

GCL Holdings Group

Company presentation year 2015 results

April 29, 2016

Forward-looking Statements

This presentation may include, and the Company and its representatives may from time to time make, written or verbal statements which constitute “forward – looking statements”, including but not limited to all statements other than statements of historical facts, including statements regarding our intentions, belief or expectations concerning our future financial condition and performance, results of operations, strategy, prospects, and future developments in the markets in which we operate and plan to operate.

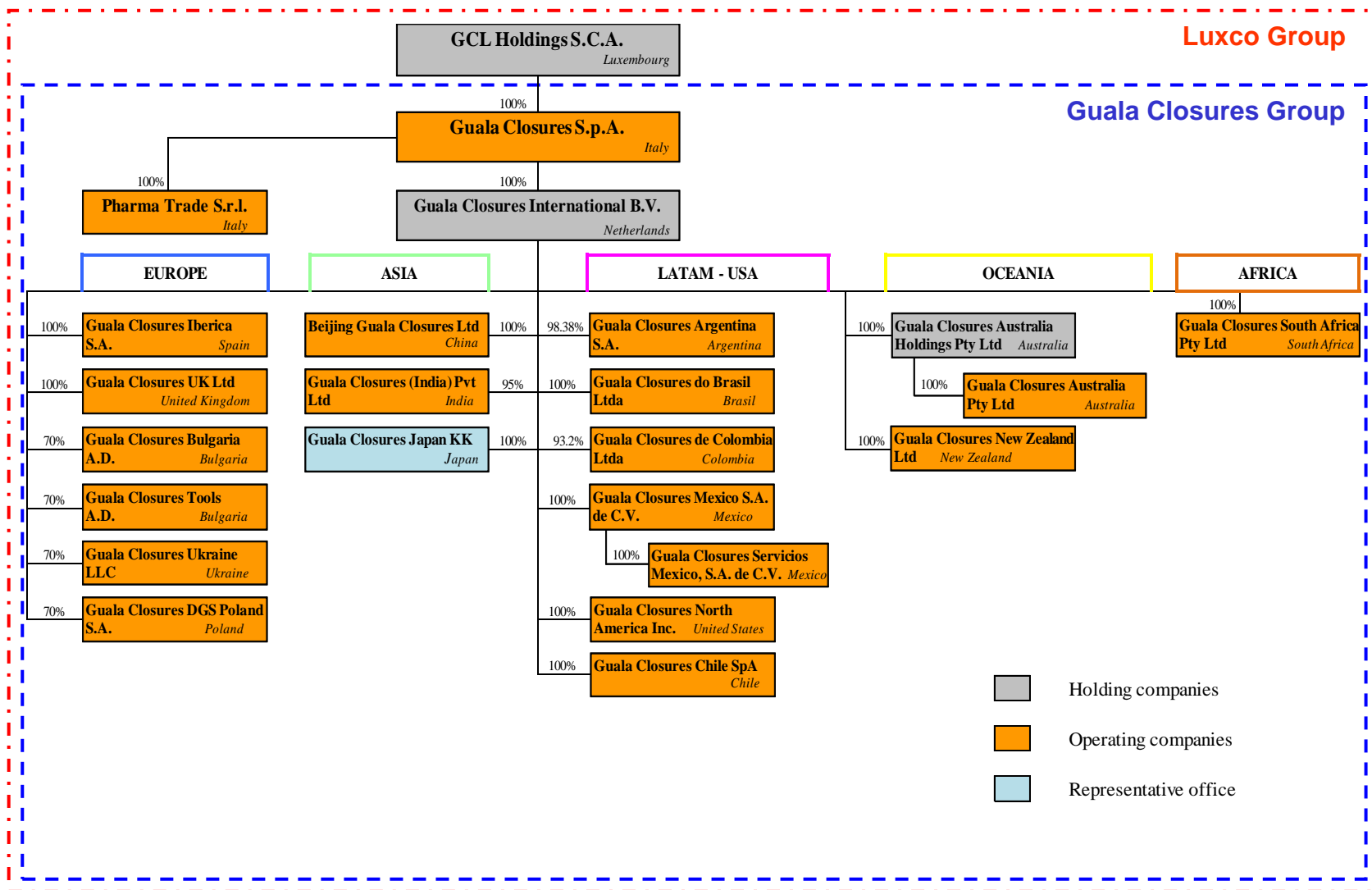
By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future.

We caution you that forward – looking statements are not guarantees of future performance and that our actual financial condition, results of operations and cash flows, and the development of the industry in which we operate, may differ materially from (and be more negative than) those made in, or suggested by, the forward-looking statements contained in this presentation.

In addition even if our financial condition, results of operations and cash flows, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this presentation, those results or developments may not be indicative of results or developments in subsequent periods.


The Company undertakes no obligation to publicly update or publicly revise any forward-looking statements, whether as a result of new information, future events or otherwise. All subsequent written or verbal forward-looking statements attributable to the Company or to persons acting on the Company’s behalf are qualified in their entirety by the cautionary statements referred to above.

Group chart as at December 31, 2015




2015 Key financial events


FEB

-  Merger between Guala Closures International B.V. and Guala Closures China B.V., with retroactive effects from January 1, 2015

JUN

-  Merger between Guala Closures International B.V. and Guala Closures Patents B.V., with retroactive effects from January 1, 2015.

SEP

-  Incorporation of Guala Closures Chile SpA.

Key trends: group currencies

Exchange rate trend (1 € = x FC) P&L	Average 12M14	Average 12M15	Var % vs 12M14
US Dollar	1.3288	1.1096	(16.5%)
GB Pounds	0.8064	0.7260	(10.0%)
Lev Bulgaria	1.9558	1.9558	-
Ukraine Hryvnia	15.8711	24.2892	53.0%
Poland Zloty	4.1845	4.1828	(0.0%)
China Renminbi	8.1882	6.9730	(14.8%)
Indian Rupia	81.0689	71.1752	(12.2%)
Argentinian Peso	10.7745	10.2495	(4.9%)
Brazilian Real	3.1228	3.6916	18.2%
Colombian Peso	2654.99	3042.09	14.6%
Mexican Peso	17.6621	17.5995	(0.4%)
Australian Dollar	1.4724	1.4765	0.3%
New Zealand Dollar	1.5999	1.5907	(0.6%)
South Africa Rand	14.4065	14.1528	(1.8%)
Japan Yen	140.3715	134.2866	(4.3%)
Chilean Peso	n.a.	766.5540	n.a.

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



Devaluation of euro vs main group currencies compared to 12M 2014 (except UAH, BRL, COP and AUD)

Key trends: group currencies

Exchange rate trend (1 € = x FC) BS	Dec 31, 2014	Dec 31, 2015	Var % vs Dec 14
US Dollar	1.2141	1.0887	(10.3%)
GB Pounds	0.7789	0.7340	(5.8%)
Lev Bulgaria	1.9558	1.9558	-
Ukraine Hryvnia	19.2060	26.1587	36.2%
Poland Zloty	4.2732	4.2639	(0.2%)
China Renmimbi	7.5358	7.0608	(6.3%)
Indian Rupia	76.7190	72.0215	(6.1%)
Argentinian Peso	10.2755	14.0972	37.2%
Brazilian Real	3.2207	4.3117	33.9%
Colombian Peso	2892.26	3456.01	19.5%
Mexican Peso	17.8679	18.9145	5.9%
Australian Dollar	1.4829	1.4897	0.5%
New Zealand Dollar	1.5525	1.5923	2.6%
South Africa Rand	14.0353	16.9530	20.8%
Japan Yen	145.2300	131.0700	(9.8%)
Chilean Peso	n.a.	772.7130	n.a.

