302
Guala Closures Mexico, S.A. de C.V.	9,127	10,231
Guala Closures North America Inc.	272	3,824
Guala Closures Chile SPA	1,957	2,579
Guala Closures Argentina S.A.	905	1,042
Guala Closures Technologia Ukraine LLC	529	615
Guala Closures (Chengdu) Co. Ltd	501	188
Guala Closures France SAS	259	174
Guala Closures India pvt Ltd.	91	140
Guala Closures New Zealand Ltd	232	108
Guala Closures Australia Pty Ltd	366	108
Guala Closures DGS Poland S.A.	49	90
Guala Closures Bulgaria A.D.	18	62
Guala Closures do Brasil Ltda	38	53
Guala Closures Colombia Ltda	7	18
Guala Closures East Africa Ltd	3	5
Guala Closures South Africa Pty Ltd	1,238	-
Beijing Guala Closures Ltd.	307	-
Guala Closures Turkey A.S.	-	-
Total	**76,311**	**75,134**

Net revenue from related parties may be analysed by geographical segment as follows:

(€'000)	2023	2024
Europe	61,267	56,835
Latin America	12,034	13,925
Asia	599	329
Oceania	899	217
Rest of the world	1,512	3,829
Total	**76,311**	**75,134**

As of 31 December 2024, the subsidiaries' net revenues were affected by the same scenario that influenced revenues from third parties.

(5) Other operating income

Other operating income - third parties include:

(€'000)	2023	2024
Insurance reimbursement	11,373	1,361
Other revenue	375	994
Ordinary prior year items	325	106
Gains	256	3
Tax Receivables 4.0	181	539
Cost recoveries	126	154
Total	**12,636**	**3,157**

In 2024, the '**Insurance reimbursement**' is equal to **€1,361 thousand** and refers, in particular, to the insurance reimbursement for damages suffered as a result of adverse weather events in July 2024 in Spinetta Marengo for €0.6 thousand, and for the portion pertaining to the year, € 0.5 thousand, in reference to the insurance reimbursement received in 2023 following the fire at the Magenta plant.

Other operating income from subsidiaries amounts to **€34,917 thousand** in 2024 and accounts for **91.71%** of total other operating income and is mainly due to the following:

a) the **service agreement** for the recharge to subsidiaries of costs incurred by Guala Closures S.p.A., on behalf of other Group companies for accounting, financial, treasury, purchasing, personnel management and data management services and for the cost of insurance paid in Italy.

(€'000)	2023	2024
Guala Closures Mexico S.A. de C.V.	3,841	2,238
Guala Closures UK Ltd.	3,253	2,673
Guala Closures (India) Pty Ltd.	2,091	1,596
Guala Closures DGS Poland S.A.	2,151	1,541
Guala Closures North America Inc.	1,453	1,346
Guala Closures Iberica S.A.	1,789	1,310
Guala Closures UCP Ltd.	1,625	1,248
Guala Closures Deutschland GmbH	1,431	1,191
Guala Closures Technologia Ukraine LLC	1,081	1,122
Guala Closures Australia Pty Ltd.	654	649
Guala Closures do Brazil Ltda	569	507
Guala Closures de Colombia Ltda	508	470
Guala Closures South Africa Pty Ltd.	441	459
Guala Closures France SAS	582	454
Guala Closures New Zealand Ltd.	419	314
Guala Closures Chile S.p.A.	261	236
Guala Closures East Africa Ltd.	242	200
Guala Closures Bulgaria AD	201	135
Guala Closures Chengdu	-	94
Beijing Guala Closures Ltd.	154	-
Total	**22,745**	**17,783**

b) recharging of **personnel expenditure**

(€'000)	2023	2024
Guala Closures (Chengdu) Co. Ltd.	67	78
Guala Closures (India) Pvt Ltd.	233	51
Guala Closures Mexico SA de CV	84	40
Guala Closures UK Ltd.	-	36
Guala Closures Iberica S.A.	-	7
Labrenta S.r.l.	195	-
Beijing Guala Closures Ltd.	91	-
GCL International S.à.r.l.	43	-
Total	**714**	**212**

c) recharging of **transport costs**

(€'000)	2023	2024
Guala Closures Mexico S.A. de CV	669	607
Guala Closures Deutschland GmbH	221	267
Guala Closures Chile S.p.A.	125	182
Guala Closures North America Inc.	-	111
Guala Closures Argentina S.A.	56	66
Guala Closures UK Ltd.	3	1
Guala Closures South Africa Pty Ltd.	46	-
Guala Closures New Zealand Ltd.	13	-
Guala Closures Australia Pty Ltd.	10	-
Beijing Guala Closures Ltd.	3	-
Guala Closures (Chengdu) Co. Ltd.	2	-
Total	**1,147**	**1,235**

d) **gains on the sale of assets**

(€'000)	2023	2024
Guala Closures New Zealand Ltd.	-	34
Guala Closures Technologia Ukraine LLC	90	30
Guala Closures UK Ltd.	1	25
Guala Closures Chengdu	-	8
Guala Closures West Africa	-	7
Guala Closures Iberica S.A.	63	5
Guala Closures North America Inc.	-	3
Guala Closures East Africa Ltd.	-	1
Guala Closures Deutschland GmbH	-	1
Guala Closures France SAS	-	1
Guala Closures UCP Ltd.	1	1
Labrenta S.r.l.	17	-
Guala Closures Mexico S.A. de C.V.	5	-
Guala Closures de Colombia Ltda	3	-
Guala Closures Bulgaria AD	3	-
Total	**183**	**114**

e) **royalties**

(€'000)	2023	2024
Guala Closures UK Ltd.	1,865	1,803
Guala Closures Mexico S.A. de C.V.	2,418	1,610
Guala Closures UCP Ltd.	900	1,523
Guala Closures (India) Pty Ltd.	1,272	1,105
Guala Closures North America Inc.	867	955
Guala Closures DGS Poland S.A.	1,215	932
Guala Closures Iberica S.A.	1,005	853
Guala Closures Deutschland GmbH	835	838
Guala Closures Technologia Ukraine LLC	537	575
Guala Closures Australia Pty Ltd.	445	478
Guala Closures de Colombia Ltda	319	344
Guala Closures France SAS	311	319
Guala Closures South Africa Pty Ltd.	265	285
Guala Closures New Zealand Ltd.	319	254
Guala Closures East Africa Ltd.	189	196
Guala Closures Chile S.p.A.	177	162
Guala Closures do Brazil Ltda	132	158
Guala Closures Bulgaria AD	111	85
Guala Closures Chengdu	-	54
Beijing Guala Closures Ltd.	74	-
Total	**13,256**	**12,528**

f) **Commissions and other income**

(€'000)	2023	2024
Guala Closures Iberica S.A.	653	499
Guala Closures (India) Pty Ltd.	194	384
Guala Closures UK Ltd.	159	87
Guala Closures UCP Ltd.	134	67
Guala Closures Mexico S.A. de C.V.	907	45
Guala Closures Argentina S.A.	-	33
Guala Closures North America Inc.	-	27
Guala Closures Deutschland GmbH	29	19
Guala Closures DGS Poland S.A.	-	17
Guala Closures Fengyi	-	14
Guala Closures South Africa Pty Ltd	44	13
Anacorks Unipessoal Lda	-	10
Guala Closures International B.V.	-	10
Guala Closures France SAS	32	9
Guala Closures Chile S.p.A.	6	8
Guala Closures Technologia Ukraine LLC	-	7
Guala Closures Bulgaria AD	6	5
Guala Closures (Chengdu) Co. Ltd.	4	5
Guala Closures de Colombia Ltda	-	3
Guala Closures Turkey	-	1
Labrenta S.r.l.	140	-
Beijing Guala Closures Ltd.	11	-
GCL International S.à.r.l.	10	-
Guala Closures Australia Pty Ltd.	9	-
Total	**2,337**	**1,265**

g) recharging of **insurance costs**

(€'000)	2023	2024
Guala Closures Iberica S.A.	167	174
Guala Closures Deutschland GmbH	126	126
Guala Closures UK Ltd.	96	90
Guala Closures Mexico S.A. de C.V.	117	77
Guala Closures (India) Pty Ltd.	75	67
Guala Closures DGS Poland S.A.	65	56
Guala Closures UCP Ltd.	55	40
Guala Closures Argentina S.A.	33	26
Guala Closures Australia Pty Ltd.	18	17
Guala Closures France SAS	17	16
Guala Closures do Brazil Ltda	17	13
Guala Closures North America Inc.	77	11
Guala Closures South Africa Pty Ltd.	11	10
Guala Closures New Zealand Ltd.	10	9
Guala Closures de Colombia Ltda	9	9
Guala Closures (Chengdu) Ltd.	-	9
Guala Closures Chile S.p.A.	9	8
Guala Closures East Africa Ltd.	8	4
Guala Closures Bulgaria AD	6	3
Guala Closures Turkey A.S.	1	1
GCL International S.à.r.l.	1	1
Labrenta S.r.l.	17	-
Beijing Guala Closures Ltd	8	-
Total	**943**	**767**

h) **technical assistance**

(€'000)	2023	2024
Guala Closures DGS Poland S.A.	-	590
Guala Closures UK Ltd.	608	401
Guala Closures (India) Pty Ltd.	-	67
Guala Closures Mexico S.A. de C.V.	665	-
Guala Closures Iberica S.A.	8	-
Total	**1,281**	**1,058**

(6) Internal work capitalised

This item amounts to **€4,318 thousand** in 2024; of this amount, **€2,276 thousand** mainly refers to capitalised development costs for new closures, but also to the Sap4Us project, €1,172 thousand is allocated to work on plant and machinery for extraordinary maintenance and the expansion of the production capacity of Guala Closures S.p.A.. €870 thousand refers to work on plant and machinery for extraordinary maintenance and the upgrading of the production capacity of foreign branches, subsequently recharged to the foreign companies.

(7) Costs for raw materials

Costs for raw materials - third parties include:

(€'000)	2023	2024
Raw materials and supplies	83,887	78,708
Packaging	2,587	2,789
Consumables and maintenance	2,187	2,625
Fuels	266	287
Change in inventories	2,778	2,007
Total	**91,705**	**86,416**

The **cost of raw materials purchased from third parties** decreased from €91,705 thousand in 2023 to **€86,416 thousand** in 2024 as did its percentage impact on production revenue. This decrease is mainly due to the reduction in the costs incurred for the purchase of aluminium, also influenced by a lower average purchase price recorded during 2024.

The **costs for raw materials purchased from subsidiaries** in 2024 amounts to **€19,508 thousand**. These costs represent **18.42%** of the total cost of raw materials and consist mainly of purchases made by Guala Closures Technologia Ukraine LLC (€13,889 thousand), Guala Closures DGS Poland S.A. (€2,360 thousand), Guala Closures Iberica S.A. (€1.869 thousand), Guala Closures Bulgaria A.D. (€ 697 thousand), Guala Closures Deutschland GmbH (€350 thousand), Guala Closures UK Ltd. (€113 thousand), Guala Closures UCP Ltd. (€139 thousand) and Anacorks (€90 thousand). The transactions are part of ordinary operations and are agreed on an arm's length basis.

(8) Costs for services

Costs for services - third parties include:

(€'000)	2023	2024
Technical assistance	3,391	7,860
Electricity / heating	7,788	6,562
Transport	5,481	5,520
Legal and consulting fees	5,457	5,386
Maintenance	4,127	4,489
Insurance	2,166	1,980
Travel	1,714	1,659
Administrative services	442	1,174
External processing	1,182	1,011
Other	337	695
Commissions	579	594
Sundry industrial services	270	569
Patents	213	501
External labour / porterage	512	500
Entertainment expenditures	273	374
Advertising	418	372
External cleaning	329	327
Membership fees	227	252
Telephone costs	222	228
Expos and trade fairs	182	197
Training costs	173	193
Security	74	93
Total	**35,555**	**40,534**

The **costs for services** increased from €35,555 thousand in 2023 to **€40,534** thousand in 2024, mainly due to the increase in expenditure for technical and IT consultancy.

Costs for services provided by subsidiaries in 2024 amount to **€4,018 thousand.**

These costs are mainly represented by commissions paid to Guala Closures North America Inc. (€268 thousand) and to Guala Closures Turkey A.S. (€173 thousand), transport costs paid to Guala Closures UK Ltd. (€571 thousand), external production services paid to Guala Closures France S.A. (€110 thousand) and consultancy services paid to Guala Closures Iberica S.A. (€66 thousand). The transactions are part of ordinary operations and are agreed on an arm's length basis.

(9) Personnel expenditure

This item includes:

(€'000)	**2023**	**2024**
Wages and salaries	25,513	24,004
Social security contributions	7,673	8,121
Net expenditure from defined benefit plans	1,519	1,769
Other costs	9,676	7,572
Total	**44,381**	**41,467**

Wage and salary costs decreased from €44,381 thousand in 2023 to **€41,467 thousand** in 2024. The decrease is mainly due to the reduction in the amount relating to the bonus and incentive scheme for management.

With reference to the charges for defined benefit plans, please refer to Note 40) Employee benefits.

At 31 December 2024, the company had the following number of employees:

Number	**31 December 2023**	**31 December 2024**
Blue collars	279	317
White collars	119	145
Managers	70	69
Total	**468**	**531**

(10) Other operating expenditure

This item includes:

(€'000)	2023	2024
Other costs for the use of third-party assets	620	683
Accruals to provisions	1,649	581
Taxes and duties	423	378
Rent and leases	455	349
Other charges	44	210
Total	**3,191**	**2,200**

Short-term leases, 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 as 'Other costs for the use of third-party assets' on a straight-line basis over the lease term.

In 2024, **use of third-party assets** includes approximately €475 thousand related to short-term contracts (less than one year) or low-value contracts (less than €5 thousand).

IN 2024, the item **'Rent and leases'** of the amount of €349 thousand mainly refers to the higher expenditures incurred for the temporary storage of goods relating to the Spinetta plant.

(11) Financial income

Financial income - third parties includes:

(€'000)	2023	2024
Exchange gains	1,356	3,607
Interest income	537	2,668
Total	**1,894**	**6,275**

Financial income - subsidiaries amounts to **€24,347 thousand** in 2024.

Of this amount, 99% relates to interest accrued on the loans granted to Group companies and the default interest charged on some of them. Specifically, interest income was charged to Guala Closures International B.V. (€18,989 thousand) Guala Closures UCP Ltd. (€1,586 thousand), Guala Closures Chile S.p.A. (€535 thousand), Guala Closures Argentina S.A. (€154 thousand), Guala Closures East Africa Pty Ltd. (€146 thousand) and Guala Closures UK Ltd. (€1,852 thousand).

Instead, default interest was charged to Guala Closures UCP Ltd. (€330 thousand), Guala Closures Chile S.p.A. (€317 thousand), Guala Closures Argentina S.A. (€157 thousand), Guala Closures South Africa PTY Ltd. (€88 thousand), Guala Closures UK Ltd. (€26 thousand), Guala Closures North America (€7 thousand), Guala Closures Iberica S.A. (€4 thousand) and Guala Closures Australia. (€2 thousand).

(12) Financial expenditure

Financial expenditure includes:

(€'000)	2023	2024
Interest expenditure	25,674	55,779
Exchange losses	1,209	855
Other financial expenditure	1,271	1,606
Total	**28,154**	**58,240**

In 2024, the increase in financial expenses was mainly due to an increase in interest linked to the new Senior Secured Notes due in 2029.

(13) Income from equity investments

As of 31 December 2024, dividends of **€36,157 thousand** had been received from Guala Closures International B.V.

(14) Income and expenditure on financial assets/liabilities

The following table shows income – third parties – and expenditure on financial assets/liabilities, specifying those recognised in profit or loss and those directly included in other comprehensive income:

(€'000)	2023	2024
Recognized in profit or loss		
Bank interest income	537	2,668
Exchange gains	1,356	3,607
Total financial income	**1,894**	**6,275**
Interest expenditure on financial liabilities measured at amortized cost	(25,674)	(55,779)
Exchange losses	(1,209)	(855)
Other financial expenditure	(1,271)	(1,606)
Total financial expenditure	**(28,154)**	**(58,240)**
Net financial expenditure	**(26,260)**	**(51,965)**
Recognized directly in equity		
Net change in fair value of cash flow hedges	(6,866)	2,215
Change in tax impact	1,651	(532)
Total recognized directly in equity	**(5,214)**	**1,684**

(15) Income taxes

This item includes:

(€'000)	2023	2024
Current taxes	(5,791)	(4,005)
Deferred taxes	2,532	7,339
Total	**(3,259)**	**3,334**

Income taxes decreased from a cost of €3,259 thousand in 2023 to a positive value of **€3,334 thousand** in 2024, mainly due to the impairment on Patents and Customer Lists in December 2024.

Reconciliation between the theoretical and effective tax charge

The difference between the theoretical and effective tax charge is mainly related to non-taxable revenue and non-deductible costs.

(€'000)	**2023**	**2024**
Profit before tax	**16,792**	**(9,214)**
Income tax using the Company's domestic tax rate (2023: 24%; 2024: 24%)	**(4,030)**	**(2,211)**
Non-deductible expenditures	(9,426)	(40,106)
Tax exempt income	-	34,349
Tax incentives	10,768	3,044
Deferred tax variation	2,532	7,339
Total increase	**3,873**	**9,049**
Effective tax	**(157)**	**6,838**
IRAP	(2,149)	-
Other taxes, other than income taxes	(954)	(3,504)
Total taxes for the financial year	**(3,259)**	**3,334**

Income taxes went from a charge of €3.2 million in 2023 to an income of €3.3 million in 2024, mainly due to the positive effect of the release of the deferred tax on the impairment of the PPA on Customer List and Patents for a total of €22.4 million, which generated an income of €7.34 million. Furthermore, in 2024, Guala Closures S.p.A. (unlike in 2023) had a negative IRAP tax base that did not generate any related tax exposure.

On 1 January 2024, the regulations of the so-called 'Pillar Two' came into force, as provided for by EU Directive No. 2523 of 14 December 2022, implemented in Italy by Legislative Decree No. 209 of 27 December 2023 (hereinafter, the 'Decree'), aimed at limiting unfair tax competition by introducing a global minimum tax rate (i.e., the 'Global Minimum Tax') of 15% in every jurisdiction where large multinationals operate. These rules apply to the Guala Closures Group, as a Multinational Group that exceeds the revenue threshold of 750 million euro for two of the four previous financial years, with Guala Closures S.p.A. as the ultimate parent company (the 'UPE').

The Group, as already done for the finalisation of the Annual Financial Statements at 31 December 2023, has carried out a specific analysis in order to identify 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 first of all the 'CbCR Transitional Safe Harbours' test ('CbCR TSH').

Based on this analysis conducted on the data as of 31 December 2024 the TSH CbCR tests were passed in all jurisdictions in which the Group operates, with the exception of Mexico and India.

With regard to these jurisdictions, an estimate was made of the potential supplementary taxation, applying the tax percentage to the pre-tax profit recorded by the entities located in these countries, in order to reach the minimum effective tax rate of 15%, also considering the screen represented by the mark-up on personnel costs and on tangible assets held for business purposes. As a result of this estimate, the tax exposure was not significant.

Statement of financial position

(16) Cash and cash equivalents

This item represents the balance of the bank and postal deposits considering the nominal amount of the current accounts held with banks.

(€'000)	31 December 2023	31 December 2024
Bank and postal accounts	79,878	68,794
Cash on hand	10	10
Total	**79,888**	**68,804**

Bank and postal accounts decreased by €11,084 thousand from €79,878 thousand as at 31 December 2023 to **€68,794 thousand** as at 31 December 2024.

(17) Current and non-current financial assets

These items relate to transactions between Guala Closures S.p.A. and its subsidiaries at 31 December 2024 **(€312,338 thousand)** and financial assets - third parties **(€358 thousand)**.

This note provides information on the contractual terms regulating the loan agreements between Guala Closures S.p.A., and its subsidiaries.

At 31 December 2024 the amounts were:

1. **Current financial assets amounted to €13,499 thousand**

a) €11,790 thousand for interest on loans between Guala Closures S.p.A. and subsidiaries;
b) € 617 thousand for interest on loans between Guala Closures S.p.A. and Guala Closures East Africa Ltd;
c) €1,091 thousand for receivables from subsidiaries for Cash Pooling.

2. **Non-current financial assets amounted to €298,840 thousand of which**

a) € 296,114 thousand to loans between Guala Closures S.p.A. and subsidiaries (see the table below);
b) € 2,726 thousand to loan asset between Guala Closures S.p.A. and Guala Closures East Africa Ltd.

(€'000)

Beneficiary	Contract date	Contract execution date	Contract expiry date	Original amount	Outstanding amount at 31/12/2024	Outstanding amount at 31/12/2024 Short term	Outstanding amount at 31/12/2024 Long term	Interest rate
Guala Closures International B.V.	26/06/2020	30/06/2020	31/12/2026	€ 250,000	€ 211,338	-	€ 211,339	Euribor 3M + 4.0%
Guala Closures International B.V.	05/12/2018	06/12/2018	31/12/2026	£ 19,000	€ 14,695	-	€ 18,937	Sonia GBP 3M + 4.0%
Guala Closures International B.V.	27/10/2023	27/10/2023	31/12/2033	€ 18,000	€ 12,264	-	€ 15,402	Euribor 3M + 4.32%
Guala Closures Argentina SA	26/06/2020	30/06/2020	31/12/2026	€ 2,000	€ 2,000	-	€ 2,000	Euribor 3M + 4.0%
Guala Closures Chile SPA	15/12/2021	15/12/2021	31/12/2026	€ 8,000	€ 6,950	-	€ 6,950	Euribor 3M + 4.0%
Guala Closures East Africa Ltd	15/12/2021	15/12/2021	31/12/2026	€ 2,000	€ 1,900	-	€ 1,900	Euribor 3M + 4.0%
Guala Closures UCP Ltd	26/06/2020	30/06/2020	31/12/2026	£ 8,000	€ 6,329	-	€ 6,633	Sonia GBP 3M + 4.0%
Guala Closures UCP Ltd	15/11/2023	15/11/2023	15/11/2028	£ 9,000	€ 10,356	-	€ 10,854	Sonia GBP 3M + 3.97%
Guala Closures UK	15/11/2023	15/11/2023	15/11/2028	£ 17,000	€ 17,260	-	€ 20,521	Sonia GBP 3M + 3.96%
Guala Closures UK	15/11/2023	15/11/2023	15/11/2028	£ 17,000	€ 17,260	-	€ 577	Sonia GBP 3M + 3.96%
Total							**€ 296,114**	

The table shows the notional amount of the loans granted to subsidiaries, In addition, current financial assets include the **interest accrued** on these loans and amounting to **€11,790 thousand** and cash pooling assets amounting to **€1,091 thousand**.

The assets from Guala Closures East Africa Ltd. include lease assets recognised in accordance with IFRS 16 under current financial assets **(€616 thousand).**

Current and non-current financial assets - subsidiaries at 31 December 2024 may be analysed as follows:

		Nominal amount	
(€'000)	**Total 31 December 2024**	**Current financial assets**	**Non-current financial assets**
Loan assets from:			
Guala Closures East Africa Ltd	5,351	726	4,626
Guala Closures International B.V.	254,477	7,799	246,678
Guala Closures Chile S.p.A.	8,463	1,513	6,950
Guala Closures Argentina S.A.	2,612	612	2,000
Guala Closures UCP Ltd.	18,286	798	17,487
Guala Closures UK Ltd.	22,059	960	21,098
Guala Closures Iberica S.A.	677	677	-
Guala Closures France S.a.s	415	415	-
Total	**312,338**	**13,499**	**298,840**

Non-current financial assets - third parties, of **€135 thousand,** mainly comprise guarantee deposits. The carrying amount of non-current financial assets - third parties matches their fair value at the reporting date.

(18) Trade receivables

This item may be analysed as follows: **€18,757 thousand from third parties** and **€56,933 thousand from related parties.**

(€'000)	**31 December 2023**	**31 December 2024**
Trade receivables	12,981	20,088
Provision for doubtful debts	(956)	(1,332)
Total	**12,025**	**18,757**

The loss allowance changed as follows:

(€'000)	**31 December 2024**
Opening balance	956
Merger contribution Labrenta S.r.l.	96
Accrual of the year	280
Closing balance	**1,332**

At 31 December 2024, the provision mainly related to amounts past due by more than 90 days and concerned only a few foreign customers.

The residual amount relates to customers who expressed their uncertainty about their ability to repay the outstanding balances, mainly as a result of financial difficulties.

At 31 December 2024, trade receivables to related parties were entirely comprised of transactions with subsidiaries.

These may be analysed as follows:

(€'000)	31 December 2023	31 December 2024
Trade receivables - subsidiaries	45,871	59,058
Provision for doubtful debts	(1,325)	(2,125)
Total	**44,546**	**56,933**

The loss allowance changed as follows:

(€'000)	31 December 2024
Opening balance	1,325
Merger contribution Labrenta S.r.l.	800
Closing balance	**2,125**

As at 31 December 2024, the provision refers to amounts past due by more one year and exclusively concerns Guala Closures Argentina. Local regulations provided some restrictions for payments of service agreement and royalties charged to the local branch that requires to accrue a dedicated provision.
In addition, following the merger, the provision was increased by the contribution related to the impairment of Labrenta Inc. recorded by Labrenta S.r.l..

They may be analysed as follows:

(€'000)	31 December 2023	31 December 2024
Guala Closures UCP Ltd.	10,041	15,068
Guala Closures Chile S.p.A.	4,875	8,076
Guala Closures UK Ltd.	3,172	7,386
Guala Closures Deutschland GmbH	3,360	4,649
Guala Closures Ukraine LLC	4,321	4,616
Guala Closures Argentina S.A.	1,723	2,983
Guala Closures North America Inc.	1,220	2,469
Guala Closures Mexico S.A. de C.V.	3,673	2,289
Guala Closures Iberica S.A.	3,158	2,215
Guala Closures South Africa PTY Ltd.	2,766	1,890
Guala Closures DGS Poland SA	1,173	1,405
Guala Closures (India) Pvt Ltd.	1,588	862
Guala Closures Australia Pty Ltd.	423	643
Guala Closures de Colombia Ltda	411	545
Guala Closures France SAS	483	487
Guala Closures do Brasil Ltda	400	338
Guala Closures East Africa Ltd.	182	323
Labrenta S.A.+ Labrenta Inc.	-	211
Guala Closures (Chengdu) Co. Ltd.	548	200
Guala Closures New Zealand Ltd.	364	169
Guala Closures Bulgaria A.D.	117	62
Guala Closures Holding International B.V.	10	21
Fengyi Guala Closures (Sichuan) Co Ltd.	-	14
Anacorks Unipessoal Lda	-	10
GCL International SARL	1	2
Guala Closures West Africa LFZE	-	1
Labrenta S.r.l.	440	-
Beijing Guala Closures Ltd.	99	(1)
Total	**44,546**	**56,933**

Intragroup trade receivables are part of ordinary transactions agreed at market conditions.

(19) Inventories

This item may be analysed as follows:

(€'000)	31 December 2023	31 December 2024
Raw materials, consumables and supplies	14,624	12,697
(Provision for depreciation of raw and consumable materials)	(3,290)	(2,675)
Work in progress and semi-finished products	9,279	6,161
(Provision for depreciation of work in progress and finished goods)	(1,424)	(695)
Finished products and goods	4,888	5,375
(Allowance for inventory write-down)	(671)	(472)
Advance payments	7	19
Total	**23,412**	**20,411**

Changes in this item are as follows:

(€'000)	
1 January 2024	23,412
Merger contribution Labrenta S.r.l.	1,505
Change in raw materials, consumables and supplies	(2,007)
Changes in inventories of finished and semi-finished products	(2,512)
Changes in advance payments	13
31 December 2024	**20,411**

The allowance for inventory write-down changed as follows:

(€'000)	**31 December 2024**
Provision for inventory write-down	5,385
Merger contribution Labrenta Srl	98
Accrual of the year	1,148
Utilization	(2,789)
Total	**3,842**

The increase in the provision for inventory write-down is mainly due to the increase in the volume of inventory that has not been moved for more than a year.

(20) Current direct tax assets

Current direct tax assets of **€3,636 thousand** at 31 December 2024 may be analysed as follows:

(€'000)	**31 December 2023**	**31 December 2024**
IRES to be offset during the year/other	3,578	3,636
Total	**3,578**	**3,636**

At 31 December 2024, the IRES asset amounts to €1,811 thousand resulting from the withholding tax paid abroad on royalties, €59 thousand for the IRAP advance payment, €995 thousand resulting from measures to encourage investments and €770 thousand for withholding tax on interest income.

(21) Current indirect tax assets

Current indirect tax assets of **€1,368 thousand** at 31 December 2024 relate to VAT.

(22) Derivative assets

As of 31 December 2024, there are financial assets relating to aluminium trading derivatives for €3.5 thousand.

(23) Other current assets

Third parties may be analysed as follows:

(€'000)	**31 December 2023**	**31 December 2024**
INAIL (Italy's institute for insurance against accidents at work)	1	31
Amounts due from employees	6	7
Other	11,041	1,049
Total	**11,048**	**1,087**

Related parties may be analysed as follows:

(€'000)	**31 December 2023**	**31 December 2024**
Guala East Africa Ltd Capex	1,039	1,663
Guala Closures UK Ltd Capex	814	435
Guala Closures North America Capex	1	422
Guala Closures West Africa LFZE Capex	-	234
Guala Closures Ucraine Capex	15	223
Guala Closures Chengdu Capex	29	65
Guala Closures South Africa Pty Ltd Capex	29	63
Guala Closures Chile S.p.A. Capex	-	50
Guala Closures (India) Pvt Ltd Capex	54	43
Guala Closures Chile S.p.A. Capex	22	33
Guala Closures Iberica, S.A. Capex	29	21
Guala Closures UCP Ltd Capex	116	15
Guala Closures Argentina S.A. Capex	6	6
Guala Closures Australia Pty Ltd Capex	1	4
Guala Closures de Colombia Ltda Capex	1	1
Guala Closures Mexico S.A. de C.V. Capex	869	-
Labrenta S.r.l. Capex	86	-
Total	**3,111**	**3,277**

(24) Assets classified as held for sale

Assets classified as held for sale refer specifically to assets to be sold. At 31 December 2024 the value was **€0**.

(25) Equity investments

Equity investments amount to **€836,741 thousand.**

a) Investments in subsidiaries

Investments in direct subsidiaries may be analysed as follows:

	31 December 2023		31 December 2024	
(€'000)	**Carrying amount**	**Equity**	**Carrying amount**	**Equity**
Guala Closures International B.V.	657,885	319,477	657,885	101,876
Labrenta S.r.l.	43,115	41,804	-	-
Guala Closures DGS Poland S.A.	-	-	60,900	75,040
Astir Vitogiannis Bros S.A.	-	-	115,450	40,291
Anacork Unipessaol Lda	-	-	2,350	2,922
Total	**701,000**	**361,281**	**836,585**	**220,129**

Equity of Guala Closures International B.V. refers to the equity of the sub-consolidated Guala Closures International B.V. as of 31 December 2024. The impairment test was performed at the consolidated level. Reference should be made to the relevant section of the Consolidated Financial Statements.

b) Investments in other companies

The company holds an investment of €11 thousand in "Consorzio per la promozione della cultura plastica" (PROPLAST), with registered office in Tortona.

It also holds an investment of €121 thousand in Wallfarm S,r,l, with registered office in Rome, and an investment of €2 thousand, or 20%, in IACOMEC S.r.l., with registered office in Latina.

The total carrying amount of the three investments is €134 thousand, Other investments amount to €21 thousand and may be analysed as follows:

(€'000)	**Conai Consortium**	**Replastic Consortium**	**Idroenergia Scrl**	**Other**	**Total**
1 January 2024	5	2	1	14	**21**
31 December 2024	5	2	1	14	**21**

(26) Property, plant and equipment

The following table shows the changes in this item:

(€'000)	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other Activities	Assets under construction and payments on account	Total
Historical cost at 31 December, 2023	20,122	52,784	18,419	717	7,931	**99,973**
Accumulated depreciation at 31 December, 2023	(3,909)	(22,645)	(8,734)	(418)	-	**(35,706)**
Carrying amount at 31 December, 2023	**16,213**	**30,139**	**9,685**	**299**	**7,931**	**64,267**
Merger contribution Labrenta S.r.l.	15	5,498	707	90	-	**6,310**
Carrying amount at 1 January 2024	**16,228**	**35,637**	**10,391**	**389**	**7,931**	**70,576**
Increases	63	5,178	1,108	22	8,157	**14,527**
Decreases	-	(578)	(9)	-	(1,941)	**(2,528)**
Decreases in accumulated depreciation	-	339	2	-	-	**341**
Impairments	-	(29)	-	-	-	**(29)**
Reclassifications	110	2,069	393	40	(2,613)	**-**
Depreciation	(699)	(4,386)	(1,522)	(135)	-	**(6,741)**
Historical cost at 31 December, 2024	20,315	69,517	21,338	1,199	11,535	**123,904**
Accumulated depreciation at 31 December, 2024	(4,613)	(31,287)	(10,974)	(883)	-	**(47,757)**
Carrying amount at 31 December 2024	**15,702**	**38,230**	**10,364**	**316**	**11,535**	**76,147**

In 2024, the main investments of the year were:

- in Alessandria, for the purchase of machinery and equipment for the Darwin project for a total of €8 milion. The project for the Diageo client involves testing the machinery at the Spa and its subsequent sale to Guala UK, in line with the production planned for a new plant.
- in Magenta, for the completion of the new modernised coating line (V33);
- in Termoli, for the spring closure intended for the water market (28x15);
- during 2024, the Company also invested in various projects across all plants for extraordinary maintenance of machinery, plants, and equipment, as well as for cost reduction, safety, environmental improvements, and the development of new products.

Another significant investment is related to the capacity increase of the Rosc closure in the 28 and 33 versions, for an amount of €934 thousand.

The remaining portion of the additions mainly refers to internally capitalized work.

(27) Right-of-use assets

The following table gives a breakdown of this item at 31 December 2024;

(€'000)	Rights-of-Use - Land and Buildings	Rights-of-Use - Plants and Machinery	Rights-of-Use - Industrial and Commercial Equipment	Rights-of-Use - Other Assets	Total
Historical cost at 31 December, 2023	3,020	-	1,271	1,309	**5,600**
Accumulated depreciation and impairment losses at 31 December, 2023	(1,623)	-	(669)	(575)	**(2,866)**
Carrying amount at 31 December, 2023	**1,397**	**-**	**603**	**734**	**2,734**
Merger contribution Labrenta S.r.l	1,409	1,559	5		**2,973**
Carrying amount at 1 January 2024	**2,806**	**1,559**	**608**	**734**	**5,707**
Increases	1,066	132	325	632	**2,156**
Disposals	-	(60)	-	(79)	**(140)**
Reclassifications	-	-	-	-	**-**
Depreciation of Rights-of-use	(1,177)	(598)	(319)	(384)	**(2,478)**
Historical cost at 31 December, 2024	5,367	3,095	1,168	1,432	**11,061**
Accumulated depreciation and impairment losses at 31 December, 2024	(2,672)	(2,062)	(554)	(529)	**(5,817)**
Carrying amount at 31 December, 2024	**2,695**	**1,033**	**614**	**903**	**5,245**

The increase in land and buildings rights-of-use is mainly related to the signing of a new lease contract for a warehouse at the Breganze site, equal to €590 thousand, while the remainder is related to the renewal of existing lease contracts.

