

GCL Holdings Group

Company presentation 12M 2016 results

April 27, 2017

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.

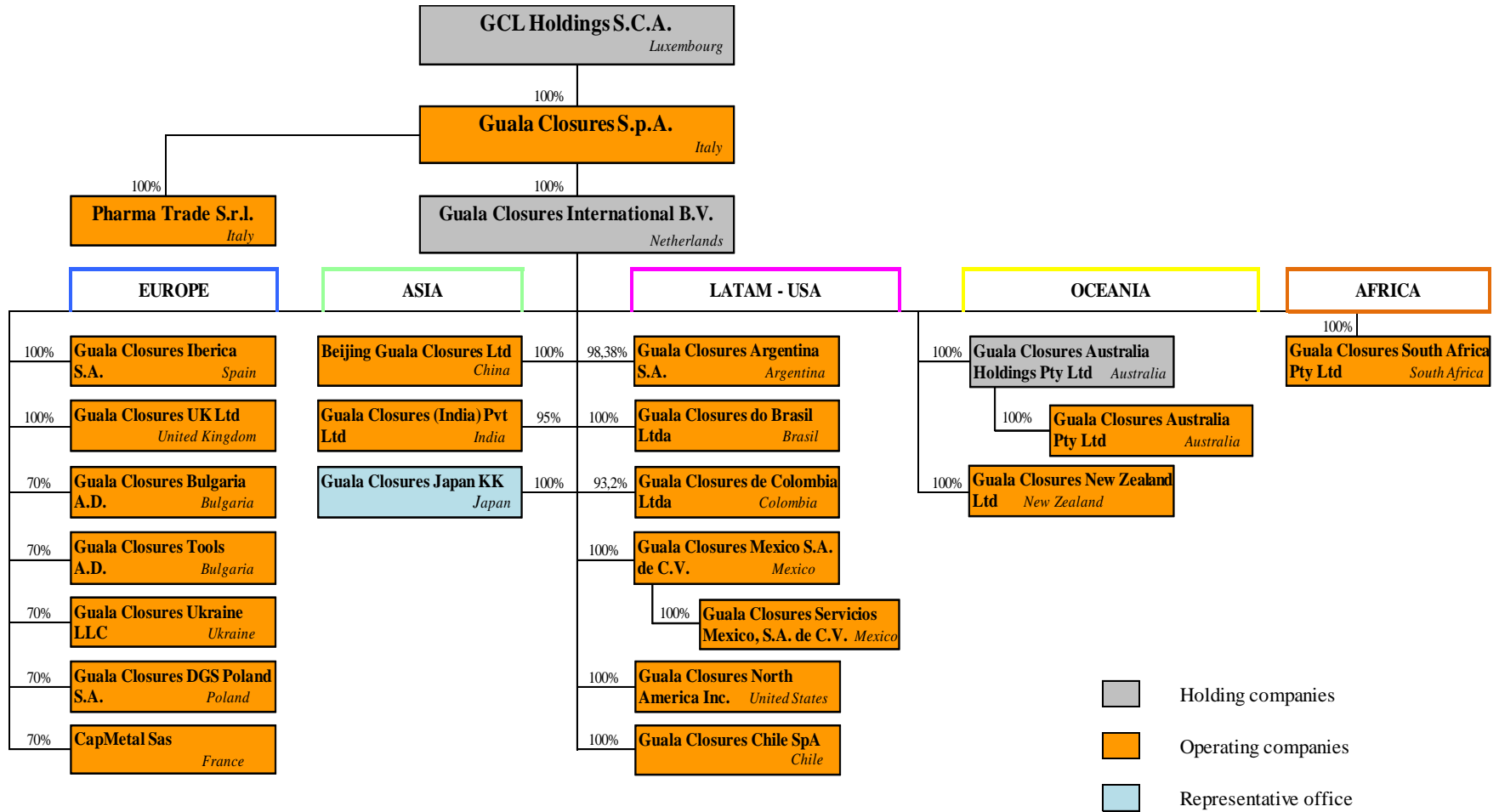
By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future.

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.

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Group chart as at December 31, 2016



Key trends: group currencies

Exchange rate trend (1 € = x FC) P&L	Average 12M15	Average 12M16	Var % vs 12M15
US Dollar	1.1096	1.1066	(0.3%)
GB Pounds	0.7260	0.8189	12.8%
Lev Bulgaria	1.9558	1.9558	-
Ukraine Hryvnia	24.2892	28.2762	16.4%
Poland Zloty	4.1828	4.3636	4.3%
China Renmimbi	6.9730	7.3496	5.4%
Indian Rupia	71.1752	74.3553	4.5%
Argentinian Peso	10.2495	16.3336	59.4%
Brazilian Real	3.6916	3.8616	4.6%
Colombian Peso	3042.09	3378.74	11.1%
Mexican Peso	17.5995	20.6550	17.4%
Australian Dollar	1.4765	1.4886	0.8%
New Zealand Dollar	1.5907	1.5895	(0.1%)
South Africa Rand	14.1528	16.2772	15.0%
Japan Yen	134.2866	120.3137	(10.4%)
Chilean Peso	766.5540	748.6505	(2.3%)

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



Revaluation of euro vs main group currencies compared to 12M 2015 (except USD, NZD, JPY and CLP)

Key trends: group currencies

Exchange rate trend (1 € = x FC) BS	Dec 31, 2015	Dec 31, 2016	Var % vs Dec 15
US Dollar	1.0887	1.0541	(3.2%)
GB Pounds	0.7340	0.8562	16.7%
Lev Bulgaria	1.9558	1.9558	-
Ukraine Hryvnia	26.1587	28.7386	9.9%
Poland Zloty	4.2639	4.4103	3.4%
China Renmimbi	7.0608	7.3202	3.7%
Indian Rupia	72.0215	71.5935	(0.6%)
Argentinian Peso	14.0972	16.7488	18.8%
Brazilian Real	4.3117	3.4305	(20.4%)
Colombian Peso	3456.01	3169.49	(8.3%)
Mexican Peso	18.9145	21.7719	15.1%
Australian Dollar	1.4897	1.4596	(2.0%)
New Zealand Dollar	1.5923	1.5158	(4.8%)
South Africa Rand	16.9530	14.4570	(14.7%)
Japan Yen	131.0700	123.4000	(5.9%)
Chilean Peso	772.7130	704.9452	(8.8%)

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

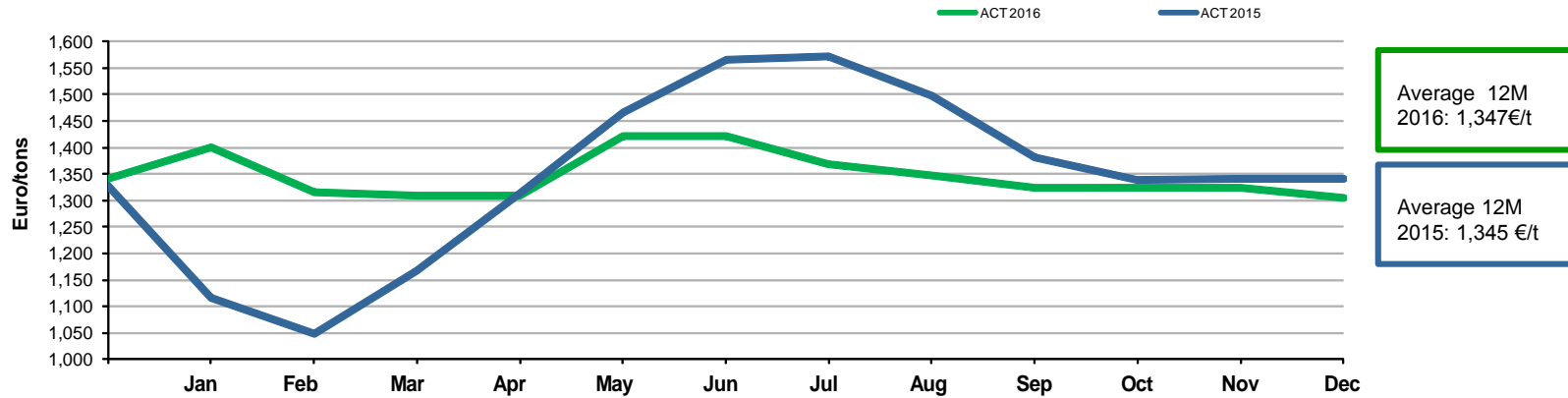


Revaluation of euro vs main group currencies compared to 2015 (except USD, INR, BRL, COP, AUD, NZD, ZAR, JPY and CLP)