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

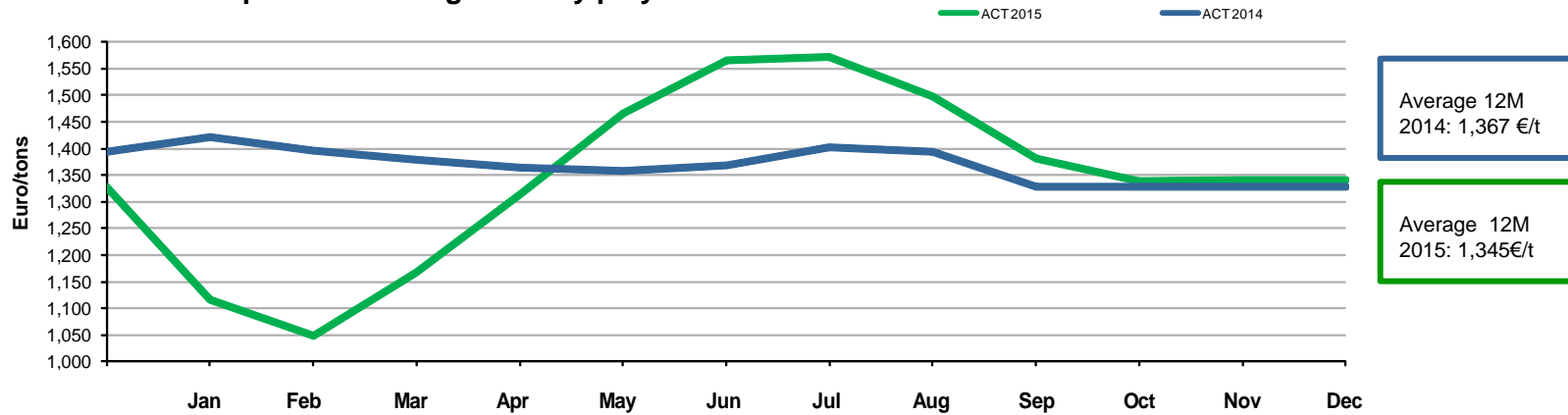


Revaluation of euro vs main group currencies compared to 2014 (except USD, GBP, PLN, RMB, INR, and JPY)

Key trends: raw materials – plastics – Europe

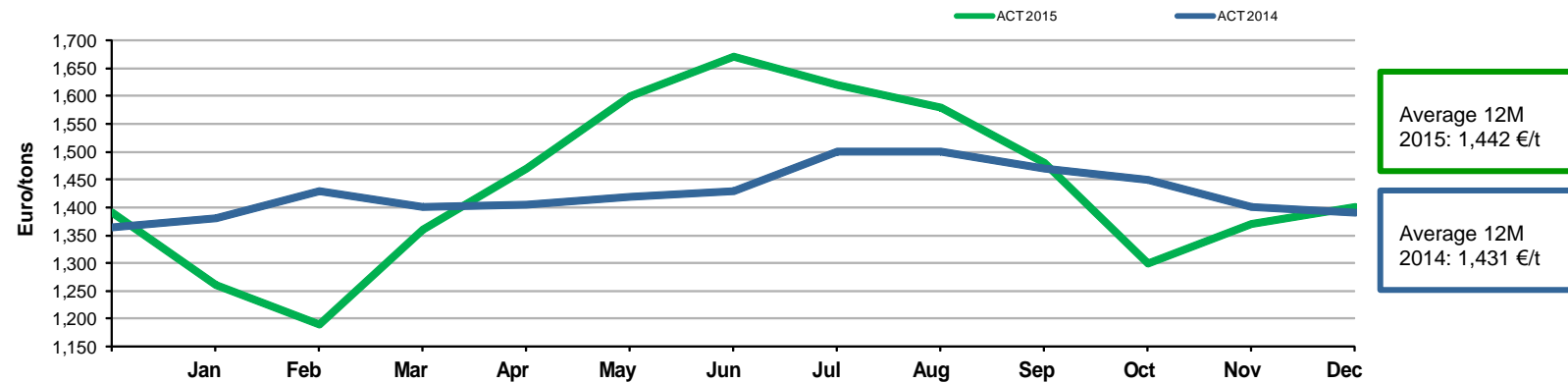
Plastic price trend - High density polyethylene

HDPE Var % vs 12M 2014: (1.6%)



Plastic price trend – Polypropylene, homopolymer

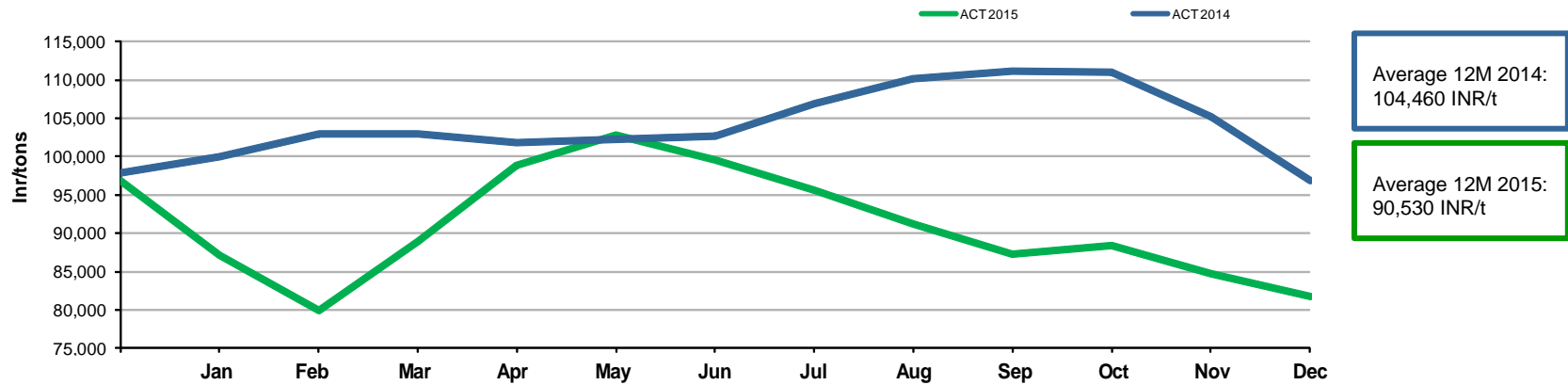
PP Var % vs 12M 2014: 0.7%



Key trends: raw materials – plastics - India

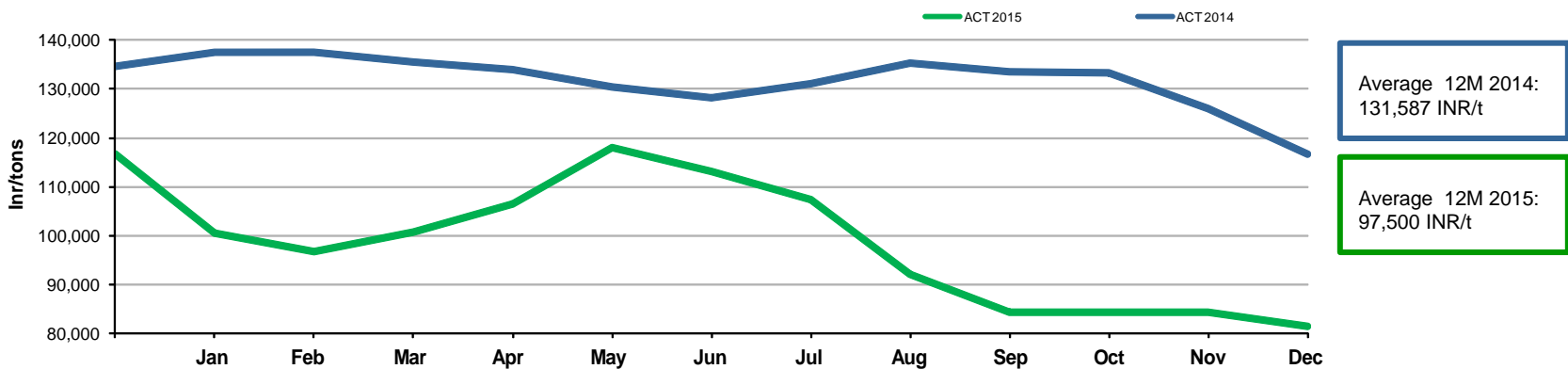
Plastic price trend - High density polyethylene

HDPE Var % vs 12M 2014: (13.3%)