(28) Intangible assets

The following table shows the changes in this item:

(€'000)	Development expenditure	Licences and patents	Goodwill	Others	Assets under development and payments on account	Total
Historical cost at 31 December, 2023	4,115	91,583	48,968	30,560	4,523	**179,749**
Accumulated amortisation at 31 December, 2023	(3,191)	(19,114)	-	(5,714)	-	**(28,019)**
Carrying amount at 31 December, 2023	**924**	**72,469**	**48,968**	**24,846**	**4,523**	**151,730**
Merger contribution Labrenta Srl		13,647	29,647	1		**43,295**
Carrying amount at 1 January 2024	**924**	**86,116**	**78,615**	**24,847**	**4,523**	**195,025**
Increases	156	574	-	-	6,316	**7,046**
Decreases	-	-	(1,377)	-	-	**(1,377)**
Impairments	-	(10,943)	-	(11,485)	(11)	**(22,438)**
Reclassifications	571	1,670	-	-	(2,240)	**-**
Amortisation	(581)	(4,065)	-	(920)	-	**(5,566)**
Historical cost at 31 December, 2024	4,988	98,751	77,238	19,150	8,589	**208,715**
Accumulated amortisation at 31 December, 2024	(3,918)	(25,400)	-	(6,707)		**(36,026)**
Carrying amount at 31 December, 2024	**1,069**	**73,352**	**77,238**	**12,442**	**8,589**	**172,690**

In 2024, intangible assets increased by €7,046 thousand, mainly due to the costs of implementing SAP (Sap4Us project) for €3,772 thousand.

The decrease of €1,377 thousand in goodwill recorded in 2024 relates to the purchase price adjustment for the acquisition of Labrenta Srl.

During the year, development costs for new closures and improvements to existing closures amounted to €1,293 thousand, of which €1,137 thousand was included in the increases in assets under development.

Assets under development also include internal capitalizations related to the SAP project for €983 thousand.

As of 31 December 2024, considering the actual and expected results, given the change in strategy implemented by the Group and the development of the markets in which the Group operates, certain impairment indicators were identified on indefinite intangible assets such as 'customer lists' and 'patents'.

In accordance with the impairment procedure, the recoverable amount, defined in terms of 'fair value less costs of disposal' of the aforementioned intangible assets, was estimated with the support of an independent expert, referring to the provisions of IFRS 13 Fair Value Measurement.

Based on the above analysis, the recoverable amount, identified as 'fair value less costs of disposal,' was lower than the carrying amount, resulting in a total impairment loss of €22,438 thousand, of which €11,485 thousand related to the customer list and €10,942 thousand to the recognized patents.

(29) Impairment losses

As described in Note 3) Accounting policies, goodwill is not amortised, but is tested for impairment. The Company verifies the recoverability of goodwill at least once a year, or more frequently if specific events or circumstances indicate that there may be a reduction in value, by means of specific evaluations (impairment tests).

The impairment test on the separate financial statements of Guala Closures S.p.A., was carried out on:

1 the net invested capital of Guala Closures S.p.A. by comparing:

- Carrying amount: net invested capital including goodwill, though net of the carrying amount of investments in subsidiaries recognised in the separate financial statements of Guala Closures S.p.A., at the date the test was carried out;
- Recoverable Amount: recoverable value, deriving from the application of the Discounted Cash Flow Model to the expected cash flows for Guala Closures S.p.A. (Equity Value) excluding expected dividends.

2 investment in Guala Closures International B.V., where the book value is higher than the shareholders' equity (properly considered for the percentage of ownership), through the comparison between:

- Carrying amount: the carrying amount recognised in the separate financial statements of Guala Closures S.p.A.;
- Recoverable amount: the recoverable amount arising from the application of the discounted cash flow model expected cash flows, calculated as equity value, and considered to the extent of the investment percentage.

3 The Guala Closures trademark by comparing:

- Carrying amount: the carrying amount of the Guala Closure Trademark recognised in the separate financial statements of Guala Closures S.p.A.;
- Recoverable amount: the recoverable amount arising from the application of the relief from royalty method to the company's expected cash flows (Fair Value)

Goodwill

The goodwill was subjected to an impairment test with reference to the balance sheet date and the outcome did not reveal the need to make any write-downs to the book value of the goodwill recorded in the balance sheet as of 31 December 2024.

The recoverability of the recognised amounts is tested by comparing the net invested capital (carrying amount) of the CGU with the related recoverable amount. The recoverable amount of goodwill is equal to value in use, i,e,, the present value of the operating cash flows which arise from the forecasts included in the Company's approved business plan for the four years (2025-2029) (the **'Projections'**), and the normalised terminal value, used to express a summary estimate of future figures over the explicit given timeframe, These cash flows are subsequently discounted using a discount rate that reflects current market assessments of the time value of money and the risks specific to the company asset or CGU.

The discounted cash flow model is based on the Projections approved by the board of directors on 26 March 2025 which envisages a CAGR of net revenue and EBITDA of 4% and 5%, respectively. The terminal growth rate was determined based on management's estimate of the long-term compound annual EBITDA growth rate, consistent with the assumption that a market participant would make. Such growth rate is consistent with the inflation expected in the countries in which the Group operates weighted by revenue for the geographical segment.

The following assumptions were used in the 2024 valuation:

- the WACC for the Closures division was weighted by the net revenue percentage by destination market of each country in respect of the consolidated net revenue, with a weighted average of 7.79%.

- long-term growth rate ‘g’: a value of 2.30% was used, calculated by weighting the estimated rate of inflation of each country (source: The Economist-December 2024) by the impact of net revenue by destination market on total net revenue, in line with the calculation of the discount rate.

The discount rate corresponds to an estimate, net of taxes, determined on the basis of historical experience and the average cost of capital of the industrial sector based on a possible debt percentage of 29.57% at the market interest rate of 3.76%.

The estimated recoverable amount is €171,177 thousand higher than the carrying amount (2023: €131,185 thousand).

The estimates and projected figures to which the above parameters are applied are calculated by management based on past experience and the expected developments of the markets in which the Group operates at the reporting date. To this end, the current international macro-economic situation and the possible economic-financial impacts, may result in uncertain scenarios in terms of achieving the objectives and levels of activity set out in the projections.

In view of the above, the Group carried out a sensitivity analysis on changes in WACC and g rate.

This sensitivity analyses highlighted the Group's low vulnerability to the effects of the crisis in the medium term and resilience in the ability to generate income in the long term.

However, the estimate of goodwill’s recoverable amount requires management’s discretion and use of estimates, and, therefore, goodwill may be impaired in the future due to presently-unforeseeable changes in the scenario.

Group management constantly monitors the circumstances and events which may result in an additional impairment test.

Impairment test Guala Closures International B.V.

Guala Closures S.p.A.’s investment in Guala Closures International B.V. is tested for impairment by comparing the carrying amount with the recoverable amount resulting from the impairment test ('equity value'), at least once a year, The recoverable amount of equity investments is calculated based on the value in use, In accordance with IAS 36, this value is the present value of expected cash flows.

The expected cash flows used to calculate the ‘value in use’ of each investment are determined based on the projections approved by the board of directors on 26 March 2025.

Specifically, they were calculated starting from the projections assumptions and applying the growth rate identified for each company in line with the long-term assumptions related to sector growth rates and the country risks specific to each company.

Terminal value was calculated applying the perpetual growth method,

The discount rate (WACC) is the weighted average of the cost of risk capital and the cost of financial debt considering the tax effect generated by financial leverage.

The main basic assumptions used in carrying out the impairment test on equity investments, as commented later on, are shown in the table below:

IMPAIRMENT TEST EQUITY INVESTMENTS – ASSUMPTIONS TO DEFINE VALUE IN USE

Equity investment	Cost	Equity Value	WACC	G-Rate	Forecast horizon
Guala Closures International B.V.	658	1,149	9.97%	2.63%	5 years
Carrying amount at 31 December, 2024	**658**	**1,149**			

The discounted cash flow model is based on the projections approved by the board of directors on 26 March 2025 which envisages a CAGR of net revenue and EBITDA around 4% and 5% respectively for consolidated of Guala Closures International B.V.. The terminal growth rate was determined based on management's estimate of the long-term compound annual EBITDA growth rate, consistent with the assumption that a market participant would make. Such growth rate is consistent with management's expectation of growth for each company.

The following assumptions were used in the 2024 valuation:

- the WACC was calculated considering the impact of the sub-consolidated revenue and a weighted average WACC for the 2024 net revenue of each country in respect of total net revenue equal to 9.97%;
- long-term growth rate 'g': a value was used calculated by weighting the estimated inflation rate for each country by the impact of net revenue by destination market on total net revenue, in line with the terminal value calculation equal to 2.63%.

The discount rate corresponds to an estimate, net of taxes, determined on the basis of historical experience and the average cost of capital of the industrial sector based on a possible debt percentage of 32.22% at the market interest rate of 3.68%.

For Guala Closures International B.V., the estimated recoverable amount exceeds the carrying amount by approximately €491 million (2023 €611 million).

The estimates and projected figures to which the above parameters are applied are calculated by management based on past experience and the expected developments of the markets in which the companies that refer to the subsidiaries operates at the reporting date, To this end, the current international macro-economic situation and the possible financial impacts, may result in uncertain scenarios in terms of achieving the objectives and levels of activity set out in the projections.

Based on the above, management carried out a sensitivity analysis of changes in the WACC and 'g' rates, Specifically, an increase in the g rate of 50 bp would correspond to an increase in the recoverable value in use of approximately €88 million, while a decrease of 50 bp would correspond to a decrease in the recoverable value in use of approximately €76 million, in any case fully recovering the book value. With respect to the changes in WACC, a decrease of 50 bp would correspond to an increase in the recoverable value in use of approximately €111 million, while an increase of 50 bp would result in a decrease in the recoverable value in use of approximately €96 million, In any case, no impairment loss would be recognised.

Specifically, the WACC and the 'g' rates which, individually, would make the 'CGU International' 's recoverable amount equal to its carrying amount at 31 December 2024 are 13.50% and -2.51%, respectively.

This sensitivity analysis has highlighted the company's low vulnerability to the effects of the crisis in the medium term and its resilience in the ability to generate income in the long term.

Company management constantly monitors the circumstances and events which may result in an additional impairment test.

Impairment test GC Trademark

The intangibles assets were tested for impairment at reporting date adopting the Relief from Royalty ('RFR') method and no impairment loss was recognised on the Guala Closures trademark as at 31 December 2024 with a fair value exceeding the carrying amount for an amount of approximately €35 million (2023: €59 million).

The royalty used for the calculation represents the rental charge, which would be paid to the licensor if this hypothetical arrangement were in place based suitable comparable transactions and prices involving third parties.

The following assumptions were used in the 2024 valuation:

- revenues from the trademark are based on final figures for the 2024 financial year, which are assumed to grow based on a long-term inflation rate, determined based on a weighted average of the inflation rates of the countries in which the Group operates (source: IMF);
- Royalty rate of 2% equal to that paid by the Group's legal entities to Guala Closures S.p.A., and align with market comparable;
- the discount rate was calculated as the unlevered cost of capital equal to 11.93%.
- the long-term growth rate 'g' with a value equal to 2.8% was calculated by weighting the long-term inflation rate estimated for each country (source: IMF - October 2024) by the impact of net revenue by destination market on total net revenue, in line with the terminal value calculation.

The Company also carried out a sensitivity analysis on the discount rate and royalty rate. Specifically, the discount rate and royalty rate that individually would make the recoverable value of the Guala Trademark equal to its carrying amount at 31 December 2024 are 16.36% and 1.51%, respectively.

Furthermore, an increase in the discount rate of 0.5% would lead to a reduction in the margin of €5.6 million, while a reduction in the royalty rate of 0.5% would result in a decrease in the margin of €3.5 million.

(30) Deferred tax assets and liabilities

The following table gives a breakdown of this item at 31 December 2024:

	Assets		Liabilities		Net Value	
(€'000)	31 December 2023	31 December 2024	31 December 2023	31 December 2024	31 December 2023	31 December 2024
Agents' termination indemnity	29	29	-	-	29	29
Allowance for inventory write-down	1,293	922	-	-	1,293	922
Provision for doubtful debts	149	353	-	-	149	353
Provision for damages and penalties	619	174	-	-	619	174
Depreciation and amortisation	148	136	(36,727)	(33,019)	(36,579)	(32,883)
Other	3,214	3,989	(194)	(273)	3,020	3,716
Prior year tax losses	30,602	30,072	-	-	30,602	30,072
ACE Deferred Allocation	2,470	2,718	-	-	2,470	2,718
Leases	49	47	-	-	49	47
Employee benefits	-	-	(113)	(113)	(113)	(113)
Derivatives	1,632	1,116	-	(1)	1,632	1,115
Total	**40,205**	**39,557**	**(37,035)**	**(33,406)**	**3,171**	**6,150**

The rates applied to calculate deferred tax assets and liabilities are as follows:

IRES: 24% - IRAP: 5,57%,

The IRAP rate was adjusted to reflect the fact that Guala Closures S.p.A., is an industrial holding company and the related tax regime applicable as of the date of approval of the 2024 financial statements, due to the carrying amount of the investments, which, following the revaluation carried out through the PPA procedure of the business combination of the 2018 corporate reorganisation, exceeds 50% of the company's assets.

It can be reasonably assumed that the 2024 financial year ended with a taxable income for IRES (corporate income tax) purposes of €6,724 thousand; however, due to the use of previous losses carried forward, domestic withholding taxes incurred and the use of tax credits for taxes paid abroad, there will be no tax to pay for IRES purposes.

(31) Other non-current assets

This item of **€2,186 thousand** relates to various tax assets. Of this amount €1,068 thousand are related to the transformation of ACE into an IRAP tax credit that can be used to offset IRAP in the next five years, while €1,118 thousand relates to the tax credit for new capital expenditures.

(32) Current and non-current financial liabilities

This section provides information on the contractual terms governing the company's bank overdrafts, borrowings and bonds.

Reference should be made to note 44) Fair value of financial instruments and sensitivity analysis for further information on the company's exposure to interest and currency risks.

'Bonds' refer to:

- 3¼% 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 15 June and 15 December of each year and will mature on 15 June, 2028. The 2028 Notes Indenture contains 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 Notes maturing in 2029 (the '**2029 Notes**') of €350 million in aggregate principal amount issued under an indenture among, *inter alios*, Guala Closures, U.S. Bank Trustees Limited, as trustee and security agent (the '**2029 Indenture**'). The proceeds of the 2029 Notes have been used to fund a distribution to the shareholder of Guala Closures, the purchase price for the acquisition of Yibin Fengyi Packaging Co., Ltd. ('Fengyi') and cash on financial statement for general corporate purposes (including to fund further bolt-on acquisitions), and to pay fees and expenditures associated thereto.
  The 2029 Notes bear interest at a rate equal to three-month EURIBOR (subject to a minimum threshold of 0%) plus 4.00% per annum, reset quarterly, payable in arrears on 15 December, 15 March, 15 June and 15 September, starting on 15 December 2023. In order to hedge its exposure to the 2029 Notes' floating interest rate, on 13 October 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 guaranteed by the intercreditor agreement between 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 relating to the entire principal amount of the 2029 Notes in order to hedge the Company's exposure to the variable interest rate payable on the Notes.
  Guala Closures has negotiated two different Zero Cost Collar derivatives, both expiring in October 2027, one for a notional amount of €175 million, tenor 4 years, cap 4%, floor 2.376% and one for a notional amount of €175 million, tenor 4 years, cap 4%, floor 2.380%.
  The 2029 Notes will mature on June 29, 2029. Prior to 13 October 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 13 October 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 Indenture.
  On June 20, 2024, Guala Closures issued €150 million in aggregate nominal amount of additional 2029 Notes (the **'Additional 2029 Bonds'**). The bonds were issued at an issue price of 100.500% and bear interest at a rate equal to the three-month EURIBOR (subject to a floor of 0%), with quarterly resets, plus 4.00% per annum. The Notes have the same terms 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 28 June, 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 2028 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) + 2.0%. This margin is equal to 2.5%.The 2027 RCF will expire 15 December 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.

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

Guala Closures is continuously evaluating and identifying opportunities for value-added bolt-on acquisitions and is currently actively evaluating a number of such opportunities. In parallel, Guala Closures is evaluating market conditions to potentially raise capital to finance such acquisitions and to refinance our existing debt and/or finance business activities and capital expenditures. To this end, Guala Closures may choose to find additional funding, depending on market conditions and other circumstances, in the near future.

The following table shows the details of the financing lines as at 31 December 2024:

Credit facilities	Total amount (thousands of EUR)	Available amount (thousands of EUR)	Amount used at 31 December, 2024	Residual available amount at 31 December, 2024	Repayment date
Bonds Guala Closures S.p.A. - Senior secured bonds maturing in 2028	500,000	500,000	500,000	-	final repayment 06/15/2028
Bonds Guala Closures S.p.A. - Senior secured bonds maturing in 2029	500,000	500,000	500,000	-	final repayment 06/29/2029
Revolving Credit Facility due 2027	175,000	175,000	-	175,000	final repayment 15/12/2027
Total	**1,175,000**	**1,175,000**	**1,000,000**	**175,000**	

Reference should be made to note 47) Commitments and guarantees for information on the financing.

Financial liabilities to third parties and to subsidiaries at 31 December 2023 and 31 December 2024 are shown below:

(€'000)	**31 December, 2023**	**31 December, 2024**
Bank overdrafts and current loans		
Bonds	1,889	2,149
Bank loans and borrowings	157	1,405
Other financial liabilities	4,516	18,691
	6,563	22,245
Non-current loans		
Bonds	827,079	976,691
Bank loans and borrowings	(1,954)	(509)
Other financial liabilities	12,520	20,339
	837,646	996,521
Total	**844,208**	**1,018,766**

The terms and expiry dates of the financial liabilities to third parties and to subsidiaries at 31 December 2023 and 31 December 2024, included in the statement of financial position as required by IAS 31, section 1.65, are shown below:

					Nominal amount			
					Current	Non-current		
(€'000)	Currency	Nominal interest rate	Year of maturity	Total 31 December 2023	Within 1 year	Between 1 to 5 years	More than 5 years	Non-current
Bonds								
Bonds - Senior Secured Notes by Guala Closures S.p.A.,	€	3.25%	2028	500,000	-	500,000	-	500,000
Interest on bonds	€	n.a.	2022	677	677	-	-	-
Transaction costs	€	n.a.	2028	(10,649)	-	(10,649)	-	(10,649)
TOT BOND SSN 2028 GUALA CLOSURES S.p.A.				**490,028**	**677**	**489,351**	**-**	**489,351**
Bonds - Senior Secured Notes by Guala Closures S.p.A.,	€	Euribor 3M + 4%	2029	350,000			350,000	350,000
Interest on bonds	€	n.a.	2023	1,212	1,212			-
Transaction costs	€	n.a.	2029	(12,272)			(12,272)	(12,272)
TOT BOND SSN 2029 GUALA CLOSURES S.p.A.				**338,940**	**1,212**		**337,728**	**337,728**
Bank loans and borrowings:								
Senior Revolving Facility - Guala Closures S.p.A.,	€	Euribor 3M + 1.75%	2027	-	-	-	-	-
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 expenditure - Guala Closures S.p.A..	€	n.a.	2023	157	157	-	-	-
TOTAL bank loans and borrowings				**(1,796)**	**157**	**(1,954)**	**-**	**(1,954)**
Other financial liabilities:								
Leases (IFRS 16)	€	n.a.	n.a.	2,937	754	2,183	-	2,183
Other liabilities (to Cortapedra S.r.l. : Acquisition of Labrenta S.r.l.)	€	n.a.	n.a.	14,057	3,720	10,337	-	10,377
Other	€	n.a.	n.a.	42	42			
Total other financial liabilities				**17,036**	**4,516**	**12,520**	**-**	**12,520**
TOTAL				**844,208**	**6,562**	**499,918**	**337,728**	**837,646**

					Nominal amount			
					Current	Non-current		
(€'000)	Currency	Nominal interest rate	Year of maturity	Total 31 December 2024	Within one year	Between 1 to 5 years	More than five years	Non-current
Bonds								
Bonds - Senior Secured Notes by Guala Closures S.p.A.,	€	3.25%	2028	500,000	-	500,000	-	500,000
Interest on bonds	€	n.a.	2024	677	677	-	-	-
Transaction costs	€	n.a.	2028	(8,412)	-	(8,412)	-	(8,412)
TOT BOND SSN 2028 GUALA CLOSURES S.p.A.				**492,265**	**677**	**491,588**	**-**	**491,588**
Bonds - Senior Secured Notes by Guala Closures S.p.A.,	€	Euribor 3M + 4%	2029	500,000	-	500,000	-	500,000
Interest on bonds	€	n.a.	2024	1,472	1,472	-	-	-
Transaction costs	€	n.a.	2029	(14,897)		(14,897)	-	(14,897)
TOT BOND SSN 2029 GUALA CLOSURES S.p.A.				**486,575**	**1,472**	**485,103**	**-**	**485,103**
Bank loans and borrowings:								
Transaction costs	€	n.a.	2027	(1,948)	-	(1,948)	-	(1,948)
Total Senior Revolving Credit Facility - Guala Closures S.p.A.,				**(1,948)**	**-**	**(1,948)**	**-**	**(1,948)**
Other accrued expenditure - Guala Closures S.p.A..	€	n.a.	2024	2,844	1,405	1,439	-	1,439
TOTAL bank loans and borrowings				**896**	**1,405**	**(509)**	**-**	**(509)**
Other financial liabilities:								
Leases (IFRS 16)	€	n.a.	n.a.	5,511	1,667	3,844	-	3,844
Other liabilities (to Cortapedra S.r.l. Acquisition of Labrenta S.r.l.)	€	n.a	n.a.	10,672	5,387	5,285	-	5,285
Deferred payment Guala Closures DGS Poland	€	n.a.	n.a.	11,210	-	11,210	-	11,210
Cash Pooling (subsidiaries)	€	n.a.	n.a.	11,221	11,221	-	-	-
Other	€	n.a.	n.a.	416	416	-	-	-
Total other financial liabilities				**39,030**	**18,691**	**20,339**	**-**	**20,339**
TOTAL				**1,018,766**	**22,245**	**996,521**	**-**	**996,521**

(33) Trade payables

Trade payables - third parties may be analysed as follows:

(€'000)	31 December 2023	31 December 2024
Suppliers	22,286	32,513
Advance payments	76	194
Total	**22,362**	**32,707**

The **trade payables** increased from €22,362 thousand in 2023 to **€32,707 thousand** in 2024, mainly driven by sales performance.

At 31 December 2024, trade payables due to third parties may be analysed by geographical segment as follows:

(€'000)	31 December 2023	31 December 2024
Europe	22,042	32,514
Rest of the world	320	193
Total	**22,362**	**32,707**

At 31 December 2024, trade payables may be analysed by original currency as follows:

(€'000)	EUR	USD	GBP	Other currencies	Total
Trade payables – third parties	32,092	486	107	23	**32,707**

Payables to related parties are amounts due to subsidiaries and may be analysed as follows:

(€'000)	31 December 2023	31 December 2024
Guala Closures Technologia Ukraine LLC	4,067	4,270
Guala Closures UK Ltd.	86	1,053
Guala Closures DGS Poland SA	118	975
GCL International Sarl	793	334
Guala Closures North America Inc.	147	285
Guala Closures France SAS	57	256
Guala Closures South Africa Pty Ltd.	-	212
Guala Closures Bulgaria AD	71	181
Guala Closures UCP Ltd.	154	181
Guala Closures Deutschland GmbH	57	159
Guala Closures Iberica S.A.	231	137
Guala Closures (India) Pvt Ltd.	64	65
Guala Closures Turkey A.S.	28	63
Guala Anacorks Unipessoal Lda.	-	46
Guala Closures do Brasil Ltda	9	19
Guala Closures Argentina SA	-	13
Guala Closures China	-	8
Guala Closures De Colombia Ltda	1	1
Guala Closures Mexico S.A. de C.V.	41	-
Total	**5,922**	**8,259**

At 31 December, 2024, payables due to subsidiaries may be analysed by geographical segment as follows:

(€'000)	**31 December 2023**	**31 December 2024**
Europe	5,633	7,593
Rest of the world	147	497
Asia	92	136
Latin America	50	33
Oceania	-	-
Total	**5,922**	**8,259**

At 31 December, 2024, receivables due from subsidiaries may be analysed by original currency as follows:

(€'000)	**EUR**	**USD**	**GBP**	**Other**	**Total**
Trade payables - subsidiaries	7,359	184	716	-	**8,259**

(34) Current direct tax liabilities

Tax liabilities for income tax equal to **€1,300 thousand** as of 31 December 2024 relating to IRES (corporate income tax).

(€'000)	**31 December 2023**	**31 December 2024**
Direct tax liabilities	2,329	1,300
Total	**2,329**	**1,300**

(35) Indirect tax liabilities

Current indirect tax liabilities of **€1,065 thousand** at 31 December 2024 relate to other indirect taxes.

The item may be analysed as follows:

(€'000)	**31 December 2023**	**31 December 2024**
Withholdings	832	908
Conai contribution	50	109
Substitute tax on post-employment benefits	240	48
Total	**1,122**	**1,065**

(36) Provisions

This item may be analysed as follows:

- *Current provisions*

(€'000)	31 December 2023	31 December 2024
Provision for returns	2,045	442
Provision for company reorganisations	2	102
Total current provisions	**2,047**	**544**

The **provision for risks** reflects the best estimate of the risks for future charges for possible customer claims at the reporting date.

- *Non-current Provisions*

(€'000)	31 December 2023	31 December 2024
Provision for legal disputes	57	514
Provision for agents' termination indemnity	174	195
Product Guarantee Clause Fund	-	34
Total non-current provisions	**231**	**743**

Changes in the provisions are as follows:

- *Current provisions*

(€'000)	31 December 2024
Opening current provisions	2,047
Allowance of the year	512
Utilization	(2,015)
Closing current provisions	**544**

- *Non-current Provisions*

(€'000)	31 December 2024
Opening non-current provisions	231
Allowance of the year	512
Utilization	-
Closing non-current provisions	**743**

(37) Derivative liabilities

As of 31 December 2024, derivative liabilities refer to €4,650 thousand to non-current hedging derivatives and zero Cost Collars derivatives entered into to hedge the exposure to the floating interest rate of floating rate bonds maturing in 2029.

(38) Other current liabilities

Other current liabilities refers to third for a total amount of **€25,945 thousand** and the item is composed as follows:

(€'000)	31 December 2023	31 December 2024
Other Payables	6,105	-
Amounts due to employees	6,590	3,848
Payables for non-recurring costs	4,143	12,515
Social security charges payable	3,266	2,446
Liabilities for capital expenditure	2,769	7,137
Total	**22,873**	**25,946**

Payables for non-recurring costs have increased from €4,143 thousand in 2023 to €12,515 thousand in 2024 mainly due to bond transaction costs.

(39) Other non-current liabilities

At 31 December 2024, **Other non-current liabilities** of **€13,188 thousand** mainly due to the MIP (Management Incentive Plan) for €12,937 thousand and a debt to employees for €251 thousand.

(40) Employee benefits

At 31 December 2024, this item refers to the post-employment benefits due to all company employees should they leave the company on that date,

The liability for post-employment benefits ('TFR' – Trattamento di fine rapporto) primarily relates to employee departures, determined using actuarial techniques and regulated by article 2120 of the Italian Civil Code, The benefit is paid when the employee leaves the company as a lump sum, the amount of which corresponds to the total benefits accrued during the employees' service period based on payroll costs as revalued until their departure, Following the pension reform, from 1 January 2007, accruing benefits have been transferred to a pension fund or a treasury fund held by Italy's social security institution (INPS). Companies with less than 50 employees can continue the scheme as in previous years. Therefore, contributions of future TFR to pension funds or the INPS treasury fund entails that these amounts will be treated as a defined contribution plan. Amounts vested before 1 January 2007 continue to be accounted for as defined benefits to be assessed based on actuarial assumptions.

The related liability is determined using actuarial assumptions and is stated on an accruals basis in line with the service required to obtain such benefits, These appraisals are performed by independent actuaries,

Actuarial gains and losses deriving from actuarial calculations at the reporting date are recognised in OCI.

Changes in post-employment benefits and the main assumptions used in their measurement are detailed below:

(€'000)	**31 December 2024**
Balance at 1 January 2024	2,740
Contribution from merger	597
Change recognized in profit or loss - other (income)/expenditure	98
Change in other components of comprehensive income	(53)
Benefits paid	(381)
Value as at 31 December 2024	**3,002**

Actuarial parameter baseline:

	31 December 2024
Average inflation rate	2.00% p.a.
Discount rate	2.93% p.a.
Annual rate of increase in post-employment benefits	3.00% p.a.

For valuations at 31 December 2024, an annual fixed discount rate of 2.00% was used based on the value of Iboxx indexes AA corporate bonds 7 -10 year duration at the valuation date, as per the requirements of IAS 19.

The Company expects to pay around €0.4 million of benefits to its defined benefit plan in 2025.

Sensitivity analysis:

The reasonably possible changes in the assumptions at the reporting date shown in the following table, assuming that all the other variables remain unchanged, would have had the following effects on the TFR of Guala Closures S.p.A. as of 31 December 2024:

	Defined benefit obligation	
	Increase	**Decrease**
Turnover rate (1% variation)	5	(5)
Average inflation rate (0.25% movement)	30	(30)
Discount rate (0.25% movement)	(47)	48

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

(41) Equity

The paid-up and subscribed share capital of Guala Closures S.p.A., at 31 December 2024 remained unchanged compared to 31 December 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 the Group has access to external sources of financing at 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.

More information is available in the director's report section 2.1) Significant events during the year.

Restrictions to the distribution of equity reserves at 31 December 2024 are set out below:

(€'000)	Total amount	Available amount	Unavailable amount		*Restriction*
Share capital	68,907		68,907		Share
Premium reserve	388,341	387,271	1,069	(1)	Equity-related reserve
Legal reserve	13,781		13,781		Income-related reserve
Other reserves	14,220	3,948	4,392	(2)	Equity-related reserve
Hedging reserve	(3,531)		(3,531)		Income-related reserve
Losses carried forward	125		125		Income-related reserve
Operating loss	(5,880)				Operating loss
Total	**475,962**	**391,219**	**84,743**		

(1) The amount of €1,069 thousand in the Share premium reserve is non-distributable against the residual value of development costs to be amortised as of 31 December 2024.

(2) The amount of €861 thousand in Other non-distributable reserves refers to the reserve from unrealised exchange rate gains.

(42) Repurchase of own shares

No repurchases had taken place at the reporting date.

(43) Notes to the statement of cash flows

The following is a reconciliation of liabilities arising from financing activities for the year ended 31 December 2024:

(€'000)	
Total liabilities from financing activities at 1 January 2024	**844,208**
Contribution from merger – Labrenta financial liabilities	**4,796**
Contribution from merger – Labrenta IFRS 16	**3,044**
Cash effect (*)	
Proceeds from new borrowings and bonds	149,784
Repayment of borrowings and bonds	(2,190)
Repayment of finance leases	(2,003)
Interests paid	(49,991)
Transaction costs paid for the issue of the new bond loans and Revolving Credit Facility	(3,622)
Cash Pooling (subsidiaries)	11,221
Deferred payment Labrenta S.r.l.	(2,233)
Non- Cash effect	
Interest and other financial expenditure	52,488
Transaction costs for the issue of new bonds	(1,441)
Transaction amortisation costs	4,897
Deferred payment Minority share Poland	11,210
Purchase price adjustment for Labrenta S.r.l.	(1,377)
Other movements	(25)
Total liabilities from financing activities at 31 December 2024	**1,018,767**

(*) In relation to the cash effect, reference should be made to the statement of cash flows

Other information

(44) Fair value of financial instruments and sensitivity analysis

(a) Accounting classifications and fair values

The following tables show the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, at 31 December, 2023 and 31 December 2024. They do not include fair value information for financial assets and financial liabilities not measured at fair value as their carrying amount is a reasonable approximation of fair value, There were no movements from one level to another in 2024.

31 December 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 measured at fair value										
Aluminium derivatives held for trading	22		-			-		-		-
		-	-	-	-	-	-	-	-	-
Financial assets not measured at fair value (*)										
Trade receivables - third parties	18			12.025	-	**12,025**	-	-	-	-
Trade receivables - related parties	18			44,546	-	**44,546**	-	-	-	-
Financial assets - related parties	17			295,888	-	**295,888**	-	279,592	-	**279,592**
Cash and cash equivalents	16			79,888	-	**79,888**	-	-	-	-
Financial assets - third parties	17			119	-	**119**	-	-	-	-
		-	-	**432,466**	-	**432,466**	-	**279,592**	-	**279,592**
Financial liabilities measured at fair value				-	-	-	-	-	-	-
MIP	9	(7,674)		-	-	**(7,674)**	-	-	(7,674)	**(7,674)**
Aluminium derivatives used for trading	37			-	-	-	-	-	-	-
		(7,674)	-	-	-	**(7,674)**	-	-	**(7,674)**	**(7,674)**
Financial liabilities not measured at fair value (*)				-	-	-	-	-	-	-
Financial liabilities not measured at fair value (*)				-	-	-	-	-	-	-
Secured bank loans	32			-	-	-	-	-	-	-
Secured bank loans				-	-	-	-	-	-	-
Secured bond issues	32			-	(827,079)	**(827,079)**	-	(808,945)	-	**(808,945)**
Secured bond issues				-	-	-	-	-	-	-
Lease liabilities (IFRS 16)	32			-	(2,937)	**(2,937)**	-	-	-	-
Other liabilities (to Cortapedra srl: Acquisition Labrenta Srl)	32			-	(14,057)	**(14,057)**	-	-	-	-
Trade payables - third parties	33			-	(22,362)	**(22,362)**	-	-	-	-
Trade payables - related parties	33			-	(5,922)	**(5,922)**	-	-	-	-
		-	-	-	**(872,357)**	**(872,357)**	-	**(808,945)**	-	**(808,945)**

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

31 December 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 measured at fair value										
Aluminium derivatives held for trading	22		3			-		-		-
		-	3	-	-	-	-	-	-	-
Financial assets not measured at fair value (*)										
Trade receivables - third parties	18			18,756	-	18,756	-	-	-	-
Trade receivables - related parties	18			56,933	-	56,933	-	-	-	-
Financial assets - related parties	17			312,338	-	312,338	-		-	-
Cash and cash equivalents	16			68,804	-	68,804	-	-	-	-
Financial assets - third parties	17			135	-	135	-	-	-	-
		-	-	**456,967**	-	**456,967**	-	-	-	-
Financial liabilities measured at fair value										
Derivati IRS Hedging	37		(4,650)	-	-	(4,650)	-	(4,650)	-	(4,650)
MIP (Management Incentive Plan)	39	(11,937)				(11,937)			(11,937)	(11,937)
Aluminium derivatives used for trading	37			-	-	-	-	-	-	-
		(11,937)	(4,650)	-	-	(16,587)	-	(4,650)	(11,937)	(16,587)
Financial liabilities not measured at fair value (*)										
Secured bank loans	32			-	(896)	(896)	-	(896)	-	(896)
Secured bond issues	32			-	(978,840)	(978,840)	-	(974,268)	-	(974,268)
Lease liabilities (IFRS 16)	32			-	(5,511)	(5,511)	-	-	-	-
Cash Pooling (subsidiaries)	32			-	(11,221)	(11,221)	-	-	-	-
Other liabilities (to Cortapedra srl: Acquisition Labrenta Srl)	32			-	(10,672)	(10,672)	-	-	-	-
Deferred Payment Guala Closures DGS Poland	32			-	(11,210)	(11,210)	-	-	-	-
Other financial liabilities	32			-	(416)	(416)	-	-	-	-
Trade payables - third parties	33			-	(32,707)	(32,707)	-	-	-	-
Trade payables - related parties	33			-	(8,259)	(8,259)	-	-	-	-
		-	-	-	**(1,059,732)**	**(1,059,732)**	-	**(975,164)**	-	**(975,164)**

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

(b) Measurement of fair values

(iii) Valuation techniques and significant unobservable inputs

Level 1

There are no financial instruments classified at level 1 at year end.

