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MESSAGE FROM THE CEO

Economy

As we were entering the 2024 year there was still a lot of uncertainty but a common believe that the economy would stabilize and eventually return to growth. In fact, during the year some changes were seen towards a better economic environment for business growth but 2024 ended up being a stable year and not growing as expected. GDP growth in our regions was light (EU +0,8%, USA +2,7% and Mexico estimated 2,1%), but Central Banks ended up controlling inflation and therefore interest rates are now at better levels than before (EU 3,15% (-1,35pp), US 4,50% (-1,00pp) and Mexico 11,25% (-1,25pp).

The manufacturing outlook is improving as is the consumer sentiment amid the labor market recovery. Supply chain disruptions have eased up and are now more controlled and predictable than before and commodity prices volatility is today lower.

European employment growth continued, albeit at a slower pace, contributing to increased disposable incomes. Despite these positive trends, household consumption was restrained due to lingering high living costs and economic uncertainties, leading to higher savings rates.

Germany and France, the eurozone's largest economies, faced contractions of -0.2% and -0.1%, respectively, acting as significant drags on the region's overall performance. In contrast, Spain demonstrated resilience with a 3.2% growth rate.

However, the new trade tariffs strategy by the US can have an impact on the short-term exchanges, mainly between Mexico and the USA, although, for now, it has been postponed and is being re-negotiated. The general feeling in businesses in the USA is that the tariffs will have to be paid, but sooner than later these will be lower or even disappear. Saying that the prolonged use of such will create inflation in some states of United States that will be difficult to control.

In the end, the sentiment we feel from our business partners is that of caution, the lack of consumer spending strengthened many tendencies from the past years and therefore the consumer choices are quite uncertain, leaving our customers apprehensive but more positive than in 2024.

Market

During 2024, glass container market in Europe stopped decreasing at 2023 rates. Up until June, there was a slight 3% decrease in the European market but we expect it to be close to flat by the year end. As for the Mexican and USA market our latest figures point to a decrease of -9,0% and -6,5% respectively. Since there was no energy crisis in these countries, it was clearly a consumer disposable income effect with some delay regarding Europe.

BA Glass Europe grew in the region, growing in almost all segments. Furthermore, the entry stocks in 2024 were still high and BA had to manage well its working capital. In EU more than 20 furnaces have shut down operations being some of them for good.

In BA Glass North America, the situation was very different, and we needed to stop some of our production for the whole year. Tequila market suffered from a demand slow down and the supply chain in the USA that was fully loaded from previous year volume pushes. Ultimately, we started our penetration effort in other segments, both in Mexico and the US, gaining some customers where we expect to take larger profit in 2025. In our Mexican plant, in the meantime, we produced successfully other segments outside of tequila. We are operations ready for these segments.

Consumer wise there has been a lot of different behaviors in the Food and Beverage container market. Due to less available cash in their pockets, generally around the world, consumers down traded. The reduction of alcohol consumption in the youngest generations is now very visible and the worries on alcohol health related problems have increased. Late in 2024 there was some return to the bars, but people are gathering in smaller groups and having less drinks. Of course, most of our customers are adapting to these changes but it might be a while until the right product offer comes available. In beer, on the contrary to other alcoholic products, 0,0% alcohol beer is doing very well. In summary we expect a slight recovery in the market for 2025 leveraging on the segments that we are present, and continue to grow.

Operations

The year 2024 was challenging from an operational standpoint, with significant issues related stock management in an environment where flexibility was mostly required. Most plants initially struggled, and despite improvements in efficiency, the overall impact was negative. Market conditions further complicated operations, leading to the closure of Athens and temporary shutdowns of production lines in some plants. All plants have been recovering from the end of 2024.

In Central Europe, a rapid integration process significantly improved Orzesze's performance, with key talent swiftly identified to strengthen the division. Though 2024 was a disruptive year for team structuring, it also introduced new talent, reinforcing the division's ability to address future challenges.

Southeast Europe faced operational difficulties, with ongoing team consolidation and cultural hurdles. Athen's closure was a very tough decision but needed to happen due to market conditions. We believe we were successful on finding a balanced solution for all involved.

While 2024 was turbulent, the second half of the year showed improvement, reinforcing confidence in the ongoing action plan.

Notable operational achievements included the integration of Recresco in BA and the successful integration of the Orzesze plant in Poland, with a significant improvement in efficiency.

Additionally, major technical advancements were made in Mexico, expanding capabilities beyond the Tequila segment into new products. These successes indicate a foundation for stronger performance in 2025.

BA Glass B.V. is a private limited liability company incorporated and domiciled in the Netherlands. The registered office is located at Basisweg 10, 1043AP Amsterdam. The objectives of the Company are to act as holding and finance company, its subsidiaries are one of the main players on the glass packaging business and have operating activities in Portugal, Spain, Poland Germany, Greece, Bulgaria, Romania, Mexico and UK. The Company is registered at the Dutch Chamber of Commerce with file number 34310991.