Plastic price trend – Polystyrene

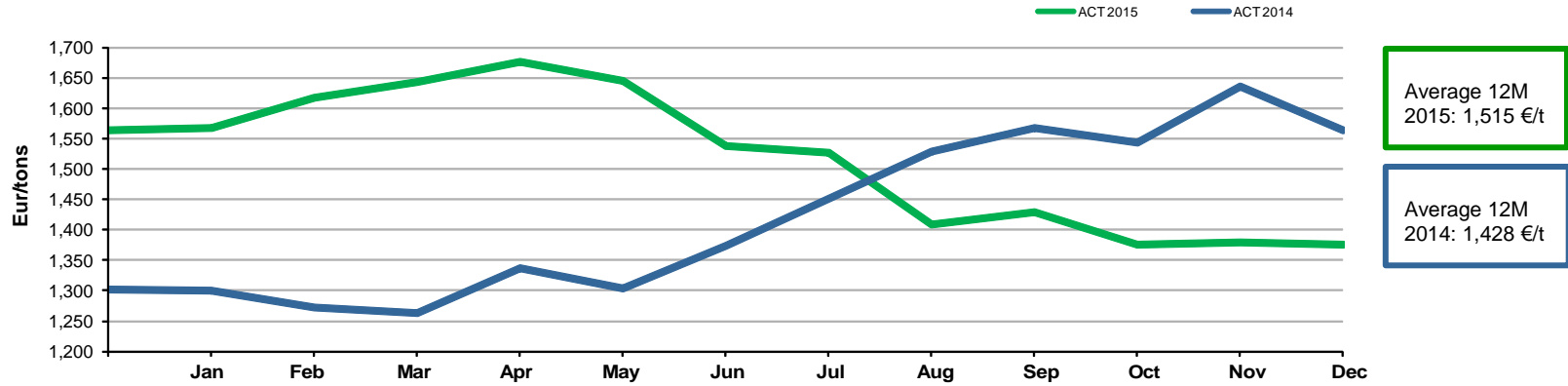
PS Var % vs 12M 2014: (25.9%)



Key trends: raw materials - aluminum

Aluminum price trend (LME €/tons)

LME Var % vs 12M 2014: 6.1%



4Q and 12M 2015 – Financial snapshot

€ / ml	1Q 14	2Q 14	3Q 14	4Q 14	12M 14	1Q 15	2Q 15	3Q 15	4Q 15	12M 15	Var % 12M 15 vs 12M 14
Revenues	105.9	116.1	132.6	133.1	487.8	119.7	128.1	139.0	133.7	520.5	6.7%
EBITDA	17.5	22.0	23.2	27.8	90.4	24.2	24.6	29.5	25.0	103.3	14.2%
% margin	16.5%	18.9%	17.5%	20.9%	18.5%	20.2%	19.2%	21.2%	18.7%	19.8%	
Adjusted EBITDA	17.8	22.4	27.2	28.4	95.8	24.5	24.9	31.0	26.0	106.4	11.1%
% margin	16.8%	19.3%	20.5%	21.3%	19.6%	20.4%	19.4%	22.3%	19.5%	20.4%	
EBIT	8.2	11.9	13.7	17.2	51.0	14.9	15.0	20.4	15.4	65.7	28.7%
% margin	7.8%	10.3%	10.3%	12.9%	10.5%	12.4%	11.7%	14.7%	11.5%	12.6%	
Net result	(6.1)	(1.9)	0.2	(9.7)	(17.5)	2.4	(2.9)	(0.1)	(4.2)	(4.7)	73.1%
% margin	(5.8%)	(1.6%)	0.2%	(7.3%)	(3.6%)	2.0%	(2.2%)	(0.0%)	(3.1%)	(0.9%)	

€ / ml	As at Dec 31, 2013	As at Mar 31, 2014	As at Jun 30, 2014	As at Sep 30, 2014	As at Dec 31, 2014
NWC	97.8	111.6	125.6	132.7	102.1
NWC days	65	95	97	90	69
Net debt	481.0	510.5	525.8	530.8	507.7

	As at Mar 31, 2015	As at Jun 30, 2015	As at Sep 30, 2015	As at Dec 31, 2015
	112.5	118.8	119.9	87.0
	85	83	78	59
	518.0	523.9	526.0	497.6

12M 2015 – Operating and financial review

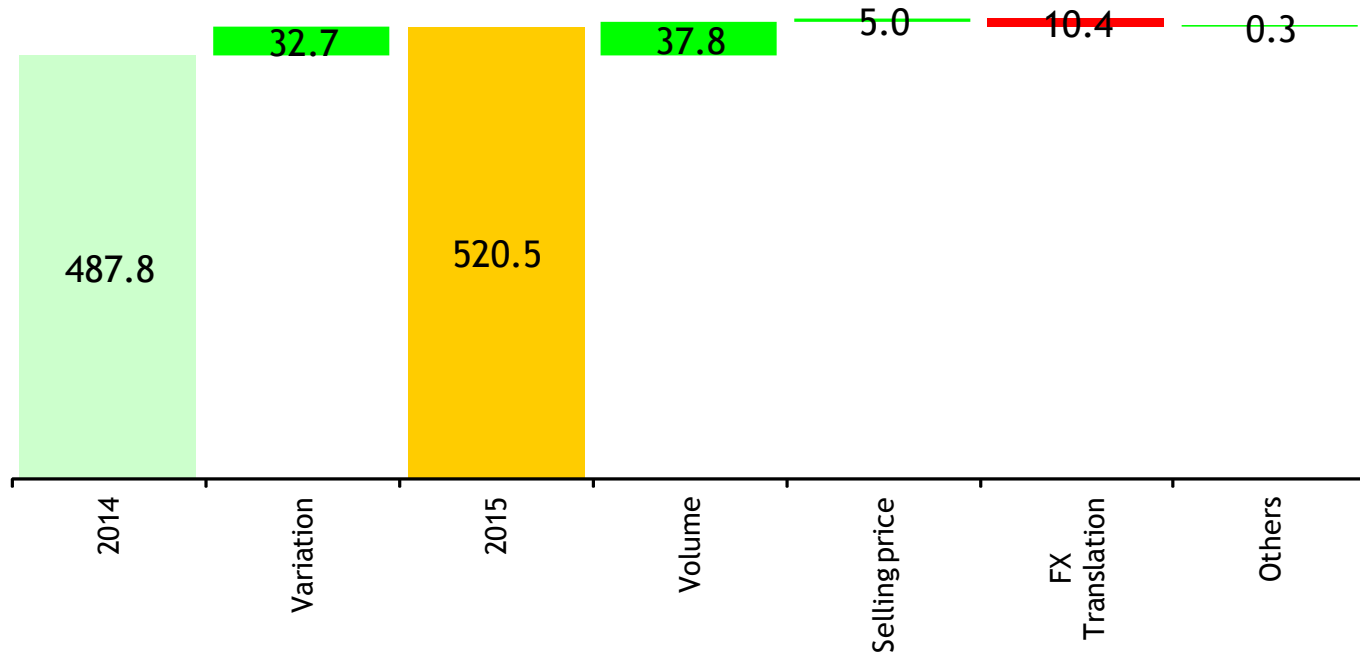
NET REVENUE

- 🌐 Net revenue up €32.7 million (+6.7%) vs 12M 2014, despite €10.4 ml negative translation impact
- 🌐 At constant FX rates, net revenue up €43.1 million (+8.8%) vs 12M 2014
- 🌐 Increase in sales volumes/selling price mainly in Ukraine, Mexico, Spain, Argentina, South Africa and Brazil

ADJUSTED EBITDA

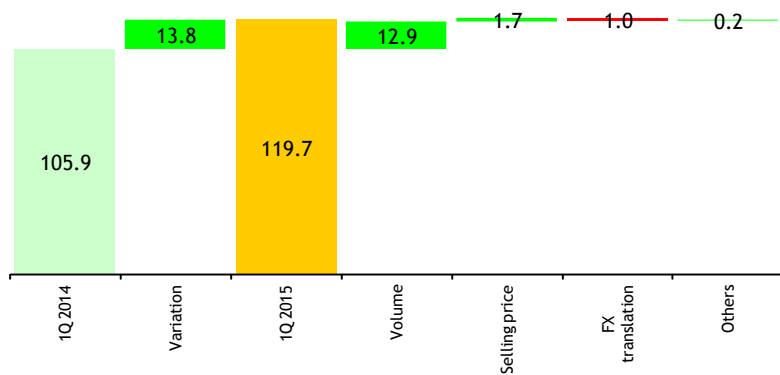
- 🌐 Adjusted EBITDA up €10.6 million (+11.1%) vs 12M 2014, despite €6.7 million negative translation impact
- 🌐 At constant FX rates, Adjusted EBITDA up €17.4 million (+18.2%) vs 12M 2014
- 🌐 EBITDA 12M 2015 adjusted by €3.1 million for rationalization and other costs
- 🌐 Adjusted EBITDA margin at 20.4% (19.6% in 12M 2014)
- 🌐 12M 2015: positive impact from sales volume growth, selling price renegotiation and R&R impact.