Level 2

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

Financial instruments measured and not measured at fair value

Type	Valuation technique	Significant unobservable inputs
Secured bond issues Finance lease liabilities Financial assets	Discounted cash flows	Non applicable
Aluminium derivatives held for trading	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	Non applicable

Even though secured bond issues are quoted on the OTC market like the Euro-MTF 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 contracts entered into by the Company are forward contracts or currency options used to hedge exposure to aluminium in the purchase of raw materials, as well as Zero Cost Collar derivatives. Both have a maturity date of October 2027. One contract has a notional amount of €175 million, a tenor of 4 years, a cap of 4%, and a floor of 2.376%. The other has a notional amount of €175 million, a tenor of 4 years, a cap of 4%, and a floor of 2.380%. All derivative contracts were designated as hedging relationships in 2024.

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
MIP (Management Incentive Plan)	Average of the results from the following methods: • Monte Carlo: the value of the shares was estimated based on the projections of 100,000 different scenarios; • Binomial: the binomial method was applied by developing 400 scenarios over the selected maturity horizon, proceeding backward from the end to the beginning to assess, at each scenario, whether exercising is profitable.	• Share price • Discount rate • Maturity 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 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.

- ***Level 3 fair values***

Reconciliation of Level 3 fair values

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

(€'000)	
31 December 2023	7,674
MIP (Management Incentive Plan) - Net Fair Value (loss)	4,263
Balance at 31 December 2024	**11,937**

(c) Financial risk management

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

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

The board of directors has overall responsibility for establishing and monitoring the company's risk management system.

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.

Credit risk

This is the risk that a customer or the counterparty to a financial instrument is unable to meet an obligation, leading to a financial loss, it arises mainly in relation to trade receivables and financial investments.

The company's exposure to credit risk depends largely on each customer's specific characteristics, The demographics of the company's customer portfolio, including the segment insolvency risk and country risk, have an impact on the credit risk.

The company accrues a loss allowance equal to estimated losses on trade and other loans and receivables, It comprises both the recognition of impairment losses for material individual amounts and the recognition of collective impairment losses for similar Groups of assets to cover losses already incurred but not identified, The collective impairment losses are calculated on the basis of historical payment statistics.

The Company's trade receivables are mainly due from leading players in the alcoholic and non-alcoholic beverage market; the Company has long-standing business relationships with most of its customers. The company's historical figures indicate a very modest amount of impairment losses, The risk is fully covered by the corresponding loss allowance recognised in the separate financial statements.

There are no cases of particularly concentrated credit risk in geographical terms.

At 31 December 2024, trade receivables - third parties may be analysed by geographical segment as follows:

(€'000)	**31 December 2023**	**31 December 2024**
Europe	11,454	16,858
Latin America	328	761
Asia	562	626
Rest of the world	638	1,843
Total	**12,981**	**20,088**

At 31 December 2024, trade receivables - third parties may be analysed by due date as follows:

(€'000)	**Gross amount 31 December 2024**	**Impairment loss 31 December 2024**	**Net Value 31 December 2024**
Not yet due	16,806	-	16,806
0-30 days past due	981	-	981
31-90 days past due	759	-	759
After 90 days	1,542	(1,332)	210
Total	**20,088**	**(1,332)**	**18,756**

The Company believes that the unimpaired amounts that are past due by more than 90 days are still collectible, based on historical payment behaviour and extensive analyses of the underlying customers' credit ratings. Based on historical default rates, the company believes that, apart from the above, no loss allowance is necessary in respect of trade receivables not yet due or past due by up to 90 days.

At 31 December 2024, trade receivables - third parties may be analysed by original currency as follows:

(€'000)	**EUR**	**USD**	**NOK**	**Total**
Trade receivables	16,851	1,843	62	**18,756**

An analysis of the credit quality of trade receivables - subsidiaries is as follows:

(€'000)	31 December 2024
- Four or more years' trading history with the company	56,498
- From four to one years' trading history with the company	435
- Less than one year' trading history with the company	-
Total	**56,933**

At 31 December 2024, receivables due from subsidiaries may be analysed by geographical segment as follows:

(€'000)	31 December 2023	31 December 2024
Europe	26,275	35,921
Latin America	11,082	14,231
Asia	2,235	1,075
Oceania	786	812
Rest of the world	4,169	4,894
Total	**44,546**	**56,933**

At 31 December 2024, receivables due from subsidiaries may be analysed by due date as follows:

(€'000)	Gross amount 31 December 2024	Impairment loss 31 December 2024	31 December 2024
Not yet due	16,122		12,463
0-30 days past due	11,125	-	11,125
31-90 days past due	9,350	-	9,350
After 90 days	22,461	(2,125)	20,336
Total	**59,058**	**(2,125)**	**56,933**

The Company applies interest on arrears equal to the 3-month Euribor (zero floor) plus a spread of 2% to overdue amounts due from subsidiaries, and the payment schedule is dictated by the payment management dynamics within the Group.

At 31 December 2024, receivables due from subsidiaries may be analysed by original currency as follows:

(€'000)	€	USD	GBP	Total
Trade receivables - subsidiaries	48,064	1,995	6,874	**56,933**

Liquidity risk

This risk regards the company's ability to meet its obligations arising from financial liabilities.

The Company's approach to liquidity management is to ensure adequate funds are always available to cover its obligations at the expiry dates, both in normal conditions and at times of financial difficulty, without incurring borrowing expenditure at terms higher than market conditions.

The Company generally ensures there is sufficient cash and cash equivalents to cover forecast short-term operating expenditures, including those related to financial liabilities, Contingent effects arising from extreme situations that cannot reasonably be forecast, such as natural disasters, are excluded from the above. The aim of the financing strategy is to maintain a well-balanced maturity profile for liabilities to thereby reduce the refinancing risk, Historically, the company has always met its obligations on time and has been able to re-finance the indebtedness in advance before it expires.

At the reporting date, the company has the loans, credit lines and facilities shown in the tables in note 32) Current and non-current financial liabilities to which reference should be made for additional information.

Exposure to liquidity risk

The following are the outstanding contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements:

		Contractual cash flow			
(€'000)	**Carrying amount**	**Within one year**	**Between one to 5 years**	**After 5 years**	**Total contractual cash flows**
Non-derivative financial liabilities					
Secured bank loans	2,844	(1,405)	(1,439)	-	(2,844)
Senior Revolving Credit Facility	(1,948)	-	-	-	-
Secured bond issues	978,840	(47,492)	(1,148,951)	-	(1,196,443)
Finance lease liabilities	5,511	(1,667)	(3,844)	-	(5,511)
Other liabilities to Cortapedra S.r.l. for Labrenta S.r.l. acquisition)	10,672	(5,387)	(5,285)	-	(10,672)
Deferred Payment Guala Closures DGS Poland	11,210	-	(11,210)	-	(11,210)
Cash Pooling (subsidiaries)	11,221	(11,221)	-	-	(11,221)
Other financial liabilities	416	(416)	-	-	(416)
Trade payables – third parties	32,707	(32,707)	-	-	(32,707)
Trade payables – related parties	8,259	(8,259)	-	-	(8,259)
Total	**1,059,732**	**(108,554)**	**(1,170,729)**	**-**	**(1,278,732)**
Derivative financial liabilities					
Interest rate swap hedging	4,650	-	(4,650)	-	(4,650)
Total	**4,650**	**-**	**(4,650)**	**-**	**(4,650)**

The interest payments on variable interest rate loans and bond issues in the table above and included in contractual cash flows reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change. The future cash flows from the contingent consideration may be different from the amounts in the above table as interest rates and exchange rates or the relevant conditions underlying the payment of contingent consideration change.

Except as previously reported, it is not expected that the cash flows included in the maturity analysis will materialise significantly earlier, or at significantly different amounts.

Interest rate risk

Interest rate risk relates to volatility of the market rates which determine the interest expenditure paid on outstanding loans.

The Company is exposed to interest rate risk since part of its outstanding financial liabilities provides for the payment of financial charges based on variable rates subject to short-term repricing.

Effective interest rate and repricing analysis

The following table shows the effective interest rate at the reporting date and for the period in which the related rate may be reviewed for interest-bearing financial assets and liabilities.

(€'000)	Effective interest rate - December 2024	Total 12/31/24	Up to 6 months	6 - 12 months	1 - 2 years	2 - 5 years	After 5 years
Bonds							
Bonds - Senior Secured Notes due in 2028 issued by Guala Closures S.p.A.	3.25%	500,000	500,000	-	-	-	-
Bonds - Senior Secured Notes due in 2029 issued by Guala Closures S.p.A.	Euribor 3M + 4%	500,000	500,000	-	-	-	-
Accrued interest and deferred income Guala (interests on bond)	n.a.	2,149	2,149	-	-	-	-
Transaction costs	n.a.	(23,309)	(23,309)	-	-	-	-
TOTAL Bonds		**978,840**	**978,840**	-	-	-	-
Bank loans and borrowings:							
Revolving Credit Facility	Euribor 3M + 2.5%	-	-	-	-	-	-
Transaction costs	n.a.	(1,948)	(1,948)	-	-	-	-
Accrued expenditures and deferred income	n.a.	239	239	-	-	-	-
Financial liabilities of Labrenta S.r.l.		2,605	2,605	-	-	-	-
Total bank loans and borrowings		**896**	**896**	-	-	-	-
Other financial liabilities:							
Finance leases	n.a.	5,511	5,511	-	-	-	-
Cortapedra S.r.l.: Acquisition of Labrenta S.r.l.)	n.a.	10,672	10,672	-	-	-	-
Deferred Payment Guala Closures DGS Poland	n.a.	11,210	11,210	-	-	-	-
Cash Pooling (subsidiaries)	n.a.	11,221	11,221	-	-	-	-
Other liabilities	n.a.	416	416	-	-	-	-
Total other financial liabilities		**39,030**	**39,030**	-	-	-	-
Total		**1,018,766**	**1,018,766**	-	-	-	-

Sensitivity analysis

The fair value of financial liabilities was calculated by an external actuary using the following methodology:

- the cash flows generated by the outstanding liabilities are identified both in terms of interest and principal, These cash flows are calculated with reference to the interest rates and the related repayment plan;

- the individual cash flows are discounted using risk-free rates ruling on the measurement date; these rates are deducted from the swap rates using the bootstrap method for each expiry date of the corresponding cash flow based on the resulting time curve;

- furthermore, the individual cash flows are discounted using an additional rate, based on the company's credit standing, calculated as the weighted average of the spreads applied to the different financing agreements, The spreads applied to the financing agreements are deemed to objectively represent the company's credit standing and subsequent significant changes should not arise given its current financial position.

Senior Secured bonds accrue interest at a fixed rate. The Senior Revolving Credit Facility had not been utilised as at 31 December 2024 and, therefore, no sensitivity analysis needs to be carried out for the cash flows of these financial liabilities.

The interest rate applied to the Floating Rate Senior Secured Notes is variable: the following table shows the variation in the event of a change in the interest rate:

		+100 *bps*	**-100 *bps***
Floating rate bonds maturing in 2029	Euribor 3M (floor 0%) + 4%.	(17,429)	15,956

The following table shows the sensitivity analysis for the cash flows from these financial liabilities and the related hedging derivatives at 31 December 2024:

(€'000)	**Increase of 100bp**	**Decrease of 100bp**
Intercompany loan Guala Closures International B.V.	(2,744)	2,704
Intercompany loan Guala Closures UCP Ltd,	(291)	302
Intercompany loan Guala Closures Argentina S.A.	(14)	14
Intercompany loan Guala Closures East Africa Ltd	(13)	13
Intercompany loan Guala Closures UK Ltd,	(487)	511
Sensitivity of cash flows (net)	**(3,549)**	**3,544**

The following methodology is used to perform the sensitivity analyses: a change is assumed in the interest rate used to calculate the interest (+/- 100 basis points), which indicates the change in the overall liability, Accordingly, negative amounts indicate an increase in the fair value of the liability and vice versa for positive amounts.

Currency risk

This risk relates to the effect of fluctuations in exchange rates on sales and purchases in currencies other than the functional currency of the company.

The company is exposed to currency risk, particularly in relation to fluctuations of the pound sterling and US dollar,

Interest on loans is denominated in the currency of the cash flows generated by the company's underlying transactions.

The risk of exchange fluctuations was managed in the past using currency hedges when significant differences were noted between cost and revenue in foreign currency and such differences were hedged through the forward purchase or sale of foreign currency. At 31 December 2024, there weren't contracts hedging trade receivables in any currency.

Sensitivity analysis

The appreciation of the Euro, as indicated below, against the USD and the GBP at 31 December 2024 would have increased (decreased) equity and profit or loss by the amounts shown below. The analysis is based on the variations in the exchange rates considered reasonably possible at the end of the financial year and assumes that all the other variables, in particular interest rates, remain unchanged, without considering the effects of forecast sales and purchases. The analysis was performed on the same basis, though taking into account different changes in exchange rates deemed reasonably possible, as indicated below.

	Strengthening		Weakening	
2024	**Assets**	**Profit or loss**	**Liabilities**	**Profit or loss**
USD (10% change)	398	398	(326)	(326)
GBP (10% change)	6,671	6,671	(5,458)	(5,458)
AUD (10% change)	-	-	-	-

Other price risk

As a result of the nature of its activities, the company is exposed to the risk of fluctuations in the purchase price of raw materials, particularly plastics and aluminium.

The risk of fluctuations in the purchase price of plastics has not been hedged as these raw materials were not listed on international markets.

45) Related party transactions

Reference should be made to the following notes to the separate financial statements for information on relationships with subsidiaries: 4) Net revenue; 5) Other operating income; 7) Costs for raw materials; 8) Costs for services; 9) Personnel expenditure; 11) Financial income; 12) Financial expenditure, 13) Income from equity investments, 17) Current and non-current financial assets; 18) Trade receivables; 23) Other current assets and 33) Trade payables.

Transactions with the key management personnel are set out below:

	Costs registered in the period									
	Fees for positions	Incentives	Remuneration for employment	Accrual for TFR and other supplementary pension funds	Non-Cash benefits	Other benefits	**Total**	TFR debt at 31 December 2024	Other liabilities at 31 December 2024	Cash flows for the financial year
Total directors/key managers	1,128	1,455	568	40	8	1,990	**5,188**	-	7,213	3,986

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.

The Group has share-based long-term incentive plan for certain members of management and other key employees and talents, The share-based payment plans of the Group are settled in cash and provide for the conditional right of the Beneficiaries to receive payment upon the exit of the current sole shareholder of the Guala Closures Group or, in the event of a new listing on the stock exchange, and the benefit is based on the capital gain (the share allocated to the Beneficiaries is estimated at 2% to 7% of the capital gain) that the sole shareholder will realise, subject to the requirement to work for five years (each year provides for the vesting of 1/5 of the plan), upon the occurrence of a minimum realised capital gain.

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.

(46) Contingent liabilities

At the date of publication of these separate financial statements, there were no significant contingent liabilities in relation to which the company can currently foresee future expenditure.

(47) Commitments and guarantees

The Company's commitments and guarantees at 31 December 2024 are as follows:

- Pledge over the Guala Closures International B.V. shares held by Guala Closures S.p.A..

The other commitments of the company at 31 December 2024 are as follows:

(€'000)	**31 December 2024**
Third parties assets held by the company	7,998

(48) Grants, subsidies, economic benefits received

Information pursuant to article 1,125 of Law no, 124 of 4 August 2017

Paragraphs 125, 127 – Grants, contributions and economic benefits received

During the year, the Company received the following grants, contributions, remunerated assignments and economic benefits from the public administrations and the parties covered by the first sentence of paragraph 125 of article 1 of Italian Law No. 124/2017:

- Social security contribution relief for employment in disadvantaged areas – 'Decontribuzione Sud' (July 1 – December 31, 2022) – Article 1, paragraphs 161–168 of Law 178/2020, for the amount of €100,527.

Paragraphs 126, 127 – Grants, contributions and economic benefits granted

During the year, the company did not enter into any deeds for grants, contributions, subsidies and economic benefits to natural persons and public and private bodies.

(49) Statutory auditors' fees

The statutory auditors' fees are as follows:

(€/000)	Costs recognised in the year		Payables at 31 December 2024	Cash flows for the financial year
	Fees for positions	Total		
Total - statutory auditors	130	130	130	130

(50) Events after the reporting period

There are no significant events to report after the end of the financial year.

(51) Proposal of the board of directors to the shareholders

On the basis of the above, it is proposed to the shareholders that the loss for the year, totalling €5,880,302.93, be covered through the partial use of the extraordinary reserve.

On behalf of the board of directors
Managing Director
Andrea Lodetti
(signed on the original)

26 March 2025

Annexes to the separate financial statements of Guala Closures S.p.A.

Annex A)

List of investments in indirectly controlled subsidiaries at 31 December 2024

ANNEX A)

List of investments in indirectly controlled subsidiaries at 31 December 2024

	Registered office	Currency	Share/quota capital	Investment percentage
EUROPE				
Anacorks Unipessoal Lda	Portugal	EUR	37,000	100%
Guala Closures International B.V.	The Netherlands	EUR	92,000	100%
GCL International S.à r.l.	Luxembourg	EUR	15,140,700	100%
Guala Closures UK Ltd.	United Kingdom	GBP	134,000	100%
Guala Closures UCP Ltd.	United Kingdom	GBP	3,509,000	100%
Guala Closures Iberica S.A.	Spain	EUR	9,879,980	100%
Guala Closures France SAS	France	EUR	2,748,000	100%
Guala Closures Technologia Ukraine LLC	Ukraine	UAH	90,000,000	70%
Guala Closures Bulgaria A.D.	Bulgaria	BGN	6,252,120	100%
Guala Closures DGS Poland S.A.	Poland	PLN	595,000	100%
Guala Closures BY LLC	Belarus	BYN	1,158,800	100%
Guala Closures Deutschland GmbH	Germany	EUR	500,000	100%
Guala Closures Turkey Ambalaj ve Kapak Sistemleri Sanayi ve Ticaret Anonim Şirketi	Turkey	TRY	11,000,000	100%
Astir Vitogiannis Bors S.A.	Greece	EUR	1,003,200	100%
ASIA				
Guala Closures India pvt Ltd.	India	INR	170,000,000	95%
Guala Closures (Chengdu) Co. Ltd.	China	CNY	31,199,770	70%
Fengyi Guala Closures (Sichuan) Co Ltd	China	CNY	21,857,140	70%
Yibin Guanghua Packaging Co. Ltd.	China	CNY	5,000,000	70%
Guizhou Fengyi Packaging Co Ltd	China	CNY	10,000,000	70%
Sichuan Fengyi Cap Production Co Ltd	China	CNY	10,000,000	70%
LATIN AMERICA and NORTH AMERICA				
Guala Closures Mexico, S.A. de C.V.	Mexico	MXN	94,630,010	100%
Guala Closures Argentina S.A. (*)	Argentina	ARS	498,960,489	100%
Guala Closures do Brasil Ltda	Brasil	BRL	10,736,290	100%
Guala Closures de Colombia LTDA	Colombia	COP	8,691,219,554	93.2%
Guala Closures Chile S.p.A.	Chile	CLP	6,504,935,369	100%
Guala Closures North America Inc.	United States	USD	60,000	100%
Labrenta Inc.	United States	USD	10,000	100%
Labrenta S.A. de C.V.	Mexico	MXN	3,791,970	100%
OCEANIA				
Guala Closures New Zealand Ltd.	New Zealand	NZD	5,700,000	100%
Guala Closures Australia Holdings Pty Ltd.	Australia	AUD	34,450,501	100%
Guala Closures Australia Pty Ltd.	Australia	AUD	810	100%
AFRICA				
Guala Closures South Africa Pty Ltd.	South Africa	ZAR	60,000,100	100%
Guala Closures East Africa Pty Ltd.	Kenya	KES	30,300,000	100%
Guala Closures West Africa LFZE	Nigeria	USD	100,000	100%
Coleus Packaging Pty Ltd.	South Africa	ZAR	1,501,000	75%

* The share capital reported for Guala Closures Argentina S.A. represents the nominal value and does not include the revaluation for inflation

Independent auditor's report

in accordance with article 14 of Legislative Decree No. 39 of 27 January 2010

To the sole shareholder of Guala Closures SpA

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Guala Closures Group (the Group), which comprise the consolidated statement of financial position as of 31 December 2024, the consolidated statement of profit (loss), the consolidated statement of profit (loss) and other comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as of 31 December 2024, and of the result of its operations and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of this report. We are independent of ABC SpA pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Directors and the Board of Statutory Auditors for the Consolidated Financial Statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Group's ability to continue as a going concern and, in preparing the consolidated financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the consolidated financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate ABC SpA or to cease operations, or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- We concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- We evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- We obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion on the consolidated financial statements.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

Report on Compliance with other Laws and Regulations

Opinions and statement in accordance with article 14, paragraph 2, letters e), e-bis) and e-ter) of Legislative Decree No. 39/10

The directors of Guala Closures SpA are responsible for preparing a report on operations of Guala Closures Group as of 31 December 2024, including its consistency with the relevant financial statements and its compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) No. 720B in order to:

- express an opinion on the consistency of the report on operations with the financial statements;
- express an opinion on the compliance with the law of the report on operations;
- issue a statement on material misstatements, if any, in the report on operations.

In our opinion, the report on operations is consistent with the consolidated financial statements of Guala Closures Group as of 31 December 2024.

Moreover, in our opinion, the report on operation is prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree No. 39/10, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Milano, 11 April 2025

PricewaterhouseCoopers SpA

Signed by

Adriano Antonini
(Revisore legale)

This report has been translated into English from the Italian original solely for the convenience of international readers

Independent auditor's report

in accordance with article 14 of Legislative Decree No. 39 of 27 January 2010

To the sole shareholder of Guala Closures SpA

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Guala Closures SpA (the Company), which comprise the statement of financial position as of 31 December 2024, the statement of profit (loss), the statement of profit (loss) and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the separate financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of 31 December 2024, and of the result of its operations and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of this report. We are independent of the Company pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Directors and the Board of Statutory Auditors for the Financial Statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Company's ability to continue as a going concern and, in preparing the financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised our professional judgement and maintained professional skepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- We concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- We evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

Report on Compliance with other Laws and Regulations

Opinions and statement in accordance with article 14, paragraph 2, letters e), e-bis) and e-ter) of Legislative Decree No. 39/10

The directors of Guala Closures SpA are responsible for preparing a report on operations of Guala Closures SpA as of 31 December 2024, including its consistency with the relevant financial statements and its compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) No. 720B in order to:

- express an opinion on the consistency of the report on operations with the financial statements;
- express an opinion on the compliance with the law of the report on operations;
- issue a statement on material misstatements, if any, in the report on operations.

In our opinion, the report on operations is consistent with the financial statements of Guala Closures SpA as of 31 December 2024.

Moreover, in our opinion, the report on operation is prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree No. 39/10, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Milano, 11 April 2025

PricewaterhouseCoopers SpA

Signed by

Adriano Antonini
(Revisore legale)

This report has been translated into English from the Italian original solely for the convenience of international readers

RELAZIONE DEL COLLEGIO SINDACALE ALL'ASSEMBLEA DELL'AZIONISTA UNICO IN OCCASIONE DELL'APPROVAZIONE DEL BILANCIO DI ESERCIZIO CHIUSO AL 31 DICEMBRE 2024 REDATTA AI SENSI DELL'ART. 2429, CO. 2, C.C.

All'Azionista Unico della società Guala Closures S.p.A. (la "Società")

Con delibera assembleare del 29 aprile 2024, lo scrivente Collegio Sindacale è stato riconfermato nell'incarico, con scadenza fino all'approvazione del bilancio al 31 dicembre 2026.

Nel corso dell'esercizio chiuso al 31 dicembre 2024 la nostra attività è stata ispirata alle disposizioni di legge e alle Norme di comportamento del Collegio Sindacale di società non quotate emanate dal Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili.

Di tale attività e dei risultati conseguiti La portiamo a conoscenza con la presente relazione.

È stato sottoposto al Suo esame il bilancio d'esercizio della Guala Closures S.p.A. al 31.12.2024, redatto in conformità agli *International Financial Reporting Standards (IFRS)* adottati dall'Unione Europea, che evidenzia una perdita d'esercizio di euro 5.880.303. Il bilancio è stato messo a nostra disposizione nel termine di legge.

Il Collegio Sindacale, non essendo incaricato della revisione legale, ha svolto sul bilancio le attività di vigilanza previste nella Norma 3.8. delle "Norme di comportamento del Collegio Sindacale di società non quotate" consistenti in un controllo sintetico complessivo volto a verificare che il bilancio sia stato correttamente redatto. La verifica della rispondenza ai dati contabili spetta, infatti, all'incaricato della revisione legale.

Il soggetto incaricato della revisione legale dei conti PricewaterhouseCoopers S.p.A. ci ha

REPORT OF THE BOARD OF STATUTORY AUDITORS TO THE SOLE SHAREHOLDER'S MEETING FOR THE APPROVAL OF THE FINANCIAL STATEMENTS ENDED DECEMBER 31, 2024 DRAWN UP PURSUANT TO ARTICLE 2429, PARAGRAPH 2 OF THE ITALIAN CIVIL CODE

To the Sole Shareholder of the company Guala Closures S.p.A. (the "Company")

By resolution of the Sole Shareholder's Meeting of April 29, 2024, the undersigned Board of Statutory Auditors was reconfirmed in the office, until the approval of the financial statements as at December 31, 2026.

During the year ended December 31, 2024 our activity has been inspired by the provisions of the law and the Rules of Conduct of the Board of Statutory Auditors of unlisted companies issued by the National Council of Chartered Accountants and Accounting Experts.

We bring you to the attention of this activity and the results achieved with this report.

The financial statements of Guala Closures S.p.A. as at 12.31.2024, prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union, which show a loss of euro 5,880,303, have been submitted for your examination. The financial statements have been made available to us within the legal term.

The Board of Statutory Auditors, not being responsible for the statutory audit, carried out on the financial statements the supervisory activities provided for in Rule 3.8 of the "Rules of conduct of the Board of Statutory Auditors of unlisted companies" consisting of an overall synthetic control aimed at verifying that the financial statements have been correctly drawn up. The verification of compliance with accounting data is, in fact, the responsibility of the firm in charge of the statutory audit.

The firm in charge of the statutory audit PricewaterhouseCoopers S.p.A. has delivered to us consegnato la propria relazione datata 11 aprile 2025 contenente un giudizio senza modifica.

Pertanto, da quanto riportato nella relazione del soggetto incaricato della revisione legale il bilancio d'esercizio al 31.12.2024 rappresenta in modo veritiero e corretto la situazione patrimoniale e finanziaria, il risultato economico e i flussi di cassa della Sua Società ed è stato redatto in conformità alla normativa che ne disciplina la redazione.

1) **Attività di vigilanza ai sensi degli artt. 2403 e ss. c.c.**

Abbiamo vigilato sull'osservanza della legge e dello statuto, sul rispetto dei principi di corretta amministrazione e, in particolare, sull'adeguatezza dell'assetto organizzativo, amministrativo e contabile adottato dalla Società e sul suo concreto funzionamento.

Abbiamo partecipato alle Assemblee dell'Azionista Unico e alle riunioni del Consiglio di Amministrazione e, sulla base delle informazioni disponibili, non abbiamo rilievi particolari da segnalare.

Abbiamo acquisito dall'Organo di amministrazione con adeguato anticipo e anche durante le riunioni svolte, informazioni sul generale andamento della gestione e sulla sua prevedibile evoluzione, nonché sulle operazioni di maggiore rilievo, per le loro dimensioni o caratteristiche, effettuate dalla Società e dalle sue controllate e, in base alle informazioni acquisite, non abbiamo osservazioni particolari da riferire.
Per una descrizione dettagliata degli eventi significativi occorsi nell'esercizio riferiti alla Società e al Gruppo, si rimanda a quanto riportato nelle note esplicative al bilancio d'esercizio e al bilancio consolidato.

Con il soggetto incaricato della revisione legale abbiamo scambiato tempestivamente dati e informazioni rilevanti per lo svolgimento della nostra attività di vigilanza.

Abbiamo incontrato il preposto al sistema di controllo interno e non sono emersi dati ed informazioni rilevanti che debbano essere evidenziate nella presente relazione.

its report dated April 11, 2025 containing a clean opinion.

Therefore, as reported in the report of the firm in charge of the statutory audit, the financial statements at 12.31.2024 give a true and fair view of the financial position, the economic result and cash flows of your Company and have been prepared in accordance with the regulations governing its preparation.

1) **Supervisory activity pursuant to Articles 2403 *et seq*. of the Italian Civil Code**

We have monitored compliance with the law and the Articles of Association, compliance with the principles of correct administration and, in particular, the adequacy of the organizational, administrative and accounting structure adopted by the Company and its concrete functioning.

We attended the Sole Shareholder meetings and the meetings of the Board of Directors and, based on the information available, we have no specific findings to report.

We have acquired from the Board of Directors with adequate advance and during the meetings held, information on the general performance of operations and its foreseeable evolution, as well as on the most important transactions, due to their size or characteristics, carried out by the Company and its subsidiaries and, based on the information acquired, we have no observations to report.

For a detailed description of the significant events that occurred during the year referring to the Company and the Group, please refer to the explanatory notes to the separate and consolidated financial statements.

We exchanged timely data and information with the firm in charge of the statutory audit that is relevant to the performance of our supervisory activity.

We met with the person in charge of the internal control system and no relevant data and information raised that should be highlighted in this report.

Abbiamo incontrato l'Organismo di Vigilanza ed abbiamo preso visione delle sue relazioni e non sono emerse criticità rispetto alla corretta attuazione del Modello Organizzativo che debbano essere evidenziate nella presente relazione.

We met the Supervisory Body and read its reports and no critical issues raised with respect to the correct implementation of the Organizational Model that must be highlighted in this report.

Abbiamo acquisito conoscenza e abbiamo vigilato sull'adeguatezza dell'assetto organizzativo, amministrativo e contabile e sul suo concreto funzionamento, anche tramite la raccolta di informazioni dai responsabili delle funzioni e, a tale riguardo non abbiamo osservazioni particolari da riferire.

We have acquired knowledge and supervised the adequacy of the organizational, administrative and accounting structure and its concrete functioning, also through the collection of information from the heads of functions and, in this regard, we have no observations to report.

Abbiamo acquisito conoscenza e vigilato, per quanto di nostra competenza, sull'adeguatezza e sul funzionamento del sistema amministrativo-contabile, nonché sull'affidabilità di quest'ultimo a rappresentare correttamente i fatti di gestione, mediante l'ottenimento di informazioni dai responsabili delle funzioni e l'esame dei documenti aziendali e, a tale riguardo, non abbiamo osservazioni particolari da riferire.

We have acquired knowledge and supervised, as far as our competence is concerned, the adequacy and functioning of the administrative-accounting system, as well as the reliability of the latter to correctly represent the management facts, by obtaining information from the heads of the functions and the examination of Company documents and, in this regard, we have no specific observations to report.

Non sono pervenute denunzie dall'Azionista Unico *ex* art. 2408 c.c. o *ex* art. 2409 c.c.

No complaints have been received from the Sole Shareholder pursuant to Article 2408 or pursuant to Article 2409 of the Italian Civil Code.

Non abbiamo presentato denunzia al Tribunale *ex* art. 2409 c.c.

We have not filed any complaint with the Court pursuant to Article 2409 of the Italian Civil Code.

Non abbiamo effettuato segnalazioni all'Organo di amministrazione ai sensi e per gli effetti di cui all'art. 25-*octies* d.lgs. 12 gennaio 2019, n. 14.

We have not issued any reports to the Board of Directors pursuant to and for the purposes of Article 25-*octies* Legislative Decree January 12, 2019, no. 14.

Non abbiamo ricevuto segnalazioni da parte del soggetto incaricato della revisione legale ai sensi e per gli effetti di cui all'art. 25-octies d.lgs. 12 gennaio 2019, n. 14.

We have not received any reports from the firm in charge of the statutory audit pursuant to and for the purposes of Article 25-*octies* of Legislative Decree January 2019, no. 14.

Non abbiamo ricevuto segnalazioni da parte dei creditori pubblici ai sensi e per gli effetti di cui all'art. 25-*novies* d.lgs. 12 gennaio 2019, n. 14.

We have not received any reports from public creditors pursuant to and for the purposes of Article 25-*novies* Legislative Decree January 12, 2019, no. 14.

Nel corso dell'esercizio sono stati rilasciati dal Collegio Sindacale i seguenti pareri previsti dalla legge:

- nell'ambito della riunione consigliare, tenutasi in data 29 aprile 2024, è stato

During the year, the Board of Statutory Auditors issued the following opinions required by law:

- as part of the Board meeting, held on April 29, 2024, a favourable opinion was expressed, pursuant to Article 2389 of the espresso parere favorevole, ai sensi dell'art. 2389 c.c., in merito ai corrispettivi variabili proposti a favore del Presidente e dell'Amministratore Delegato in carica a tale data;

- nell'ambito della riunione consigliare, tenutasi in data 12 dicembre 2024, è stato espresso parere favorevole, ai sensi dell'art. 2389 c.c., in merito ai compensi proposti per il Presidente e l'Amministratore Delegato in carica a tale data.

Il Collegio Sindacale dà atto che nel corso dell'esercizio sono intervenute le seguenti modifiche nella composizione dell'Organo di amministrazione e dei poteri attribuiti agli Amministratori investiti di particolari cariche:

- in data 29 aprile 2024, l'Assemblea dell'Azionista Unico ha nominato, per compiuta decorrenza triennale, un nuovo Consiglio di Amministrazione composto da dieci componenti, il cui mandato terminerà con l'approvazione del bilancio al 31 dicembre 2026, ed ha nel contempo nominato quale Presidente del Consiglio di Amministrazione il dott. Gabriele Del Torchio; nella medesima data, il Consiglio di Amministrazione ha nominato quale Amministratore Delegato il dott. Mauro Caneschi, conferendogli i relativi poteri;
- in data 30 settembre 2024, il Consiglio di Amministrazione ha preso atto delle dimissioni del Consigliere e Amministratore Delegato dott. Mauro Caneschi, con efficacia dal 27 settembre 2024, conferendo la carica di Amministratore Delegato *ad interim* al Presidente del Consiglio di Amministrazione;
- in data 12 dicembre 2024, il Consiglio di Amministrazione, a seguito delle suddette dimissioni, ha deliberato la nomina per cooptazione, ai sensi dell'art. 2386 c.c., sentito il parere favorevole del Collegio Sindacale, del dott. Andrea Lodetti, al quale è stata altresì conferita

Italian Civil Code, with regard to the variable fees proposed in favour of the Chairman and the Chief Executive Officer in office at that date;

- as part of the Board meeting, held on December 12, 2024, a favourable opinion was expressed, pursuant to Article 2389 of the Italian Civil Code, regarding the remuneration proposed for the Chairman and the Chief Executive Officer in office on that date.

The Board of Statutory Auditors acknowledges that during the year the following changes were made to the composition of the Board of Directors and the powers attributed to Directors vested with special offices

- on April 29, 2024, the Sole Shareholder's Meeting appointed, for a three-year term, a new Board of Directors composed of ten members, whose term of office will end with the approval of the financial statements as at December 31, 2026, and at the same time appointed Mr. Gabriele Del Torchio as Chairman of the Board of Directors; on the same date, the Board of Directors appointed Mr. Mauro Caneschi as Chief Executive Officer, granting him the relevant powers;
- on September 30, 2024, the Board of Directors acknowledged the resignation of the Director and Chief Executive Officer Mr. Mauro Caneschi, effective September 27, 2024, conferring the position *ad interim* of the Chief Executive Officer on the Chairman of the Board of Directors;
- on December 12, 2024, the Board of Directors, following the aforementioned resignations, resolved to appoint by co-optation, pursuant to Article 2386 of the Italian Civil Code, having heard the favourable opinion of the Board of Statutory Auditors, Mr. Andrea Lodetti, who was also appointed Chief Executive

la carica di Amministratore Delegato e i relativi poteri;

- sempre in data 12 dicembre 2024, l'Assemblea dell'Azionista Unico ha deliberato di confermare la nomina del dott. Andrea Lodetti quale Consigliere e Amministratore Delegato della Società fino alla naturale scadenza del Consiglio (ovvero sino all'approvazione del bilancio al 31 dicembre 2026).