Key trends: raw materials – plastics – Europe

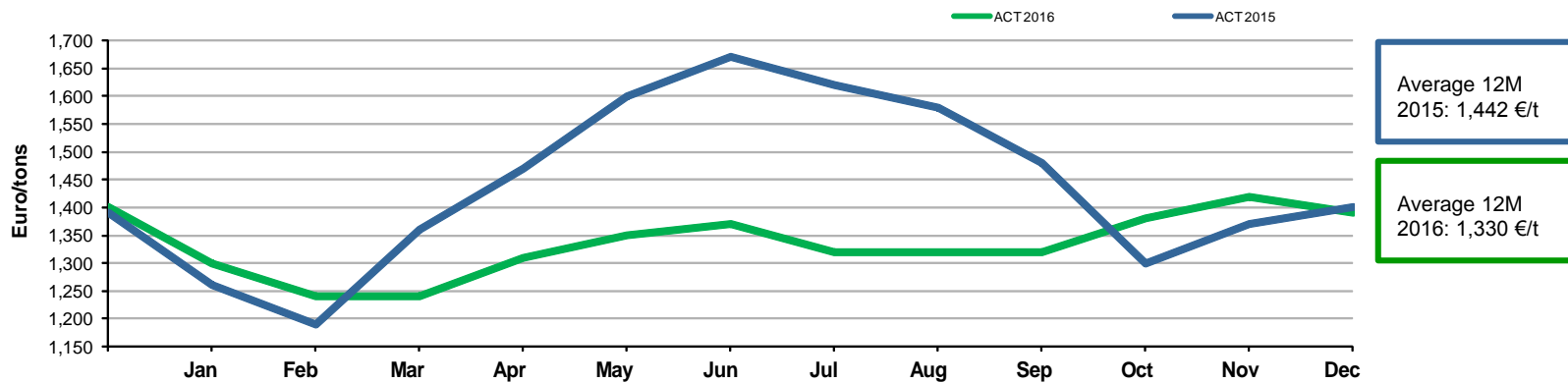
Plastic price trend - High density polyethylene

HDPE Var % vs 12M 2015: 0.2%



Plastic price trend – Polypropylene, homopolymer

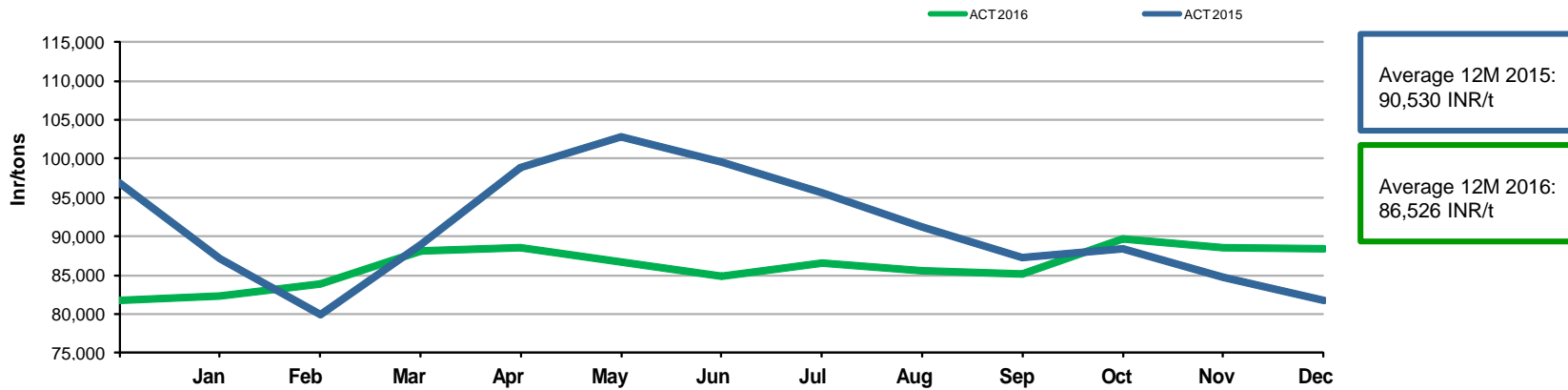
PP Var % vs 12M 2015: (7.7%)



Key trends: raw materials – plastics - India

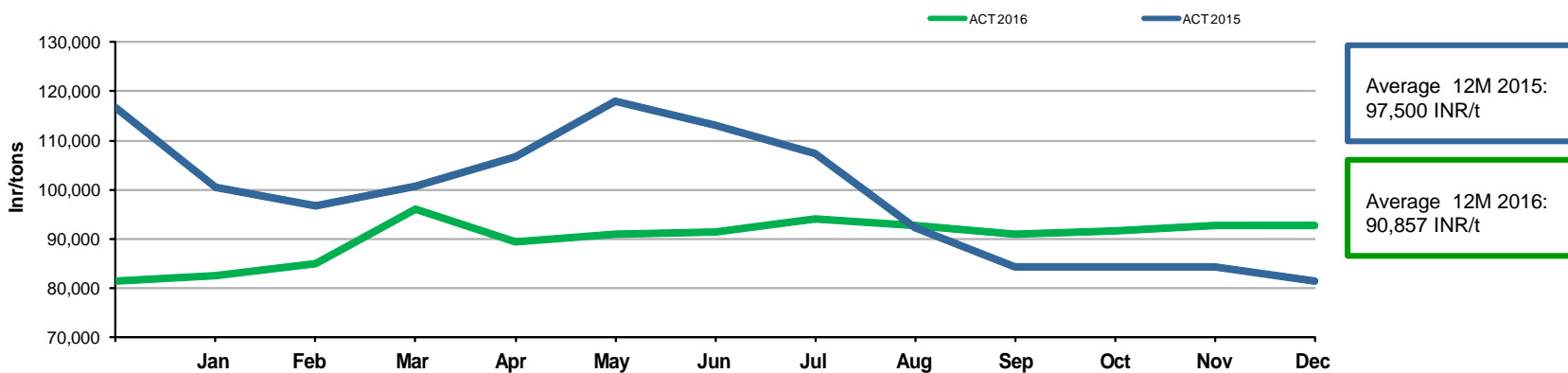
Plastic price trend - High density polyethylene

HDPE Var % vs 12M 2015: (4.4%)



Plastic price trend – Polystyrene

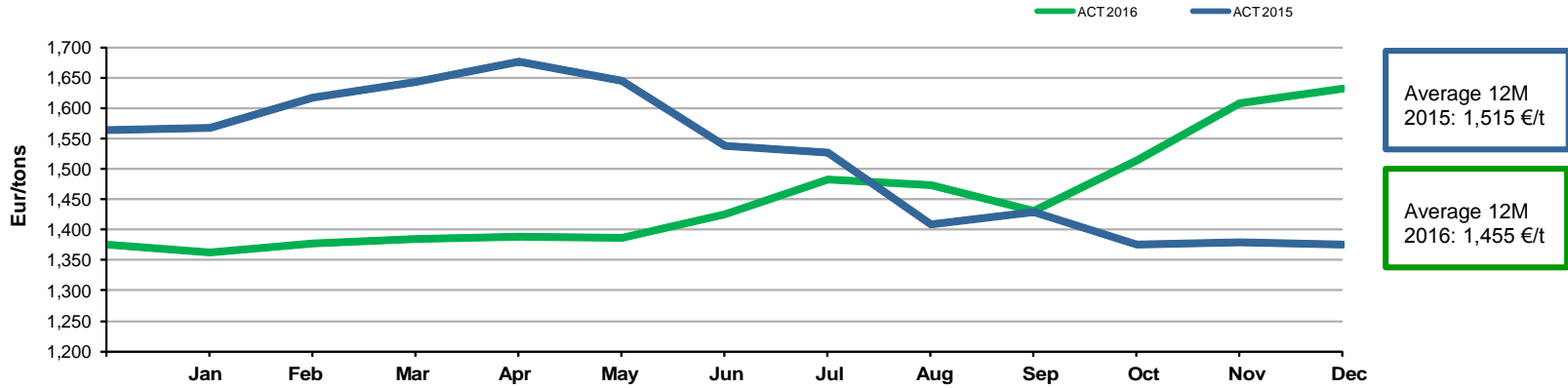
PS Var % vs 12M 2015: (6.8%)