12M 2015 - Sales Bridges

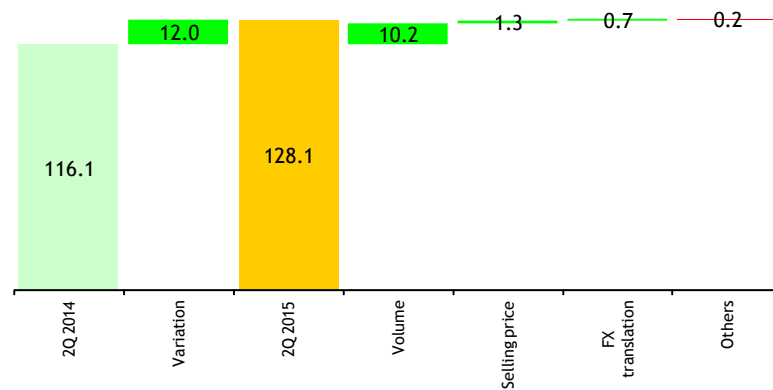


12M 2015 - Sales Bridges by quarter

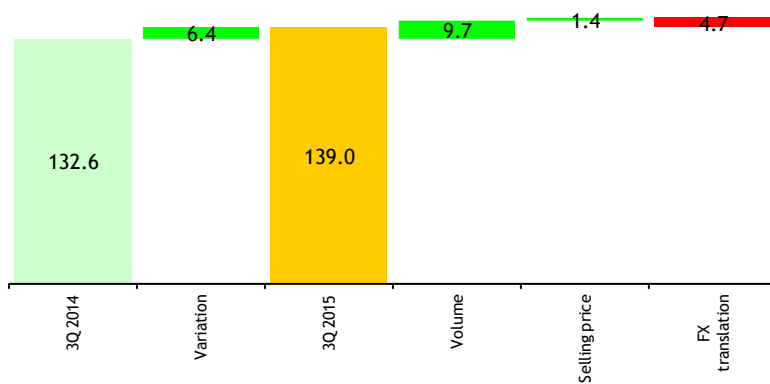
1Q 2014 – 1Q 2015



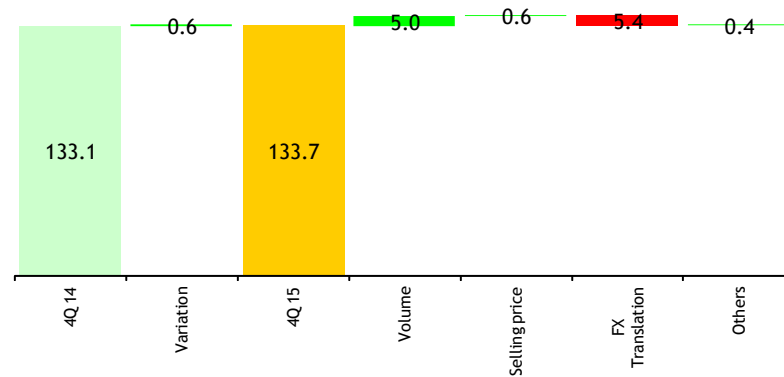
2Q 2014 – 2Q 2015



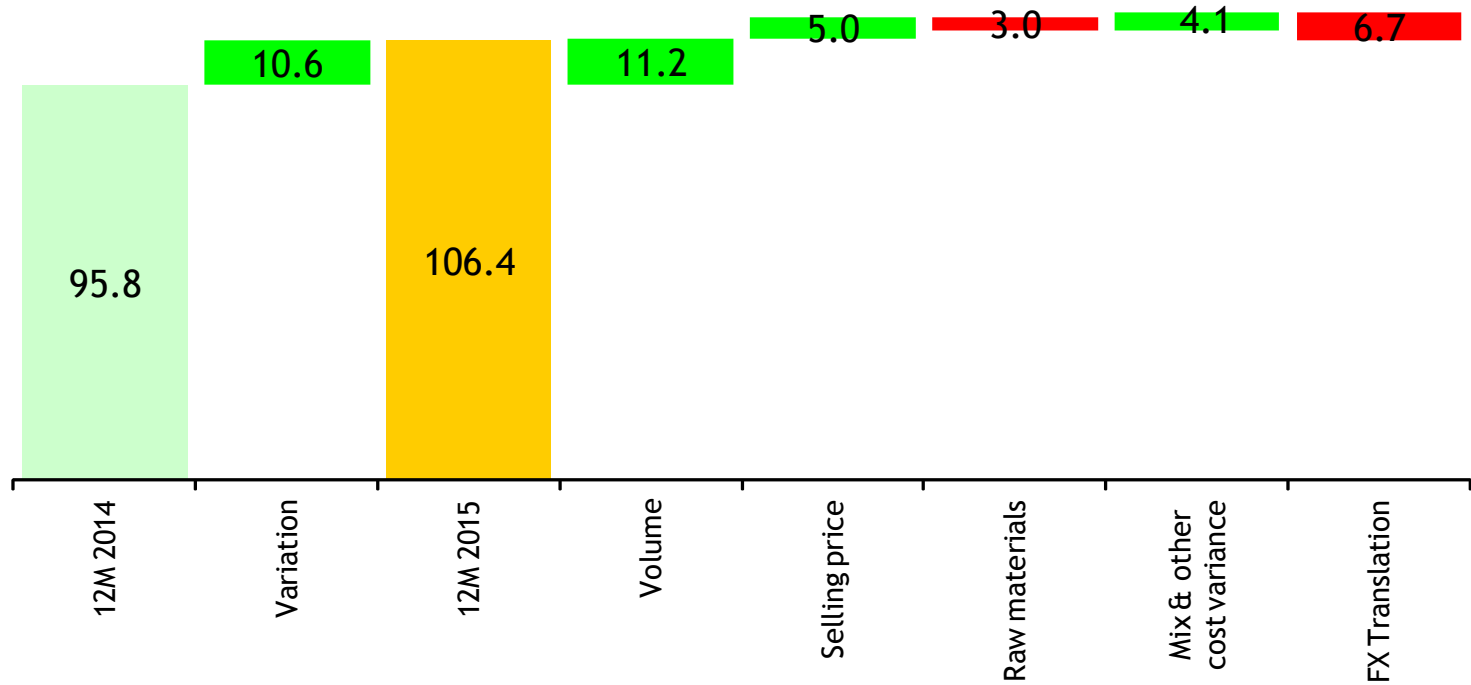
3Q 2014 – 3Q 2015



4Q 2014 – 4Q 2015

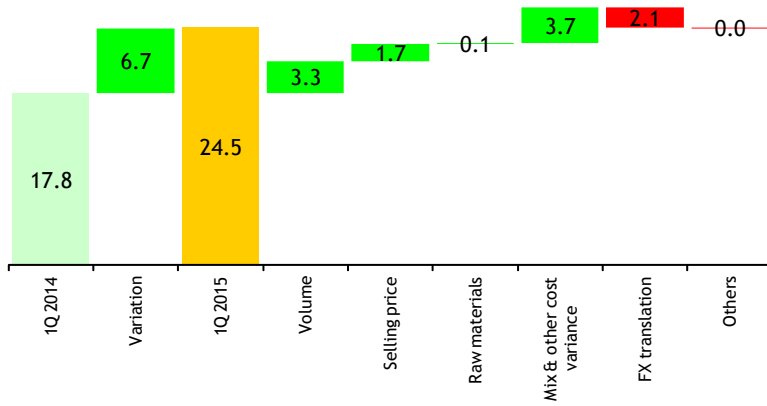


12M 2015 – Adjusted EBITDA Bridge