Nel corso dell'attività di vigilanza, come sopra descritta, non sono emersi altri fatti significativi, ulteriori rispetto a quelli già evidenziati, tali da richiederne la menzione nella presente relazione.

2) Osservazioni in ordine al bilancio d'esercizio

Abbiamo verificato che gli Amministratori hanno dichiarato la conformità alle norme di riferimento che disciplinano la redazione del bilancio d'esercizio.

Da quanto riportato nella relazione del soggetto incaricato della revisione legale, "*il bilancio d'esercizio fornisce una rappresentazione veritiera e corretta della situazione patrimoniale e finanziaria della Società al 31 dicembre 2024, del risultato economico e dei flussi di cassa per l'esercizio chiuso a tale data in conformità ai principi contabili IFRS emanati dagli International Accounting Standards Board e adottati dall'Unione Europea*".

Per quanto a nostra conoscenza, gli Amministratori, nella redazione del bilancio, non hanno derogato alle norme di legge ai sensi dell'art. 2423, co. 5, c.c.

Ai sensi dell'art. 2426, n. 5, c.c. abbiamo espresso il nostro consenso all'iscrizione nell'attivo dello stato patrimoniale di costi di sviluppo, al netto del relativo del relativo fondo ammortamento, per euro 1.069 migliaia, e di costi di sviluppo capitalizzati nell'esercizio tra le immobilizzazioni in corso per euro 1.137 migliaia.

Officer with related powers;

- also on December 12, 2024, the Sole Shareholder's Meeting resolved to confirm the appointment of Mr. Andrea Lodetti as Director and Chief Executive Officer of the Company until the natural expiry of the Board (i.e. until the approval of the financial statements as at December 31, 2026).

During the supervisory activity, as described above, no other significant facts raised, other than those already highlighted, that would require their mention in this report.

2) Comments on the financial statements

We have verified that the Directors have declared compliance with the reference standards governing the preparation of the financial statements.

As reported in the report of the firm in charge of the statutory audit, "*the financial statements give a true and fair view of the financial position of the Company as of December 31, 2024, and of the result of its operations and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union*".

To the best of our knowledge, the Directors, in preparing the financial statements, have not derogated from the provisions of the law pursuant to Article 2423, paragraph 5 of the Italian Civil Code.

Pursuant to Article 2426, no. 5 of the Italian Civil Code, we have expressed our consent to the inclusion in the assets of the balance sheet of developments costs, net of the related accumulated depreciation, for euro 1,069 thousand, and development costs capitalized during the year under assets under construction for euro 1,137 thousand.

Ai sensi dell'art. 2426, n. 6, c.c. abbiamo espresso il nostro consenso all'iscrizione nell'attivo dello stato patrimoniale di un avviamento per euro 77.238 migliaia, di cui euro 28.970 migliaia contabilizzati nell'esercizio riferibili alla fusione della società Labrenta S.r.l. Gli Amministratori ritengono che, sulla base delle valutazioni effettuate (c.d. *impairment test*), non sussistano indicatori di perdite durevoli relativamente a tale posta.

Pursuant to Article 2426, no. 6 of the Italian Civil Code, we have expressed our consent to the recognition in the assets of the balance sheet of a goodwill for euro 77,238 thousand, of which euro 28,970 thousand booked during the year related to the merger of Labrenta S.r.l. The Directors refer that, based on the valuations made (impairment test), there are no impairment losses in relation to this item.

La Società ha predisposto il bilancio consolidato al 31 dicembre 2024, redatto in conformità agli *International Financial Reporting Standards* adottati dall'Unione Europea. Il soggetto incaricato della revisione legale dei conti PricewaterhouseCoopers S.p.A. ha emesso in data odierna la propria relazione sul bilancio consolidato contenente un giudizio senza modifica.

The Company has prepared the consolidated financial statements as of December 31, 2024, prepared in accordance with International Financial Reporting Standards as adopted by the European Union. The firm in charge of the statutory audit PricewaterhouseCoopers S.p.A. has today issued its report on the consolidated financial statements containing a clean opinion.

3) Osservazioni e proposte in ordine alla approvazione del bilancio

3) Observations and proposals regarding the approval of the financial statements

Considerando le risultanze dell'attività da noi svolta e il giudizio espresso nella relazione di revisione rilasciata dal soggetto incaricato della revisione legale dei conti, non rileviamo motivi ostativi all'approvazione, da parte dell'Azionista Unico, del bilancio d'esercizio chiuso al 31 dicembre 2024, così come redatto dagli Amministratori.

Considering the results of our activities and the opinion expressed in the audit report issued by the firm in charge of the statutory audit, we do not see any reasons preventing the approval, by the Sole Shareholder, of the financial statements for the year ended December 31, 2024, as prepared by the Directors.

Il Collegio Sindacale concorda con la proposta di copertura della perdita d'esercizio formulata dagli Amministratori nella nota integrativa.

The Board of Statutory Auditors agrees with the proposal to cover the loss for the year formulated by the Directors in the notes to the financial statements.

Milano, 11 aprile 2025

Firmato nel testo originale in italiano

Il Collegio Sindacale

Dott.ssa Mara Vanzetta (Presidente)

Dott.ssa Fioranna Vittoria Negri (Sindaco Effettivo)

Dott. Massimo Gallina (Sindaco Effettivo)

Milan, April 11, 2025

Signed on the original Italian text

The Board of Statutory Auditors

Mrs. Mara Vanzetta (Chairwoman)

Mrs. Fioranna Vittoria Negri (Standing Auditor)

Mr. Massimo Gallina (Standing Auditor)

This report has been translated into the English version solely for the convenience of international readers.

Guala Closures

SUSTAINABILITY REPORT

2024

Translation from the Italian original which remains the definitive version

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

SUMMARY

LETTER TO STAKEHOLDERS

(GRI 2-22:2021)

Dear Stakeholders,

We are pleased to present our Sustainability Report for 2024, a document that reflects and confirms our constant commitment to a more sustainable future, attentive to the social context in which we operate. In recent years, we have worked assiduously to integrate virtuous practices into every aspect of our operations and, again this year, we are pleased to share with you the results obtained.

In fiscal year 2024, we recorded a significant improvement in the process of containing our Scope 1 and 2 emissions, which were reduced by 15% compared to 2023 while the share of electricity from renewable sources used in our production activities reached 62% of the total. We have also increased the percentage of recycled aluminium used to make our products from 41% in 2023 to 52% in 2024, demonstrating a concrete commitment to the development of an increasingly circular economy.

We have also made further progress in improving safety and well-being in our workplaces by achieving ISO 45001 certification in more plants (from 6 to 14). We have increased the number of hours dedicated to staff training on health and safety, so that each member of our team can contribute to building an increasingly safe and secure working environment.

Finally, we are proud to have received the "gold" qualification from EcoVadis, a prestigious recognition that attests our performance in the field of sustainability and transparency in business practices.

Our 2024 Sustainability Report is not only a dutiful account of the progress we have made on our commitments to help build a more sustainable future, but it is also evidence of the commitment and determination with which we intend to continue this path.

Andrea Lodetti
Chief Executive Officer

(signed on the original)

1. GROUP IDENTITY

1.1. THE GROUP

(GRI 2-1:2021; 2-6:2021)

#values

Guala Closures S.p.A (hereinafter also referred to as "Guala Closures" or the "Group") is a sole shareholder company, owned by *Special Packaging Solutions Investments S.à r.l.*

Founded in 1954 in Alessandria, in 2007 it moved to Frazione Spinetta Marengo where it maintains its registered office, while the headquarters are in Milan. The Group operates globally in the production of closures for spirits, wine, oil, water and a wide range of other beverages. Guala Closures is a world leader in the field of warranty closures, which represents an indispensable tool against adulteration and counterfeiting of beverages.

THE HISTORY OF GUALA CLOSURES		
1954 Foundation of the company, specialized in the production of plastic components.	**The 50s-60s** Development and launch of the first patented warranty closures. Start of exports to Scotland.	**The 70s-80s** Intensive international business expansion and in terms of research and development: various product series are launched on the market.
90s-2000s In 1998 Guala Closures SpA was born. In recent years, production and commercial development continued in Italy, Europe, North America and Oceania.	**2010s** In 2011, the Group introduced the Corporate Social Responsibility (CSR) programme. The Group's widespread presence around the world continues, now also present in Africa (South Africa and Kenya), South America (Chile) and India.	**2020-2023** Introduction of the Diversity and Inclusion (D&I) Charter. In 2021 it joined the United Nations Global Compact. In 2023, the new sustainability program "Sustainable Together 2030" will be defined.
2024 The Group celebrates its first 70 years of activity and enters the crown closure market with the acquisition of Astir Vitogiannis, consolidating its commercial presence in the glass bottle market for water and soft drinks, expanding into the beer market.		

The Group's business is founded on the pillars of innovation, sustainability and excellence to guide the pursuit of the company's vision and mission.

The following are the essential principles of company philosophy.

Vision

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

Mission

The Group understands and embraces customers' goals as its own, applying creativity, experience, integrity and dedication to provide them with high-level closures and solutions while reducing its environmental impact on society.

The pillars that guide the company's Vision and Mission

EXCELLENCE: The Group works to provide the best possible products and services, with the aim of highlighting its customers' brands.

SUSTAINABILITY: Guala Closures is committed to promoting the goal of continuous and constant sustainable development in all Group companies, to contribute to growth that respects the environment, society and the economy.

INNOVATION: The Group explores new solutions and opportunities, sets up integrated projects capable of overcoming traditional aesthetic canons. Through research and development, Guala Closures improves production processes with an innovative approach, to offer products that stand out in today's increasingly competitive market.

1.2. PRODUCT LINES

(GRI: 2-6:2021)

Guala Closures specializes in the production and sale of a wide range of closures and products for a variety of spirits, beverages and condiments.

Through the pillar of innovation, the Group has always been dedicated to the research and development of new solutions to protect the quality, reputation and satisfaction of customers, for the customization of the design and functionality of each product. However, Guala Closures distinguishes four main product categories, *Safety, Roll-on, Prestige and Crown*.

Safety closures (34%)[1]

Closures that make use of the best safety technologies to provide their partners, especially spirits producers, with effective and tailor-made solutions to combat the counterfeiting of their products, through non-refillable valve systems.

Roll-on closures (46.6%)

highly versatile and suitable aluminium closures for many applications, such as wine and water bottles, fruit juices and other soft drinks, oils and condiments. The Group's offer ranges from generic closures to capsules with patented systems for highlighting the first opening (tamper-evident).

Prestige closures (9.7%)

Premium closures characterized by a high-quality selection of materials and excellent customizable designs and finishes. The Prestige line is mainly dedicated to spirits producers who want to enhance the prestige and exclusivity of their product.

Crown closures (4%)

High-quality crown closures designed for glass bottles that help brands enhance their products and build strong customer relationships.

The table below shows the data relating to the production of closures manufactured by the Group in 2024, expressed both in closures produced and in net weight.

[1] The percentages indicated derive from the Group's turnover in 2024, where the four named product lines represent 94.3% of total revenues.

Table 1: Total Group production[2] in 2024

	2024
Total production (closures)	16.514.391.540
Total production (kg)	80.786.636

1.3. GROUP STRUCTURE AND PRESENCE IN THE WORLD

(GRI:2-6; 2021)

The Group is controlled by Guala Closures SpA located in Milan, Italy, where the central management offices are also located. The Group's registered office is in Spinetta Marengo (AL).

Guala Closures has a widespread global presence that is guaranteed through multiple industrial, commercial, and research and development companies located on five continents. In Figure 1 The company organization chart updated to 31 December 2024 is reported.

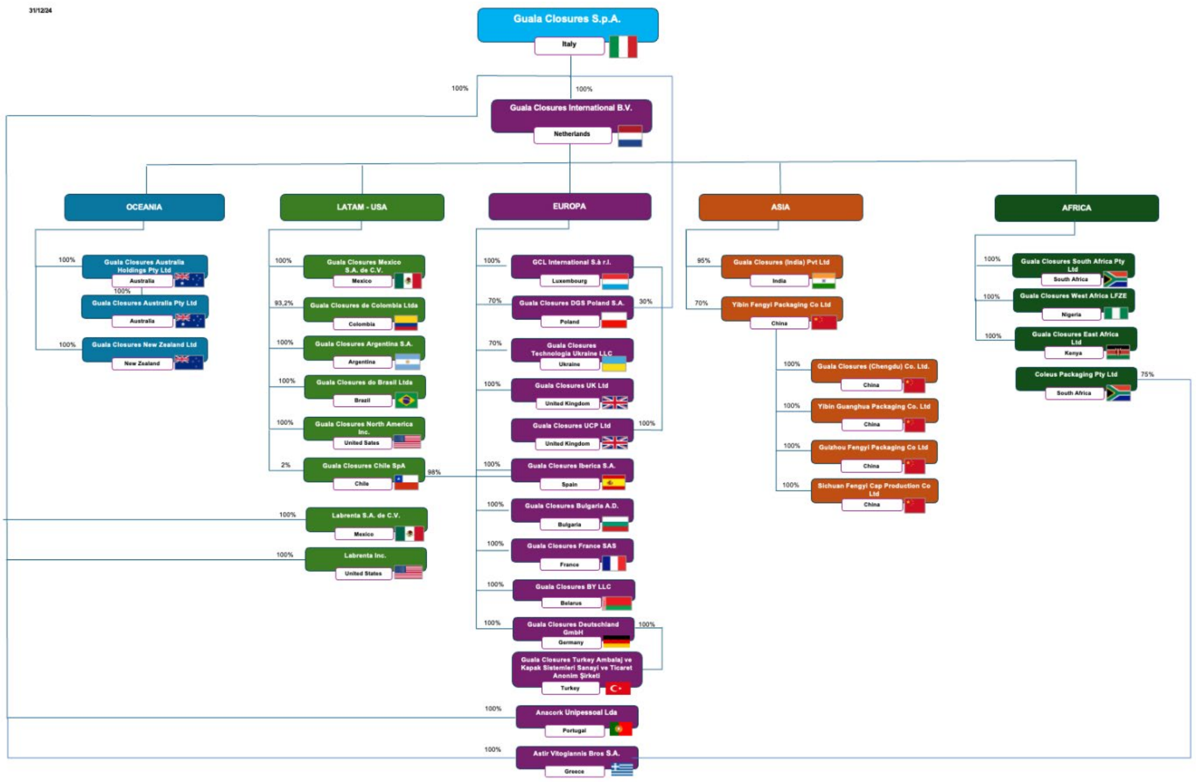


Figure 1 - Group corporate organization chart as at 31/12/2024 with relative percentage of share capital held by the parent company Guala Closures S.p.A[3]

[2] The production shown in the table refers to the reporting scope of this Report. The data below are related to the plants excluded from the scope (specifically Attiki and Johannesburg):

Total production (closures): 3,073,154,500

Total production (kg): 5.825.491

[3] The Guala Closures considers companies of which it is not 100% owner as significant business partners.

2024 was characterized by the acquisition of Astir Vitogiannis Bros S.A., a leading manufacturer in the crown closure sector, which with plants located in Greece and South Africa has a strong international presence. In addition, the acquisition of 100% of Guala Closures Bulgaria and Guala Closures DGS Poland was completed.

The inactivity of the Minsk plant, in Belarus, whose company is part of the current corporate organization chart, continues in 2024.

The multinational group consists of 37[4] facilities (Table 2), 2 sales offices and 7 R&D centers. Each plant is equipped with a logistics structure (internal or external) that deals with the management of shipments to customers. From a commercial point of view, the product lines are sold through the sales offices that are present in all production plants and through an extensive network of agents for other areas globally.

The 7 R&D centers are fundamental for the Group, as they represent the place where new ideas and highly innovative prototypes are first developed and then put into production (Section 3.2).

[4] The total number of facilities and the information contained in this first chapter refer to the Group as a whole. The scope of the data expressed in the following chapters is explained in the Methodological Note.

Table 2: the plants in the world

EUROPE					
BULGARIA Kazanlak	**FRANCE** Chambray Les Tours	**GERMANY** Worms	**ITALY** Magenta Spinetta M.go Termoli Breganze Milan (offices)	**POLAND** Wloclawek	**UK** Bridge of Allan Kirkintilloch
SPAIN Jerez Olerdola	**UKRAINE** Sumy Ternopil Nemiriv	**PORTUGAL** Lobão	**GREECE** Attiki		
NORTH AMERICA					
MEXICO S.J. Iturbide	**USA** Fairfield				
SOUTH AMERICA					
ARGENTINA Chivilcoy	**BRAZIL** São Paulo	**COLOMBIA** Bogota	**CHILE** Santiago de Chile		
OCEANIA					
NEW ZEALAND Auckland	**AUSTRALIA** Melbourne				
ASIA					
CHINA Chengdu Yibin Luzhou Guizhou	**INDIA** Ahmedabad Daman Dharwad Goa				
AFRICA					
KENYA Nairobi	**SOUTH AFRICA** Cape Town Johannesburg	**NIGERIA** Lagos			

1.4. PRODUCTION PROCESSES

(GRI:2-6; 2021)

#valuechain

The Group's production processes require a large supply of raw materials, mainly plastic and aluminum, which are the most widely used materials in closures. For their supply, the Group uses strategic suppliers with whom it has built solid relationships to guarantee the capillarity of supplies in the individual plants.

The Group's processes are carried out in:

- 12 production sites specialized in the production of plastic closures;
- 10 plants dedicated to the production of aluminium closures;
- 5 plants that integrate processes for the processing of aluminum and plastic;
- 2 factories specialized in the production of plastic and wooden closures;
- 2 production sites dedicated to the manufacturing processes of plastic, aluminum and wood closures;
- 2 production sites specialized in the production of tinplate closures;
- 2 factories dedicated to the processing of wooden closures;
- 1 production site dedicated to the production of semi-finished cork products.

In addition, the Magenta (Italy) plant deals with the degreasing, cutting and lithography of aluminium, playing a key role in the production process as it supplies aluminium foil to other plants that use it in their production processes.

The Group also includes in its factories the decoration processes of closures to guarantee its customers customized products, which reflect the values and image of the brand, making the possible reproducibility and counterfeiting of closures complex.

1.5. STAKEHOLDER ENGAGEMENT AND MATERIALITY ANALYSIS

(GRI 2-28:2021; 2-29:2021; 3-1:2021; 3-2:2021; 3-3:2021)

#stakeholderengagement #stakeholder #materiality

The Guala Closures Group demonstrates a strong commitment to creating an organizational culture based on collaboration with all stakeholders, through a channel of regular and active dialogue aimed at identifying priorities and common spaces for inclusive growth.

The diverse range of stakeholders with which the Group interacts, including shareholders, investors, customers, suppliers, employees and local communities, reflects the breadth and complexity of the challenges and opportunities present in the changing global context. Welcoming stakeholders' perspectives makes it possible to understand their needs, reduce risks and develop projects that can contribute to the economic development of the company and the well-being of all the actors involved.

Figure 2 - stakeholders of the Guala Closures Group

The Guala Closures Group adopts a strategy for stakeholder engagement that reflects the diversity of relationships and specific needs of each interest group. The frequency and mode of communication (dedicated meetings, emails, participation in surveys) are adapted to local needs and are specific to each identified macro-category (Figure 2):

- **Customers and market:** the Group organizes at least one annual meeting with its customers and strategic suppliers, to strengthen collaboration by discussing past results and defining new goals for the future together;
- **Internal stakeholders:** employees are regularly informed through the periodic newsletters sent by the Group's management; in addition, specific considerations and feedback are collected in a capillary manner through the annual performance evaluation process, whose procedures are distinct and adapted to local contexts;
- **Local communities and the territory:** a strong bond of proximity is established with these categories, developed by each of the Group's plants through more informal forms of communication that respond to the peculiarities of each specific reality in which the company operates;
- **Institutional stakeholders:** The Group has established an intense dialogue with certification and control bodies, trade unions and public authorities to develop constructive and trusting relationships, in compliance with national and international regulations.

In addition, the Group is actively involved in direct participation in some sector associations, such as the Italian Packaging Institute, the Aluminium Closures Group and CETIE (Centre Technique International de l'Embouteillage e du Conditionnement).

One of the main activities for which stakeholder involvement is essential is the development of the materiality analysis, which is a necessary tool for focusing on corporate priorities and objectives, identifying the impacts and relevant issues to be reported.

Following the important review and improvement of the materiality analysis process carried out in 2023, the Group considered the method developed and the results obtained in the previous year to be valid for 2024 as well.

The first phase involved a review of the context in which the Group operates and the characteristics of its activities, considering the environmental, social, economic and operational point of view, to identify as fully as possible the possible impacts that can be generated by the company itself, and the corresponding material issues. The list of impacts and material issues was also drawn up through the study of good practices in the sector and taking the reporting standards of the Global Reporting Initiative (GRI) 2021 as a reference guide. The analysis started with the initial list of impacts resulting from the survey conducted in 2022 and aimed at internal and external stakeholders of the Group.

In the second phase, a qualitative analysis of the identified impacts was carried out, with the involvement of the company's Risk Management function to define the actual and potential impacts, the positive and negative ones. In addition to the Risk Management function, several corporate functions and external consultants participated in the audit activity to ensure the broadest possible view.

In the third phase, the significance of the impacts identified in the previous phases was assessed through internal analysis activities. It was determined by assigning each impact a score from 1 to 4 to define the probability and severity of the same. The product between the two values gives a result called a priority index. For the various impacts associated with the individual theme, the average between them is then calculated, to obtain a single priority index for each theme.

By setting the significance threshold of the index at 6.5, it was possible to draw the line between the issues defined as relevant and those that are less material for the Guala Closures Group and its stakeholders. The list of the 18 themes identified is given in Table 3 where they are grouped according to the social, environmental and governance/economic spheres: the issues that emerged above the threshold are all equally significant.

Table 3: list of material topics of the Guala Closures Group

MATERIAL THEME	SCOPE
Health and Safety in the workplace	Social
Diversity and inclusion	Social
Employee development and training	Social
Human rights	Social
Greenhouse gas emissions	Environmental
Water management	Environmental
Energy transition	Environmental
Air pollution	Environmental
Use of recycled raw materials	Environmental
Waste reduction	Environmental
Environmental management systems	Environmental
Supply chain engagement and sustainability	Governance/Economic
Innovation and ecodesign	Governance/Economic
Customer satisfaction	Governance/Economic
Product quality and safety	Governance/Economic
Data privacy and cybersecurity	Governance/Economic
Ethics, integrity and transparency	Governance/Economic
Economic performance	Governance/Economic

The Table 39 in the Appendix reports the material issues and the impacts associated with them. In addition, the approach of the Guala Closures Group in the management of impacts is described, collecting the present and future activities that characterize its management.

PREPARING FOR THE CORPORATE SUSTAINABILITY REPORTING DIRECTIVE

The *Corporate Sustainability Reporting Directive* (CSRD) is a European directive that extends sustainability reporting obligations to a broader landscape of companies. During 2024, the Group launched several activities to prepare for the cogency of this directive, including gap *assessment* with respect to the new reporting standards and double materiality analysis.

The *gap assessment* analysis focused on the study of the *European Sustainability Reporting Standards* (ESRS),[5] on which the legislation governing the reporting of sustainability information is based, to analyze the Group's current data collection and KPI processing with new future requirements, to assess the differences and promptly integrate the internal data collection tool (CIS-Tool).

The double materiality analysis is one of the cornerstones of the new directive, and is an analysis process to define the issues to be reported on the basis of their relevance to the company, which considers a double perspective, assessing both the impacts generated by the Group externally in relation to environmental, social and governance issues, and the potential corporate risks and opportunities, economic and financial issues that these issues can generate for the Group. During the fourth quarter of 2024, the central department dedicated to sustainability started the analysis of the impacts relevant to the Group and involved the team that annually updates *Enterprise Risk Management* to include greater integration of potential business risks and opportunities arising from the sustainability themes and sub-themes suggested by European guidelines and standards. As for the reporting date of this 2024 Report, the analysis activity is ongoing, and the results will be used to better address the integration activities necessary for compliance with the directive.

The Group closely following the European Commission's proposals for "Omnibus" amendments to the CSRD and will monitor any regulatory developments, continuing with the current plan to integrate the necessary activities.

[5] The *European Sustainability Reporting Standards (ESRS)* were developed by *the European Financial Reporting Advisory Group (EFRAG),* a private association founded by the European Commission in 2001.

2. CORPORATE GOVERNANCE

Guala Closures focuses on the goal of creating value for all stakeholders by applying the principle of social responsibility and the values that guide all operational activities:

- **Transparency:** Guala Closures seeks clarity, completeness and correctness of information, activities carried out and interpersonal relationships;
- **Professionalism:** the Group is dedicated to offering staff training and growth in the context of a culture of continuous improvement;
- **Environmental protection and well-being:** Guala Closures is committed to ensuring health and safety for workers and customers, minimizing the impact on the environment and local communities;
- **Recognition and rewarding of results:** relations within the Group are based on a full sharing of objectives and defined through objective evaluation criteria to enhance and reward all human resources.

2.1. CORPORATE GOVERNANCE

(GRI: 2-9; 2021; 2-10; 2021; 2-11; 2021; 2-14; 2021; 2-15:2021; 2-19:2021)

#transparency #BoD #BoDcomposition

Guala Closures adopts the traditional system of administration and control, characterized by rules and procedures aimed at ensuring efficiency, effectiveness and corporate transparency. Governance is composed of the Shareholders' Meeting, the Board of Directors and the Board of Statutory Auditors.

The main objective of Governance is the protection of shareholders and all *stakeholders* through the correct management of activities and information: the Shareholders' Meeting is in fact the governing body that resolves on the issues defined by the applicable law and the bylaws, it approves the financial statements, any amendments to the bylaws and non-recurring transactions. The Shareholders' Meeting is responsible for appointing the members of the Board of Directors and the Board of Statutory Auditors. Please refer to the bylaws for the procedures and criteria for the appointment, composition, duration, replacement and remuneration of the members of these bodies.

The Board of Directors plays a central role as it is responsible for defining strategic guidelines and organizational guidelines to ensure satisfactory corporate performance and exercises broad powers with the aim of achieving corporate objectives, including the assessment of performance, risks and opportunities, and the economic, environmental and social impacts of the Group. The Board of Directors also approves the corporate strategy, the annual budget, the financial statements and the sustainability financial statements. As part of the mitigation of conflicts of interest, a procedure for related parties is not currently implemented.

In Table 4 the composition of the Board of Directors as at 31.12.2024 is reported.

Table 4: composition of the Board of Directors as at 31.12.2024

ROLE	PERSON IN CHARGE
Chairman	Gabriele Del Torchio
CEO	Andrea Lodetti
Director	Francesco Bove
Independent Director	Marina Brogi
Director	Giovanni Casali
Director	Roberto Maestroni
Independent Director	Chiara Palmieri
Director	Dante Razzano
Director	Francisco Javier De Juan Uriarte
Independent Director	Raffaella Viscardi

The Board of Statutory Auditors is the body responsible for monitoring the company's activities with respect to compliance with laws, regulations and statutory provisions. It is dedicated to ensuring compliance with the principles of proper administration with reference to ensuring the adequacy of the company's organizational structure and its operation. The Board of Statutory Auditors is appointed by the Shareholders' Meeting based on the procedures defined by the bylaws, and its members have the right to inspect and control and they serve a three years terms. In Table 5 the members as of 31.12.2024 are reported.

Table 5: composition of the Board of Statutory Auditors as at 31.12.2024

ROLE	PERSON IN CHARGE
Chairman and Statutory Auditor	Mara Vanzetta
Auditor	Massimo Gallina
Auditor	Fioranna Vittoria Negri
Alternate Auditor	Massimiliano Di Maria
Alternate Auditor	Mariateresa Salerno

2.2. SUSTAINABILITY GOVERNANCE

(GRI: 2-12:2021; 2-13:2021; 2-17:2021)

To define and implement its own sustainability programmes (see Paragraph 3.1 for the current "Sustainable Together 2030" programme) Guala Closures has established a precise organizational structure that assigns specific roles and functions for the achievement of the objectives defined in the context of strategy and impact management. The Sustainability Board is composed of a central internal committee, called the Core Board, and a New ESG Operations Team.

Figure 3 - the areas of action of the Sustainability Board

The responsibilities of the Core Board are summarised below:

- ✓ propose over time, for the various thematic areas (Environment, Governance and Social) new objectives to be included in the sustainability strategy.
- ✓ monitor, with respect to the defined roadmaps, the progress of the sustainability strategy targets and take prompt action to mitigate risks that may compromise the achievement of the objectives.
- ✓ ensure the resources necessary to achieve the objectives included in the sustainability strategy.

The Core Board is composed of 7 members:

- Paolo Lavazza, Sustainability Director;
- Piero Cavigliasso, HR Director;
- Stefano Picchiotti, Chief Legal Officer;
- Arturo Martorelli, Chief Commercial Officer;
- Armando Finis, Regional Director;
- David Stevenson, Regional Director;
- José Louis Gutierrez, Regional Director.

The New ESG Operations Team works to:

- ✓ permeate the concept of Sustainability and integrate it into all corporate processes both at Corporate and subsidiary level through the efficient and transparent application of all group policies.
- ✓ allow its members to fully carry out the tasks entrusted through the operational involvement of all the central and local functions necessary from time to time for the implementation of the declared ESG initiatives and for the achievement of the short and medium-long term objectives defined.

In addition to these committees, the Group has established a department dedicated to sustainability for 9 years: the team makes its expertise in the field available to the entire Group, supporting Country Managers and Business Units so that they work towards the sustainable development of activities. At the local level, sustainability representatives have been set up in each Business Unit, who support the Country Manager in adapting the action plans defined by the strategy to local realities.

2.3. GROUP POLICIES

(GRI 2-23:2021; 2-24:2021; 2-26:2021; 2-27:2021)

The Group's management has a clear strategy for sustainable growth, which involves responsible business conduct. This requires continuous commitment from all Guala Closures plants, not only to comply with current laws, but also to go further and adopt practices that favor the well-being of communities, the environment and human rights. Corporate policies play a critical role in this context, as they outline the guidelines and goals that guide business behavior and decisions.

Corporate policies are drawn up at corporate level, considering the principles, values, context, expectations of the Group and international standards. They are signed by the Chief Executive Officer and disseminated to all interested parties, through publication on the company website and posted on internal bulletin boards but also through direct transmission, for example by e-mail to significant stakeholders (e.g. suppliers) or to workers during training sessions.

Company policies reflect a commitment to environmental sustainability. This involves taking steps to reduce the environmental impact of business operations, such as reducing greenhouse gas emissions, improving energy efficiency, and managing natural resources responsibly. The policies also encourage innovation and the development of sustainable products and processes.

Secondly, company policies promote respect for human rights throughout the value chain. This means committing to safe and decent working conditions for all employees and workers along the supply chain. The policies prohibit child labor and the use of forced labor, as well as ensuring equal opportunities and fair treatment for all.

In addition, company policies promote transparency and accountability. In this regard, the plants, with frequencies and methods established by the top management, transmit data and information regarding their practices, allowing an accurate evaluation of performance in terms of corporate social responsibility. This includes disclosing information related to the social, environmental, governance, and economic impacts of business operations.

Finally, company policies are supported by effective monitoring and control mechanisms to ensure compliance with and implementation of the same. These mechanisms, for example through audits and due diligence checks, provide for the analysis of existing activities with respect to what is defined by company policies and the timely resolution of any problems encountered. Thanks to these policies, there were no significant cases of non-compliance with laws and regulations in 2024.

Table 6: cases of non-compliance with laws and regulations in the three-year period 2022-2024

	2022	2023	2024
Cases of non-compliance with laws and regulations	0	0	0

In summary, an effective commitment to responsible business conduct is ensured through the implementation of clear, comprehensive and vigorously implemented corporate policies in all plants, including through a clear allocation of operational responsibilities at the local level.

Code of Ethics and Conduct

Also, in the context of responsible business conduct, the Group has adopted the Code of Ethics and Conduct for many years, the latest version of which was approved by the Board of Directors on 29 November 2024. The Code of Ethics represents the set of all the ethical principles and rules of conduct that must be followed by each person belonging to the Group. The Code of Ethics represents the reference point for acting in compliance with the principles of integrity, transparency and fairness in all the countries in which the Group operates. The Code of Ethics is valid all over the world and its principles are adopted by employees but also shared by the main suppliers and business partners. The Objectives of the Code of Ethics are:

- Define and make explicit the values and principles that characterize the Group's activities and relations with employees, collaborators, customers, suppliers, shareholders, institutions and any other interested party;
- Formalize the commitment so that all corporate components always behave in a loyal, transparent and correct manner, in compliance with all applicable regulations;
- Reaffirm the centrality of the human being in a business model that is sustainable and successful, while committing to protecting the legitimate interests of investors and all stakeholders;
- Communicate to employees and collaborators the values, principles of conduct and responsibilities that they are required to respect in carrying out their work activities.

To ensure its compliance, Guala Closures is dedicated to periodic dissemination of the document both for employees and stakeholders and for members of the governance bodies.

In addition to the Code of Ethics and Conduct, the Group has developed various policies that respond to the necessary combination of the commitments made as part of a sustainable development strategy and the objective of increasing profitability and maintaining market leadership:

- Policy for the environment and for health and safety at work;
- Energy policy;
- Food quality and safety policy;
- Sustainability policy;
- Policy for land acquisition and biodiversity protection;
- Human rights policy and ethical-social aspects;
- Modern slavery and human trafficking policy.
- Gender equality policy.

The responsibility for managing these issues lies with the entire company structure and everyone, based on their skills and tasks, participates in the achievement of the objectives of this policy.

Environmental and occupational health and safety policy

This policy aims to accept and comply with compliance obligations on environmental and occupational health and safety issues, assessing the risks and opportunities associated with them. The intent is to develop operational activities that safeguard the environment and guarantee healthy and safe working conditions through training, awareness and consultation of workers and external collaborators.

Energy policy

This policy focuses on the analysis and management of energy consumption to define objectives for improving processes with a greater energy impact. The policy highlights the importance of energy efficiency, emphasizing the relevance of the best energy performance parameter as a criterion for the purchase of new equipment, plants or services that use energy.

Food quality and safety policy

The policy focuses on both compliance with regulations related to food packaging and customer satisfaction, acting proactively and through responsible use of resources. The policy provides for the achievement of these objectives through the control and technological development of products and processes, involving key suppliers to pursue optimization and continuous improvement. It also intends to invest in the availability of skills and the promotion of the professional growth of workers.

Sustainability Policy

The document articulates the elements, commitments and objectives that the Group has defined in compliance with the 10 principles of the UN Global Compact and based on the broader concept of sustainable development.

The Group's principles expressed in this policy enhance the concepts of sustainable growth committed to reducing the impacts generated along the supply chain; the Group is dedicated to spreading the culture of sustainability, increasing the awareness of the actors involved, also through the engagement of stakeholders through dialogue and discussion with them. All this by communicating Guala Closures' performance effectively and transparently.

With this policy, the Group is committed to acting in compliance with the highest ethical and social standards, defending the environment and its resources, creating value and enhancing human capital. The policy also sets out environmental, social and governance objectives that are part of the "Sustainable Together 2030" programme, which is discussed in detail in the following paragraph 3.1.