Key trends: raw materials - aluminum

Aluminum price trend (LME €/tons)

LME Var % vs 12M 2015: (4.0%)



12M 2016 – Operating and financial review

NET REVENUE

- 🌐 At constant FX rates, net revenue +€21.7 million (+4.2%) vs 12M 2015
- 🌐 Reported net revenue down €20.2 million (3.9%) vs 12M 2015 due to €42.0 ml negative translation impact
- 🌐 Increase in sales volumes mainly in Ukraine, India, Argentina, Mexico and Poland

ADJUSTED EBITDA

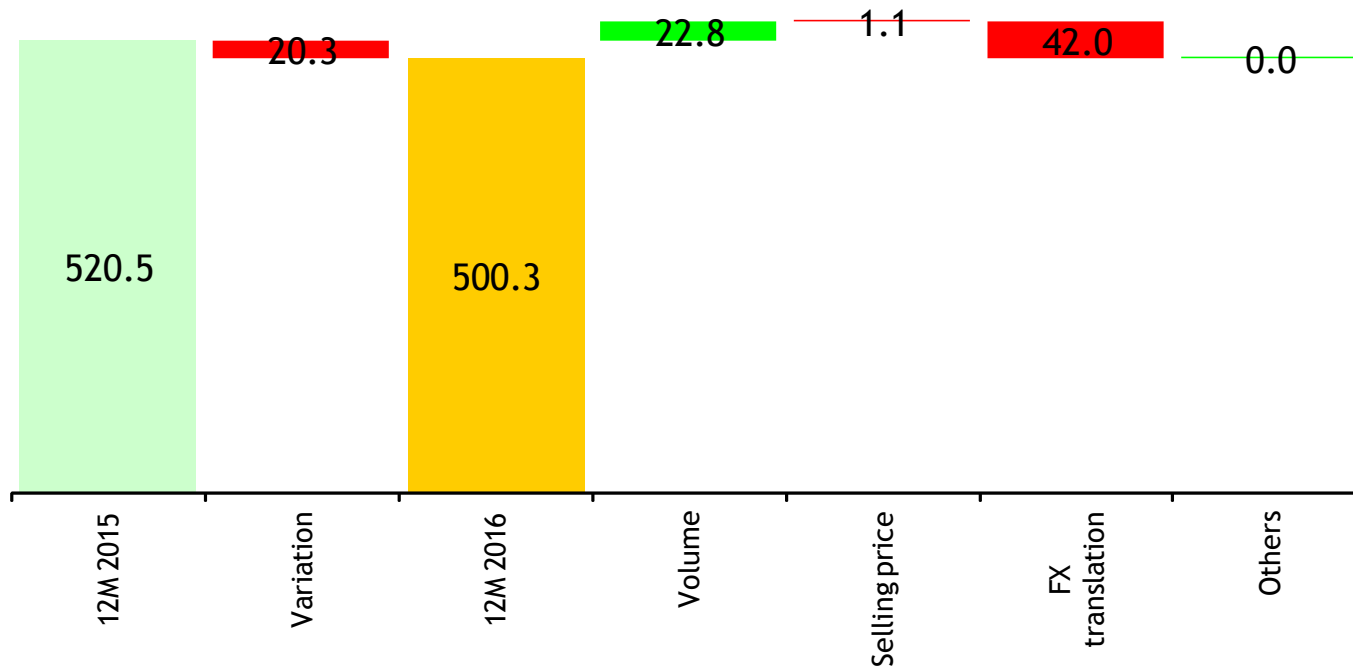
- 🌐 At constant FX rates, Adjusted EBITDA +€5.2 million (+4.9%) vs 12M 2015
- 🌐 Reported adjusted EBITDA down €3.9 million (3.7%) vs 12M 2015 due to €9.1 million negative translation impact
- 🌐 Adjusted EBITDA margin at 20.5% (20.4% in 12M 2015)
- 🌐 12M 2016: positive impact from sales volume growth and raw materials

12M 2016 – Financial snapshot

€ / ml	1Q 15	2Q 15	3Q 15	4Q 15	12M 15	1Q 16	2Q 16	3Q 16	4Q 16	12M 16	Var % 12M 16 vs 12M 15
Revenues	119.7	128.1	139.0	133.7	520.5	112.7	122.7	133.4	131.5	500.3	(3.9%)
EBITDA	24.2	24.6	29.5	25.0	103.3	20.6	25.6	28.4	26.1	100.7	(2.5%)
% margin	20.2%	19.2%	21.2%	18.7%	19.8%	18.2%	20.9%	21.3%	19.9%	20.1%	
Adjusted EBITDA	24.5	24.9	31.0	26.0	106.4	20.7	25.7	29.0	27.1	102.5	(3.7%)
% margin	20.4%	19.4%	22.3%	19.5%	20.4%	18.3%	21.0%	21.7%	20.6%	20.5%	
EBIT	14.9	15.0	20.4	15.4	65.7	12.0	19.0	21.1	17.6	69.7	6.1%
% margin	12.4%	11.7%	14.7%	11.5%	12.6%	10.6%	15.5%	15.8%	13.4%	13.9%	
Net result	2.4	(2.9)	(0.1)	(4.2)	(4.7)	(2.7)	3.6	4.8	(9.4)	(3.7)	22.3%
% margin	2.0%	(2.2%)	(0.0%)	(3.1%)	(0.9%)	(2.4%)	2.9%	3.6%	(7.1%)	(0.7%)	

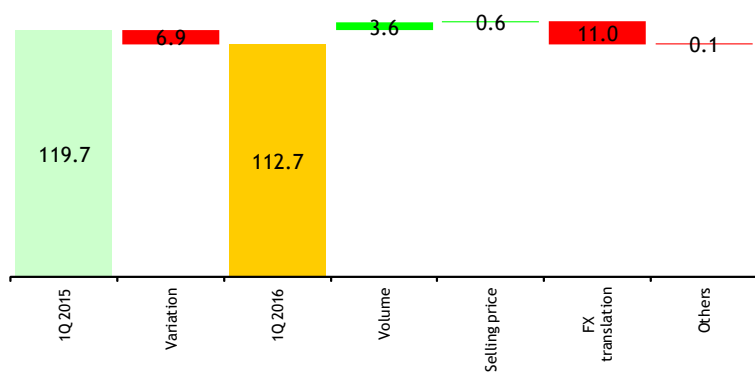
€ / ml	As at Dec 31, 2014	As at Mar 31, 2015	As at Jun 30, 2015	As at Sep 30, 2015	As at Dec 31, 2015	As at Mar 31, 2016	As at Jun 30, 2016	As at Sep 30, 2016	As at Dec 31, 2016
NWC	102.1	112.5	118.8	119.9	87.0	97.2	105.2	116.1	90.8
NWC days	69	85	83	78	59	78	77	78	62
Net debt	507.7	518.0	523.9	526.0	497.6	518.5	524.6	529.7	514.8

