

**EXPLANATORY REPORT OF THE BOARD OF DIRECTORS ON THE FIRST AND
SECOND ITEMS ON THE AGENDA OF THE SHAREHOLDERS' MEETING**

(CALLED FOR 30 APRIL 2021)

- 1. Financial statements as at 31 December 2020, Directors' Report on Operations, Report of the Board of Statutory Auditors and Independent Auditors. Presentation of the Consolidated Financial Statements as at 31 December 2020 and of the Non-Financial Statement as at 31 December 2020, prepared pursuant to Legislative Decree no. 254 dated 30 December 2016.**
- 2. Resolutions relating to the allocation of the result for 2020 financial period.**

INTRODUCTION

As regards the first and second items on the Agenda of the meeting called for 30 April 2021, the Meeting will be called to resolve on:

1. Financial statements as at 31 December 2020, Directors' Report on Operations, Report of the Board of Statutory Auditors and Independent Auditors. Presentation of the Consolidated Financial Statements as at 31 December 2020 and of the Non-Financial Statement as at 31 December 2020, prepared pursuant to Legislative Decree no. 254 dated 30 December 2016;
2. Resolutions relating to the allocation of the result for 2020 financial period.

Guala Closures S.p.A. (hereinafter also "Guala Closures" or the "Company"), pursuant by article 125-ter of Legislative Decree no. 58 dated 24 February 1998, as subsequently amended (the "TUF"), provides that, unless already required by other legal provisions, the management body, within the deadline for publication of the notice of meeting, makes available to the public a report on the items on the agenda at the registered office, on the company's website and with the other methods envisaged by Consob by regulation.

With reference to the aforementioned obligation, it should be noted that this report (the "Report") relates to the first and second items on the agenda of the Shareholders' Meeting and related sub-items, and was approved by the Board of Directors on 29 March 2021.

The Report was filed at the registered office within the term provided for by Article 125-ter of the TUF, with the right for the Shareholders to request a copy, and is also available in the "Investor Relations" section of the Company website (www.gualaclosures.com), as well as at the authorized storage mechanism called "eMarket Storage", managed by Spafid Connect S.p.A., available at <https://www.emarketstorage.com/>

1. FINANCIAL STATEMENTS AS AT 31 DECEMBER 2020, DIRECTORS' REPORT ON OPERATIONS, REPORT OF THE BOARD OF STATUTORY AUDITORS AND INDEPENDENT AUDITORS. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2020 AND OF THE NON-FINANCIAL STATEMENT AS AT 31 DECEMBER 2020, PREPARED PURSUANT TO LEGISLATIVE DECREE NO. 254 DATED 30 DECEMBER 2016.

The draft financial statements for fiscal year ended 31 December 2020, approved by the Board of Directors on 10 March 2021, is submitted to the approval of the Shareholders' meeting.

The annual financial report for fiscal year ended December 31, 2020, containing the draft financial statements of Guala Closures S.p.A., the consolidated financial statements, together with the report of the Board of Directors on the management, encompassing the consolidated non-financial statement, and the

certification pursuant to art. 154-bis, paragraph 5, of Legislative Decree 58 of 24 February 1998 (the "TUF") are made available to the public in compliance with the terms and conditions of the law, as well as the report of the Board of Statutory Auditors and the report of the Auditors KPMG S.p.A.

That being said, the following proposal is submitted to the approval of the Shareholders:

"The Shareholders' Meeting of Guala Closures S.p.A.:

- *taking into account the provisions of "Explanatory report of the Board of Directors on the first and second items on the agenda of the Shareholders' Meeting" approved by the Board of Directors on March 29, 2020;*
- *having examined the Report of the Board of Directors on management;*
- *having read the Report of the Board of Statutory Auditors and the Report of the Independent Auditors KPMG S.p.A.;*
- *having examined the financial statements for fiscal year ended 31 December 2020, in the draft presented by the Board of Directors, which closed with a profit for the year of € 11,145,520;*

resolves

to approve the draft financial statements of Guala Closures S.p.A. as at December 31, 2020 and the related accompanying reports."

2. RESOLUTIONS RELATING TO THE ALLOCATION OF THE RESULT FOR 2020 FINANCIAL PERIOD.

With reference to the second item on the agenda, it should be noted that the draft financial statements for the year ended December 31, 2020, shows an operating profit of € 11,145,520 that the Board of Directors proposes to allocate as follows:

- to the legal reserve € 557,276 equal to 5% of the entire profit for the year pursuant to art. 2430 Civil Code;
- the difference of € 10,588,244 as extraordinary reserve.

That being said, referring to the aforementioned documentation for the first item on the agenda, the following proposal is submitted to the approval of the Shareholders:

"The Shareholders' Meeting of Guala Closures S.p.A.:

- *taking into account the provisions of "Explanatory report of the Board of Directors on the first and second items on the agenda of the Shareholders' Meeting" approved by the Board of Directors on March 29, 2020;*
- *considering the decisions taken for the approval of the draft financial statements of Guala Closures S.p.A. as at December 31, 2020 and the related accompanying reports*

resolves

to approve the destination of the profit as follows:

- a. *to the legal reserve € 557,276 equal to 5% of the entire profit for the year pursuant to art. 2430 Civil Code;*

- b. *the difference of € 10,588,244 as extraordinary reserve;*
- c. *to grant to the Chairman of the Board of Directors and Chief Executive Officer - also through special attorneys and / or legal representatives of the Company - a broad mandate to carry out all the initiatives consequent to the hiring and inherent in the implementation of these resolutions."*

Alessandria, 29 March 2021

On behalf of the Board of Directors
The President and CEO
Cav. Del Lav. Ing. Marco Giovannini