Policy for land acquisition and biodiversity protection

Guala Closures will never acquire land by force: this policy expresses the Group's position in this regard, as land must be acquired through free negotiation and adequate compensation. The document makes explicit the respect for the rights and culture of local communities, which must benefit from the existence of industrial areas. The Group also aims to safeguard the flora and fauna at new production facilities and to mitigate the risks to biodiversity associated with operational activities in general.

Human Rights Policy and Ethical and Social Aspects

Through this policy, Guala Closures makes explicit respect for civil, political and social rights: personal, thought, religious, economic, association freedom and freedom to act in respect of the civil rights of others. In the document, the Group elaborates on how it is committed to ensuring not only the freedoms listed, but also fair and favorable working conditions, the rights of local communities, respect for equal opportunities, diversity, non-discrimination and human rights along the supply chain.

Modern Slavery and Human Trafficking Policy

Strongly connected with the previous policy, it declares the Group's commitment to respect for human rights, especially with reference to forced labour, non-voluntary labour, child labour and human trafficking. The document contains a statement on modern slavery and lists several actions aimed at addressing risk.

Gender equality policy

This policy, developed and approved by Top Management in 2023, aims to ensure that everyone has the same opportunities for professional growth, through the creation of an inclusive environment, involving staff and stakeholders with awareness-raising initiatives on the issues of equal opportunities, discrimination and diversity. The Group supports an equal and merit-based culture, monitors developments through initiatives dedicated to women's empowerment. The goal is to build a serene work environment, where a principle of "Zero Tolerance" is applied towards any form of violence or harassment in the workplace.

The application of this policy is currently limited to the Italian perimeter and its implementation is entrusted to the figure of the Diversity Manager and the Steering Committee for Gender Equality, created precisely for the development and compliance with what has been defined.

2.4. ANALYSIS AND MANAGEMENT OF RISKS AND OPPORTUNITIES

(GRI 2-12:2021; 2-13:2021; 2-16:2021; 2-25:2021)

#riskmanagement

The internal control and risk management system of the Guala Closures Group promotes careful and correct business management, in line with the short, medium and long-term objectives established by the Board of Directors. The system in place at Group level makes it possible to identify, measure, manage and monitor the main risks, opportunities and related impacts for the company, as well as ensuring simultaneous communication of the necessary information to governing bodies and stakeholders.

To ensure access to information that is always reliable, up-to-date and timely, the Guala Closures Group annually reviews and updates the analysis of risks and opportunities. The Board of Directors is responsible for the adoption of a structured internal control system, which delegates through the Chief Executive Officer and the Risk Manager, also involving the Sustainability & Quality Manager for aspects relating to sustainability, the management of analysis and reporting activities, which are coordinated at corporate level through the involvement of all the heads of the departments/functions as well as the shareholder of the Group.

The Guala Closures Group has an Internal Control and Risk Management System which also includes, among other elements, the definition of an Integrated Process for the Management of Risks and Opportunities, the main objective of which is to adopt a structured, systematic and integrated approach, in particular, for the identification and assessment of the company's priority risks with potential negative effects and the subsequent definition of appropriate actions to mitigation of the same.

In order to identify the company's priority risks, the Group has defined and periodically updates its Risk Model and applies specific *Risk Evaluation & Mapping methodologies* that make it possible to attribute a numerical value of materiality (inherent and residual) to the identified risks, given by the overall result of the probability of occurrence, the solidity of the risk management and mitigation mechanisms and the impact or general magnitude of the risk with respect to economic-financial, operational, reputational and sustainability drivers.

At the company level, integrated Risk Management, developed in accordance with the "CoSO-ERM" reference framework and the best national and international practices, involves the identification, assessment and analysis of risks. It provides for the assessment (financial materiality) of the events that may determine risks or opportunities, categorizing them into strategic, external, financial and operational at Corporate level, and among these it pays particular attention to the sustainability aspects for which the Group identifies potential or actual impacts (impact materiality) and the subsequent and periodic monitoring of Top Risks, thus providing an update of the risk profile of Guala Closures in relation to strategic and managerial objectives. The risk assessment is regularly carried out and updated on an annual basis through several meetings with the heads of the various functions.

The results of the analyses, the assessments of the risks that have emerged and the consequent audit, monitoring and verification plans of risks/opportunities, are submitted to the Control Bodies and the Board of Directors, which, in acknowledging them, may in various ways provide specific input to management and to the Internal Audit and Risk Management Function in order to increase further verification interventions.

2.4.1.EVENTS INVOLVING RISKS

As reported in Section 3.1 Analysis and management of risks and opportunities in the Directors' Report, Guala Closures is exposed to strategic, operational, financial and external risk factors as well as sustainability-related impacts that may be associated with both business activities and the business sector in which it operates. The occurrence of these risky events could have negative effects on the Group's operating and business activities, as well as on the Group's economic, financial and equity performance, as well as negative impacts on external stakeholders in terms of sustainability.

The following are the main risk factors present in the Risk Model that are periodically identified, analyzed, evaluated and managed by Guala Closures' management:

- Financial Risks
- Strategic Risks related to industrial and product development
- Strategic Business Development Risks
- Strategic Market and Competition Risks
- Risks arising from the External Context (macroeconomic, environmental and sociopolitical)
- Compliance and regulatory development risks
- Governance, Organization, and Integrity Risks
- Commercial Risks
- Production and Logistics Risks
- Risks associated with asset management
- Human Resources risks (operational, regulatory and human rights, development and retention, diversity and inclusion)
- Information Technology Risks
- Reporting and Disclosure Risks
- Risks in the management of Relations with External Stakeholders
- Supply Chain Risks

For further details on the nature of the risks identified and their management, please refer to the Annual Report for the year 2024.

3. THE GROUP'S SUSTAINABILITY STRATEGY

The Guala Closures Group's commitment to sustainability took shape in 2011 with an initial programme involving the Italian plants.

In 2016, the sustainability program was extended to the entire Group and has made it possible to achieve many successes, including the launch of the diversity and inclusion charter, and entry into the United Nations Global Compact (UN Global Compact).

To contribute more and more to building a better future for its entire value chain, in 2023 the Group launched its third "Sustainable Together 2030" programme.

3.1. SUSTAINABLE TOGETHER 2030

(GRI 2-18:2021)

Sustainable Together 2030 aims to work on three priority areas:

- *Environment*, to help preserve the planet;
- *Social*, to promote and develop the conditions for the well-being of employees and the communities in which the group operates;
- *Governance*, to ensure ethical business and transparent processes along the value chain, ensuring a product with high standards of quality and safety.

For each of the three areas, the work areas, the objectives with deadlines until 2030 and the related monitoring indicators have been defined to track progress over time.

The Environment area (Table 7) has four main areas of work:

- management of climate-changing gas emissions;
- water resources management;
- waste management with specific attention to hazardous waste and waste destined for landfills;
- implementation of energy management systems according to the ISO 50001 standard.

The areas of work in the Social area (Table 8) are focused on:

- health and safety in the workplace, through the dissemination of the "Zero accidents" culture and the gradual implementation of ISO 45001 certification in the Group's plants;
- diversity and inclusion, insisting on gender equality, the inclusion of people with disabilities and stimulating collaboration and interaction between different generations;

Finally, Governance (Table 9) has among its work areas:

- engagement of the Group's strategic suppliers through the sharing and signing of the Code of Ethics and conduct and evaluation and monitoring activities;
- dissemination of ethical and transparent behaviour by sharing the code of ethics with all Group employees.

Table 7, Table 8, Table 9, summarize the objectives and monitoring indicators for each area of the Sustainable Together 2030 programme.

The progress of the activities for each area of the program is described in the following chapters.

Table 7: Sustainable Together 2030 Programme – Environment

WORKSPACE	DESCRIPTION	OBJECTIVE	UNITS OF MEASURE MENT	BASELINE		TARGET	
				Year	Value	Year	Value
Carbon footprint reduction	Grow and innovate while reducing greenhouse gas emissions, with targets validated by the Science Based Target initiative	-44% CO2e emissions in Scope 1 and Scope 2	tCO2e	2020	156.191	2030	87.446
		-25% in intensity of indirect CO2e emissions in Scope 3	tCO2e/mln closures	2020	27,2	2030	20,4
Preserving water resources	Acting on industrial processes to reduce water consumption in factories	-15% water withdrawal	M3/mln closures	2022	13,43	2030	11,41
		- 25% water withdrawal in areas of high water stress	M3/mln closures	2022	13,65	2026	10,24
Zero waste	Properly manage waste and reduce its impact through eco-design strategies and the use of recyclable materials or materials from renewable sources	Zero waste to landfill	%	2022	4,3	2030	0
		Less than 5% hazardous waste	%	2022	7,5	2030	<5
Energy Management System	Improve energy efficiency, reduce energy consumption by certifying plant energy management systems	100% of ISO 50001 certified factories	%	2022	0/plants Italy	2024	100% (Italy)
					1/Europe Plants	2026	100% (Europe)
					1/Group plants	2030	100% (Group)

Table 8: Sustainable Together 2030 Programme – Social

WORKSPACE	DESCRIPTION	OBJECTIVE	UNITS OF MEASUREMENT	BASELINE		TARGET	
				Year	Value	Year	Value
Health and safety first	Spread the "zero accident culture" by implementing tools to reduce or avoid potential risks	Year-on-year reduction in accident frequency index	(Number of accidents * 1,000,000) /hours worked	2022	6,54	2030	Reduction year after year
		100% of ISO 45001 certified factories	%	2022	0/plants Italy	2023	100 % (Italy)
					2/Europe plants	2026	100% (Europe)
					2/Group plants	2030	100% (Group)
HSE Training	To increase employee awareness of environmental, health and safety issues.	+ 30% HSE training	Hours/person	2022	6,3	2030	8,2
Diversity and inclusion	Ensure the integration and professional development of employees in a fair work environment, where everyone is valued in their diversity	Promoting gender equality	NA	NA	NA	2023	Gender Wage Gap Analysis to Define the Baseline
			Parenting Support Policies	2022	NA	2023	Introduction of at least one policy per BU
			Training for the professional development of women	2022	NA	2024	% of women participating in training greater than % of women in the Group
		Strengthening interaction between generations	Number of projects and measure of effectiveness	2022	NA	2025	At least one project per BU
		Inclusion of people with disabilities	Number of traineeships for people with disabilities	2022	NA	2025	At least one internship per BU

Table 9: Sustainable Together 2030 Programme – Governance

WORKSPACE	DESCRIPTION	OBJECTIVE	UNITS OF MEASUREMENT	BASELINE		TARGET	
				Year	Value	Year	Value
Supply chain	Integrating sustainability into the supply chain, promoting the Group's ethical principles at all levels, among suppliers and partners.	100% of strategic suppliers[6] monitored on sustainability performance[7]	%	2022	46	2023	100
		100% of strategic suppliers signatories of the Code of Ethics	%	2022	0	2023	100
Ethics and transparency	Improve sustainability ratings and disseminate the principles of the Code of Ethics at all levels of the Group	Earn EcoVadis Gold Rating	EcoVadis Assessment	2022	NA	2023-2030	Earn Gold Rating and Maintain Status
		100% of employees trained on the Code of Ethics	%	2022	48	2024	100 %(United States)
					0	2024	100% (Group)

[6] supply raw materials and production support services to multiple Group plants and have an annual turnover of more than 200,000 euros

[7] internal or independent third-party assessments, SMETA audits or similar

3.2. INNOVATION AND ECODESIGN

Achieving the goals set through the Sustainable Together 2030 programme implies constant investment in research and the development of new solutions capable of:

- respond to customer and market needs;
- minimize negative impacts on the environment;
- provide high levels of product safety and quality;
- Respond to new packaging regulations.

To face these challenges, the Guala Closures Group, taking advantage of the seven research[8] and development centers that operate in collaboration with all the Group's functions, has developed over the years a design method that is based on four principles, encapsulated in the guidelines for product eco-design.

1. *DESIGN TO REDUCE*

Principle based on saving everything that is not necessary, reducing the amount of resources used to make a product has a lower impact on the environment.

2. *DESIGN TO CHANGE*

Principle based on the reduction of the use of exhaustible resources through the evaluation of alternative ones. Examples include the use of recycled products (where possible) and products from renewable materials.

3. *DESIGN TO FADE*

A principle that leads us to think from an end-of-life perspective, studying materials that are biodegradable and that are not destined for landfill or incineration.

4. *DESIGN TO REVIVE*

A principle that leads to the design of recyclable closures at the end of their life, while at the same time helping to save virgin raw materials.

In 2024, 250 new products were developed and launched on the market with a strong focus on two key market segments: prestige closures and safety closures.

As for the former, the availability of innovative materials and solutions positions Guala Closures as a preferred partner for premium brands and design agencies. In addition, the integration of sustainability principles into research and development has facilitated the introduction of alternative materials, expanding the range of luxury and prestige closures. Given the strong sensitivity to these issues in Europe and the UK, most of the products launched in these areas already use these polymers.

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[8] The centers are located in different areas of the world: Italy (Spinetta Marengo and Breganze), Mexico (San Josè Iturbide), Bulgaria (Kazanlak), Ukraine (Sumy), UK (Kirkintilloch) and China (Chengdu)

Examples of new products launched during 2024

Wooden closure, belonging to the Prestige range, made to elevate the classic Negroni by Via Carota Craft Cocktails. This zamak closure captures the essence of sophistication, designed with a delicate hammered effect on the sides for a sleek, seamless look.

Wooden closure, part of the Prestige range, designed for Ernest Partner Reserve Rhum in which a zamak decoration is combined with the functionality of a natural cork stem.

Closures for edible oils, with bio-based and mono-material cap, completely recyclable.

Wooden stopper tailor made for The Gardner Gin, belonging to the luxury closures and reflecting the sinuous lines and elegance of the bottle.

Regarding security closures, the Group has been developing non-refillable solutions for years to combat the growing global problem of alcohol fraud, further aggravated by the increase in online sales.

Research and development are focusing on tamper-evident systems, digital solutions and highly sophisticated production technologies that make closures extremely difficult to replicate, ensuring the authenticity of the product.

To protect its products and defend its customers' trademarks, the Group has equipped itself over the years with an

Intellectual Property (IP) protection service, which, between 2016 and 2024, led to the development of 38 new patents (of which 4 filed during 2024) and to avoid legal proceedings relating to intellectual property infringements. In addition, 3 design registrations were made in 2024.

3.3. MANAGEMENT SYSTEMS AND CERTIFICATIONS

(GRI 2-25:2021)

The Sustainable Together 2030 program includes challenging goals with defined deadlines, which require constant measurement to verify progress over time; All this is possible thanks to the implementation of various management systems, certified according to international reference standards, all of a voluntary nature.

The management systems cover the areas of quality, food safety, environment, occupational health and safety and energy.

To date, not all Group companies have obtained all certifications, but there is a gradual extension program (Table 10) to all the establishments belonging to the individual companies.

In addition, each new acquisition is part of the extension plan of all certifications with timelines to be defined from time to time and the certifications obtained must be maintained over time.

Table 10: Plan for the extension of certified management systems in the various plants

COUNTRY (ESTABLISHMENT)	ISO 9001	ISO 22000[9]	ISO 14001	ISO 45001	ISO 50001
ARGENTINA (Chivilcoy)	✓	FSSC - 22000	✓	2026	2030
AUSTRALIA (Melbourne)	✓	FSSC - 22000	✓	2026	2030
BRAZIL (São Paulo)	✓	✓	✓	2025	2030
BULGARIA (Kazanlak)	✓	✓	✓	✓	2026
CHILE (Santiago de Chile)	✓	BRCGS	✓	2027	2030
CHINA (Chengdu)	✓	✓	✓	✓	2030
CHINA (Yibin)	✓	✓	✓	✓	2030
CHINA (Luzhou)	✓	✓	✓	✓	2030
CHINA (Guizhou)	✓	✓	✓	✓	2030
COLOMBIA (Bogotá)	✓	✓	✓	2025	2030
FRANCE (Chambray)	✓	FSSC - 22000	✓	✓	2026
GERMANY (Worms)	✓	FSSC - 22000	✓	✓	✓
INDIA (Ahmedabad)	✓	✓	✓	2025	2030

9 Or other equivalent standard (e.g. FSSC – 22000 and BRCGS); the table explains the standard adopted where it is different from ISO 22000

COUNTRY (ESTABLISHMENT)	ISO 9001	ISO 22000[9]	ISO 14001	ISO 45001	ISO 50001
INDIA (Daman)	✓	✓	✓	2026	2030
INDIA (Dharwad)	✓	✓	✓	2026	2030
INDIA (Goa)	✓	✓	✓	2026	2030
ITALY (Magenta)	✓	✓	✓	✓	✓
ITALY (Spinetta M.go)	✓	FSSC - 22000	✓	✓	✓
ITALY (Termoli)	✓	FSSC - 22000	✓	✓	✓
ITALY (Breganze)	✓	✓	✓	✓[10]	2025[11]
KENYA (Nairobi)	✓	✓	✓	2026	2030
MEXICO (S.J.Iturbide)	✓	✓	✓	✓	2030
NEW ZEALAND (Auckland)	✓	✓	✓	2026	2030
POLAND (Wloclawek)	✓	✓	✓	✓	2026
PORTUGAL (Lobão)	2025	2026	2027	2027	2026
SOUTH AFRICA (Cape Town)	✓	FSSC - 22000	✓	2026	2030
SPAIN (Jerez)	✓	FSSC - 22000	✓	2025	2026
SPAIN (Oledrola)	✓	FSSC - 22000	✓	2025	2026
UKRAINE (Sumy)	✓	✓	✓	2027	2026
UKRAINE (Ternopyl)[12]	-	✓	-	-	-
UKRAINE (Nemiriv)	-	-	-	-	-
UK (Bridge of Allan)	✓	FSSC - 22000	✓	✓	2026
UK (Kirkintilloch)	✓	FSSC - 22000	✓	2026	2026
USA (Fairfield)	✓	✓	✓	2025	2030

[10] Extended to January 2024

[11] The audit was done in January 2025, closing the certification process that began in 2024

[12] Due to the ongoing war, it is not possible to have a forecast of the extension of corporate certifications to the Ternopyl and Nemiriv plants, as this involves on-site audits. In 2025, implementations and subsequent certifications at the local level will be evaluated

3.3.1.FOOD QUALITY AND SAFETY

(GRI: 416-2; 2016)

The Guala Closures Group produces closures for bottles in direct contact with food; therefore, it must on the one hand guarantee the health and safety of the end consumer and on the other hand the satisfaction of customers (both on product and service).

To protect the health and safety of the consumer, each plant is required to implement and certify a management system compliant with ISO 22000 (or other equivalent standard) that guarantees:

- compliance with applicable laws and regulations for packaging intended for contact with food;
- the implementation of good manufacturing practices and the assessment of any risks, to be kept under control through HACCP plans;
- full traceability and identification of products during the entire production cycle and supply to the customer.

At the end of 2024, all production plants with the exception of Lobão in Portugal (because it was recently acquired) and Nemiriv (opened in November 2024) they are ISO 22000 certified or other equivalent standard (32 plants out of a total of 34 as reported in Table 10, which represent almost 94% of the Group's plants).

To guarantee the quality of the finished product, the Group has long since achieved a corporate certification that provides for the extension of ISO 9001 certification to all plants in order to ensure compliance with the requirements expected by the customer, such as: not to constitute a danger to human health, not to involve an unacceptable change in the composition of food products and a deterioration of their characteristics.

All sites are monitored by the Group's Quality Assurance, which, through the sharing of a monthly newsletter, is responsible for analyzing and disseminating regulatory updates and important information relating to Food Safety.

At the end of 2024, all production plants are ISO 9001 certified (Table 10), except:

- Lobão in Portugal, which is expected to be implemented and certified during 2025;
- Ternopyl and Nemiriv in Ukraine, due to the inability of the verification body to carry out audits for the extension of corporate certification to the site in question due to the ongoing war. During 2025, implementation and subsequent certification at the local level will be evaluated.

Thanks to this type of strategy, even in 2024 there were no cases of non-compliance with regulations and/or self-regulatory codes regarding the impacts on the health and safety of products, cases of non-compliance with regulations that result in a fine or sanction; cases of non-compliance with regulations that result in a warning and cases of non-compliance with self-regulatory codes (Table 11).

In addition, to monitor the level of quality of the service provided to its customers, the Group analyses all complaints received, classifying them by customer and type in order to intervene with targeted solutions; in 2024, the number of complaints and reports received for one million closures produced stands at 0.07, slightly down from the 2023 figure (0.08).

Table 11: cases relating to the management of the issue of quality and food safety in the three-year period 2022-2024

Management of the issue of quality and food safety	2022	2023	2024
Cases of non-compliance with laws and regulations related to product health and safety impacts	0	0	0
Cases of non-compliance with regulations that result in a fine or penalty	0	0	0
Cases of non-compliance with voluntary codes	0	0	0
Complaints and reports received per million closures produced	0,06	0,08	0,07

3.3.2.ENVIRONMENT AND ENERGY

The Group has long since obtained a corporate certification relating to the environmental management system according to ISO 14001 which provides for the extension to all the Group's plants.

At the end of 2024, all production plants are ISO 14001 certified (Table 10), except:

- Lobão in Portugal, which is expected to be implemented and certified in 2027;
- Ternopyl and Nemiriv in Ukraine, again due to the inability of the verification body to carry out audits for the extension of corporate certification to the site in question due to the ongoing war. As in the case of ISO 9001 certification, implementation and subsequent certification at the local level will be evaluated in 2025.

Regarding the progress of the implementation and certification of energy management systems according to ISO 50001, the extension to all Italian plants (also considering the Breganze plant which was audited in January 2025) was completed during 2024 as envisaged in the programme.

In addition, the Sustainable Together 2030 programme foreseen the extension of certification to all plants located in Europe by 2026 and to the rest of the world by 2030. However, given the growing number of acquisitions (and employees), the Group has decided to prioritize ISO 45001 certification relating to the health and safety of workers.

3.3.3.HEALTH AND SAFETY

With respect to the initial objective of the Sustainable Together 2030 programme, the Group has decided to bring forward the implementation and certification of health and safety management systems according to ISO 45001 in all plants, according to the planning set out in Table 10. At the end of 2024, 14 plants are certified ISO 45001, and it is expected to cover all Group sites by 2027.

4. ENVIRONMENT

In its Sustainable Together 2030 corporate strategy, Guala Closures confirms its commitment to operating with care for the natural environment and in the awareness of its impact on it.

The environmental policy, applied in all plants, is guided by three principles:

- continuous improvement, aimed at both the Group's products and processes, driven by research and development activities and the integration of quality requirements;
- the involvement of the supply chain, to implement interventions that go beyond the Group's perimeter of control;
- measurement of all activities through environmental performance indicators; in fact, since 2016[13] a program has been in place to monitor consumption and assess the emissions generated by all the Group's plants.

Based on these principles, environmental policy focuses on four themes, which are the areas of work of the environment pillar of the Sustainable Together 2030 Program: **greenhouse gas emissions**, the management of **Energy consumption** of **water resources** and the production of **waste.** In Table 12 The objectives, baseline and results achieved in 2024 with respect to specific targets are presented.

Table 12: objectives of the Sustainable Together 2030 strategy on the topic Environment and results 2024

WORKSPACE	OBJECTIVE	UNITS OF MEASUREMENT	BASELINE		TARGET PROGRAM		ANNUAL TARGET	PROGRESS 2024 – 2022 perimeter	PROGRESS 2024 – 2024 perimeter
			Year	Value	Year	Value	2024	Result with 2022 perimeter	Result with 2024 perimeter
Carbon footprint reduction	-44% CO2 emissions in Scope 1 and Scope 2	tCO2e	2020	156.191	2030	87.446	128.701	68.357 Annual target achieved	70.153 Annual target achieved
	-25% in intensity of indirect CO2 emissions in Scope 3	tCO2e/mln closures	2020	27,2	2030	20,4	24,48	22,73 Annual target achieved	23,33 Annual target achieved
Preserving water resources	-15% water withdrawal	M3/mln closures	2022	13,43	2030	11,41	12,93	12,29 Annual target achieved	14,51 Annual target not achieved
	- 25% water withdrawal in areas of high-water stress	M3/mln closures	2022	13,65	2026	10,24	11,94	6,58 Annual target achieved	9,98 Annual target achieved
Zero waste	Zero waste to landfill	%	2022	4,3	2030	0	3,79%	3,75% Annual target achieved	3,70% Annual target achieved
	Less than 5% hazardous waste	%	2022	7,5	2030	<5	7,16%	6,55% Annual target achieved	6,80% Annual target achieved
Energy Management System	100% of ISO 50001 certified	% of certified production	2022	0/4	2024	100 % (Italy)	4/4	4/4 Target achieved	4/4 Target achieved

[13] Starting in 2011, involving only the Italian plants.

WORKSPACE	OBJECTIVE	UNITS OF MEASUREMENT	BASELINE		TARGET PROGRAM		ANNUAL TARGET	PROGRESS 2024 – 2022 perimeter	PROGRESS 2024 – 2024 perimeter
			Year	Value	Year	Value	2024	Result with 2022 perimeter	Result with 2024 perimeter
	factories	plants		1/14	2026	100% (Europe)	N.A.	5/14	5/16
				1/28	2030	100% (Group)	N.A.	5/28	5/34

4.1. ENERGY CONSUMPTION

(GRI 302-1:2016; 302-3:2016)

#energyefficiency #energyfromrenewablesources

The most used energy resources in the Group's production plants are electricity and natural gas. Electricity is the main energy source, used for the operation of the production lines and for the general consumption of the plant.

Natural gas in the first place, followed by other fuels (diesel, LPG, propane and petrol), are instead used for the operation of heating systems such as ovens for decoration processes and heating systems. In Indian plants, fuels are also used in power generators, which are periodically necessary to make up for malfunctions in the local electricity grid.

Considering the large energy demand, the optimization of consumption plays a crucial role in the Group's energy management, which continues to work to identify the processes that have the greatest impact, thus implementing targeted improvement interventions on them. Therefore, the goal of the Sustainable Together 2030 Programme for this area of work is the gradual achievement of the **ISO 50001 certification** in all the Group's production sites by 2030, starting with the Italian plants in 2024 (Paragraph 3.3.2).

In 2024, the Group's energy consumption **increased by 8.5%** compared to 2023 (Table 13). This energy increase is consistent with the increase in the production of closures, both in number and weight (about 4% more closures produced than in 2023). In fact, a slight increase in the use of many energy sources, such as natural gas and LPG, can be observed compared to the previous year, in which there was a slight drop in production compared to 2022.

In 2024, the proportion of electricity from **renewable sources** increased, reaching around **62% of total electricity consumed**, up from around 51% in 2023. This was possible thanks to the installation of the photovoltaic system at the San Jose Iturbide plant (Mexico) in addition to the one installed near the Goa plant (India), and the ever-increasing stipulation of contracts for the supply of electricity from renewable sources as well as the purchase and cancellation of international certificates of origin (i-RECs) that certify the supply from renewable sources. At the end of 2024, **there are 21 plants** that consume electricity from renewable sources[14].

[14] All 21 plants use electricity from renewable sources, mainly through the purchase of Guarantees of Origin certificates or through self-production from photovoltaic systems.

Table 13: energy consumed by the Group for the various energy sources, for the three-year period 2022-2024

ENERGY CONSUMED[15]	UNITS OF MEASUREMENT	2022	2023	2024
Total energy consumption	GJ	1.396.932	1.205.090	1.307.691
Fuel consumption[16]	GJ	590.105	496.701	543.133
Diesel	Litres	509.721	440.431	494.407
Natural gas	Sm3	13.586.670	11.235.075	12.229.724[17]
LPG	Kg	854.464	864.354	981.866
Propane	Kg	8.856	9.201	7.504
Petrol	Litres	317	1.235	510
Electrical energy	Kwh	223.899.999	196.775.532	212.376.994
Electricity from renewable sources	GJ	337.611	364.733	472.052
Electricity from renewable sources[18]	%	41,9%	51,5%	61,7%
Total energy from renewable sources	%	24,2%	30,3%	38,5%[19]
Energy intensity[20]	GJ/ton of closures	15,55	15,68	16,19

4.2. GREENHOUSE GAS EMISSIONS

(GRI 2-4:2021; 305-1:2016; 305-2:2016; 305-3:2016; 305-4:2016)

#carbonfootprint #climatechange #sciencebasedtarget

Direct emissions (Scope 1) derive mainly from the operation of plants and machinery owned or under the complete

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[15] All energy consumption is monitored directly by the plants on a monthly basis and periodically verified by the CSR office, which checks its correspondence with the consumption recorded in the bills.

[16] The conversion factors in GJ of fuel sources, constant in the years starting from 2017, are: Diesel 0.03771 GJ/litre, LPG and Propane 0.05 GJ/kg, Natural Gas 0.03884 GJ/Sm3, Petrol 0.03597 GJ/litre, the source of which is the Boustead Model.

[17] In 2024, the Worms plant purchased some certificates offsetting the emissions generated by the use of natural gas and certificates of origin from biogas. This share of natural gas consumption is considered among the quantities of energy from renewable sources.

[18] The percentage of electricity from renewable sources is calculated by considering the figure in GJ of electricity from renewable sources, reported in the previous row, transformed into kWh and then divided by the total electricity consumed in kWh.

[19] In addition to the electricity self-produced by photovoltaic systems and energy for which Certificates of Origin have been purchased, the total amount of energy from renewable sources also includes the quantities of natural gas from Worms for which certificates of compensation or biogas origin have been purchased.

[20] Energy intensity is obtained by considering the total energy consumption in GJ divided by the total weight, in tonnes, of the total closures produced in the year.

management of the company, such as thermal plants (powered by natural gas) and machinery powered by diesel. Indirect emissions, on the other hand, are both those relating to the use of electricity from the grid (Scope 2) for the operation of all plants and sites, and those deriving from activities upstream and downstream of the value chain such as the production and transport of raw materials, the distribution of finished products and their disposal at the end of their life (Scope 3).

The validation of the targets by the *Science Based Target initiative* (SBTi), which took place in December 2022, represented an important milestone in the sustainability path undertaken by the Group, which in 2021 had already reduced the intensity of its Scope 1 and 2 greenhouse gas emissions by 40% compared to 2016.

The validated targets correspond to the objectives of the Group's strategy. 2024 is the second year of operation led by the Sustainable Together 2030 programme.

This year, the emission reduction program was strongly accelerated, achieving excellent results for both objectives:

- **-15% of Scope 1 and 2 (Market-based) CO2e emissions compared to 2023;**
- **-4% of Scope 3 CO2e emissions per million closures produced compared to 2023.**

SBTi is a body that was born from the collaboration of **international organizations** with the aim of directing the ambition and commitments of companies in the fight against climate change.

The goal is to accelerate action around the world to **halve emissions by 2030**, reach **net zero emissions by 2050** and provide companies with a defined pathway, independently evaluating and approving the results achieved.

Guala Closures has committed to reducing absolute Scope 1 and 2 **greenhouse gas** emissions by 44% **by 2030** compared to 2020 which has been defined as the base year. Within the same period, the Group aims to **reduce Scope 3 greenhouse gas emissions** from purchased goods and services and from fuel and energy-related activities by **25% for every million closures produced**.

The significant reduction in emissions in absolute terms, despite the increase in production, was driven by the continuous monitoring of emissions along the value chain, and made possible by actions to mitigate the Group's impact:

- **directly** at production sites, through process optimization, investments in new plant equipment (approximately 3.1% of the Group's total investments in 2024), the gradual electrification process and the purchase of energy from renewable sources;
- **indirectly** with actors along the supply chain (transport, customers and suppliers).

The Group's global direct emissions (Scope 1) were in line with the previous year (-0.1%). Indirect market-based Scope 2 emissions, on the other hand, decreased by 27% compared to 2023. This result was achieved thanks to the ever-increasing supply of electricity from renewable sources in the Group's plants. A slight contribution to the reduction of Scope 2 is also generated by considering the impact allocated to Scope 2 of electricity from renewable sources to be 0. The methodology differs slightly from what was calculated in previous years, in which a portion of the impact was redistributed between Scope 2 and Scope 3, while for the current year the impact was entirely allocable to indirect Scope 3 emissions.

Finally, indirect Scope 3 emissions increased by 1% compared to 2023. This increase is due both to the widening of the boundary of aspects considered and verified by third parties compared to previous years (cat.1 relating to the services purchased and the entirety of category 4 relating to upstream transport and distribution), and to the increase in production in terms of weight and number of closures and downstream of the acquisition of new production plants. As already mentioned, a slight increase is also recorded for the methodological change relating to the allocation to Scope 3 (category 3) of the entire impact associated with the supply of energy from renewable sources.

Table 14: Group GHG emissions for the three-year period 2022-2024

GHG EMISSIONS[21]	UNITS OF MEASUREMENT	2022	2023	2024
Emissions - Scope 1	tCO2e	37.990	35.701	35.672
Emissions - Scope 1 - Biogenic GWP	tCO2e	561	536	438
Emissions - Scope 2 (market-based)	tCO2e	56.564	47.123	34.481
Emissions – Scope 2 (location-based)	tCO2e	112.109	98.293	109.465
Scope 3 emissions	tCO2e	509.890	413.523	418.382
of which deriving from the purchase of goods and services - category 1 (included in the SBT target)	tCO2e	463.665	376.735	369.396
of which deriving from activities related to fuels and energy - category 3 (included in the SBT target)	tCO2e	18.158	18.464	14.786
Scope 3 emissions - biogenic GWP	tCO2e	646	476	548
Scope 1 & 2 Emissions (MB)	tCO2e	94.554	82.824	70.153
Total Scope 1, 2 (MB) and 3 emissions	tCO2e	604.444	496.347	488.536

In 2024, **the Group achieved both annual targets set** in the Sustainable Together 2030 Programme relating to reducing its carbon footprint.

The combination of Scope 1 and Scope 2 emissions moved from 156,191 tCO2e in 2020, the base year, to 70,153 tCO2e in 2024, thus reducing by 55%, reaching and exceeding the -44% reduction target set for 2030. The Group's ambition, as early as 2023, has therefore come to maintain this result over time accompanied by an increase in company productivity.

Table 15: intensity of the Group's GHG emissions for the three-year period 2022-2024

INTENSITY OF GHG EMISSIONS	UNITS OF MEASURE MENT	2022	2023	2024
Scope 1+2 emissions intensity (MB)	tCO2e/t	1,05	1,08	0,87
Scope 3 emissions intensity – per ton of finished product	tCO2e/t	5,65	5,38	5,18
Scope 3 partial emissions intensity (cat 1 and cat. 3) – per million closures produced[22]	tCO2e/mln closures	26,22	24,87	23,26

[22] This is the intensity indicator to which the target validated by the SBTs in relation to Scope 3 refers.

Overall Scope 1, 2 (MB) and 3 emissions intensity – per ton of finished product	tCO2e/t	6,70	6,46	6,05
Overall Scope 1, 2 (MB) and 3 emissions intensity – per million closures produced	tCO2e/mln closures	32,90	31,24	29,58

The target on the intensity of indirect Scope 3 emissions (categories 1 and 3) per million closures produced has moved from 27.2 tCO2e in 2020, the base year, to 23.26 tCO2e in 2024, thus reducing by about 14.5%. The annual target has also been completed in 2024.

Starting from 2022, the year in which the Science Based Targets were submitted, the estimation of its indirect Scope 3 emissions has been extended to all applicable categories provided for by the reference standard (Greenhouse Gas Protocol); even those not directly attributable to production processes (such as business trips and employees' home-work trips) as well as those downstream of the supply chain and therefore outside the direct control of the Group (such as the end of life of closures). Although these categories are not among those considered for the objectives, the Group still maintains monitoring activity to have a complete view of the Organization's impacts.