12M 2016 - Sales Bridges

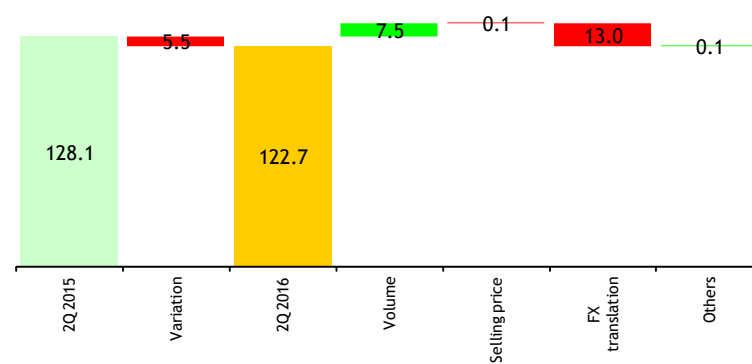


12M 2016 - Sales Bridges by quarter

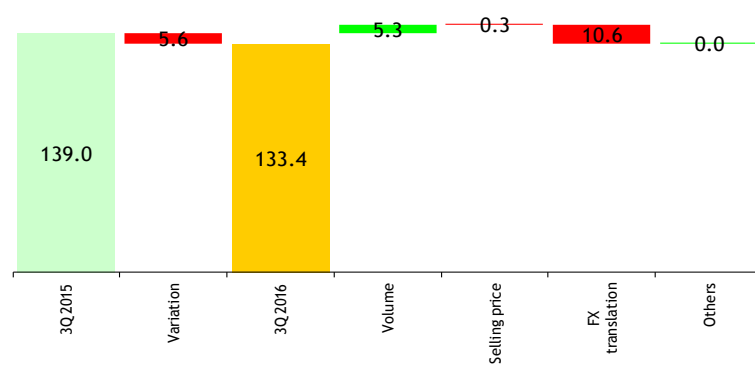
1Q 2015 – 1Q 2016



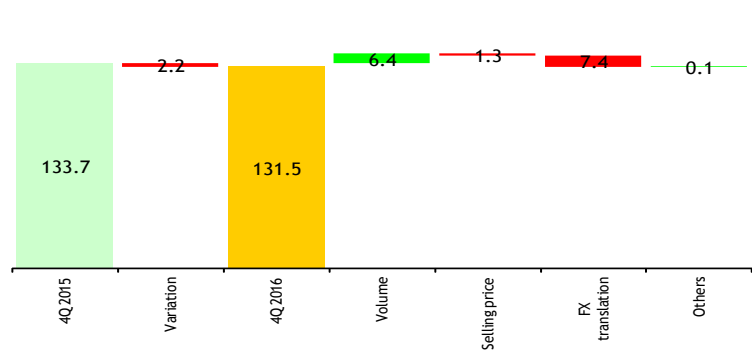
2Q 2015 – 2Q 2016



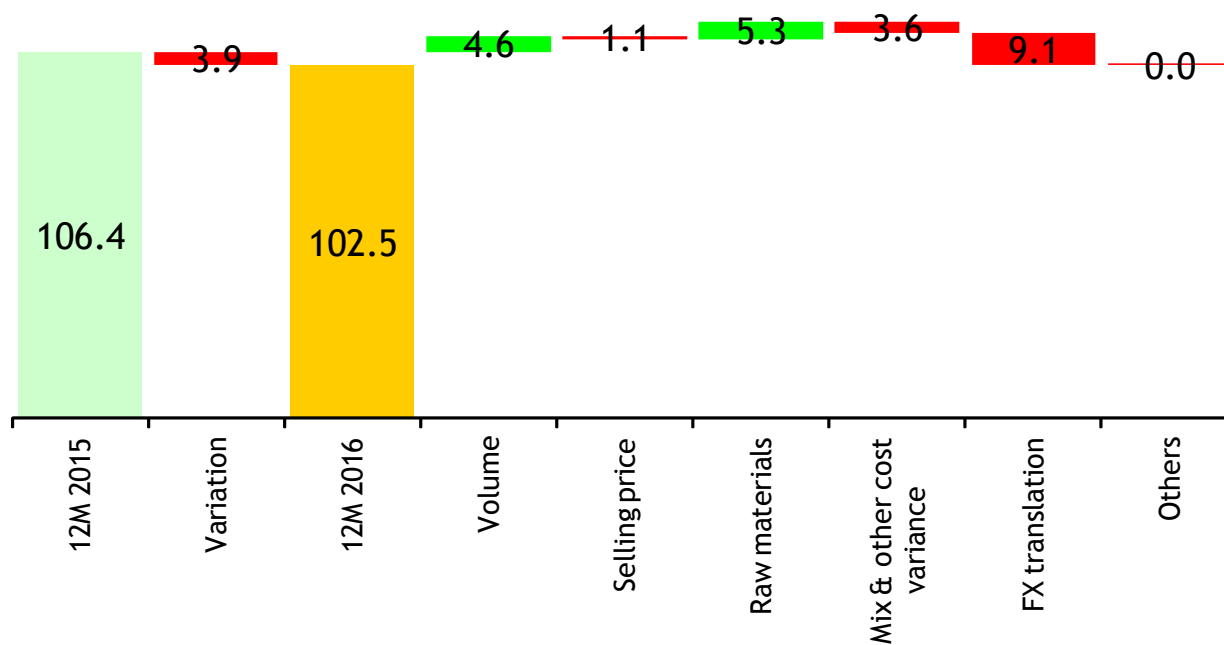
3Q 2015 – 3Q 2016



4Q 2015 – 4Q 2016

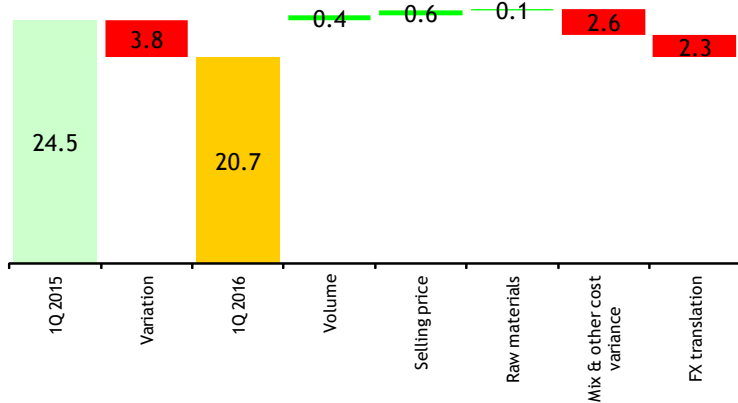


12M 2016 – Adjusted EBITDA Bridge

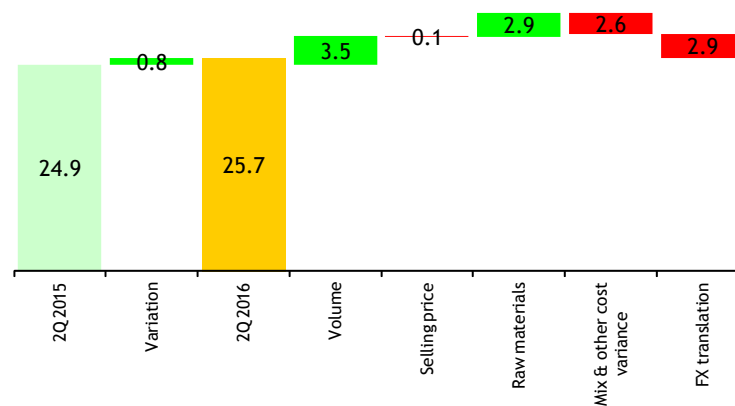


12M 2016 – Adjusted EBITDA Bridge by quarter