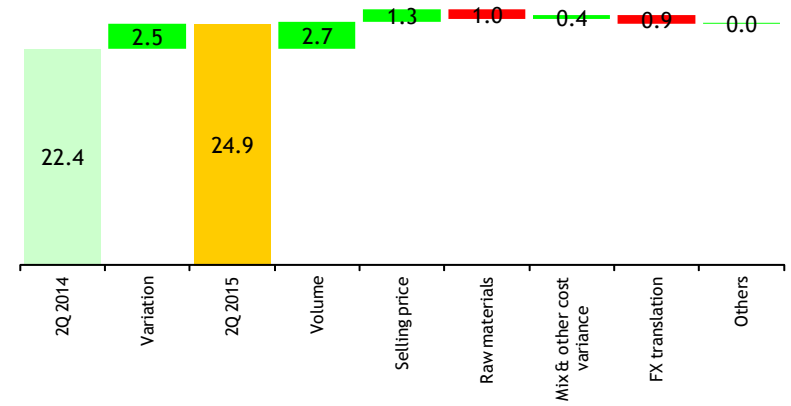


12M 2015 – Adjusted EBITDA Bridge

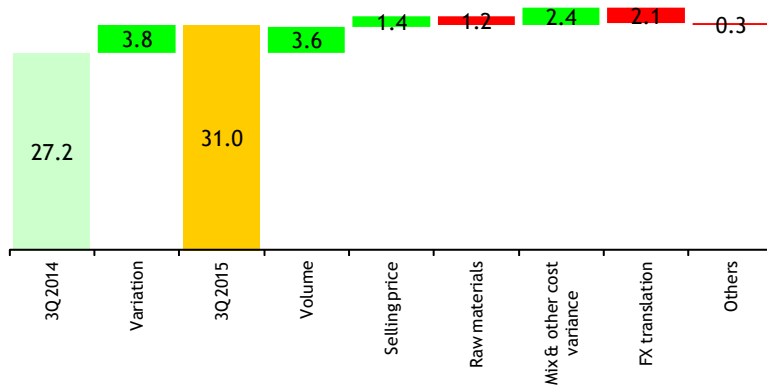
1Q 2014 – 1Q 2015



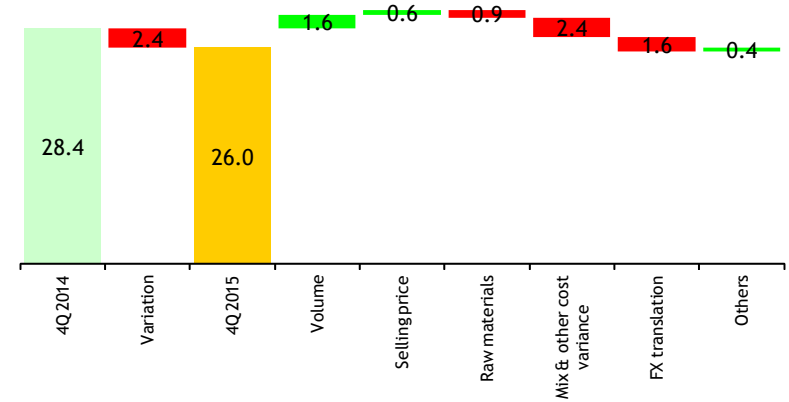
2Q 2014 – 2Q 2015



3Q 2014 – 3Q 2015



4Q 2014 – 4Q 2015



Net revenue by product

REPORTED

AT COSTANT FX RATE 2014

487.8

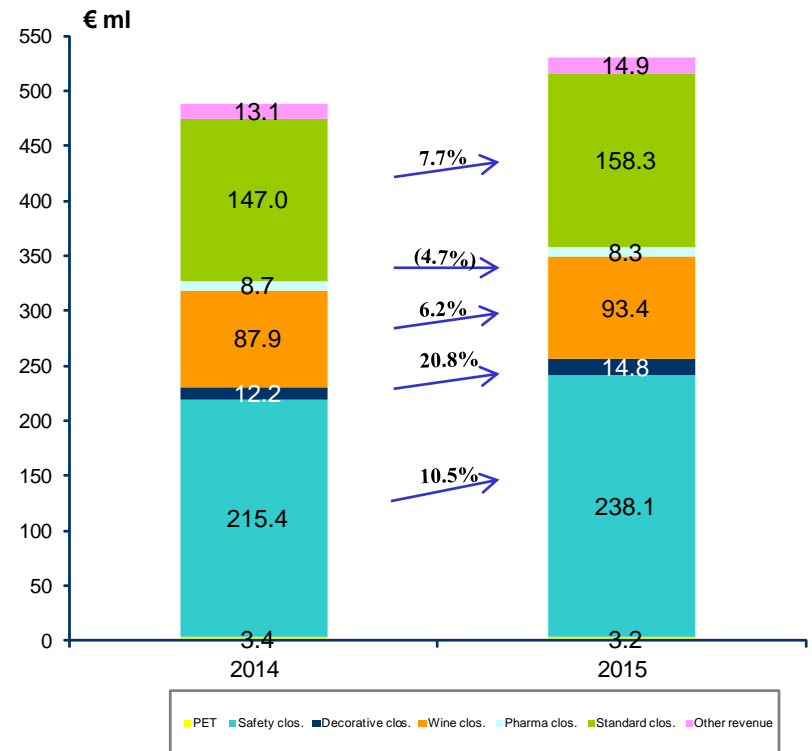
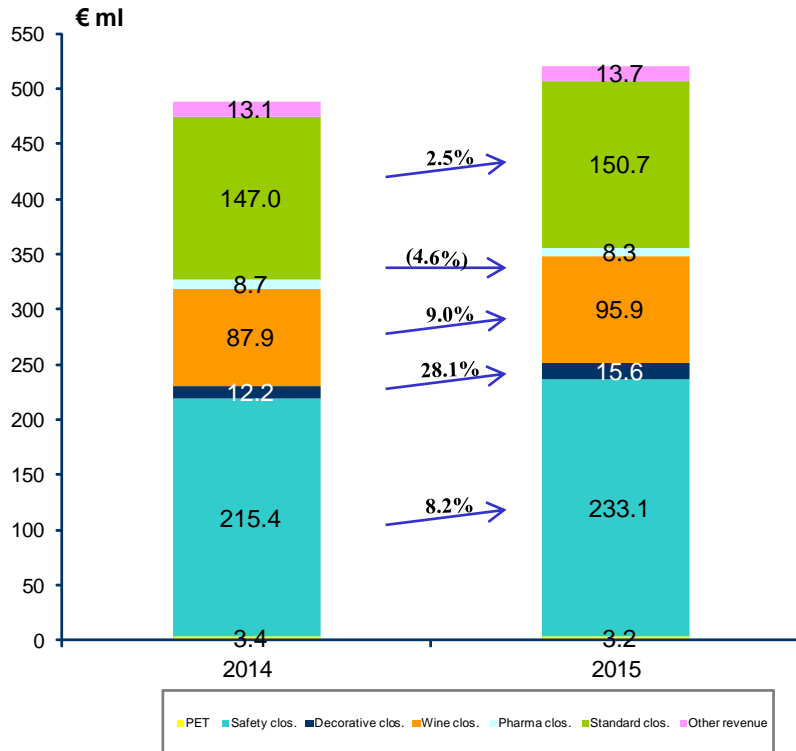
6.7%