The Table 16 describes the trend of Scope 3 emissions divided into two macro-groups:

- The emissions associated with the Group's production processes, i.e. categories 1 (raw materials, goods and services purchased), 3 (upstream energy activities), 4 (upstream and downstream logistics) and 5 (waste produced by the organization), which correspond to the categories subject to verification by third parties. This perimeter of emissions allows the Group to have a general estimate of environmental impact, in terms of CO2 equivalent, per closure, in line with the boundaries of cradle-to-gate product life cycle analysis (LCA).
- Emissions upstream or downstream of the supply chain and not directly generated by production processes, i.e. categories 2 (capital goods), 6 (business travel), 7 (employee commuting), 10 (processing of products sold), 12 (end-of-life of products sold) and 15 (investments).

Table 16: Total Scope 3 emissions of the categories not subject to verification for the three-year period 2022-2024

GHG EMISSIONS – EXTRA VERIFICATION CATEGORIES	UNITS OF MEASURE MENT	2022	2023	2024
Scope 3 emissions – categories subject to verification	tCO2e	509.890	413.523	418.382
Scope 3 emissions – unverified categories	tCO2e	93.797	85.564	85.315

The calculation of the overall Scope 3 emissions of all reportable categories shows a steady improvement in the trend over the three-year period 2022-2024.

Also in 2024, for the second consecutive year, the Guala Closures Group has decided **to voluntarily** participate **in the** completion of the **CDP** (Carbon Disclosure Project) questionnaires.

[22] This is the intensity indicator to which the target validated by the SBTs in relation to Scope 3 refers.

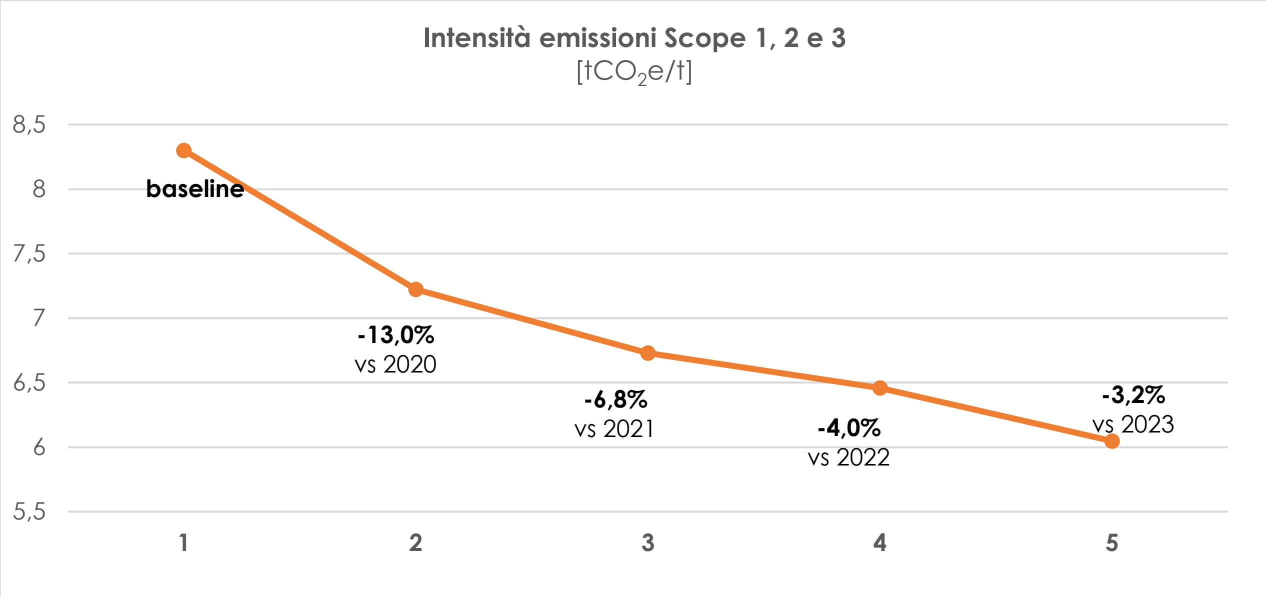

Figure 4 – Group emissions intensity (Scope 1,2,3)

The intensity of the Group's overall emissions (Scope 1, 2 and 3 per tons of finished product) is steadily decreasing, despite changes in production over the years, achieving a **27% decrease** compared to 2020, the base year (Figure 4).

To ensure the reliability of the declared results, Guala Closures also in 2024 has submitted its emissions (Scope 1, Scope 2, Scope 3 partial) to verification by an independent third party (Bureau Veritas) obtaining certification[23].

4.2.1.OFFSETTING GREENHOUSE GAS EMISSIONS

#carboncredits

The emissions offsetting program, started in 2011, initially consisted of financing reforestation projects, through international NGOs, and accounting for the benefit of carbon dioxide absorption generated by these new trees. Since 2014, the financing has been supplemented by the purchase of carbon credits[24]. Since 2018, while continuing to subsidize reforestation projects, only tons of CO2 corresponding to the carbon credits purchased annually have been considered as offset.

Starting from 2021, the Group's strategy has been based on the gradual purchase of carbon credits to gradually offset all direct (Scope 1) and indirect emissions related to electricity consumption (Scope 2). In 2021, the first year

[23] As far as Scope 3 is concerned, emissions relating to categories 1 – Goods and services purchased; 3 – Fuel and energy related activities not included in Scope 1 and 2; category 4 – Upstream transport and distribution; and 5 – Waste generated.

[24] Carbon credits are securities equivalent to one tonne of CO2 per security, not emitted or absorbed thanks to an environmental protection project carried out with the aim of reducing or reabsorbing global emissions of CO2 and other greenhouse gases.

of the launch of the new offsetting strategy, credits were purchased to cover the emissions of the second half of the year. As of 2022, as shown in Table 17, the Group purchases enough carbon credit annually to offset all Scope 1 and Scope 2 emissions. Emission offset certificates finance sustainable development projects around the world, including the construction of wind and hydroelectric plants.

Table 17: Scope 1 and 2 emissions and carbon credits purchased for offsetting, for the three-year period 2022-2024

SCOPE 1 AND 2 EMISSIONS AND CARBON CREDITS PURCHASED	UNITS OF MEASUREMENT	2022	2023	2024
Scope 1 and 2 emissions	ton CO2e	94.554	82.824	70.153
Carbon credits purchased for offsetting	n° credits	94.554	82.824	70.153

4.2.2.OTHER ISSUES

(GRI 305-7:2016)

#airquality

In some of the Group's plants, air emissions directly generated by production plants are also monitored. These emissions mainly concern substances such as nitrogen oxides, carbon monoxide, volatile organic compounds and to a lesser extent sulphur oxides and dust, the latter generated specifically by the moulding process. Measurements are carried out only in plants located in countries whose current legislation imposes the obligation of monitoring; therefore, this aspect is considered material for the Group. There are no direct emissions of other harmful substances not included in Table 18.

Table 18: emissions of other substances for the three-year period 2022-2024

OTHER HARMFUL EMISSIONS[25]	UNITS OF MEASUREMENT	2022	2023	2024
Nitrogen oxides (NOx)	Ton	44,5	29,2	36,2
Sulfur oxides (SOx)	Ton	0,7	0,2	1,1
Carbon monoxide (CO)	Ton	98,9	84,2	105,2
Volatile organic compounds (VOCs)	Ton	505,4	380	448
Dusts	Ton	N.A.	2,6	3,8

As regards refrigerant gases that are dispersed into the environment, the resulting CO2e emissions are already

[25] These emissions are monitored at the plants in: Bridge of Allan, Chengdu, Jerez, Kirkintilloch, Magenta, Olerdola, San Jose Iturbide, Santiago de Chile, Spinetta Marengo, Sumy, Worms.

reported within Scope 1. The specific quantities dispersed (evaluated considering the top-ups that took place during the year) are instead presented in Appendix.

During 2024, the Group promoted investments aimed at removing asbestos from the roofs of the Cape Town, Jerez, Sao Paolo and Worms plants. The works were successfully completed in October of the same year, ensuring the safety of all the listed plants.

4.3. WASTE

(GRI 306-1:2020, 306-2:2020; 306-3:2020)

#wastemanagement #circulareconomy

The waste generated by the Group's production activities is mainly of two types: waste of semi-finished products and raw materials, and waste deriving from plant maintenance.

Moulding, drawing and decoration processes generate waste from semi-finished products and raw materials, mainly plastic materials and aluminium; packaging and unpacking operations, on the other hand, generate waste of paper, cardboard and plastic films.

To a lesser extent, wood and cork waste is produced from the cutting and turning processes in factories that produce prestige closures. This type also includes waste, mainly hazardous, deriving from decoration operations such as solvents, inks, enamels and paints.

On some production lines and in general for plant maintenance activities, waste oil emulsions and used mineral oils are generated, mostly sent for purification[26], as well as water solutions and detergents deriving from machine washing.

Finally, there is less waste from office activities (toner, paper and cardboard, etc.) and from the canteen (plastic, organic, etc.).

All waste produced is collected separately by type and disposed of in compliance with the law at each plant. Separate waste collection is also implemented in office areas, break areas and canteen. The staff is periodically trained and informed about the criteria for waste separation, with a view to reducing and recycling the waste produced.

To promote circularity paths, for years, Guala Closures has been collaborating with some of its strategic aluminium suppliers, providing them with processing waste so that it can be re-introduced into their production cycles, while simultaneously contributing to the reduction of waste to be disposed of for the Group and the subsequent procurement of raw material with recycled (*pre-consumer*) content.

There are two objectives defined in the Sustainable Together 2030 strategy regarding waste: zero waste sent to landfills and the reduction of hazardous waste to less than 5% of the total, both set for 2030. Also in 2024, both annual waste reduction targets were achieved.

In 2024, waste production was in line with 2023 (2.2% more total waste than in 2023). The percentage of waste sent to landfill stands **at 3.7% in 2024**, slightly up from 3.4% in 2023. 40% of the waste sent to landfills comes from the

[26] Waste oils and emulsions, being sent for purification, do not constitute a discharge into the receiving water bodies.

Ukrainian plant in Sumy, whose delicate geopolitical situation of conflict makes the virtuous management of waste flows more complex and less of a priority. Consequently, the slight increase recorded is not representative of the Group's commitment to promoting the valorization of its waste.

Table 19: waste generated by the Group's production and management activities, for the three-year period 2022-2024

WASTE REDUCTION AND DISPOSAL	UNITS OF MEASUREMENT	2022	2023	2024
Total waste produced	Ton	22.217	19.363	19,782
Total non-hazardous waste	Ton	20.546	18.017	18.436
of which recycled	Ton	19.306	17.046	17.471
of which incineration	Ton	481	401	426
of which landfill	Ton	759	570	540
Total hazardous waste	Ton	1.671	1.345	1.346
of which recycled	Ton	1.321	1.102	988
of which incineration	Ton	159	151	164
of which landfill	Ton	191	91	193
Percentage of hazardous waste	%	7,52%	6,95%	6,80%
Waste for finished product	kg/ton of closures	247	252	245
Total waste to landfill	Ton	950	661	733
Percentage of waste in landfills	%	4,27%	3,42%	3,70%

4.4. WATER RESOURCES

(GRI 303-1:2018; 303-2:2018; 303-3:2018)

#waterresourcemanagement #waterscarcity

The Group's water consumption is mainly related to cooling systems and the degreasing process. Specifically, water is used:

- for cooling plastic molding presses, typically with a closed loop;
- in the **evaporative towers** for the exchangers of the cooling circuits for injection molding;
- at the end of the **degreasing process** of aluminum coils.

There is also water consumption related to toilets.

The objectives of the Sustainable Together 2030 Program for this area of work are: the **reduction of overall water intensity** by 15% and that of plants in water-stressed areas by 25%.

Table 20: the Group's water consumption for the three-year period 2022-2024

WATER CONSUMPTION	UNITS OF MEASUREMENT	2022	2023	2024
Total water withdrawn	m3	232.634	200.451	231.208
Water taken from the aqueduct	m3	83.727	80.252	115.621
Water taken from the well	m3	148.907	120.199	115.587
Water withdrawn per finished product – ton	m3/ton	2,72	2,61	2,86
Water withdrawn per finished product – million closures	m3/mln of closures	13,43	12,62	14,00
Water withdrawn per finished product in water-stressed areas [27] – million closures	m3/mln of closures	13,65[28]	10,02	9,98

Table 21: the Group's water consumption for 2024, broken down by the quantities of dissolved solids contained

QUALITY OF WATER WITHDRAWN[29] IN 2024	UNITS OF MEASUREMENT	ALL AREAS	WATER STRESS AREAS ONLY
Fresh water (≤ 1,000 mg/L dissolved solid particles)	m3	115.621	33.200
Other water (> 1,000 mg/L of dissolved solid particles).	m3	115.587	13.071

In most plants, the water used has a zero-pollutant content or below the relevant thresholds, therefore it is discharged directly into the sewers, except for the Scottish plant of Bridge of Allan (which discharges part of the wastewater into surface water) and the Italian plant of Magenta (which discharges into groundwater). The **Magenta plant**, where the degreasing process of aluminium coils with the use of pollutants is located, is equipped with a **wastewater treatment plant**, where the quality and quantity of discharges are constantly monitored, applying the necessary treatments to remove pollutants, ensuring compliance with national regulatory limits.

The highest water consumption was recorded at the Italian plants in Spinetta (approx. 29%) and Magenta (approx. 11%), in the Indian plant in Goa (approx. 16%) and at the Chinese plants in Guizhou and Yibin (approx. 7%).

In 2024, there was an 11% increase in **water intensity per million closures** compared to 2023. The main cause of the increase, in addition to the increase in annual production that has affected water demand, is the acquisition of new production plants, including one of the two Chinese plants mentioned among those with the highest consumption, for which strategies to monitor and reduce water consumption have yet to be implemented.

[27] In 2024, the plants located in areas classified as water stressed changed compared to 2023.

[28] Considering the consumption of 2022 and the classification of the plants as in water-stressed areas of 2023 and 2024, the result of this indicator would be 8.00 m3/mln of closures.

[29] The amount of dissolved solids contained in the withdrawn water is not directly monitored by the plants. Therefore, a hypothesis was made based on the source of withdrawal: whether from an aqueduct classified as fresh water, if from a well classified as other waters.

The are **11 plants of the Group located in regions that in 2024 are identified as having high water stress**[30], namely the plants located in South Africa, Chile, Mexico, Spain, China (located in Guizhou and Chengdu), Australia, two Indian plants (located in Ahmedabad and Daman) and the Italian plant in Termoli. In these areas, water consumption per million closures produced remained almost constant, with a slight reduction of 0.4% compared to 2023.

4.5. RAW MATERIALS

(GRI 301-1:2016; 301-2:2016)

#resourceuse #recycledmaterial

To produce closures, Guala Closures uses large quantities of raw materials, including mainly **aluminum** and various types of **plastics**, but also cork, glass spheres and semi-finished composite products (such as liner).

Most of the **aluminium sheets are prepared by the Magenta plant**, starting from the coils, through a process of washing, degreasing and cutting into sheets of various sizes. Before being sorted between the various factories, the sheets can also be decorated through a lithography process. Plants in Poland, Ukraine, South Africa, Argentina and Australia, to meet their aluminium needs, integrate the sheets received from Magenta by purchasing directly from local suppliers. In 2024, the Group used more than **37,000 tonnes of aluminium**.

Among the many characteristics of aluminium is that it can be recycled repeatedly without losing its properties. In view of this and the significant environmental impact of aluminium, the Group aims to use aluminium with an **increasing recycled content** in its closures. To this end, Guala Closures engages its most relevant suppliers both by requesting certificates attesting to the real recycled content of each alloy, and by making sure to deliver all its aluminum waste to the recycling circuits and directing it, where possible, directly to its suppliers as pre-consumer recycling material to be re-introduced into a closed production cycle. In 2024, the percentage of **certified recycled aluminium** out of the total aluminium used reached **52%,** exceeding the 2023 result by eleven percentage points.

Plastic materials are instead used both for some components of aluminum closures and to produce closures entirely in plastic. Some factories are in fact almost exclusively dedicated to the production of this type of product. In 2024, the Group consumed almost **46,000 tons of plastic materials**, including polypropylene, polyethylene, polyethylene terephthalate, polystyrene, etc.

The use of **recycled plastic** is still limited (**1.2%** of the total plastic used) due to the limitation deriving from the rules on the use of recycled plastic materials on food contact products. The Group's commitment to these materials therefore also focuses on a gradual introduction of plastic materials from biomass instead of fossil material.

[30] Water stress occurs in those regions where the demand for water exceeds the amount available during a certain period. The identification of which plants are classified as "water stress areas" is carried out annually (at the beginning of the year following the reporting year) using the World Resource Institute's (WRI) Water Risk Atlas Tool, an authoritative source suggested by the GRI Standards. Therefore, those plants whose value is equal to or greater than the "High (40-80%)" level, as suggested by the GRI Standard, are considered as in areas of water stress.

Table 22: consumption of raw materials for the three-year period 2022-2024

CONSUMPTION OF RAW MATERIALS	UNITS OF MEASUREMENT	2022	2023	2024
Total Quantity of Raw Materials	Ton	128.387	104.731	109.348
of which aluminium	Ton	44.837	34.133	37.264
of which plastic	Ton	50.719	42.753	45.572
of which packing	Ton	16.186	13.445	13.706
of which other material	Ton	16.645	14.399	12.807
% recycled raw material (all materials[31])	%	22%	22%	25,5%
% recycled aluminium	%	35%	41%	52%

Considering the importance that the use of raw materials has on Scope 3 emissions, the Group has committed to increasing the share of aluminium procurement with a high recycled content and controlled origin. In 2024, thanks to this purchasing strategy, it was possible to further reduce **the intensity of Scope 3 emissions[32] per million closures by around 4% compared to 2023**.

4.6. REFORESTATION PROGRAMS

Since 2011, the Group has also demonstrated its commitment to environmental sustainability issues by launching a programme to subsidize reforestation projects concentrated in developing countries where the Group operates (India, Colombia, Mexico), actively involving both local communities, which derive social and economic benefits from the projects, and employees of local plants.

In 2011, three projects were funded in Costa Rica, Peru and India. In 2015, a second cycle of the programme took place with a two-year project in Colombia. In 2016, a reforestation project was launched in India (Gujarat) that is still active, and in 2018 a reforestation project in Mexico, which ended in 2020.

In the twelve years of the program, more than 468,000 trees have been planted, involving more than 6,000 people in the various projects (Peru, India, Colombia and Mexico). These projects were developed with influential partners and vetted by certified international independent agencies. In 2024, Guala Closures made its contribution to reforestation by planting 39,195 trees in India. The reforestation program involved more than 1,200 families from 48 villages in the districts of Dang and Tapi, in the Gujarat region. The Group has supported the creation of a Producers' Collective in Gujarat, with the aim of creating economic value from the fruits of the trees planted and organizing a distribution system with a focus on women's empowerment.

[31] For cardboard boxes used as packaging material, an average percentage of recycled content of 88% was considered, deriving from the most recent data made available by the European association FEFCO.

[32] Considering categories 1, 3, 4 and 5.

5. PEOPLE AND SOCIETY

For Guala Closures, the growth and evolution of its business is interconnected with the development and well-being of the people who participate in the company's productivity on a daily basis.

In all the countries in which the Group operates, it strives to guarantee its workers full respect for social and ethical principles, avoiding all forms of discrimination and guaranteeing full respect for Fundamental Human Rights[33]; but also to stimulate their professional and personal growth, activate training courses and enhance individual diversity.

The assessment of ethical and social performance within the Group's plants is carried out through a questionnaire completed annually on the SEDEX platform, the contents of which can also be audited (Paragraph 6.3).

The focus on people also extends beyond its operational boundaries, along the supply chain, which is monitored through the analysis and evaluation processes offered by internationally recognized platforms such as Synesgy and EcoVadis and by the completion of specific qualification questionnaires for new suppliers (Paragraph 6.1).

The social strategy of the Sustainable Together 2030 programme aims to promote corporate values, foster a sense of belonging and participation, stimulate professional growth, and protect workers while respecting their rights by setting objectives in the areas of occupational safety, training and social inclusion (Table 23).

Table 23: objectives of the Sustainable Together 2030 strategy on Social and 2024 results

WORKSPACE	DESCRIPTION	OBJECTIVE	UNITS OF MEASUREMENT	BASELINE		TARGET		2024 RESULT
				Year	Value	Year	Value	Value
Health and safety first	Spread the "zero accident culture" by implementing tools to reduce or avoid potential risks	Year-over-year reduction in the accident frequency index	(Number of accidents* 1000000)/ hours worked	2022	6,54	2030	Reduction year after year	7,70[34]
		100% of ISO 45001 certified factories	%	2022	2/14	2026	100% (Europe)	9/16
					2/28	2030	100% (Group)	14/34
HSE Training	To increase employee awareness of environmental, health and safety issues.	+ 30% HSE training	Hours/person	2022	6,31	2030	8,2	Target completed 12.5 (GCG only)[35]
Diversity and inclusion	Ensure the integration and professional development of employees in a fair work environment, where everyone is valued in their	Promoting gender equality	Training for the professional development of women	2022	NA	2024	% of women participating in training higher than % of women in the Group	51,6%
		Strengthening interaction	Number of projects	2022	NA	2025	At least one project per BU	Target for 2025, not applicable for

[33] Fundamental Human Rights as formulated in the Declaration of the United Nations.

[34] The value shown in the table considers the scope of reporting in 2024. The same result considering the same reporting perimeter as in the year in which the target was defined, the result would be 7.75.

[35] This indicator is calculated by considering the number of hours of training relating only to health and safety issues.

WORKSPACE	DESCRIPTION	OBJECTIVE	UNITS OF MEASUREMENT	BASELINE		TARGET		2024 RESULT
				Year	Value	Year	Value	Value
	diversity	between generations	and measure of effectiveness					2024.
		Inclusion of people with disabilities	Number of traineeships for people with disabilities	2022	NA	2025	At least one internship per BU	Target for 2025, not applicable for 2024.

5.1. GUALA CLOSURES EMPLOYEES

(GRI 401-1:2016; 403-6:2021; 405-1:2016; 2-7:2021; 2-8:2021; 2-30:2021)

#employeesturnover #employeesdiversity #collectiveagreement #professionaldevelopment

At the end of December 2024, the Group has **5.090** employees and 789 agency workers, considering all the plants within the reporting boundaries (Methodological note).

2024 saw a **5.4%** increase considering corporate employees and a decrease of **3.7%** for agency workers. The increase is recorded in all types of roles, particularly among employees in managerial roles (**5.8%** more than in 2023), especially women.

The percentage of women employed by the Group increased to around 28%, up 4 percentage points compared to 2023.

Agency collaborators are an important resource for the Group, especially to cover the periodic needs of the production plants to cope with production peaks and are therefore mainly blue-collar and, in some cases, white-collar workers.

Table 24: Group employees, turnover and agency workers, for the three-year period 2022-2024

GROUP EMPLOYEES, TURNOVER AND AGENCY WORKERS[36]	2022			2023			2024		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Manager[37]	291	86	377	291	86	377	299	100	399
Employees	651	333	984	636	326	962	628	380	1008
Workers	2.862	817	3.679	2.727	762	3.489	2745	938	3683

[36] The data shown in the table are the snapshot of the census of all the establishments as at 31/12.

[37] Where the Manager category includes top-managers, senior managers, managers and middle managers.

GROUP EMPLOYEES, TURNOVER AND AGENCY WORKERS[36]	2022			2023			2024		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
TOTAL EMPLOYEES	3.804	1.236	5.040	3.654	1.174	4.828	3672	1418	5090
Employees hired	649	349	998	412	214	626	573	419	992
Incoming turnover	0	0	0	11%	18%	13%	15%	28%	19,5%
Employees resigned	630	290	920	574	276	850	645	292	937
Outgoing turnover	0	0	0	16%	24%	18%	17%	18%	18,4%
Agency workers[38]	820	263	1.083	681	138	819	633	156	789

The trend in incoming and outgoing turnover is positive, recording respectively an increase of one percentage point in incoming employees, as also found by the general increase in the number of employees, and a decrease of two percentage points in resigned employees.

Voluntary turnover, calculated as the number of employees who voluntarily resigned compared to the total number of employees who left, is about 80% in 2024[39].

Table 25: Group employees by type of contract and part-time and full-time employment, for the three-year period 2022-2024

GROUP EMPLOYEES	2024		
	Men	Women	Total
TOTAL EMPLOYEES	**3672**	**1418**	**5090**
Permanent employees	3510	1197	4707
Fixed-term employees	162	221	383
Full-time employees	3615	1268	4883
Part-time employees	57	150	207

The age pyramid varies significantly between establishments (Table 41), but the majority of the company population is in the 30-50 age group (Table 26).

[38] The count of agency workers is carried out considering the total of the Full Time Equivalent (FTE) at the end of the year.

[39] The remaining part of employees who left the Group is linked in most cases to retirements or early retirement plans, but also to the company reorganization that took place during the year in the face of the decrease in production volumes.

Table 26: distribution of Group employees by age group, for the three-year period 2022-2024

EMPLOYEE AGE	2022			2023			2024		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
< 30 years old	623	233	856	520	212	732	494	244	738
Between 30 and 50 years old	2.181	718	2.899	2117	679	2.796	2123	816	2939
>50 years	1.000	285	1.285	1017	283	1.300	1055	358	1413

Instruments such as collective agreements and company agreements are widely used by Group entities to ensure good working conditions, as required by specific national laws on the subject. In recent years, the significant increase in employees covered by collective agreements and company agreements was directly related to the increase in the number of employees. In 2024, the percentage of employees with collective agreements decreased, while the percentage of employees covered by company agreements increased (Table 27). This indicates the Group's commitment to continue working to ensure stimulating working conditions in line with socio-economic changes.

Table 27: Group employees covered by collective agreements and/or company agreements, for the three-year period 2022-2024

EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS AND COMPANY AGREEMENTS	UNIT	2022	2023	2024
Employees covered by collective bargaining agreements	%	67,9%	76,9%	60%
Employees covered by company agreements	%	21,8%	37,8%	78%

In 2024, the number of employees who received a performance and career development evaluation decreased compared to the previous year (Table 28). This activity has slowed down slightly due to a series of company reorganization processes.

However, the focus on employee growth in all the Group's plants remains relevant, which has an incentive system in place for the Group's top management that provides for the assignment of bonuses relating to company performance also related to the achievement of defined ESG objectives.

Table 28: Group employees who receive performance and career development evaluations, for the three-year period 2022-2024

EMPLOYEES RECEIVING PERFORMANCE AND CAREER DEVELOPMENT REVIEWS[40]	UNIT	2022	2023	2024
Men	%	37,4%	43,8%	38,6%
Women	%	37,5%	42,0%	35,7%
Total	%	37,5%	43,4%	37,8%

In addition, each Business Unit, considering the specific local realities, can develop additional welfare plans that provide benefits such as forms of health insurance and life insurance, compensation for wages due to sick leave and extensions of parental leave.

The benefits also include the well-established smart-working method for employees of the Group's various plants and flexible working hours, a particularly important tool for facilitating working-life balance.

The tables in the appendix provide additional figures, in line with the GRI requirements, relating to Guala Closures employees.

5.2. EMPLOYEE TRAINING AND DEVELOPMENT

(GRI 404-1:2016; 403-5:2018)

#training #professionaldevelopment

In line with the objectives of the sustainability program, the Group promotes both the development of technical and relational skills and environmental and health and safety issues through a specific training plan for each category of employee.

Overall, training hours in 2024 increased by 4% compared to 2023 (Table 29), thus testifying to the importance that continuous training has for the Group. The increase in training is focused on health and safety issues (with an increase of about 34%). The hours of training on technical topics remain almost constant, while the hours dedicated to training on relational topics have decreased (i.e. *soft skills*).

The trend in the percentage of training hours out of the total hours worked maintains an upward trend considering the three-year period 2022-2024, however recording a slight decrease from 2.53% in 2023 to 2.26% in 2024 (Table 29).

[40] Each item in the table has been calculated considering the number of people included in the indicated gender who have received evaluations on performance and developments on the total number of people included in the indicated gender or in the total number of employees considering both genders.

Table 29: training for Group employees, for the three-year period 2022-2024

EMPLOYEE TRAINING	UNIT	2022	2023	2024
Total hours of training	Hours	199.263	236.024	246.050
of which on health and safety issues	Hours	31.814	47.457	63.504
of which on technical topics	Hours	151.890	165.649	164.016
of which on relational issues	Hours	15.559	22.918	18.530
Training vs. worked hours	%	1,95%	2,53%	2,26%
Annual training hours per capita	hours/pp/year	39,5	48,9	48,3
Monthly training hours per capita	hours/pp/month	3,3	4,1	4,03

As in 2023, in 2024, the Group will also achieve both the annual target and the 2030 target of the Sustainable Together 2030 strategy of increasing individual training hours on HSE issues by 30% (Table 23). It is therefore a matter for the Group's plants to continue training activities while maintaining at least the levels achieved in the two-year period 2023-2024, both in terms of hours and resource involvement.

Table 30: training for Group employees, details by gender and role, for the three-year period 2022-2024

EMPLOYEE TRAINING - DETAILS	Unit	2022	2023	2024[41]
Monthly hours of manager training	hours/pp/month	1,5	2,1	2,2
Monthly hours of training employees	hours/pp/month	2,5	3,6	3,0
Monthly hours of training for workers	hours/pp/month	3,7	4,4	4,4
Monthly hours of men's training	hours/pp/month	3,0	3,7	3,4
Monthly hours of training for women	hours/pp/month	4,4	5,3	5,8

The increase in monthly training, in 2024, is also recorded considering the breakdown by gender, with a prevalence

[41] For 2024, the data refer to a slightly different perimeter (excluding the 3 Chinese plants and the Portuguese plant) because during 2024 the data collection platform was modified to comply with ESRS requirements; therefore, some data is no longer available. The data shown here was extracted by the continuous improvement work team at the end of December 2024, before the change took place, when, however, some plants had not yet entered the data in question.

of training for women, and by categories of workers, especially for roles of responsibility[42] (Table 30).

Training activities are also planned for agency workers on all three topics. In 2024, a total of more than 66 thousand hours were carried out for this category of collaborators, i.e. about 14 hours of training per month per person, recording an increase of 48%, compared to 2023, in terms of total hours. Annual and monthly training hours per capita increased by more than 50% (54% and 53% respectively).

Table 31: training for agency workers for 2024

TRAINING OF TEMPORARY EMPLOYEES	UNIT	2023	2024
Total hours of training	Hours	44.984	66.620
of which on health and safety issues	Hours	4.997	11.700
of which on technical topics	Hours	38.287	53.655
of which on relational issues	Hours	1.700	1.265
Training vs. worked hours	%	2,30%	2,74%
Annual training hours per capita	hours/pp/year	54,9	84,4
Monthly training hours per capita	hours/pp/month	4,6	7,04

5.3. DIVERSITY AND INCLUSION

(GRI 2-20:2021; 2-21:2021; 406-1:2016;)

#diversity #genderequality

The Group operates in several countries around the world, interacting and relating to customers in over 100 countries. Therefore, the need to incorporate diversity of thought, gender and culture into business processes is essential for its very operation. The Group's attention to this principle is first and foremost reflected in company policies (Paragraph 2.3), namely the **Human Rights Policy and Ethical and Social Aspects** in which the issues of diversity and inclusion and equal opportunities are also addressed. All Country Managers are called upon to adher, disseminate and apply this policy within their organization[43]. A new policy was also drawn up during the year **on gender equality**, hand in hand with the relevant certification, which is currently valid in Italy.

Starting in 2018, the Group has gradually launched a series of working groups and initiatives on the theme of diversity. In 2018, a survey made it possible to map and evaluate the status of diversity management in all plants, also identifying and disseminating a series of good practices (hiring strategies to increase diversity, encouragement to report cases of discrimination). In 2019, a workshop involved the Sustainability and Human Resources departments of 15 plants to collect ideas and suggestions, identify priorities and lay the foundations for a Group

[42] "Roles of responsibility" refer to all positions from managerial level upwards: middle management, management, senior management and top-management.

[43] Over the years, minorities or vulnerable categories have never been found, so it was deemed necessary to define and monitor diversity indicators beyond those reported in Paragraph 5.1

roadmap.

Following these first two important steps, the Diversity and Inclusion Charter was drawn up in 2019, signed by all the Group's general managers, then translated and circulated in 2020 in all plants.

Since 2021, new initiatives have begun to emerge in the various Business Units: engagement workshops, training and awareness-raising sessions and entire days or weeks dedicated to the values of inclusion and gender equality. All these activities have led to the identification of two relevant issues for all production realities:

- **Equity**: in terms of economic treatment, equal opportunities without discrimination on the basis of gender or disability;
- **Age & Mentoring**: in terms of a two-way exchange between generations.

On these issues, two working groups (*master-groups*) have been created coordinated by two members of the central group of Sustainability and Human Resources respectively. Throughout 2021, 2022 and until the first quarter of 2023, the two groups met virtually on a monthly basis. No new meetings of the working groups took place in 2024, however the resumption of these anniversaries is expected, starting in 2025, to manage and monitor some Diversity & Inclusion activities proposed by the Group's human resources department during 2024.

Over the years, the Age & Mentoring master-group has addressed various topics such as the incentive for **intergenerational dialogue**, **knowledge transfer** plans, skills and versatility within different areas in order to ensure flexibility, talent management and staff turnover planning. The attention of the Equity master-group, on the other hand, was mainly focused on the definition of **fair recruitment procedures**, which favor the growth of those categories that are less represented, as well as the identification of possible paths aimed at **achieving gender equality**.

In the Sustainable Together 2030 strategy, the Group has defined three objectives to be committed to regarding diversity and inclusion aspects:

- **promoting gender equality**, analysing the current **gender wage gap**, and working both through **parenting support** policies and training activities for women's professional growth;
- **strengthening interaction between generations**;
- **include people with disabilities** among the group's employees.

As early as 2023, a series of pilot projects have been launched, in some Business Units, to advance the objectives of the strategy, the first specifically. These projects include:

- **obtaining gender equality certification for Italian plants**[44] and all preparatory activities to achieve this important result (training sessions, climate survey);
- the introduction of new **parenting assistance policies** in all the Group's plants with the exception of France, where legislation already covers the issue extensively, and Ukraine, where initiatives have temporarily slowed down due to the geopolitical situation;
- monitoring the gender pay gap which, at Group level, records **an average value of around 20%,** in line with the estimate made for 2023[45].

As regards the third objective, specific integration projects and training and inclusion activities for people with disabilities through internships are planned for 2025, in line with the objective defined for 2025. In 2024, there was

[44] Certification obtained according to the UNI/Pdr 125/2022 standard.

[45] As for the first year, the figure was calculated considering an overall global average of men's salaries and women's salaries, without considering the differences in the economies of the countries in which the Group's plants are located.

a ratio of 2.4% of employees with disabilities in the Group to total employees.

Currently, there is no Remuneration policy in place, nor has a Nomination and Remuneration Committee been established, but these pilot projects are important steps for the Group, which will continue to work to gradually extend them to all its plants. Among the advances in this regard, it is worth mentioning the start of monitoring the report on the total annual compensation of employees. In 2024, this ratio is 71.62 calculated as the ratio of the highest annual compensation (attributed to the CEO) to the median annual compensation of all employees[46].

During 2024, no cases of discrimination or human rights violations were recorded, either during audit activities or through the whistleblowing channel, in any of the Group's plants. In addition, no strikes were called by workers over incidents of human rights violations (Table 32).