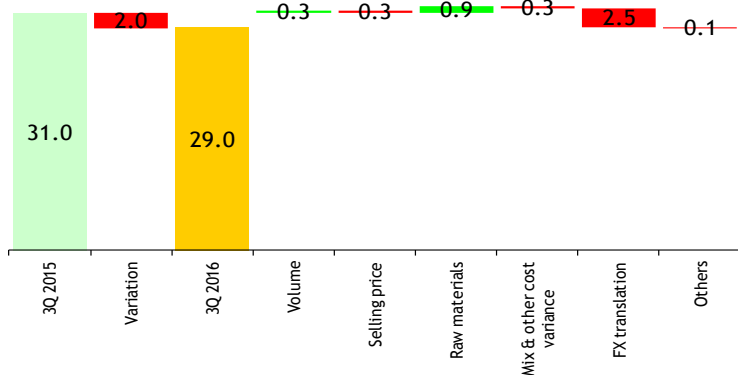
1Q 2015 – 1Q 2016



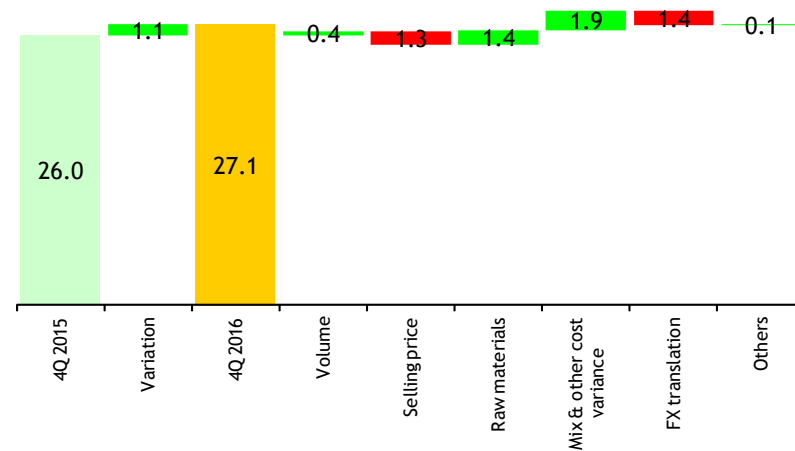
2Q 2015 – 2Q 2016



3Q 2015 – 3Q 2016



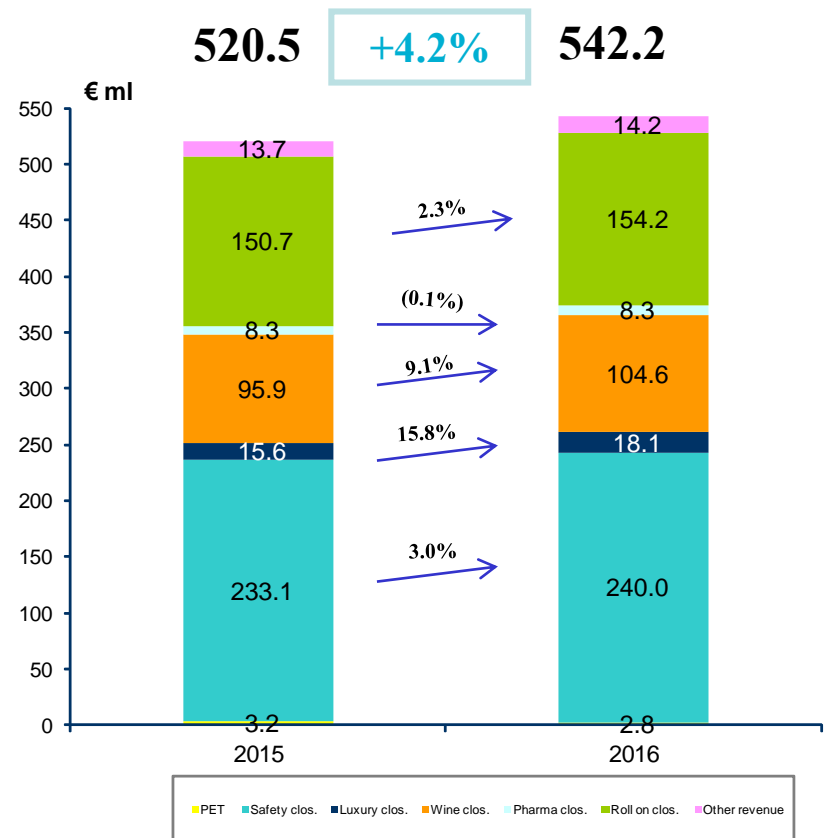
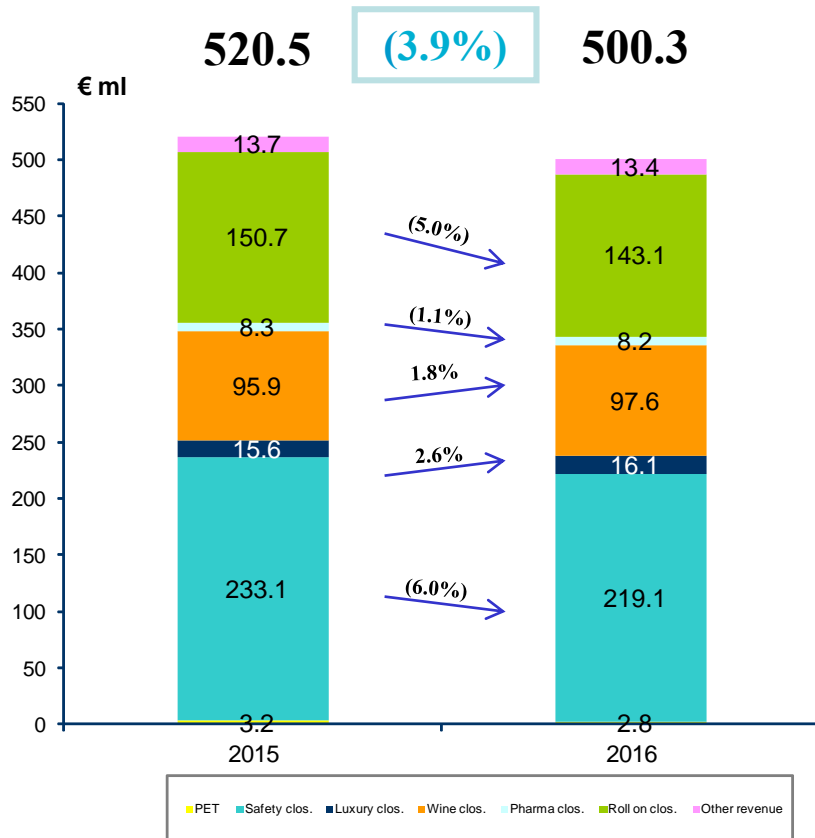
4Q 2015 – 4Q 2016



Net revenue by product

REPORTED

AT COSTANT FX RATE 2015



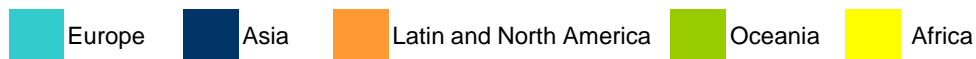
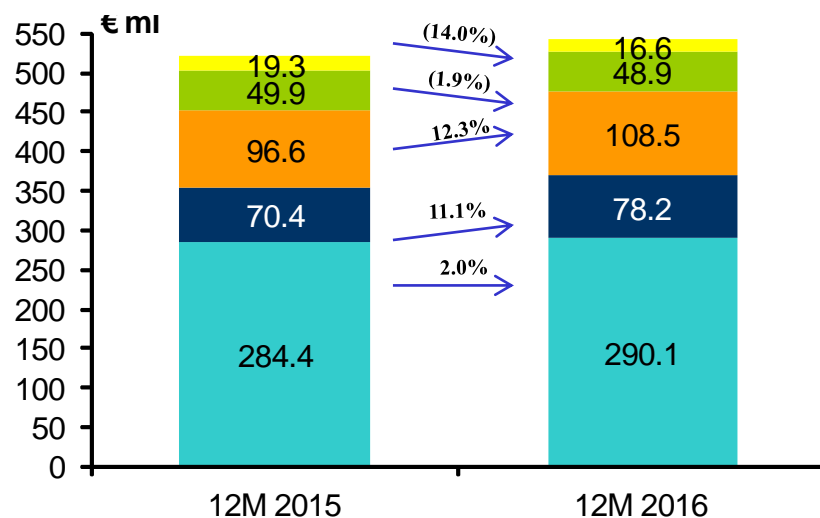
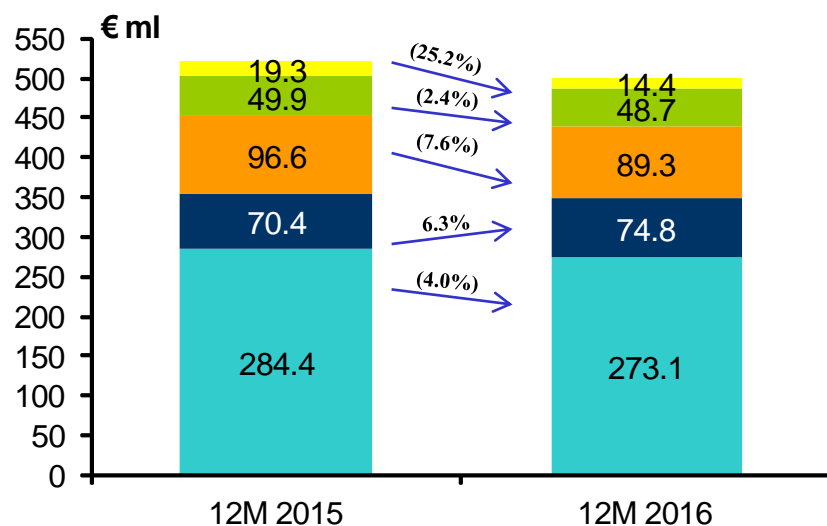
Net revenue by geographic area