520.5

487.8

+8.8%

530.9



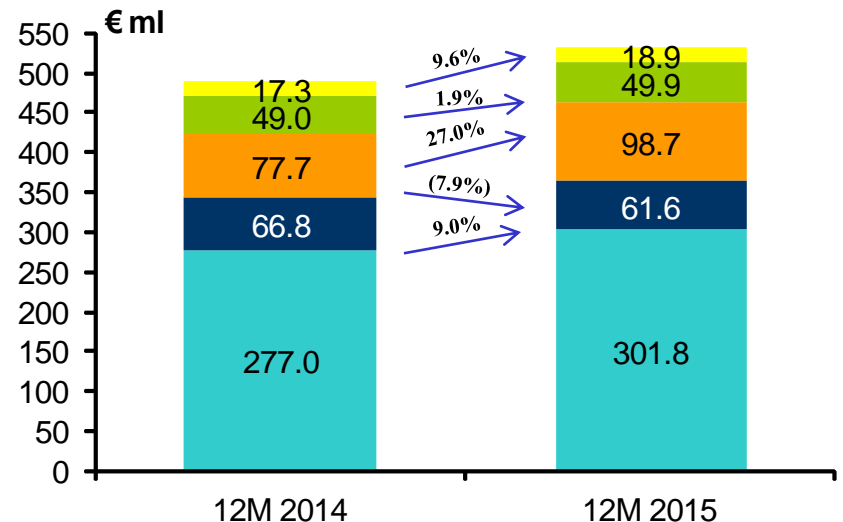
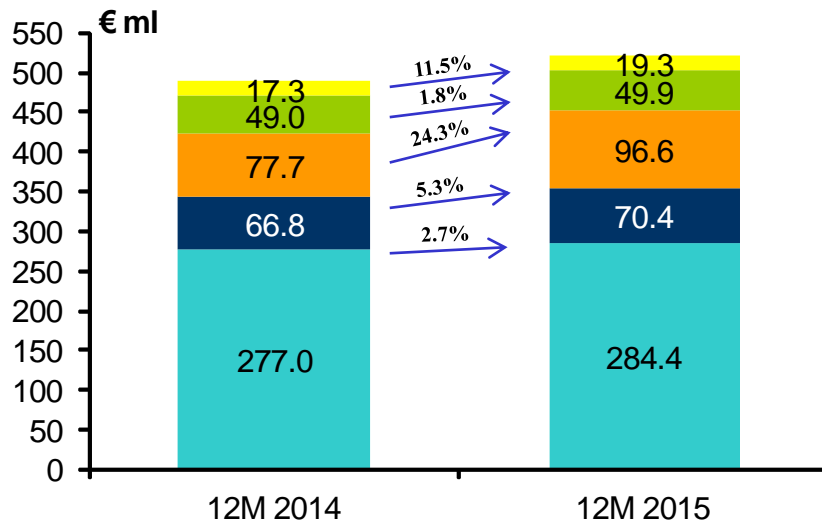
Net revenue by geographic area

REPORTED

AT COSTANT FX RATE 2014

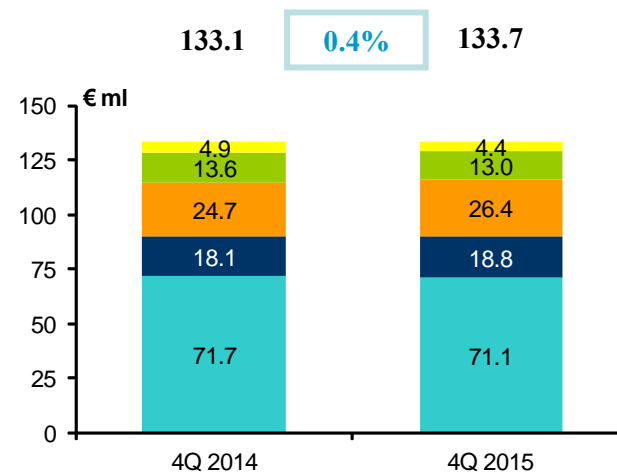
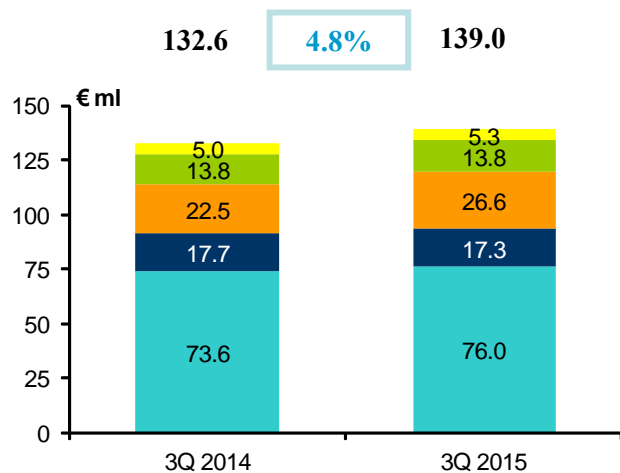
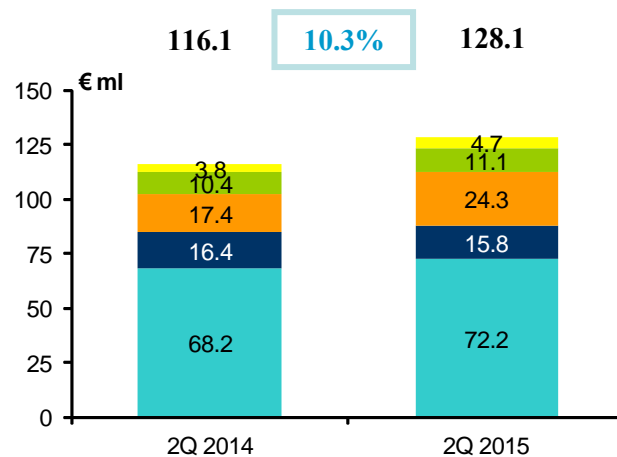
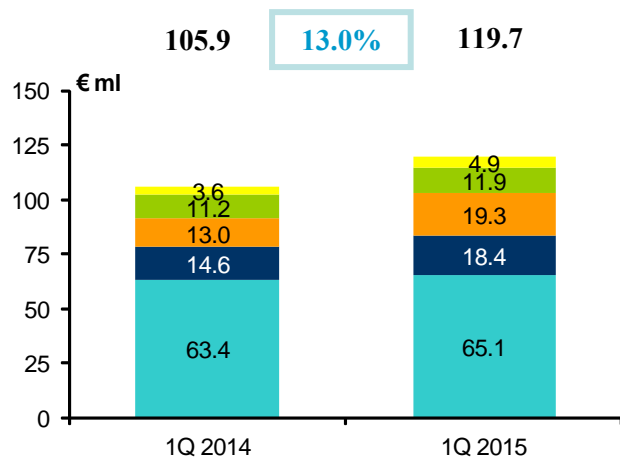
487.8 +6.7% 520.5

487.8 +8.8% 530.9






Europe
 Asia
 Latin and North America
 Oceania
 South Africa

Net revenue by geographic area by quarter reported



Cash Flow – sources and uses of funds

€ / mln	1Q 2014	2Q 2014	3Q 2014	4Q 2014	12M 2014	1Q 2015	2Q 2015	3Q 2015	4Q 2015	12M 2015
Opening cash and cash equivalents	41.2	31.2	20.4	20.6	41.2	35.3	34.3	28.0	34.3	35.3
Cash flows generated by/(used in) operating activities	(6.9)	9.4	14.7	43.9	61.1	8.9	10.7	15.6	50.8	86.1
Cash flows used in investing activities	(11.6)	(9.0)	(8.4)	(4.5)	(33.5)	(8.1)	(5.1)	(4.7)	(4.7)	(22.6)
Cash flows generated by/(used in) financing activities	8.2	(11.0)	(6.0)	(24.9)	(33.7)	(1.8)	(12.0)	(4.5)	(16.1)	(34.3)
Net cash flows for the period	(10.3)	(10.6)	0.4	14.5	(6.0)	(1.0)	(6.3)	6.5	30.0	29.1
Effect of exchange rate fluctuation on cash held	0.3	(0.3)	(0.2)	0.2	0.1	0.0	0.1	(0.2)	(2.3)	(2.5)
Closing cash and cash equivalents	31.2	20.4	20.6	35.3	35.3	34.3	28.0	34.3	61.9	61.9

-  **CF operating:** +€24.9 million vs 12M 2014 mainly due to higher EBITDA generated in 12M 2015 (€12.8 million) and to the lower absorption from the variation in net working capital (€ 20.2 million), partly compensated by non-recurring higher cash flow for taxes and for other operating items
-  **CF investing:** +10.9 million due to lower investments compared to 12M 2014.
-  **CF Financing:** -€0.6 million vs 12M 2014 mainly due to lower proceeds from new borrowings (net of repayment of borrowings) for € 4.1 million, partly compensated by lower dividends paid to non-controlling interest (€ 2.7 million).

