

GUALA CLOSURES GROUP ANNOUNCES PLAN TO OPEN A NEW PLANT IN CHINA, STRENGTHENING ITS PRESENCE IN THE LARGEST GLOBAL MARKET FOR SPIRITS CLOSURES

The Group, present in China since 1998, announces the development of a new plant and R&D center in Chengdu - in the Sichuan Province - with an ambitious investment plan focused on the production of closures for the luxury segment



25th August 2022 - Guala Closures Group, a leading global producer of closures for spirits, wines, water, beverages and oil bottles - with 30 plants spanning five continents - signed today an agreement to develop a new plant in Chengdu in the Chinese Province of Sichuan. The ceremony took place in the presence of Chengdu City Secretary Ms. Shi Xiaoling and Mayor Mr. Wang Fengchao as well as Guala Closures China CEO Mr. Giorgio Vinciguerra.

Located in a renowned baijiu (Chinese traditional liquor) region, the plant and R&D center will focus on closures for the premium and luxury segments, with plans to produce an estimated 130 million closures per year, positioning the plant as a world-class facility tailored for the Chinese spirits market. The new plant will cover an area of 13,800 square meters, and is expected to employ 110 people and envisages an investment plan of up to RMB 200 million (EUR 29 million), enabling the Group to provide concrete support to the local economy which will also benefit from the Group's technological know-how and R&D activities. The investment confirms the Group's commitment to territorial development in the spirits sector and customer support in China, where the Group has been operating for over 20 years through a plant in Beijing.

Chinese spirits represent one quarter of the global spirits market and is the largest and fastest growing market in the world as the income level of Chinese consumers is increasing. The Chinese alcohol market amounts to EUR 175 billion, largely made up of spirits, with baijiu alone being 65% of the market.

The investment in the new Chinese plant represents a further achievement in the strategy of Guala Closures to strengthen its position in the luxury segment, as also witnessed by the recent acquisition of Labrenta, an Italian company with a long history of specialisation in luxury closures.

Gabriele Del Torchio, President and CEO of Guala Closures, commented: *"The development of the new plant represents a new milestone that allows us to build up our presence in China. I would like to thank Investindustrial and our partner in China, CIC, for their support in making this project a reality. Moreover, I would like to thank Chengdu City Government for their support for this project. The new Chengdu plant is fully in line with our strategy, characterised by a high degree of internationalisation of our activities and a strong collaboration with local authorities to ensure the highest presence in the market and proximity to customers."*

"As for the luxury segment, on a global level the sector is characterised by a great fragmentation on one hand, and by a growing market demand for high-end products with attention to details, on the other. The investment in the Chengdu plant highlights our long-standing belief in the Chinese market and commitment to maintain our leadership position in the luxury closures sector, a segment that will grow strongly in the coming years, especially in the Asian region".

About Guala Closures Group

Guala Closures Group offers premium and innovative closure solutions that provide protection and convenience to consumers while enhancing customers' brands. A world leader in the production of closures for spirits, wines, beverages, oil and condiments, Guala Closures meets the needs of its customers and their consumers in the global marketplace with innovative and environmentally responsible products. Guala Closures now has more than 4,850 employees, 30 plants on five continents, and products marketed in more than 100 countries. More information is available at: www.gualaclosures.com

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