REPORTED

AT COSTANT FX RATE 2015

520.5 (3.9%) 500.3

520.5 +4.2% 542.2



Net revenue by geographic area by quarter reported

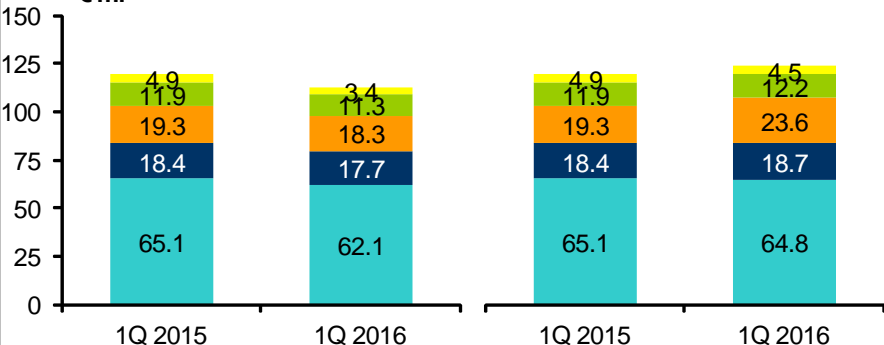
REPORTED

CONSTANT FX 2015

119.7 (5.8%) 112.7

119.7 +3.4% 123.8

€ ml



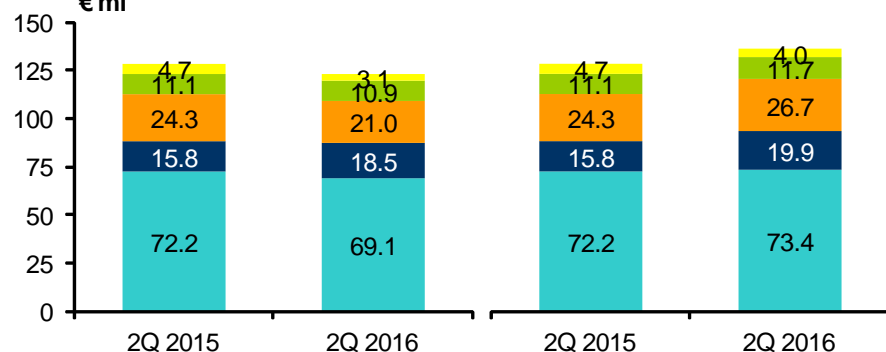
REPORTED

CONSTANT FX 2015

128.1 (4.3%) 122.7

128.1 +5.9% 135.7

€ ml



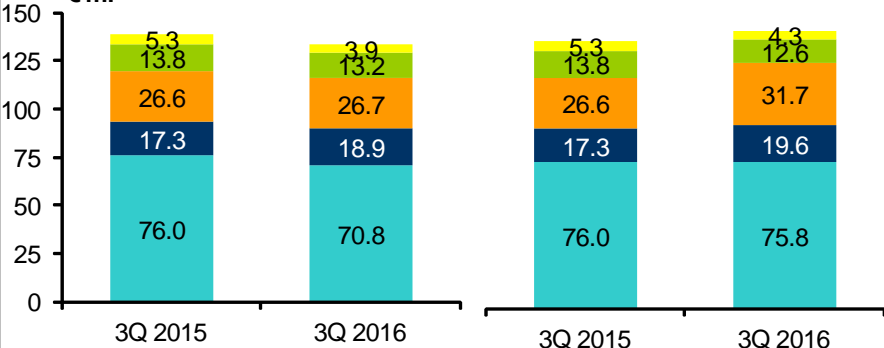
REPORTED

CONSTANT FX 2015

139.0 (4.0%) 133.4

139.0 +3.6% 144.0

€ ml



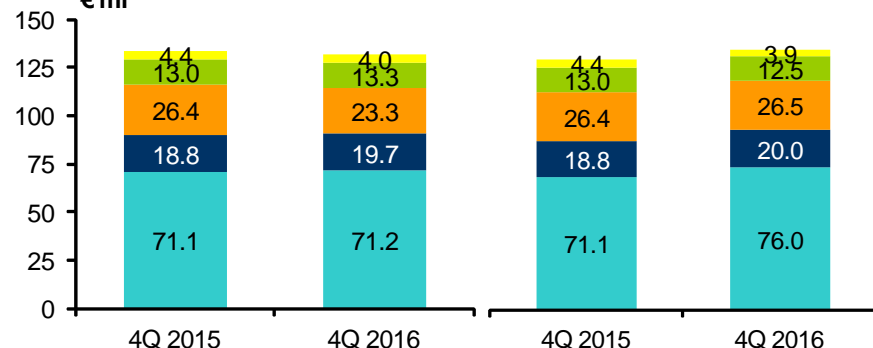
REPORTED

CONSTANT FX 2015

133.7 (1.7%) 131.5


133.7 +3.8% 138.8

€ ml





Cash Flow – sources and uses of funds

€ / mln	1Q 2015	2Q 2015	3Q 2015	4Q 2015	12M 2015	1Q 2016	2Q 2016	3Q 2016	4Q 2016	12M 2016
Opening cash and cash equivalents	35.3	34.3	28.0	34.3	35.3	61.9	42.4	34.7	37.0	61.9
Cash flows generated by/(used in) operating activities	8.9	10.7	15.6	50.8	86.1	(0.3)	12.7	12.7	46.2	71.4
Cash flows used in investing activities	(8.1)	(5.1)	(4.7)	(4.7)	(22.6)	(8.4)	(8.2)	(6.2)	(9.5)	(32.3)
Cash flows generated by/(used in) financing activities	(1.8)	(12.0)	(4.5)	(16.1)	(34.3)	(9.3)	(13.5)	(3.7)	(19.1)	(45.6)
Net cash flows for the period	(1.0)	(6.3)	6.5	30.0	29.1	(17.9)	(9.0)	2.9	17.6	(6.4)
Effect of exchange rate fluctuation on cash held	0.0	0.1	(0.2)	(2.3)	(2.5)	(1.6)	1.3	(0.7)	0.2	(0.8)
Closing cash and cash equivalents	34.3	28.0	34.3	61.9	61.9	42.4	34.7	37.0	54.7	54.7

 **CF operating:** -€14.6 million vs 12M 2015 mainly due to lower EBITDA generated in 12M 2016 (€2.6 million) and to higher absorption from the variation in net working capital (€18.4 million), partly compensated by the improvement in the cash flows for other operating items (€ 1.9 million) and taxes (€ 4.4 million).