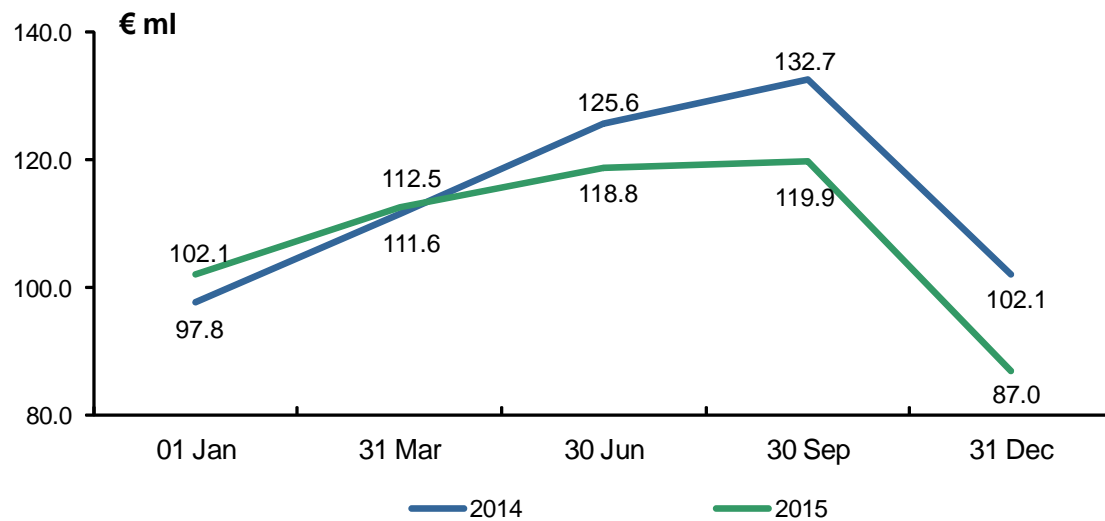
Net Working Capital

€ / ml	VALUE							
	As at 31/03/14	As at 30/06/14	As at 30/09/14	As at 31/12/14	As at 31/03/15	As at 30/06/15	As at 30/09/15	As at 31/12/15
Trade receivables	90.1	100.9	110.4	92.1	98.7	102.7	104.9	86.9
Inventories	79.3	87.9	82.3	64.3	74.8	83.4	79.5	67.3
Trade payables	(57.7)	(63.2)	(60.0)	(54.3)	(61.0)	(67.2)	(64.5)	(67.1)
NWC value	111.6	125.6	132.7	102.1	112.5	118.8	119.9	87.0

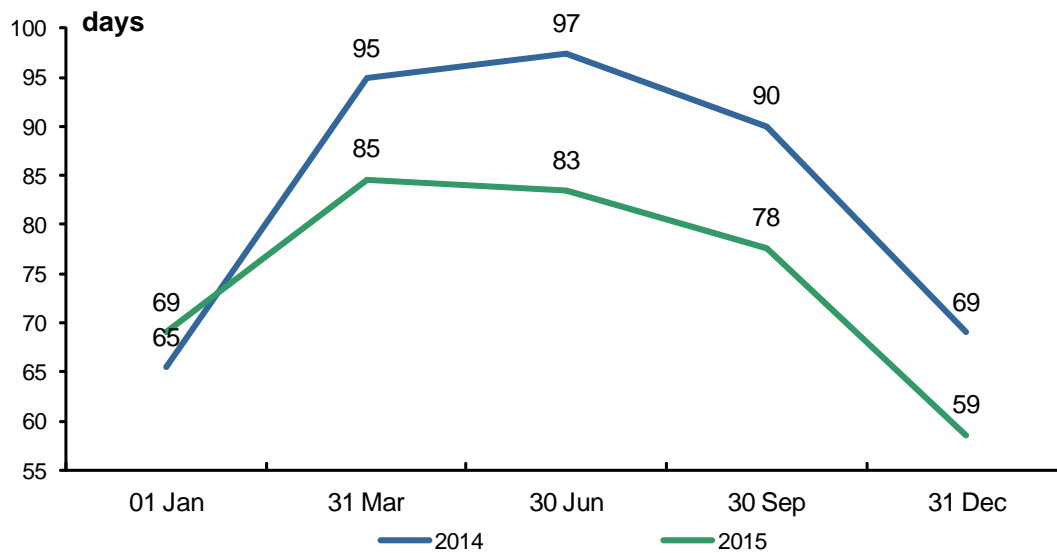
	DAYS							
	As at 31/03/14	As at 30/06/14	As at 30/09/14	As at 31/12/14	As at 31/03/15	As at 30/06/15	As at 30/09/15	As at 31/12/15
Trade receivables	77	78	75	62	74	72	68	58
Inventories	67	68	56	43	56	59	51	45
Trade payables	(49)	(49)	(41)	(37)	(46)	(47)	(42)	(45)
NWC days	95	97	90	69	85	83	78	59

Net Working Capital Trend

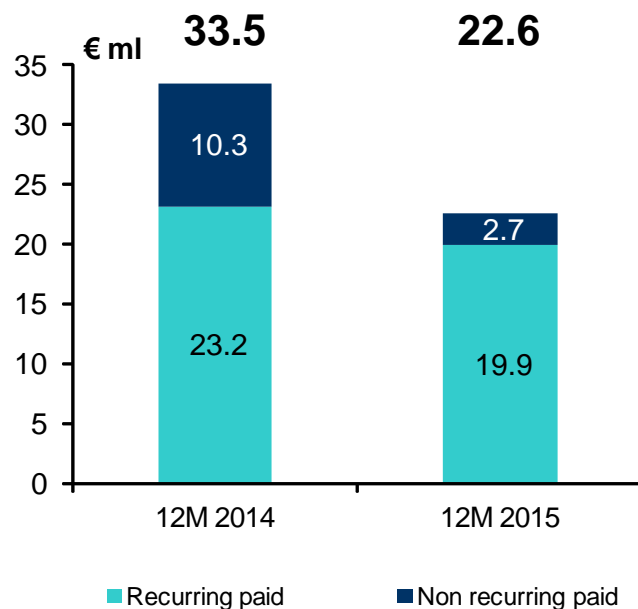
VALUE



DAYS



12M 2015 - Net Capex paid



NON RECURRING 2014:

🌐 New product: Brasil (DeLuxe – MLI)	€ 2.5 ml
🌐 New technology: Sputtering (Italy, Uk, Ukraine, Mexico):	€ 2.2 ml
🌐 New building: Poland	€ 2.1 ml
🌐 New technology: Ukraine	€ 1.5 ml
🌐 New technology: North America (Design Studio)	€ 0.6 ml
🌐 New technology: Colombia (Bi-inj):	€ 0.6 ml
🌐 New building: Mexico	€ 0.2 ml
🌐 Other:	€ 0.6 ml

NON RECURRING 2015:

🌐 New technology: Sputtering (Mexico, Italy)	€ 0.9 ml
🌐 New technology: Italy (BPA project)	€ 0.5 ml
🌐 New building: Mexico	€ 0.5 ml
🌐 New building: Poland	€ 0.1 ml
🌐 New technology: Ukraine (T.E. Cork)	€ 0.1 ml
🌐 Other:	€ 0.6 ml