Table 32: management of the issue of discrimination and human rights in the three-year period 2022-2024

MANAGEMENT OF THE ISSUE OF DISCRIMINATION AND HUMAN RIGHTS	2022	2023	2024
Cases of discrimination or human rights violations detected in audit activities	0	0	0
Cases of discrimination or human rights violations detected through the whistleblowing channel	0	0	0
Strikes called following episodes of human rights violations	0	0	0

5.4. SUPPORT FOR LOCAL COMMUNITIES

#contributionstocommunities #localcommunities

In the pursuit of sustainable growth and development, Guala Closures dedicates resources, commitment and support to the local communities in which it operates. The widespread presence of the Group's plants has allowed the development of dedicated initiatives, specific to the different contexts in which it operates. The projects in place, taking into account the needs and requirements on site, pursue the development of the communities, employees and their families who live in the territories. Below are some country-specific examples.

Poland

Guala Closures Poland is engaged in various activities aimed at local communities, both through the organization

[46] In calculating the median, the annualized costs of all employees who worked for the Group during the year, even if only for a limited period, were considered. The starting figure is the total annual salary of each employee as of December 31, 2024. Total annual compensation includes: the sum of base salary and cash allowances, bonuses, commissions, cash profit-sharing, stock awards, options awards, non-stock incentive plan compensation, change in pension value, deferred unqualified earnings provided over the course of a year, and other forms of variable payments. Agency workers are excluded.

of events for employees and their families, and through financial or material donations to cultural and sports associations. For example, the Group supports Basketball Club Włocławek, which competes successfully in the topflight of the Polish league and also at the European level in the FIBA Europe Cup.

India

Here there are several initiatives that see Guala Closures involved through donations, volunteer activities and awareness. In Goa, the Group funded and supported the construction of a school gymnasium at a local school in order to encourage sports activities for students. Activities began in March 2024 and are expected to be completed in June 2025.

In 2025, the support activity for the restoration of the pipe organ in the Basilica of Bom Jesus, of great historical importance and part of the UNESCO World Heritage Site, also continues. The end of the work is scheduled for spring 2025.

On 5 June 2024, on the occasion of International Environment Day, official celebrations were organised at the Group's Indian plants, through training activities and environmental-themed quizzes, and involving employees in tree planting activities near the plants.

The reforestation project involving Guala Closures India with Vikalp, an Indian NGO that develops social and environmental programs with tribal communities in the state of Gujarat, also continues. The project, active since 2016, involves the planting of tens of thousands of trees every year. Also in 2024, almost 40,000 units were planted, including fruit trees, to ensure food security and sustainable livelihoods for the 1252 beneficiary families.

Mexico

The Guala Closures group in Mexico has developed some initiatives in favor of its employees in order to strengthen the sense of community and care for the environment, through some training sessions and an "environmental calendar", a strategic tool to promote awareness among staff on various sustainability and ecological issues, suggest activities and offer recommendations to reduce its environmental impact, through some specific dates:

- **17 May, International Recycling Day:** on this occasion, a collection campaign for certain types of waste, such as plastic, batteries and electronic components, was launched in the plant in May, with dedicated containers positioned at the entrances. 375 kg of waste were collected;
- **28 June, World Tree Day:** in June, an internal campaign for the donation of trees was developed in favor of the municipality of San Jose Iturbide, which was supported through educational material distributed at the plant's information points. 235 trees were donated to the city, choosing three native species that could easily adapt to the local soil and climate.
- **3 July, the World No Plastic Bags Day:** on the occasion of this day, the Group in Mexico offered each employee a reusable bag to raise awareness of the responsible use of single-use plastic.
- **31 July, World Ranger Day:** this day was used as an opportunity to spread awareness about the importance of taking care of the environment. In fact, the employees of the Business Unit in collaboration with the ecology department of the city of San José Iturbide, have been directly involved in reforestation activities.

Spain

Guala Closures in Jerez during 2024 has reached agreements with several local entities to allow people with disabilities to integrate more into the world of work. In addition, the Group has sponsored scholarships at the University of Cádiz to support the training of local students.

5.5. OCCUPATIONAL HEALTH AND SAFETY

(GRI: 403-1:2021; 403-2:2021; 403-3:2021; 403-4:2021; 403-5:2021; 403-6:2021; 403-7:2021; 403-9:2021; 403-10:2021)

#healthandsafety #incidents #workinghourslost

Given the importance of the issue, there is no doubt that health and safety in the workplace is a material issue for the Guala Closures Group. All choices relating to this issue are part of the Group's decision-making processes and strategies, expressed in the policy for environmental and occupational health and safety.

The Group's desire to make a concrete commitment to these issues is also reflected in the Sustainable Together 2030 programme, which puts "health and safety" first with clear objectives:

- Implementation and certification of ISO 45001 for all Group plants;
- Reduction of the accident frequency index to tend to zero.

As anticipated in the Paragraph 3.3 dedicated to certifications, the Guala Closures Group has to date implemented and certified an occupational health and safety management system in 14 plants, with a plan to extend it to all the Group's plants by 2026, with the exception of the Portuguese plant for which certification is planned for 2027.

For all plants that do not have a certified management system in place, starting from 2020 an internal control plan has been implemented that is carried out periodically in order to verify compliance with local regulations, which have always given positive results so far.

5.5.1.IDENTIFYING RISKS

The prevention of the risk of accidents starting from the risk assessment, which is carried out for each country on the basis of local regulatory requirements (e.g. the drafting of the DVR for Italy). Once the risks have been identified, mitigation actions are developed based on the severity of the risks in question, specifically the Group assigns them a red, yellow and green code for defining intervention priorities.

Based on the activities carried out by the Group, the main risks to which it is subject are:

- chemical risk, linked to painting processes (e.g. lithography, side printing) mainly on aluminium and wood;
- mechanical risk, linked to all production processes that involve the use of machinery;
- the risk of fire;
- the risk related to noise, mainly relevant in plants that process aluminum.

The mitigation of the identified risks involves a series of investments that, in 2023, constituted 3% of the Guala Closures Group's capex for:

- structural interventions for noise reduction;
- plant engineering interventions to mitigate chemical risk through the installation of postburners;

- compartmentalization interventions, installation of sprinklers and provision of fire extinguishers in the event of fire risk, as well as the training of emergency teams;
- health surveillance;
- education, information and training;
- use of personal protective equipment.

All workers have the opportunity to report the presence of dangers to the area supervisor and to move away from their workstation in case of dangerous situations.

Following the identification of these hazards, "near misses" are identified, reported monthly to safety managers who analyze the cases and evaluate the necessary actions.

In the event of accidents occurring in the workplace, they are reported to the Group and together we carry out an analysis of the causes and corrective actions to be taken to prevent them from happening again. For all events that generate a prognosis of more than 40 days, a newsletter is sent quarterly to the General Managers with a description of the event, the consequences and the improvement actions taken.

Training and health surveillance for all workers are carried out with different frequency depending on the regulations in force in the countries where the production sites are located and, for each of them, a competent doctor is present.

5.5.2.HEALTH AND SAFETY COMMITTEES

Workers are involved in the management of health and safety issues through participation in specific committees, appointed for each Group company.

Where local regulations are so required, the committees appointed are formal, including the general manager, the plant manager, the health and safety officer, the workers' representative and the competent physician, and meet according to the needs of the individual plants.

If they are not provided for by local legislation, the committees are in any case appointed informally to have greater supervision and information on health and safety issues.

5.5.3.TRAINING AND AWARENESS-RAISING ACTIVITIES

Employee training initiatives on health and safety issues include both generic activities dedicated to periodic updating on the subject and specific preparation events:

- for the different risks identified (e.g. chemical, mechanical, fire and noise);
- for emergency teams;
- for first aid teams;
- dedicated to the use of machines and equipment (e.g. overhead cranes, forklifts, elevating platforms).

Table 33 reports the total number of hours of training provided to all Group employees in 2024 with details of those dedicated to health and safety issues, further increased by approximately 34%, compared to 2023.

Table 33: hours of training on health and safety issues

EMPLOYEE TRAINING	2022	2023	2024
Total hours of training	199.263	236.024	246.050
Of which, on health and safety issues	31.814	47.457	63.504

In addition, a newsletter is sent quarterly to all corporate directors and general managers, which provides an overview of activities on health and safety issues with a specific focus on certain aspects:

- trend in the number of accidents and analysis of the causes;
- analysis of "near misses";
- trend in frequency and severity indices;
- investments made for the reduction of accidents deriving from mechanical risk;
- various updates on the status of certifications;
- corporate welfare programs.

With regard to the latter issue, each Business Unit, taking into account local regulations and realities, can implement the Group's policy in additional welfare plans that provide for preventive visits, benefits such as forms of health insurance and life insurance.

5.5.4.TREND OF HEALTH AND SAFETY INDICATORS

Table 34 reports the trend of accident indices in the three-year period 2021 - 2024.All information includes both employees and temporary workers since health and safety management is treated in the same way.

In 2024, you can see that:

- There were 73 accidents at work and 25 accidents occurred during commuting to and from work. None of these accidents were serious, resulting in more than 180 days of absence;
- The days of absence were 3093 for accidents at work and 675 for commuting accidents;
- The[47] 2024 frequency index is 5.73 considering only accidents at work, and 7.70 if including commuting accidents.
- Also in 2024 there were no cases of occupational disease.

In addition, about 354 "near misses" were reported and analyzed, so improvement actions were promptly taken to prevent any injuries.

[47] Calculated by dividing the number of accidents multiplied by 1,000,000 by the number of hours worked

Table 34: accident indices (three-year period 2022-2024)

DATUM	2022	2023	2024
Accidents at work	89	73	98[48]
Of which severe (more than 180 days)	0	1	0
Of which fatalities	0	0	0
Days lost due to injury	3069	2512	3768
Frequency index	6,54	6,47	7,70
Number of worked hours	13.610.959	11.277.000	12.735.073
Severity index	0,23	0,22	0,30
No. of cases of occupational diseases	0	0	0

Finally, thanks to the attention and resources dedicated to the issue, no strikes were called during 2024 on health and safety issues.

[48] Of which 74 accidents at work and 25 accidents on the way to work

6. THE BUSINESS

The Group's goal is to maintain market leadership, increase profitability and grow the business through targeted acquisitions. The growth strategy includes:

- the increase in sales revenues through the entry into emerging markets, the acquisition of new customers and growth in markets where the Group is under-represented;
- the entry into new production sectors, represented by the acquisition in 2024 of Astir Vitogiannis Bros S.A, which with two plants in Greece and South Africa is a leader in the crown closure sector;
- the development of innovative solutions for the protection of *brands* in markets with a high risk of counterfeiting;
- the development of the *Luxury segment*, strengthened with the acquisition of Labrenta;
- the optimisation of production processes and the improvement of the profitability of production plants through the sharing of *best practices* within the Group;
- the continuous renewal of the offer through the development of innovative products that are increasingly close to market demands.

Given that the Group acts in accordance with the values of ethics and transparency in conducting its business, two objectives relating to responsible governance have been integrated into the sustainability strategy (Paragraph 2.1):

- improve sustainability ratings and disseminate the principles of the Code of Ethics at all levels of the Group;
- Integrate sustainability into the supply chain, promoting ethical principles at all levels, among suppliers and partners, through the signing of the Code of Ethics and the commitment to align with every issue that the Code addresses.

6.1. ETHICS AND TRANSPARENCY

(GRI: 205-3:2016; 206-1:2016)

#etichs #tranpsarency #anticompetitivebehaviour

In the Group's vision, the conduct of business must take place in an ethical and transparent manner so that it can benefit all stakeholders; therefore, this aspect is an integral part of the Sustainable Together 2030 strategy and is monitored through specific objectives and indicators (Table 35).

Table 35: progress of the objectives relating to the material topic "ethics and transparency"

OBJECTIVE	BASELINE		TARGET		TARGET PROGRESo (YEAR 2024)
	Year	Value	Year	Value	
Earning and maintaining EcoVadis gold rating	2022	NA	2023-2030	Achieve Gold Rating and Maintain Status	In 2024, the EcoVadis questionnaire was completed for the second time at Group level and was rated "Gold".
100% of employees trained on the Code of Ethics	2022	48%	2023	100% (Italy)	100%
		0	2024	100% (Group)	16%[49]

The Code of Ethics (paragraph 2.3) is the reference document that describes the principles of corporate integrity that the Group pursues; therefore, its dissemination through training to all Group employees is the tool that concretizes its principles, making them a *Modus operandi*.

All employees must comply with the provisions of the Code of Ethics and consult the Group's Legal Affairs department in case of doubt. Reports of any non-compliance can be made at any time and in full anonymity through the whistleblowing platform.

In its relations with customers and suppliers, the Group undertakes to comply with EU and national laws that protect competition and compete on the markets exclusively on the basis of the quality of its products and service.

The Code of Ethics also states that any form of gift, exceeding normal commercial practices, which can be interpreted as a tool aimed at acquiring preferential treatment in the conduct of any activity related to the Guala Closures Group, is not permitted.

Relations with external communities must be based on respect for people, without discrimination or exploitation, and with attention to receiving the suggestions and needs of the different realities. Respect for customers, suppliers and competitors is the basis of the Group's business relationships, with particular attention to avoiding any anti-competitive practices.

In 2024, the awareness-raising and training plan on the contents of the Code of Ethics launched in previous years continued, and this year 100% of employees belonging to the Italian Business Units were trained on the document. In addition, each new employee has hours of training related to the Code of Ethics and Conduct in his training course.

Following the revision of the Code of Ethics approved by the Board of Directors in November 2024, the extension of training to the rest of the employees scheduled for 2024 has been postponed integrating the new elements into the business. In addition, at the beginning of 2025 the Group launched a platform for the delivery of online courses, initially only in English and Spanish, whose first recipients are employees with a company email address. At the time of writing this report (March 2025) 16% of employees have already been able to take advantage of this updated training. Subsequently, the use of this platform will be extended to all the languages of the Guala Closures Group

[49] Following the revision of the Code of Ethics in 2024, training for the Group's Business Units has been postponed to reflect the changes. An online training platform was launched in early 2025. The figure in the table therefore shows the percentage of employees who have already followed the course by February 2025.

and to all the Business Units that are part of the organization chart, so that 100% of employees can have full knowledge of all the principles and values of the company Code of Ethics.

Thanks to the constant dissemination of the Code of Ethics, also in 2024 through the Group's monitoring systems, no episodes of corruption were ascertained, no legal action was brought for anti-competitive conduct or violations of antitrust laws and monopolistic practices.

In 2024, two reports were recorded at the Group's plants through the whistleblowing platform (Table 36).

Table 36: management of the issue of ethics and transparency in the three-year period 2022-2024

MANAGEMENT OF ETHICS AND TRANSPARENCY	2022	2023	2024
Established corruption cases	0	0	0
Lawsuits for anti-competitive conduct and/or violations of antitrust laws	0	0	0
Reporting through the whistleblowing channel	0	0	2

The two reports were handled according to the procedure. As of the date of this document, both reports have been adequately investigated and closed. The two cases concerned minor violations of the code of ethics, in relation to the chapter relating to behavior between colleagues.

With the Sustainable Together 2030 Program, it has made transparency an area of work with the aim of obtaining the EcoVadis "Gold" rating.

Through the EcoVadis platform, the Group is evaluated by an independent third party on the basis of the policies, measures implemented, and the results obtained with respect to environmental, social and corporate governance parameters.

In 2024, Guala Closures completed the Group-wide questionnaire, obtaining the Gold medal with a score of 76 and entering the top 3% of the companies in the sector analyzed.

6.2. SUPPLY CHAIN ENGAGEMENT

(GRI: 308-1:2016; 414-1:2016; 2-6:2021; 2-25:2021)

#supplychain; #suppliersaudit

Supply chain management, in addition to being a work area of the governance pillar, is an integral part of the Group's quality policy.

The impact of suppliers' activities could have consequences on various aspects related to product quality, food safety, health and safety of workers; ethical and social aspects; environment and energy.

For this reason, the Group has implemented a procedure at corporate level that defines the methods for evaluating, selecting and qualifying new suppliers and the periodic re-evaluation of qualified suppliers.

The assessment criteria are different depending on the potential risk associated with each type of product/service supplied, so the Group has classified its suppliers into 10 different classes, each of which corresponds to specific selection and qualification criteria.

In addition, suppliers are divided into:

- strategic defined as those that supply raw materials and services to support production processes to several plants of the group and with an annual turnover of more than 200,000 euros. These include suppliers of aluminium, plastics, paints and are managed by the group purchasing department;
- local, managed by the local purchasing offices.

In the case of new suppliers, the Group assesses whether they can provide adequate products or services in terms of quality, quantity and delivery times but also considering economic aspects, reliability, safety (product hygiene and occupational safety), environmental impact and compliance with ethical and social aspects. The evaluation is carried out by the Purchasing Department also involving the internal function concerned. If the outcome of the assessments meets the requirements defined on the products/services and the commercial criteria of the Group, the supplier is qualified and is included in the list of qualified suppliers.

During 2024, 287 new suppliers were selected at Group level, 45 (16%) of which were assessed using ethical and social criteria and 60 (21%) of which were assessed using environmental criteria.

Already qualified suppliers are re-evaluated at least once a year (usually at the beginning of the year) by a team composed of the Purchasing Department, Group Quality Assurance for Corporate suppliers and Quality Manager (plant) for local suppliers. Annually, the Group calculates for each supplier (based on its class) its potential impact on quality, food safety, environment, occupational safety and ethical aspects; only suppliers for which the potential impact in various aspects is high are reassessed.

Based on the potential risks assessed, monitoring activities are initiated on product and service quality; reputational and integrity aspects; aspects of financial solvency and ESG sustainability aspects. Monitoring activities determines whether the supplier is eligible or needs to re-qualify.

The Group's constant commitment to engaging in the supply chain is also evident from the Sustainable Together 2030 program, of which it represents one of the areas of work in the governance pillar and whose objectives are to:

- Promote sustainability along the supply chain through continuous monitoring of performance, carried out through the EcoVadis and/or Synesgy platforms that allow for an independent third-party assessment on ESG issues;
- Align suppliers with the Group's sustainability vision by having them sign the Code of Ethics and Conduct for acknowledgment and acceptance.

These objectives are carried out every year, now, they concern 31 strategic suppliers (5 more than in 2023), which in 2024 represent 40% of the total expenditure of the Guala Closures Group.

As of the end of 2024, 28 strategic suppliers have renewed or completed their ESG performance assessment through EcoVadis and/or Synesgy (Table 37). The initiatives in the field of ethics and transparency were considered adequate to ensure compliance with the ethical principles envisaged by the Guala Closures Group. The profile that emerged is in line with the Group's expectations, except for a supplier that obtained a sufficient rating and is still in the process of revaluation. For this reason, the Group does not believe that there are any significant risks on ESG issues related to its strategic suppliers. Regarding the 3 strategic suppliers who have not renewed their assessment, the Group is undertaking to organize on-site visits to carry out on-the-ground monitoring.

About the signing of the Code of Ethics and Conduct, the 5 new strategic suppliers of 2024 have signed the document, adding to the 26 suppliers already signed in the previous year or with appropriate initiatives to ensure compliance with the ethical principles set out by the Guala Closures Group.

Table 37: Advancing supply chain engagement goals

OBJECTIVES	BASELINE		TARGET		TARGET PROGRESS
	Year	Value	Year	Value	
100% of strategic suppliers monitored on sustainability performance	2022	46%	2023	100%	Achieved in 2023 (26/26). In 2024, 90.24% (28/31) of strategic suppliers were assessed through the EcoVadis and/or Synesgy platforms.
100% of strategic suppliers signatories of the Guala Closures Code of Ethics	2022	0%	2023	100%	Achieved (keep) 100% (31/31) of strategic suppliers have signed the Code of Ethics.

6.3. CUSTOMER SATISFACTION

(GRI: 418-1:2016)

#customersatisfactioni #dataprivacy

The main destination markets served by Guala Closures and representing approximately 96.3% of the Group's turnover in 2024 are divided into:

- spirits producers, who need customized closures to prevent counterfeiting;
- wine producers to whom they supply aluminum screw closures equipped with gaskets that control oxygenation;
- producers of **carbonated and non-carbonated mineral waters** in glass bottles;
- producers of **olive oil and other liquid condiments**, who need long and short capsules, equipped with valves and pourers and anti-drip devices;
- producers of **beer and carbonated and non-carbonated soft drinks**, fruit juices and other soft drinks, which require aluminum and plastic closures.

Thanks to the geographical location of its plants, the Group serves customers wolrdwide and aims to offer excellence in the products served so that the customer is always satisfied. In practice, this means:

- offer quality products in line with market developments through systematic innovation of products and processes (paragraph 3.2);
- guarantee the health and safety of the consumer through management systems that prevent any type of risk (paragraph 3.3.1);
- safeguarding trademarks by studying anti-counterfeiting solutions (paragraph 3.2);
- deliver the products in the quantities and on time; this aspect is constantly monitored through the percentage of successful shipments, and the figure for 2024 remains stable at 92.3%, an increase of almost three percentage points compared to 2022.
- ensuring the privacy of customers and their data through cybersecurity systems, which constantly protect and monitor operational assets that may be subject to cyber incidents and attacks.

In 2024, there were two incidents of personal data breaches in Italy that resulted in notification to the data protection authority (Table 38).

Table 38: management of the privacy issue in the three-year period 2022-2024

PRIVACY THEME MANAGEMENT	2022	2023	2024
Complaints about privacy violations	0	0	2
Incidents of leaking, theft, or loss of customer data	0	0	0

Finally, to accommodate the growing requests for information from customers, the Group has been adhering for years to a series of initiatives for the assessment of sustainability within its plants (Sedex) and supply chain (Synesgy).

As far as Sedex is concerned, the Group has included all its production sites in the dedicated monitoring platform, with commitment to integrate any future acquisitions / new construction. In this way, the plants, at the customer's request, can be audited on issues related to health and safety, environmental performance, worker management and ethical aspects.

Audits are standard, and the results can be shared with multiple clients who request it through the platform. In 2024, all production plants listed in Table 10 are registered on Sedex. As for Synesgy, in October 2024 Guala Closures obtained an A score – excellent level of sustainability.

6.4. ECONOMIC RESULTS

In 2024, consolidated net revenues amounted to €830.7 million, down €5.5 million (-0.7%) compared to 2023. The Group's proforma net revenues increased by 0.9% compared to the previous year, driven by a good recovery in volumes, although affected by a slowdown in the first part of 2024 given by traditionally important markets such as Europe and North America (a trend that, aggravated by the post-pandemic rebounds in 2023, generated a surplus in Industry stocks, affecting orders for the year under review).

Revenues from luxury closures decreased by 36.0 million euros (-31.0% compared to 2023). Revenues from roll-on closures increased by €1.1 million (+0.3% compared to 2023), while revenues for the safety closures sector *decreased* by €13.7 million compared to 2023. Activity in the crown closure sector increased thanks to the acquisition of the Astir Vitogiannis Bros S.A group in August 2024. Other revenues grew by €12.6 million (+33.7% compared to 2023). Other revenues include sales of products not classified in the three standard categories and sales of components and scrap.

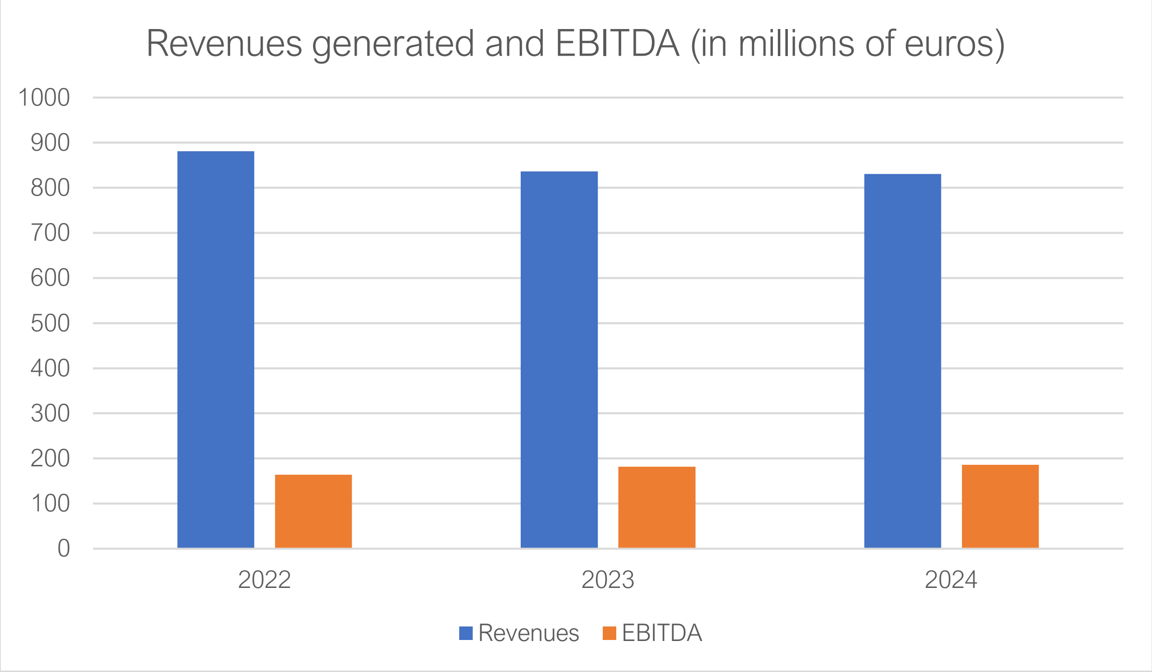

Figure 5 – Group turnover and EBITDA in the three-year period 2022-2024

6.5. APPROACH TO TAXATION

The Guala Closures Group has implemented a tax strategy inspired by the principles of honesty, fairness and transparency in line with its Code of Ethics and its sustainability strategy. Therefore, it undertakes to:

- manage tax compliance in a timely manner;
- act in compliance with tax legislation through the adoption of an adequate internal control system;
- carry out transactions in accordance with the arm's length principle and applying transfer pricing at market conditions;
- adopt tax decisions in line with national and international best practices and with the guidelines provided by the relevant bodies;
- ensure the transparency of information relating to commercial transactions;
- promote adequate technical training for all employees involved in all tax-related activities.

To follow these principles, the Guala Closures Group has adopted a decentralized corporate structure: each group company is responsible for the tax compliance of the country in which it operates and avails itself of the support of local consultants as well as the parent company and a consulting firm that operates worldwide on tax issues; the latter service, enhanced at group level since 2018, ensures global oversight for the Parent Company on potential tax issues to be resolved.

Guala Closures' tax department is responsible for all tax matters within the group, with the support and involvement of each local subsidiary. Key responsibilities include ensuring global compliance, providing advice, risk management, and supporting tax audits.

In addition, the department monitors and analyses changes in tax legislation that are of global or regional relevance, produces information materials and provides training to all staff involved.

The department's activities are overseen by the group CFO, who is responsible for planning and implementing Guala Closures' financial strategy.

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7. APPENDIX

Table 39: methods of managing impacts related to material issues

MATERIAL ASPECTS	IMPACTS	ACTUAL/ POTENTIAL	METHODS OF MANAGING IMPACTS
Health and Safety in the workplace	Employee injuries due to workplace injuries	Actual	The Group is intensifying preventive actions to promote a culture dedicated to safety at work that tends towards zero accidents and zero occupational diseases, an objective included in the targets of the Sustainable Together 2023-2030 strategy. To this end, increasingly rigorous procedures and tools are being implemented to avoid any potential risk: mapping of near-misses, periodic audits, accident analysis, sending the company safety newsletter, sharing best practices and obtaining certifications of occupational health and safety management systems (ISO 45001). In addition, infrastructure investments (H&S CAPEX) are continuing to increase the safety of equipment and machinery. The Group is intensifying the hours of training on HSE issues to increase employees' awareness of workplace health and safety issues, developing their skills in the prevention of accidents and the measures necessary to ensure health and safety in the workplace, thus strengthening a common and global culture on the subject at Group level.
	Employee motivation and productivity	Potential	
	Reputational damage	Potential	
	Employee attraction and retention	Potential	
	Trade union tensions and strikes	Potential	
	Legal disputes, imposition of taxes and penalties	Actual	
Diversity and inclusion	Employee motivation and productivity	Potential	The Guala Closures Group guarantees the integration and professional development of employees in a fair work environment, where everyone is valued in their differences. Non-discrimination, gender equality and equal opportunities for women, equality in the workplace, inclusion regardless of age, disability, religion, ethnicity, sex, interaction between generations and collaborations with associations specializing in disability are promoted. The Group has a Whistleblowing system to support the possibility of making anonymous reports regarding these issues and on every aspect included in the Code of Ethics and Management Systems
	Employee attraction and retention	Potential	
	Reputational damage	Potential	
	Trade union tensions and strikes	Potential	
	Gender pay gap	Potential	
	Mentoring and know-how transfer	Actual	
	Involvement of protected categories	Actual	
Employee development and training	Employee motivation and productivity	Potential	The Group is very sensitive to ethical issues, regulatory compliance and the professional preparation of its employees, to maintain high motivation, productivity and employee loyalty. For these reasons, the Group has developed dedicated training programs in each Business Unit, in line with company policies and various local regulations, for the professional and personal growth of all its employees. The Group also facilitates employee involvement and welcomes suggestions and ideas, which are often important for the development and improvement of production processes.
	Employee attraction and retention	Potential	
	Compliance with ethics, rules and regulations	Actual	
	Mentoring and know-how transfer	Actual	
Human rights	Ensuring respect for human rights in the value chain	Potential	The Group guarantees respect for human rights both within the company and along the entire value chain. In 2022, the Group published a new Code of Conduct that analyzes and regulates issues related to the fight against corruption, child labor and forced or compulsory labor. Each
	Child and forced or compulsory labour	Potential	
	Employee attraction	Potential	

MATERIAL ASPECTS	IMPACTS	ACTUAL/ POTENTIAL	METHODS OF MANAGING IMPACTS
	and retention		Function Director is required to ensure maximum compliance with the main contents of the Code and a Whistleblowing channel has been made available for employees to report any violations. The supply chain is regularly assessed and monitored both internally, through questionnaires and audits, and externally through dedicated platforms.
	Employee motivation and productivity	Potential	
	Reputational damage	Potential	
	Improving local communities	Actual	
Greenhouse gas emissions	Investments in sustainable technologies (ESG investments)	Actual	The Group is committed to reducing Scope 1 and 2 greenhouse gas emissions and, to further expand its environmental responsibility, is working with suppliers and partners to reduce Scope 3 greenhouse gas emissions as much as possible. To achieve these ambitious goals, the carbon footprint along the entire production chain is analyzed. This happens both directly in the plants, by optimizing processes and investing in new equipment, and indirectly along the supply chain, optimizing loads and logistics and creating partnerships with energy suppliers. The Group is leading the way towards low-carbon growth, setting ambitious greenhouse gas emission reduction targets based on the latest scientific data from the Science Based Target (SBTi) initiative, promoting integration and transition to renewable energy sources.
	Contribution to climate change	Actual	
	Strategy for climate change mitigation and reduction of greenhouse gas emissions	Actual	
	Failure to meet greenhouse gas reduction targets	Potential	
	Reducing greenhouse gas emissions from the supply chain	Actual	
	Efficient use of finite resources	Potential	
Water management	Legal disputes, imposition of taxes and penalties	Actual	The Group is committed to reducing water consumption in its plants, especially in areas where resources are less available. It aims to do this by acting on industrial processes (cooling of presses for plastic molding, evaporation towers for injection molding circuits and degreasing of aluminum coils).
	Reduced water consumption	Actual	
	Cost reduction	Actual	
	Reputational damage	Potential	
	Investments in sustainable technologies	Actual	
Energy transition	Investments in sustainable technologies (ESG investments)	Actual	The Group is dedicated to reducing natural gas consumption through the innovation of production processes and the electrification of machinery and production systems. All opportunities for the use of renewable energy are studied according to local conditions, entering partnerships with energy suppliers to contain costs. Several plants have already switched to renewable energy sources and more will do so in the coming years.
	Strategy for climate change mitigation and reduction of greenhouse gas emissions	Actual	
	Increased operating costs	Actual	
	Environmental impact of the product	Actual	
Air pollution	Legal disputes, imposition of taxes and penalties	Actual	Air pollution has a direct impact on human health. Guala Closures is a company that is committed to acting responsibly and wants to address this issue to ensure the well-being of its employees, customers and the communities in which it operates. In addition, as a global manufacturer of closures, Guala Closures must comply with increasingly stringent closure regulations to avoid legal penalties and consequent reputational damage.
	Reputational damage	Potential	

MATERIAL ASPECTS	IMPACTS	ACTUAL/ POTENTIAL	METHODS OF MANAGING IMPACTS
	Local pollution (air, water, soil)	Actual	Considering these factors, Guala Closures recognizes air pollution as a material topic that requires its attention and commitment to mitigate and reduce its impact on the environment and society.
Use of recycled raw materials	Strategy for climate change mitigation and reduction of greenhouse gas emissions	Actual	To reduce the impact in terms of raw material use, the Group's strategy is based on the production of closures with a high percentage of recycled material and on the reduction of the use of raw materials in the caps.
	Environmental impact of products	Actual	
	Equipment Efficiency	Potential	
	Availability of recycled material	Potential	
	Reputation gain	Potential	
	Circularity of resources	Potential	
Waste reduction	Investments in sustainable technologies (ESG investments)	Actual	The Group's commitment to waste management is guaranteed by the adoption of eco-design guidelines that aim to: • produce less waste and send it to recycling and reuse processes; • reduce the use of virgin raw materials by favoring the use of alternative materials (from renewable sources or with recycled content); • investing in innovative technologies to reduce waste.
	Disposal costs (including charges and taxes)	Actual	
	Increase in waste recycling	Actual	
	Reputational damage	Potential	
	Local pollution (air, water, land)	Actual	
	Legal disputes, imposition of taxes and penalties	Actual	
Environmental management systems	Local pollution (air, water, land)	Actual	The ISO 14001 environmental management system allows you to assess, monitor and guarantee the environmental quality of products and processes. Its adoption allows the Group to easily apply the principles related to the circularity of resources (less use of raw materials and consequent improvement of environmental impact). The Group is working on extending the ISO 14001:2015 environmental certification to all plants.
	Reputational damage	Potential	
	Circularity of resources	Potential	
	Customer attraction	Potential	
Supply chain engagement and sustainability	Strategy for climate change mitigation and reduction of greenhouse gas emissions	Actual	The Group controls the supply chain for the entire duration of the commercial relationship. At the beginning of 2020, the supplier qualification procedure was implemented to include all relevant ESG aspects (including the sharing and acceptance of the principles defined in the Code of Ethics). At the same time, the Group has started using a dedicated platform for the evaluation of strategic suppliers.
	Reducing greenhouse gases from our supply chain	Actual	
	Ethics and compliance in the value chain	Actual	
	Ensuring respect for human rights in the value chain	Potential	
Innovation and ecodesign	Customer attraction	Potential	The Group has adopted guidelines for the eco-design of products, which are based on four principles: saving everything that is not necessary (design to reduce), reducing the use of exhaustible resources (design to change), use
	Strategy for climate change mitigation and reduction of greenhouse gas	Actual	