In 2015 Other operating items was negatively impacted by the payment of € 2.4 million of restructuring provision and taxes were negatively impacted by the payment of € 4.8 million in relation to tax and related matters dating to the period 2009-2011.

 **CF investing:** -9.6 million due to higher investments compared to 12M 2015 and to the acquisition of Capmetal.

 **CF Financing:** -€11.3 million vs 12M 2015 mainly due to the payment of transaction cost on Group refinancing, (€ 8.3 million), higher dividends paid to minority (€ 2.4 million) and higher interests paid (€ 3.8 million) , partly compensated by the proceeds from the Group refinancing.

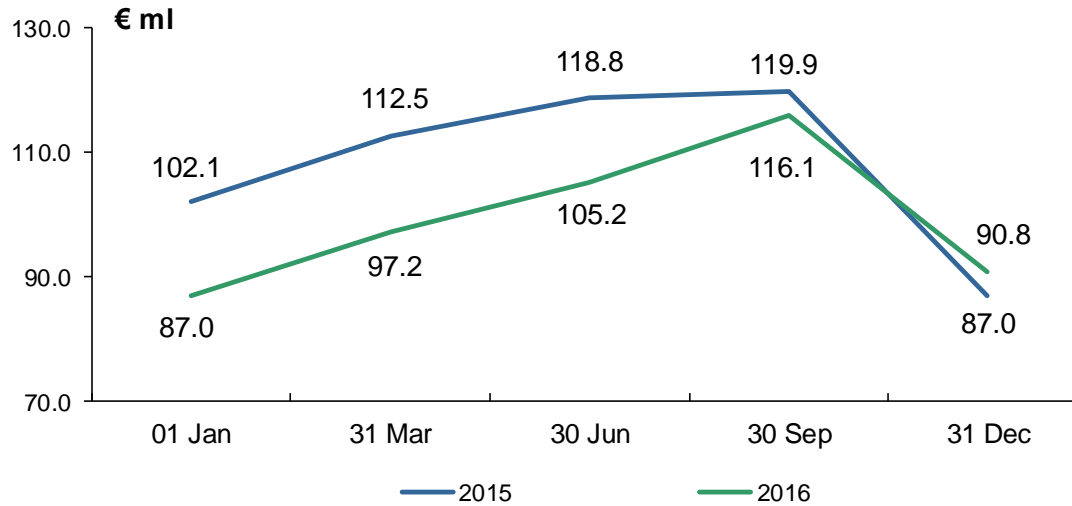
Net Working Capital

€ / ml	VALUE							
	As at 31/03/15	As at 30/06/15	As at 30/09/15	As at 31/12/15	As at 31/03/16	As at 30/06/16	As at 30/09/16	As at 31/12/16
Trade receivables	98.7	102.7	104.9	86.9	85.5	93.2	102.3	89.1
Inventories	74.8	83.4	79.5	67.3	73.0	82.7	78.9	67.9
Trade payables	(61.0)	(67.2)	(64.5)	(67.1)	(61.3)	(70.7)	(65.1)	(66.2)
NWC value	112.5	118.8	119.9	87.0	97.2	105.2	116.1	90.8

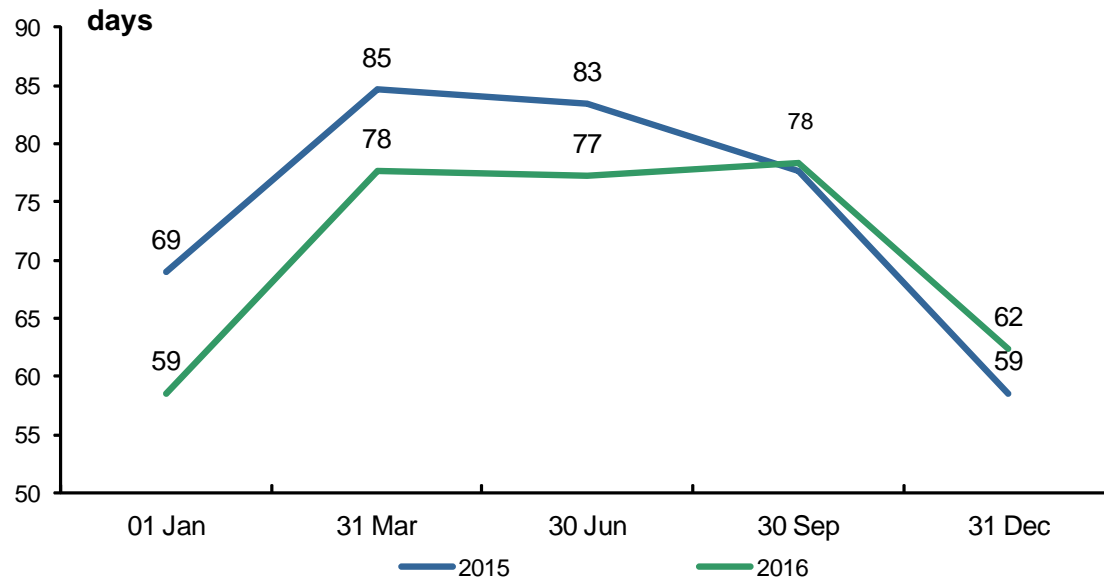
	DAYS							
	As at 31/03/15	As at 30/06/15	As at 30/09/15	As at 31/12/15	As at 31/03/16	As at 30/06/16	As at 30/09/16	As at 31/12/16
Trade receivables	74	72	68	58	68	68	69	61
Inventories	56	59	51	45	58	61	53	46
Trade payables	(46)	(47)	(42)	(45)	(49)	(52)	(44)	(45)
NWC days	85	83	78	59	78	77	78	62

Net Working Capital trend

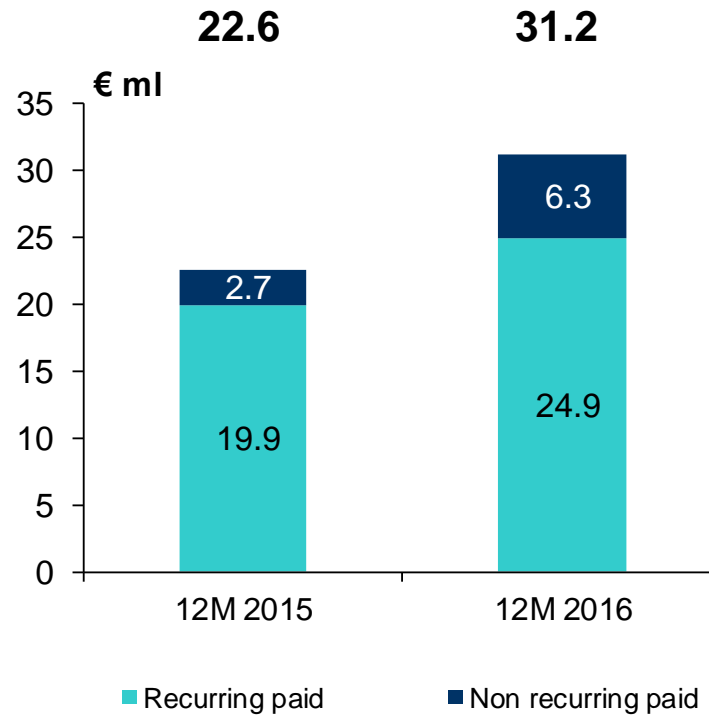
VALUE



DAYS



12M 2016 - Net Capex paid



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

NON RECURRING 2016:

🌐 New technology: Sputtering (Italy, Poland, UK)	€ 3.1 ml
🌐 New technology: Ukraine (Khortytssa Project)	€ 1.5 ml
🌐 New technology: Italy (Spring)	€ 0.7 ml
🌐 New building: Mexico	€ 0.4 ml
🌐 New technology: UK (Macallan)	€ 0.4 ml
🌐 Other	€ 0.2 ml