Appendix

P&L – 12M 2015

Thousands of €	1Q 2014	2Q 2014	3Q 2014	4Q 2014	12M 2014	1Q 2015	2Q 2015	3Q 2015	4Q 2015	12M 2015
Net revenue	105,883	116,148	132,647	133,117	487,794	119,680	128,146	139,010	133,697	520,533
Change in invent. of finish. and semi-fin. products	9,210	5,734	(5,519)	(8,402)	1,023	5,465	4,546	(1,652)	(5,293)	3,066
Other operating income	2,508	2,851	1,795	2,820	9,974	3,165	1,949	2,157	2,432	9,703
Costs for raw materials	(53,014)	(55,554)	(56,545)	(54,069)	(219,182)	(56,355)	(60,394)	(60,381)	(56,205)	(233,336)
Costs for services	(21,978)	(21,801)	(21,392)	(20,982)	(86,152)	(22,257)	(23,467)	(22,927)	(22,431)	(91,083)
Personnel expense	(22,837)	(22,868)	(22,748)	(22,266)	(90,719)	(23,059)	(23,717)	(23,229)	(24,031)	(94,036)
Other operating expense	(2,318)	(2,535)	(5,044)	(2,398)	(12,295)	(2,447)	(2,429)	(3,502)	(3,199)	(11,577)
Gross operating profit (EBITDA)	17,455	21,974	23,193	27,820	90,442	24,191	24,633	29,475	24,970	103,269
Amortization, depreciation and impairment losses	(9,218)	(10,027)	(9,511)	(10,640)	(39,396)	(9,293)	(9,628)	(9,078)	(9,584)	(37,583)
Operating profit	8,237	11,947	13,682	17,180	51,046	14,898	15,005	20,397	15,386	65,686
Exchange rate	(709)	1,495	209	(2,135)	(1,140)	2,808	(1,956)	(5,619)	877	(3,889)
Derivatives and other financial items	566	(706)	1,502	(2,785)	(1,423)	725	(662)	327	(3,516)	(3,126)
Net interest expenses	(10,614)	(10,970)	(10,889)	(11,020)	(43,493)	(10,622)	(10,653)	(10,483)	(9,872)	(41,629)
Profit (loss) before taxation	(2,521)	1,766	4,505	1,239	4,990	7,810	1,734	4,622	2,876	17,042
Income taxes	(3,603)	(3,663)	(4,277)	(10,899)	(22,441)	(5,375)	(4,606)	(4,691)	(7,074)	(21,745)
Profit (loss) for the period	(6,124)	(1,896)	228	(9,659)	(17,452)	2,435	(2,871)	(69)	(4,198)	(4,703)
Gross operating profit (EBITDA) - ADJUSTED	17,806	22,392	27,153	28,403	95,754	24,472	24,922	30,977	26,033	106,404
<i>EBITDA ADJUSTED % on Net revenue</i>	<i>16.8%</i>	<i>19.3%</i>	<i>20.5%</i>	<i>21.3%</i>	<i>19.6%</i>	<i>20.4%</i>	<i>19.4%</i>	<i>22.3%</i>	<i>19.5%</i>	<i>20.4%</i>

Balance Sheet – as at December 31, 2015

Thousands of €	As at December 31, 2014	As at March 31, 2015	As at June 30, 2015	As at September 30, 2015	As at December 31, 2015
Intangible assets	385,554	383,656	381,751	379,364	376,656
Property, plant and equipment	202,825	205,858	198,428	187,370	186,144
Net working capital	102,070	112,524	118,785	119,933	87,042
Net financial derivative liabilities	(2,970)	(2,262)	(2,249)	(1,285)	(1,071)
Employee benefits	(7,318)	(7,149)	(7,140)	(7,155)	(5,745)
Other assets/liabilities	(36,435)	(32,669)	(35,272)	(29,669)	(30,381)
Net invested capital	643,727	659,959	654,303	648,557	612,644
<i>Financed by:</i>					
Net financial liabilities	542,931	552,217	551,964	560,230	559,546
Cash and cash equivalents	(35,273)	(34,250)	(28,049)	(34,265)	(61,944)
Net financial indebtedness	507,658	517,967	523,915	525,965	497,601
Consolidated equity	136,069	141,992	130,388	122,591	115,043
Sources of financing	643,727	659,959	654,303	648,557	612,644

Cash Flow – 12M 2015

Thousands of €	1Q 2014	2Q 2014	3Q 2014	4Q 2014	12M 2014
Opening cash and cash equivalents	41,197	31,221	20,373	20,599	41,197
A) Cash flows generated by operating activities					
Profit (loss) before taxation	(2,521)	1,766	4,505	1,239	4,990
Amortization, depreciation and impairment	9,218	10,027	9,511	10,640	39,396
Net finance costs	10,757	10,182	9,176	15,941	46,056
Change in:					
Receivables, payables and inventory	(17,032)	(12,860)	(5,442)	25,789	(9,544)
Other	(1,234)	3,468	2,683	(5,085)	(169)
VAT and indirect tax assets/liabilities	(1,425)	1,145	(450)	2,347	1,616
Income taxes paid	(4,630)	(4,312)	(5,256)	(7,008)	(21,207)
TOTAL A)	(6,867)	9,416	14,726	43,863	61,138
B) Cash flows used in investing activities					
Acquisitions of property, plant and equipment and intangible assets	(11,837)	(8,807)	(8,477)	(4,726)	(33,848)
Proceeds from sale of property, plant and equipment and intangibles	189	(183)	120	223	350
Change in non-current assets classified as held for sale		8	-	-	8
TOTAL B)	(11,648)	(8,982)	(8,357)	(4,503)	(33,490)
C) Cash flows generated by/used in financing activities					
Acquisition of non-controlling interest in Guala Closures China				(224)	(224)
Acquisition of non-controlling interest in Guala Closures Argentina		(81)	(341)	(609)	(1,030)
Financial income and expense	(5,916)	(14,301)	(6,259)	(14,595)	(41,072)
Other financial items	(384)	(351)	317	542	123
Dividends paid	(454)	(2,925)	(563)	(2,614)	(6,555)
Proceeds from new borrowings	16,242	7,845	2,156	9,078	35,320
Repayment of borrowings and finance leases	(1,251)	(1,179)	(1,335)	(16,513)	(20,277)
Change in financial assets	(5)	(10)	42	36	63
TOTAL C)	8,232	(11,001)	(5,983)	(24,900)	(33,653)
D) Net cash flows for the period (A+B+C)	(10,283)	(10,567)	385	14,460	(6,005)
Effect of exchange rate fluctuation on cash held	307	(281)	(159)	214	81
Closing cash and cash equivalents	31,221	20,373	20,599	35,273	35,273

1Q 2015	2Q 2015	3Q 2015	4Q 2015	12M 2015
35,273	34,250	28,049	34,265	35,273
7,810	1,734	4,622	2,876	17,042
9,293	9,628	9,078	9,584	37,583
7,089	13,270	15,776	12,509	48,645
(7,872)	(8,708)	(6,509)	33,714	10,626
540	777	(337)	(2,144)	(1,164)
(1,756)	259	(1,785)	716	(2,565)
(6,217)	(6,230)	(5,211)	(6,455)	(24,112)
8,887	10,732	15,634	50,800	86,053
(8,128)	(5,075)	(4,767)	(4,771)	(22,742)
6	23	39	49	116
	-	-	-	
(8,123)	(5,053)	(4,729)	(4,722)	(22,626)
-	-		-	-
-	(319)	(371)	-	(689)
(5,893)	(14,018)	(5,684)	(13,879)	(39,474)
57	(189)	(572)	(445)	(1,148)
(206)	(519)	(1,906)	(1,226)	(3,858)
5,889	4,781	5,083	3,980	19,733
(1,680)	(1,565)	(994)	(4,488)	(8,727)
44	(170)	(7)	2	(132)
(1,789)	(11,999)	(4,452)	(16,055)	(34,296)
(1,025)	(6,320)	6,453	30,024	29,132
2	119	(237)	(2,344)	(2,460)
34,250	28,049	34,265	61,945	61,945