MATERIAL ASPECTS	IMPACTS	ACTUAL/ POTENTIAL	METHODS OF MANAGING IMPACTS
	emissions		of biodegradable materials at the end of life (design to fade) and design of recyclable closures at the end of life (design to revive). In addition, there is a constant search for new production technologies that can automate production and increase efficiency.
	Availability of recycled material	Potential	
	Investments in sustainable technologies (ESG investments)	Actual	
	Environmental impact of the product	Actual	
Customer satisfaction	Legal disputes, imposition of taxes and penalties	Potential	The characteristics of the products offered by Guala Closures are defined with its customers, to fully meet their needs and ensure the highest quality and reliability. In addition, customer service is monitored through the reporting of the conformity of shipments in terms of number of pieces and delivery times, thanks to the monitoring of the indicator on time in full. On a monthly basis, data relating to complaints are collected at Group level. The indicator relating to the number of complaints per million closures produced is also measured and monitored.
	Reputation gain	Potential	
	Consumer health	Potential	
Product quality and safety	Consumer health	Potential	The Group manages its production resources through the control and updating of products and processes, encouraging solid relationships with the main suppliers, fully complying with all applicable requirements, with a view to pursuing continuous improvement of the offer. The Group monitors the quality of its products through internal KPIs and continuous dialogue with customers. All Guala Closures' operational and business processes are developed with reference to ISO 9001 - Quality Management System and ISO 22000 or equivalent - Food Safety Management Systems. On a monthly basis, data relating to complaints is collected at Group level. The indicator relating to the number of complaints per million closures produced is also measured and monitored.
	Reputation gain	Potential	
	Legal disputes, imposition of taxes and penalties	Actual	
Data privacy and cybersecurity	Interruption of production or operation due to system malfunction	Potential	The Group has implemented a corporate reference system for cybersecurity management and data protection controls aligned with regulatory requirements (local and/or international) to protect and constantly monitor critical operational assets from incidents and cyber-attacks.
	Internal data loss	Potential	
	Unauthorised disclosure/use of confidential data	Potential	
	Reputational damage	Potential	
	Legal disputes, imposition of taxes and penalties	Actual	
Ethics, integrity and transparency	Reputation gain	Potential	The Group is attentive and committed to ensuring that the company's operations on the market reflect the Group's ethical values. These values are defined in company policies and are based on three pillars (environmental, social and governance). Compliance with these values is guaranteed at all company levels and in the management of relations with internal and external stakeholders. Together with ethics and integrity, transparency has always been part of the Group's founding values. This issue is
	Ensuring human rights in the value chain	Potential	
	Ethics and compliance in the value chain	Actual	
	Corruption	Potential	
	Legal disputes, imposition of taxes and penalties	Actual	
	Unauthorised disclosure/use of	Potential	

MATERIAL ASPECTS	IMPACTS	ACTUAL/ POTENTIAL	METHODS OF MANAGING IMPACTS
	confidential data		regulated internally by the Code of Conduct. The Group has a whistleblowing system for the anonymous reporting of any problem relating to violations of the Code of Ethics and Compliance Models.
	Internal data loss	Potential	
Economic performance	Investments in sustainable technologies (ESG investments)	Actual	The Group constantly monitors its financial and non-financial results, to better assess both development opportunities in existing markets and expansion into new markets. The Group publishes its financial results periodically, at the end of each quarter.
	Employee motivation and productivity	Potential	
	Employee attraction and retention	Potential	

Table 40: quantity of refrigerant gas topped up in the year

REFRIGERANT GAS EMISSIONS	UNITS OF MEASUREMENT	2022	2023	2024
R-134A	Kg	163,4	27,0	8,5
R-22	Kg	242,8	909,3	9,83
R-404A	Kg	14,2	32,3	45,5
R-407C	Kg	209,4	108,2	49,53
R-410A	Kg	90,1	126,6	192
R-417A	Kg	5,0	2,0	23
R-12	Kg	0,0	0,0	0,0
R-1234yf	Kg	0,0	0,0	0,0
R-407F	Kg	0,0	0,0	0,0
R-427A	Kg	0,0	0,0	0,0
R-507	Kg	0,0	0,0	0,0
R-422D	Kg	0,0	0,0	0,0

Table 41: Group employees by geographical area and breakdown by gender, age, qualification, hiring, turnover, resignation and type of contract, for the three-year period 2022-2024

EMPLOYEES - OVERALL DETAILS		EUROPE			AMERICAS			ASIA			OCEANIA			AFRICA			TOTAL		
		2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
GENDER	MEN	2412	2299	**2241**	588	555	**526**	569	565	**691**	109	106	**105**	126	129	**109**	3804	3654	**3672**
	WOMEN	726	678	**687**	414	399	**397**	35	34	**275**	19	21	**21**	42	42	**38**	1236	1174	**1418**
	TOTAL	3138	2977	**2928**	1002	954	**923**	604	599	**966**	128	127	**126**	168	171	**147**	5040	4.828	**5090**
AGE	< 30 years old	373	314	**305**	313	278	**252**	154	122	**167**	4	6	**4**	12	12	**10**	856	732	**738**
	Between 30 and 50 years old	1802	1666	**1600**	507	524	**491**	423	443	**700**	48	57	**54**	119	106	**94**	2899	2796	**2939**

EMPLOYEES - OVERALL DETAILS		EUROPE			AMERICAS			ASIA			OCEANIA			AFRICA			TOTAL		
		2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
	>50 years	963	997	**1023**	182	152	**180**	27	34	**99**	76	64	**68**	37	53	**43**	1285	1300	**1413**
	TOTAL	3138	2.977	**2928**	1002	954	**923**	604	599	**966**	128	127	**126**	168	171	**147**	5040	4828	**5090**
QUALIFICATION	EXECUTIVES	265	261	**254**	48	51	**46**	33	32	**65**	21	22	**22**	10	11	**12**	377	377	**399**
	EMPLOYEES	521	500	**485**	208	196	**203**	209	215	**270**	12	12	**13**	34	39	**37**	984	962	**1008**
	WORKERS	2352	2.216	**2189**	746	707	**674**	362	352	**631**	95	93	**91**	124	121	**98**	3679	3489	**3683**
	TOTAL	3138	2.977	**2928**	1002	954	**923**	604	599	**966**	128	127	**126**	168	171	**147**	5040	4828	**5090**
NEW HIRES	MEN	336	180	**295**	215	117	**76**	77	81	**183**	16	22	**8**	5	12	**11**	649	412	**573**
	WOMEN	91	65	**88**	245	121	**141**	6	14	**179**	2	6	**0**	5	8	**11**	349	214	**419**
	TOTAL	427	245	**383**	460	238	**217**	83	95	**362**	18	28	**8**	10	20	**22**	998	626	**992**
TURNOVER HIRED	MEN	14%	7,8%	**13,2%**	37%	21,1%	**14,4%**	14%	14,3%	**26,5%**	15%	20,8%	**7,6%**	4%	9,3%	**10,1%**	17%	11%	**15,6%**
	WOMEN	13%	9,6%	**12,8%**	59%	30,3%	**35,5%**	17%	41,2%	**65,1%**	11%	28,6%	**0%**	12%	19,0%	**28,9%**	28%	18%	**29,5%**
	TOTAL	14%	8,2%	**13,1%**	46%	24,9%	**23,5%**	14%	15,9%	**37,5%**	14%	22,0%	**6,3%**	6%	11,7%	**15%**	20%	13%	**19,5%**
RESIGNED	MEN	324	288	**363**	194	153	**107**	86	86	**147**	18	25	**11**	12	22	**17**	634	574	**645**
	WOMEN	78	111	**86**	203	137	**128**	7	9	**67**	0	4	**0**	3	15	**11**	291	276	**292**
	TOTAL	402	399	**449**	397	290	**235**	93	95	**214**	18	29	**11**	15	37	**28**	925	850	**937**
RESIGNED TURNOVER	MEN	13%	12,5%	**16,2%**	33%	27,6%	**20,3%**	15%	15,2%	**21,3%**	17%	23,6%	**10,5%**	10%	17,1%	**15,6%**	17%	16%	**12,7%**
	WOMEN	11%	16,4%	**12,5%**	49%	34,3%	**32,2%**	20%	26,5%	**24,4%**	0%	19,0%	**0%**	7%	35,7%	**28,9%**	24%	24%	**5,7%**
	TOTAL	13%	13,4%	**15,3%**	40%	30,4%	**25,5%**	15%	15,9%	**22,2%**	14%	22,8%	**8,7%**	9%	21,6%	**19%**	18%	18%	**18,4%**
PART-TIME / FULL-TIME	PART-TIME MEN	24	18	**14**	0	0	**0**	0	0	**42**	0	0	**0**	2	2	**1**	26	20	**57**
	PART-TIME WOMEN	39	30	**28**	0	0	**1**	0	0	**117**	1	1	**1**	1	1	**3**	41	32	**150**
	FULL-TIME MEN	2388	2281	**2226**	588	555	**526**	569	565	**650**	109	106	**105**	124	127	**108**	3778	3634	**3615**
	FULL-TIME WOMEN	687	648	**660**	414	399	**396**	35	34	**157**	18	20	**20**	41	41	**35**	1195	1142	**1268**
	TOTAL	3138	2977	**2829**	1002	954	**923**	604	599	**966**	128	127	**126**	168	171	**147**	5040	4828	**5090**
FIXED-TERM / PERMANENT[50]	CERTAIN MEN	N.A.	N.A.	**7**	N.A.	N.A.	**0**	N.A.	N.A.	**147**	N.A.	N.A.	**0**	N.A.	N.A.	**8**	N.A.	N.A.	**162**
	DETERMINED WOMEN	N.A.	N.A.	**5**	N.A.	N.A.	**0**	N.A.	N.A.	**210**	N.A.	N.A.	**0**	N.A.	N.A.	**6**	N.A.	N.A.	**221**
	OPEN-ENDED MEN	N.A.	N.A.	**2233**	N.A.	N.A.	**526**	N.A.	N.A.	**545**	N.A.	N.A.	**105**	N.A.	N.A.	**101**	N.A.	N.A.	**3510**
	PERMANENT WOMEN	N.A.	N.A.	**683**	N.A.	N.A.	**397**	N.A.	N.A.	**64**	N.A.	N.A.	**21**	N.A.	N.A.	**32**	N.A.	N.A.	**1197**
	TOTAL	N.A.	N.A.	**2928**	N.A.	N.A.	**923**	N.A.	N.A.	**966**	N.A.	N.A.	**126**	N.A.	N.A.	**147**	N.A.	N.A.	**5090**

[50] The breakdown of employees by type of contract (fixed-term or permanent) was reported by the Group starting from 2024 using an annual Excel data collection questionnaire.

Table 42: Percentage breakdown of Group employees by category and gender for 2023-2024

GROUP EMPLOYEES BY CATEGORY	2023		2024	
	Men	Women	Men	Women
Manager	77%	23%	75%	25%
Employees	66%	34%	62%	38%
Workers	78%	22%	75%	25%
TOTAL	76%	24%	72%	28%
Agency collaborators	83%	17%	80%	20%

Table 43: Percentage breakdown of Group employees by gender and age for 2024

GROUP EMPLOYEES BY AGE	2023		2024	
	Men	Women	Men	Women
Age under 30 years	71%	29%	67%	33%
Age between 30-50 years	76%	24%	72%	28%
Age over 50 years	78%	22%	75%	25%

Table 44: accident indices by geographical area (three-year period 2022-2024)

DATUM	EUROPE			AMERICAS			ASIA			OCEANIA			AFRICA			TOTAL		
	2022	2023	**2024**	2022	2023	**2024**	2022	2023	**2024**	2022	2023	**2024**	2022	2023	**2024**	2022	2023	**2024**
Accidents at work	35	43	**44**	41	21	**31**	4	7	**16**	2	1	**4**	7	1	**3**	89	73	**98**
Of which severes (more than 180 days)	0	0	**0**	0	1	**0**	0	0	**0**	0	0	**0**	0	0	**0**	0	1	**0**
Of which fatalities	0	0	**0**	0	0	**0**	0	0	**0**	0	0	**0**	0	0	**0**	0	0	**0**
Days lost due to injury	1728	1145	**2086**	1077	959	**858**	136	271	**761**	4	34	**28**	124	103	**35**	3069	2512	**3768**
Frequency index	5,76	8,32	**8,47**	15,83	7,84	**12,77**	1,16	3,09	**3,67**	6,43	3,99	**15,90**	5,86	1,09	**6,01**	6,54	6,47	**7,70**
Severity index	0,28	0,22	**0,40**	0,42	0,36	**0,35**	0,04	0,12	**0,17**	0,01	0,14	**0,11**	0,1	0,11	**0,07**	0,23	0,22	**0,30**
No. of cases of occupational diseases	0	0	**0**	0	0	**0**	0	0	**0**	0	0	**0**	0	0	**0**	0	0	**0**

8. METHODOLOGICAL NOTE

(GRI 2-2:2021; 2-3:2021; 2-4:2021; 2-5:2021; 2-14:2021)

This document contains the Sustainability Report (hereinafter also referred to as the "report") of Guala Closures SpA, published on an annual basis and prepared in accordance with the indications of the Global Reporting Initiative (GRI) Standards based on the "in compliance" approach in compliance with all nine requirements defined in *GRI 1: 2021 Reporting Standards*.

The definition of material topics and their reporting follow the indications of the *GRI 3: Material Themes 2021* and the specific Standards defined for each relevant topic, since there is no GRI Industry Standard applicable to the Group. The list of material topics identified is the result of the materiality analysis process developed by the Group and is described in detail in the Paragraph 1.5. In cases where a topic that is found to be material is not covered in the GRI Specific Standards disclosures, it has been reported using at least 3-3 disclosures in *GRI 3: Material Themes 2021* and the internal indicators developed by the Group. The detailed list of indicators reported is reported in the GRI Index of Contents, at the bottom of this appendix.

The data and qualitative information reported refer to the financial year ended 31 December 2024. In addition, data for the previous two years (2022 and 2023) are also reported to provide an overview of performance over time.

The reporting scope considered for the preparation of the financial statements includes the parent company (Guala Closures S.p.A) and the subsidiaries consolidated on a line-by-line basis and with production sites, except for the plants of:

- Attiki and Johannesburg, which are part of Astir Vitogiannis Bros S.A, a company acquired in August 2024;
- Lagos, launched at the end of 2024.

The plants included for the reporting of social and environmental data are a total of 34 and reported in the Table 45, while the perimeter of the economic data coincides with that of the 2024 Consolidated Financial Statements.

Table 45: the establishments included in the reporting scope

EUROPE					
BULGARIA Kazanlak	**FRANCE** Chambray Les Tours	**GERMANY** Worms	**ITALY** Magenta Spinetta M.go Termoli Breganze Milan (offices)	**POLAND** Wloclawek	**UK** Bridge of Allan Kirkintilloch
SPAIN Jerez Olerdola		**UKRAINE** Sumy Ternopil Nemiriv		**PORTUGAL** Lobão	
NORTH AMERICA					
MEXICO S.J.Iturbide		**USA** Fairfield			
SOUTH AMERICA					
ARGENTINA Chivilcoy	**BRAZIL** São Paulo	**COLOMBIA** Bogota	**CHILE** Santiago de Chile		
OCEANIA					
NEW ZEALAND Auckland		**AUSTRALIA** Melbourne			
ASIA					
CHINA Chengdu Yibin Luzhou Guizhou		**INDIA** Ahmedabad Daman Dharwad Goa			
AFRICA					
KENYA Nairobi		**SOUTH AFRICA** Cape Town			

As part of the reporting on the material topic "Air pollution", the reporting scope includes the plants in Bridge of Allan, Chengdu, Jerez, Kirkintilloch, Magenta, Olerdola, San Jose Iturbide, Santiago de Chile, Spinetta Marengo, Sumy, Worms. For the reporting of water resources, on the other hand, in 2024 the perimeter of the plants included in areas characterized by water stress differs slightly from that of the previous year and includes the production sites in South Africa, Chile, Mexico, Australia, Spain, as well as the Indian plants in Ahmedabad and Daman, the Chinese plants in Chengdu and Guizhou and the Italian plant in Termoli.

In Table 12 Chapter 4 reports the progress of the environmental targets both in relation to the 2024 reporting perimeter and with respect to the perimeter used to define the targets. As regards the GRI 404-1 indicator in the Table 30 the scope of reporting excludes the Chinese plants of Yibin, Gulin, Guizhou and Lobão as changes have already been implemented in the data collection system at the end of 2024 for the processing of KPIs from an ESRS perspective. For the estimates of intensity of water consumption reported in the Table 12 and Table 20 of Chapter 4, the quantity of closures produced by the Melbourne and Fairfield plants is excluded in the denominator, as both plants have no way of measuring water consumption, which is solely related to sanitation.

Reporting and data collection process

The process of drafting the Sustainability Report is coordinated by the Group's Quality and Sustainability Director and involves the direct involvement of the management managers of the various functions, based on the topics reported: Human Resources, Purchasing, Certifications, Research and Innovation, Health and Safety, Legal and IT

Area, etc.

The collection of environmental and social data necessary for the reporting of GRI indicators and internal KPIs takes place using the CIS-Tool, the Group's CSR reporting software, which is widespread in all plants around the world and allows the systematization of the collection process, requiring the monthly and quarterly uploading of data by the individual production sites. All users in charge of data loading have received adequate training on correct data entry and have constant access to the user manual of the CIS-Tool. The Corporate CSR Team coordinates data collection activities and is dedicated to verifying, consolidating results and developing indicators. As of 2022, the central CSR Team shares a supplementary questionnaire with all plants with the aim of supplementing the collection of the CIS-Tool with other qualitative information necessary to complete the reporting. In addition, on an annual basis, the same Team is dedicated to collecting information relating to the initiatives carried out at local level.

The document is developed annually and is validated by the Board of Directors in conjunction with the approval of the Group's Consolidated Financial Statements.

It is also subject to a limited audit ("Limited Assurance Engagement") by the independent third-party company PricewaterhouseCooper Business Services Srl. It should also be noted that PricewaterhouseCooper SpA is also responsible for auditing the Consolidated Financial Statements. The audit was carried out in accordance with the procedures and criteria set out in the "Report of the Independent Auditors" section of this document.

For further information on the contents of this Sustainability Report, please contact Guala Closures at: sustainability@gualaclosures.com

9. GRI TABLE OF CONTENTS

STATEMENT OF USE	Guala Closures SpA has reported the information cited in this GRI table of contents for the period from 1 January 2024 to 31 December 2024 in accordance with GRI standards.
GRI 1 USED	GRI 1 - Fundamental Principles - 2021 version
RELEVANT GRI INDUSTRY STANDARDS	The Industry Standards in which Guala Closures operates are currently not available.

GRI STANDARDS	INFORMATION	LOCATION	OMISSION		
			REQUIREMENTS OMITTED	**REASON**	**EXPLANATION**
GENERAL INFORMATION					
GRI 2: General Disclosure 2021	2-1 Organization Details	1.1 The Group			
	2-2 Entities included in the organization's sustainability reporting	8. Methodological note			
	2-3 Reporting period, frequency and point of contact	8. Methodological note			
	2-4 Restatement of Information	4.2 Greenhouse gas emissions			
	2-5 External Assurance	8. Methodological note			
	2-6 Activities, Value Chain and Other Business Relationships	1.1 The Group 1.2 Product lines 1.3 Group structure and worldwide presence 1.4 Production processes 6.2 Supply Chain Engagement			
	2-7 Employees	5.1 Guala Closures employees 7. Appendix			
	2-8 Non-employees	5.1 Guala Closures employees			
	2-9 Structure and composition of governance	2.1 Corporate Governance			
	2-10 Appointment and selection of the highest governing body	2.1 Corporate Governance			

GRI STANDARDS	INFORMATION	LOCATION	OMISSION		
			REQUIREMENTS OMITTED	REASON	EXPLANATION
	2-11 Chairman of the highest governing body	2.1 Corporate Governance			
	2-12 Role of the highest governance body in overseeing impact management	2.2 Sustainability governance 2.4 Analysis and management of risks and opportunities			
	2-13 Delegation of responsibility for the management of impacts	2.2 Sustainability governance 2.4 Analysis and management of risks and opportunities			
	2-14 Role of the highest governance body in sustainability reporting	2.1 Corporate Governance 8. Methodological note			
	2-15 Conflicts of interest	2.1 Corporate Governance			
	2-16 Communication of critical issues	2.4 Analysis and management of risks and opportunities			
	2-17 Collective competences of the highest governance body	2.2 Sustainability governance			
	2-18 Performance Assessment of the highest governance body	3.1 Sustainable Together 2030			
	2-19 Remuneration policies	2.1 Corporate Governance			
	2-20 Compensation Determination Process	5.3 Diversity and inclusion			
	2-21 Annual Total Compensation Report	5.3 Diversity and inclusion	2-21 b	Incomplete information	In 2024, the Group started monitoring and reporting on the annual report on the total annual compensation of employees. However, since it is the first year of monitoring, it was not possible to produce the report considering the percentage increase in both the highest annual total salary and the median value.
	2-22 Sustainable Development Strategy Statement	Letter to stakeholders			
	2-23 Policy commitments	2.3 Policies and Guidelines			
	2-24 Integration of policy commitments	2.3 Policies and Guidelines			
	2-25 Processes to remediate negative impacts	2.4 Analysis and management of risks and opportunities 3.3 Management systems and			

GRI STANDARDS	INFORMATION	LOCATION	OMISSION		
			REQUIREMENTS OMITTED	REASON	EXPLANATION
		certifications 6.2 Supply Chain Engagement			
	2-26 Mechanisms for Requesting Clarification and Raising	2.3 Policies and Guidelines			
	2-27 Compliance with Laws and Regulations	During 2022, there were no significant cases of non-compliance with laws and regulations			
	2-28 Membership of associations	1.5 Stakeholder engagement and materiality analysis			
	2-29 Stakeholder Engagement Approach	1.5 Stakeholder engagement and materiality analysis			
	2-30 Collective bargaining agreements	5.1 Guala Closures employees			
MATERIAL TOPICS					
GRI 3: Material Themes 2021	3-1 Process for determining material themes	1.5 Stakeholder engagement and materiality analysis			
	3-2 List of material topics	1.5 Stakeholder engagement and materiality analysis			
ETHICS, INTEGRITY AND TRANSPARENCY					
GRI 3: Material Themes 2021	3-3 Management of material topics	1.5 Stakeholder engagement and materiality analysis			
GRI 205: Anti-corruption 2016	205-3 Incidents of corruption ascertained and actions taken	6.1 Ethics and transparency			
GRI 206: Anti-competitive behaviour 2016	206-1 Lawsuits for anti-competitive conduct, antitrust and monopolistic practices	6.1 Ethics and transparency			
USE OF RECYCLED RAW MATERIALS					
GRI 3: Material Themes 2021	3-3 Management of material topics	1.5 Stakeholder engagement and materiality analysis			
GRI 301: Materials 2016	301-1 Materials Used by Weight or Volume 301-2 Materials used that come from recycling	4.5 Raw materials			
ENERGY TRANSITION					
GRI 3: Material Themes 2021	3-3 Management of material topics	1.5 Stakeholder engagement and materiality analysis			

GRI STANDARDS	INFORMATION	LOCATION	OMISSION		
			REQUIREMENTS OMITTED	REASON	EXPLANATION
GRI 302: Energy 2016	302-1 Energy consumed within the organization 302-3 Energy intensity	4.1 Power consumption			
WATER RESOURCES MANAGEMENT					
GRI 3: Material Themes 2021	3-3 Management of material topics	1.5 Stakeholder engagement and materiality analysis			
GRI 303: Water and water discharges 2018	303-1 Interactions with Water as a Shared Resource 303-2 Management of impacts related to water discharge 303-3 Water withdrawal	4.4 Water resources			
GREENHOUSE GAS EMISSIONS					
GRI 3: Material Themes 2021	3-3 Management of material topics	1.5 Stakeholder engagement and materiality analysis			
GRI 305: Emissions 2016	305-1 Direct GHG Emissions (Scope 1) 305 – 2 Indirect GHG emissions from energy consumption (Scope 2) 305-3 Other indirect GHG emissions (Scope 3) 305-4 GHG emission intensity	4.2 Greenhouse gas emissions			
AIR POLLUTION					
GRI 3: Material Themes 2021	3-3 Management of material topics	1.5 Stakeholder engagement and materiality analysis			
GRI 305: Emissions 2016	305-7 Nitrogen oxides (NOX), sulphur oxides (SOX) and other significant emissions	4.2.2 Other issues			
WASTE REDUCTION					
GRI 3: Material Themes 2021	3-3 Management of material topics	1.5 Stakeholder engagement and materiality analysis			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts 306-2 Management of significant waste-related impacts 306-3 Waste produced	4.3 Waste			
SUPPLY CHAIN ENGAGEMENT AND SUSTAINABILITY					
GRI 3: Material Themes 2021	3-3 Management of material topics	1.5 Stakeholder engagement and materiality analysis			
GRI 308: Environmental Assessment	308-1 New suppliers who have been assessed using environmental criteria	6.2 Supply Chain Engagement			

GRI STANDARDS	INFORMATION	LOCATION	OMISSION		
			REQUIREMENTS OMITTED	REASON	EXPLANATION
of Suppliers 2016					
GRI 414: Social Evaluation of Suppliers 2016	414-1 New suppliers that have been evaluated through the use of social criteria				
EMPLOYEE DEVELOPMENT AND TRAINING					
GRI 3: Material Themes 2021	3-3 Management of material topics	1.5 Stakeholder engagement and materiality analysis			
GRI 401: Employment 2016	401-1 New hires and turnover	5.1 Guala Closures employees 7.Appendix			
GRI 404: Training and Education 2016	404-1 Average annual training hours per employee	5.2 Employee training and development			
HEALTH AND SAFETY IN THE WORKPLACE					
GRI 3: Material Themes 2021	3-3 Management of material topics	1.5 Stakeholder engagement and materiality analysis			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational Health and Safety Management Systems 403-2 Hazard Identification, Risk Assessment and Accident Investigation 403-3 Occupational Health Services 403-4 Worker Participation and Consultation and Communication on Health and Safety at Work 403-5 Training of workers in occupational health and safety 403-6 Promotion of workers' health 403-7 Prevention and mitigation of occupational health and safety impacts within business relationships	5.1 Guala Closures employees 5.2 Employee training and development 5.5 Occupational health and safety			
	403-9 Accidents at work 403-10 Occupational diseases	5.5 Occupational health and safety 7. Appendix			
DIVERSITY AND INCLUSION					
GRI 3: Material Themes 2021	3-3 Management of material topics	1.5 Stakeholder engagement and materiality analysis			
GRI 405: Diversity and Equal	405-1 Diversity in Governing Bodies and Among Employees	5.1 Guala Closures employees			

GRI STANDARDS	INFORMATION	LOCATION	OMISSION		
			REQUIREMENTS OMITTED	REASON	EXPLANATION
Opportunities 2016		7.Appendix			
HUMAN RIGHTS					
GRI 3: Material Themes 2021	3-3 Management of material topics	1.5 Stakeholder engagement and materiality analysis			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective measures taken	5.3 Diversity and inclusion			
PRODUCT QUALITY AND SAFETY					
GRI 3: Material Themes 2021	3-3 Management of material topics	1.5 Stakeholder engagement and materiality analysis			
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning impacts on the health and safety of products and services	3.3.1 Food quality and safety			
DATA PRIVACY AND CYBERSECURITY					
GRI 3: Material Themes 2021	3-3 Management of material topics	1.5 Stakeholder engagement and materiality analysis			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints regarding breaches of customer privacy and loss of customer data	6.3 Customer satisfaction			
ENVIRONMENTAL MANAGEMENT SYSTEMS					
GRI 3: Material Themes 2021	3-3 Management of material topics	1.5 Stakeholder engagement and materiality analysis			
N. At	Percentage of establishments that have achieved ISO 14001 certification	3.3 Management and certification systems			
INNOVATION AND ECODESIGN					
GRI 3: Material Themes 2021	3-3 Management of material topics	1.5 Stakeholder engagement and materiality analysis			
N. At	Number of intellectual properties Number of lawsuits related to intellectual property infringement	3.2 Innovation and ecodesign			
CUSTOMER SATISFACTION					
GRI 3: Material Themes 2021	3-3 Management of material topics	1.5 Stakeholder engagement and materiality analysis			
N. At	Successful delivery rate (orders of set quantities and delivery times) Number of complaints/observations per million closures	3.3.1 Food quality and safety 6.3 Customer satisfaction			

GRI STANDARDS	INFORMATION	LOCATION	OMISSION		
			REQUIREMENTS OMITTED	REASON	EXPLANATION
	produced				
ECONOMIC PERFORMANCE					
GRI 3: Material Themes 2021	3-3 Management of material topics	1.5 Stakeholder engagement and materiality analysis			
N. At	Turnover EBITDA	6.4 Economic results			

10. TABLE OF CORRELATION WITH THE PRINCIPLES OF THE GLOBAL COMPACT

UNGC PRINCIPLES	PARAGRAPHS	GRI INDICATOR
HUMAN RIGHTS		
Principle 1: Promote and respect the protection of human rights recognised within its sphere of influence	2.3 Group Policies 3.3 Management systems and certifications 3.1 Sustainable Together 2030 5.2 Employee training and development 5.3 Diversity and inclusion 5.5 Occupational health and safety	403-1; 403-2; 403-3; 403-4; 403-5; 403-6; 403-7; 403-9; 405-1; 406-1
Principle 2: Ensure that you are not, even indirectly, complicit in human rights abuses	2.3 Group Policies 5. People and Society 6.2 Supply Chain Engagement	414-1
WORK		
Principle 3: Support freedom of association and the effective recognition of the right to collective bargaining	2.3 Group Policies 3.3 Management systems and certifications 5.1 Guala Closures employees	2-30
Principle 4: Support the elimination of all forms of forced and compulsory labour	2.3 Group Policies 3.3 Management systems and certifications 6.1 Ethics and transparency 6.2 Supply Chain Engagement	414-1
Principle 5: Support the abolition of child labour	2.3 Group Policies 3.3 Management systems and certifications 6.1 Ethics and transparency 6.2 Supply Chain Engagement	414-1
Principle 6: Support the elimination of all forms of discrimination in employment and occupation	2.3 Group Policies 3.1 Sustainable Together 2030 3.3 Management systems and certifications 5.1 Guala Closures employees 5.2 Employee training and development 5.3 Diversity and inclusion	2-7; 2-8; 404-1; 405-1; 406-1
ENVIRONMENT		
Principle 7: Support a preventive approach to environmental challenges;	1.5 Stakeholder engagement and materiality analysis 2.3 Group Policies 2.4 Analysis and management of risks and opportunities 3.1 Sustainable Together 2030 3.3 Management systems and certifications 4.1 Power consumption 4.2 Greenhouse gas emissions 4.3 Waste 4.4 Water resources 4.6 Reforestation programs 6.2 Supply Chain Engagement	301-1; 301-2; 302-1; 302-2; 303-2; 303-3; 305-1; 305-2; 305-3; 305-4; 305-7; 306-1; 306-2; 306-3
Principle 8: Take initiatives that promote greater environmental responsibility	2.3 Group Policies 2.4 Analysis and management of risks and opportunities 3.1 Sustainable Together 2030 3.3 Management systems and certifications 4.1 Power consumption 4.2 Greenhouse gas emissions 4.3 Waste 4.4 Water resources	301-1; 301-2; 302-1; 302-2; 303-2; 303-3; 305-1; 305-2; 305-3; 305-4; 305-7; 306-1; 306-2; 306-3

UNGC PRINCIPLES	PARAGRAPHS	GRI INDICATOR
	4.6 Reforestation programs 6.1 Ethics and transparency 6.2 Supply Chain Engagement	
Principle 9: Encourage the development and dissemination of environmentally friendly technologies	3.1 Sustainable Together 2030 3.2 Innovation and ecodesign 3.3 Management systems and certifications 4.1 Power consumption 4.3 Waste 4.4 Water resources 6.2 Supply Chain Engagement	301-1; 301-2; 302-1; 302-2; 303-2; 303-3; 305-1; 305-2; 305-3; 305-4; 305-7; 306-1; 306-2; 306-3
FIGHT AGAINST CORRUPTION		
Principle 10: Support the fight against corruption in all its forms, including extortion and bribery	2.3 Group Policies 3.1 Sustainable Together 2030 6.1 Ethics and transparency 6.2 Supply Chain Engagement	2-23; 205-3

Independent Auditor's report on the Sustainability Report 2024

To the board of directors of Guala Closures SpA

We have undertaken a limited assurance engagement on the Sustainability Report of Guala Closures SpA and its subsidaries (hereinafter the "Group" or "Guala Closures Group") for the year ended 31 December 2024.

Responsibilities of the directors for the Sustainability Report

The directors of Guala Closures SpA are responsible for the preparation of the Sustainability Report in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" issued by GRI - Global Reporting Initiative (the "GRI Standards"), as illustrated in the "Methodological note" section of the Sustainability Report.

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of a Sustainability Report that is free from material misstatement, whether due to fraud or error.

The directors are also responsible for defining the sustainability performance targets of Guala Closures Group, as well as for identifying its stakeholders and material topics to be reported on.

Auditor's independence and quality management

We are independent in accordance with the principles of ethics and independence set out in the Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management 1 (ISQM Italia 1), which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibilities

Our responsibility is to express a limited assurance conclusion, based on the procedures we have performed, regarding the compliance of the Sustainability Report with the requirements of the GRI Standards. We conducted our work in accordance with "International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information" (hereinafter also "ISAE 3000 Revised") issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. That standard requires that we plan and perform procedures to obtain limited assurance about whether the Sustainability Report is free from material misstatement.

Therefore, the procedures performed were less in extent than those performed in a reasonable assurance engagement conducted in accordance with ISAE 3000 Revised and, consequently, do not provide us with a sufficient level of assurance that we have become aware of all significant facts and circumstances that might be identified in a reasonable assurance engagement.

The procedures performed on the Sustainability Report were based on our professional judgement and included inquiries, mainly of personnel of the Company responsible for the preparation of the information presented in the Sustainability Report, inspection of documents, recalculations and other procedures designed to obtain evidence considered useful.

In detail, we performed the following procedures:

1) analysis of the process of definition of the material topics reported on in the Sustainability Report, with reference to the method applied in the analysis and understanding of the Company's environment, the identification and prioritisation of the actual and potential impacts, and the internal validation of the results of the process;

2) understanding of the processes underlying the generation, collection and management of significant qualitative and quantitative information included in the Sustainability Report.

In detail, we held meetings and interviews with the management personnel of Guala Closures SpA and we performed limited analyses of documentary evidence, to gather information about the processes and procedures for the collection, aggregation, processing and submission of non-financial data and information to the function responsible for the preparation of the Sustainability Report.

Moreover, for material information, considering the activities and characteristics of the Group:

- at a Group level,
    a) with reference to the qualitative information presented in the Sustainability Report, we carried out interviews and obtained supporting documentation to verify its consistency with available evidence;
    b) with reference to quantitative information, we performed both analytical procedures and limited tests to verify, on a sample basis, the accuracy of data aggregation.

- for Guala Closures SpA (Spinetta), which we selected on the basis of its activities, its contribution to performance indicators at a consolidated level and its location, we carried out onsite visits during which we met the persons in charge and obtained documentary evidence, on a sample basis, regarding the correct application of the procedures and calculation methods applied for the indicators;

- for the following entities of the Group, Guala Closures SpA (Magenta), Guala Closures Iberica S.A. (Olerdòla), Guala Closures Deutschland GmbH (Worms), Guala Closures UK Ltd, (Bridge of Allan), Guala Closures (India) Pvt Ltd (Goa), which we selected on the basis of their activities, their contribution to performance indicators at a consolidated level and their locations, we have carried out meetings during which we met the persons in charge and obtained documentary evidence, on a sample basis, regarding the correct application of the procedures and calculation methods applied for the indicators.

Inherent limitations in the preparation of the Sustainability Report

The information provided on Scope 3 emissions is subject to greater intrinsic limitations than Scope 1 and 2 emissions, due to the limited availability and relative precision of the information used to define the information on Scope 3 emissions, both quantitative and qualitative.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the Sustainability Report of Guala Closures Group for the year ended 31 December 2024 is not prepared, in all material respects, in accordance with the requirements of the GRI Standards as illustrated in the "Methodological note" section of the Sustainability Report.

Turin, 11 April 2025

PricewaterhouseCoopers Business Services Srl

Signed by

Paolo Bersani
(Partner)

This report has been translated into English from the Italian original solely for the convenience of international readers.