Appendix

P&L – 12M 2016

Thousands of €	1Q 2015	2Q 2015	3Q 2015	4Q 2015	12M 2015	1Q 2016	2Q 2016	3Q 2016	4Q 2016	12M 2016
Net revenue	119,680	128,146	139,010	133,697	520,533	112,734	122,651	133,415	131,468	500,268
Change in invent. of finish. and semi-fin. products	5,465	4,546	(1,652)	(5,293)	3,066	4,336	6,770	(4,876)	(4,951)	1,279
Other operating income	950	904	608	1,305	3,767	975	673	749	1,197	3,595
Work performed by the Group and capitalised	2,216	1,044	1,549	1,127	5,936	1,264	1,405	920	3,027	6,615
Costs for raw materials	(56,355)	(60,394)	(60,381)	(56,205)	(233,336)	(51,678)	(57,033)	(54,774)	(54,951)	(218,436)
Costs for services	(22,257)	(23,467)	(22,927)	(22,431)	(91,083)	(21,459)	(21,978)	(22,096)	(22,945)	(88,478)
Personnel expense	(23,059)	(23,717)	(23,229)	(24,031)	(94,036)	(23,397)	(24,091)	(22,792)	(23,526)	(93,806)
Other operating expense	(2,447)	(2,429)	(3,502)	(3,199)	(11,577)	(2,215)	(2,813)	(2,145)	(3,189)	(10,361)
Gross operating profit (EBITDA)	24,191	24,633	29,475	24,970	103,269	20,561	25,584	28,402	26,130	100,676
Amortization, depreciation and impairment losses	(9,293)	(9,628)	(9,078)	(9,584)	(37,583)	(8,594)	(6,553)	(7,306)	(8,511)	(30,964)
Operating profit	14,898	15,005	20,397	15,386	65,686	11,967	19,030	21,096	17,619	69,713
Exchange rate	2,808	(1,956)	(5,619)	877	(3,889)	(1,028)	(1,855)	(1,218)	1,640	(2,462)
Derivatives and other financial items	725	(662)	327	(3,516)	(3,126)	(280)	(82)	(33)	(1,993)	(2,389)
Net interest expenses	(10,622)	(10,653)	(10,483)	(9,872)	(41,629)	(9,566)	(9,575)	(9,527)	(20,286)	(48,954)
Profit (loss) before taxation	7,810	1,734	4,622	2,876	17,042	1,094	7,517	10,318	(3,021)	15,908
Income taxes	(5,375)	(4,606)	(4,691)	(7,074)	(21,745)	(3,752)	(3,909)	(5,550)	(6,352)	(19,563)
Profit (loss) for the period	2,435	(2,871)	(69)	(4,198)	(4,703)	(2,658)	3,609	4,768	(9,373)	(3,654)
Gross operating profit (EBITDA) - ADJUSTED	24,472	24,922	30,977	26,033	106,404	20,677	25,729	28,974	27,104	102,484
<i>EBITDA ADJUSTED % on Net revenue</i>	<i>20.4%</i>	<i>19.4%</i>	<i>22.3%</i>	<i>19.5%</i>	<i>20.4%</i>	<i>18.3%</i>	<i>21.0%</i>	<i>21.7%</i>	<i>20.6%</i>	<i>20.5%</i>

Balance Sheet – as at December 31, 2016

Thousands of €	As at December 31, 2015	As at March 31, 2016	As at June 30, 2016	As at September 30, 2016	As at December 31, 2016
Intangible assets	376,656	374,348	373,850	373,634	373,990
Property, plant and equipment	186,144	182,429	185,535	185,239	189,932
Net working capital	87,042	97,229	105,196	116,055	90,768
Net financial derivative liabilities	(1,071)	(1,092)	(69)	(123)	100
Employee benefits	(5,745)	(5,768)	(6,220)	(6,323)	(6,246)
Other assets/liabilities	(30,381)	(23,151)	(26,616)	(27,656)	(30,242)
Net invested capital	612,644	623,995	631,677	640,826	618,303
<i>Financed by:</i>					
Net financial liabilities	559,546	560,917	559,335	566,712	569,502
Cash and cash equivalents	(61,944)	(42,436)	(34,744)	(36,966)	(54,703)
Net financial indebtedness	497,601	518,481	524,591	529,746	514,799
Consolidated equity	115,043	105,515	107,086	111,080	103,504
Sources of financing	612,644	623,995	631,677	640,826	618,303

Cash Flow – 12M 2016

Statement of cash flows

Thousands of €	1Q 2015	2Q 2015	3Q 2015	4Q 2015	12M 2015	1Q 2016	2Q 2016	3Q 2016	4Q 2016	12M 2016
Opening cash and cash equivalents	35,273	34,250	28,049	34,265	35,273	61,944	42,436	34,744	36,966	61,944
A) Cash flows generated by operating activities										
Profit (loss) before taxation	7,810	1,734	4,622	2,876	17,042	1,094	7,517	10,318	(3,021)	15,908
Amortization, depreciation and impairment	9,293	9,628	9,078	9,584	37,583	8,594	6,553	7,306	8,511	30,964
Net finance costs	7,089	13,270	15,776	12,509	48,645	10,873	11,513	10,778	20,640	53,804
Change in:										
Receivables, payables and inventory	(7,872)	(8,708)	(6,509)	33,714	10,626	(12,954)	(7,699)	(11,468)	24,350	(7,770)
Other	540	777	(337)	(2,144)	(1,164)	(621)	270	363	732	743
VAT and indirect tax assets/liabilities	(1,756)	259	(1,785)	716	(2,565)	(2,709)	79	638	1,569	(422)
Income taxes paid	(6,217)	(6,230)	(5,211)	(6,455)	(24,112)	(4,534)	(5,487)	(5,201)	(6,597)	(21,818)
TOTAL A)	8,887	10,732	15,634	50,800	86,053	(257)	12,748	12,734	46,184	71,409
B) Cash flows used in investing activities										
Acquisitions of property, plant and equipment and intangible assets	(8,128)	(5,075)	(4,767)	(4,771)	(22,742)	(8,400)	(8,194)	(6,224)	(8,460)	(31,277)
Proceeds from sale of property, plant and equipment and intangibles	6	23	39	49	116	6	0	44	30	80
Acquisition of Capmetal									(1,057)	(1,057)
TOTAL B)	(8,123)	(5,053)	(4,729)	(4,722)	(22,626)	(8,394)	(8,194)	(6,180)	(9,486)	(32,253)
C) Cash flows generated by/used in financing activities										
Acquisition of non-controlling interest in Guala Closures Argentina	-	(319)	(371)	-	(689)	-	-	-	-	-
Financial income and expense	(5,893)	(14,018)	(5,684)	(13,879)	(39,474)	(4,224)	(13,661)	(4,168)	(16,538)	(38,591)
Payment of Redemption premium on Senior Notes due 2018									(4,688)	(4,688)
Payment of transaction cost on Bond	-	-	-	-	-	-	-	-	(8,332)	(8,332)
Other financial items	57	(189)	(572)	(445)	(1,148)	(376)	(32)	48	(820)	(1,180)
Dividends paid	(206)	(519)	(1,906)	(1,226)	(3,858)	(799)	(1,293)	(1,937)	(2,273)	(6,302)
Proceeds from new borrowings	5,889	4,781	5,083	3,980	19,733	8,081	3,273	2,494	549,163	563,010
Repayment of borrowings and finance leases	(1,680)	(1,565)	(994)	(4,488)	(8,727)	(11,967)	(1,809)	(111)	(535,556)	(549,443)
Change in financial assets	44	(170)	(7)	2	(132)	16	(19)	16	(83)	(70)
TOTAL C)	(1,789)	(11,999)	(4,452)	(16,055)	(34,296)	(9,270)	(13,542)	(3,657)	(19,127)	(45,596)
D) Net cash flows for the period (A+B+C)	(1,025)	(6,320)	6,453	30,024	29,132	(17,921)	(8,988)	2,897	17,571	(6,441)
Effect of exchange rate fluctuation on cash held	2	119	(237)	(2,344)	(2,460)	(1,588)	1,296	(675)	166	(801)
Closing cash and cash equivalents	34,250	28,049	34,265	61,944	61,944	42,436	34,744	36,966	54,703	54,703