People

2024 was a challenging yet rewarding year for BA Glass in terms of people management, marked by the integration of three new businesses: México Operation, Recresco, and Orzesze plant. In Europe, compared to 2023, we saw improvements in key HR KPIs such as absenteeism, training hours, and voluntary turnover.

At BA, we believe our distinction lies in the way we live our values. Given our recent hiring surge, particularly in the South East Europe (SEE) and Central Europe (CE) regions, we refreshed our BA Way training and applied it to all PADs, including the new businesses integrated in 2024. To further support our values, we created a new training program, BA Way For Blue Collars. This program was the main training initiative in 2024, and over 85% of our European blue collars completed it. In 2025, we plan to extend this training to the Orzesze plant and México Operation.

The year also saw a significant boost in HR digitalization. We took a major step towards a paper-free HR department. We improved our HR reports, making them easier to update and more informative. In 2025, we will continue this digital transformation by launching a Learning Management Platform and a new system for tracking and updating employee remuneration.

Financial

As expected, 2024 delivered weaker results compared to 2023. In our previous report, we highlighted that last year was shaped by exceptional factors, with sales prices compensating for two years of low EBITDA performance (2021 and 2022). We closed the year with €1.5 billion in sales, maintaining the same level as 2023 and marking a 6.4% increase over 2022. EBITDA reached €402 million, with a 26.4% margin, significantly lower than the €533 million (35.7%) recorded in 2023, but above the €322 million (22.6%) achieved in 2022.

The integration of new operations weighed negatively on overall profitability. Mexico was affected by the overall market slowdown, Recresco faced a weaker glass packaging sector impacting cullet and PRN prices, and Orzesze reflected broader European market conditions. These acquisitions not only had lower EBITDA margins compared to the "old" BA Glass but also resulted in higher acquisition amortizations and impairment costs. Consequently, EBIT reached €242 million, with a 15.9% margin—significantly below the 26.4% recorded in 2023. The higher interest expenses and a result of a higher debt after acquisitions in 2024 further impacted our net result, which ended at €157 million, down €223 million from the previous year.

Net debt increased by €380 million, primarily due to acquisitions and dividends. After two years of strategic acquisitions, our net debt ratio remains at a comfortable 2.3x EBITDA.

We close the year in a strong financial and economic position, prepared to improve profitability in what we expect to be a recovering market in both Europe and North America. However, the challenges ahead are substantial. The glass packaging market remains at 2016 levels, with significant idle capacity, creating potential supply-demand imbalances. In Europe, costs have yet to return to sustainable levels, with energy prices closing the year at their highest point and short-term forecasts remaining bullish. The energy transition and sustainability agenda remain a top priority, but they come with significant financial and operational implications. Furthermore, global trade tensions continue to pose risks to competitiveness.

Despite these challenges, we are confident in our ability to adapt and grow, knowing that consumer preference for glass remains strong. However, it is crucial to emphasize that industrial activities in Europe are facing increasing pressure and, so far, have had to navigate these challenges alone. European and local policymakers continue to focus on ambitious environmental targets, generating extensive regulations that place an overwhelming compliance burden on companies. At the same time, they overlook the need for global competitiveness and the long-term planning required to make green electricity, hydrogen, and biomethane viable solutions.

In 2024, BA Glass took a step forward by using the first biomethane green certificates in Germany—the only country in which we operate that has implemented the necessary legal framework. However, our ambition goes beyond certificates; we want to directly consume biomethane in our plants. Current regulations prevent this in some countries, as they do not allow for multiple gas suppliers at a single location. Europe must do more to support and facilitate industrial activities, ensuring that sustainability efforts are matched with pragmatic policies that enable long-term growth and competitiveness.

Closing Remarks & Acknowledgements

I would like to say that our company is prepared, for what it can come, but we need to be frugal to have better chances of coping with surprises, that, today can come from the tariffs, directly or indirectly, but also from the escalation of the war we have at hands in the EU border. It is important to be conservative but bold, patient but reactive and consequent with our efforts to improve every day.

Finally, a very special word to all the team of BA Glass that has been always there for what it takes and has gone above and beyond to defend our value and values. A very special thank you to our people that are today expatriated and deserve our outmost respect for the sacrifice they are doing.

MARKETS

Demand did not recover as expected in 2024. After a challenging 2023, during which the European glass market contracted by 12%, there were initial signs of cautious optimism for 2024. Many of our customers anticipated a rebound in activity, expecting a gradual recovery throughout the year. However, market conditions did not evolve as projected. In the first half of 2024, the European glass market declined by 2.8% compared to the same period in the previous year. While final figures are not yet available, we expect the market to stabilize or show a slight recovery in the second half. Encouragingly, market activity in the first semester of 2024 was 9.6% higher than in the second semester of 2023, signaling a potential shift towards growth. That said, we anticipate only modest, single-digit growth in the short term.

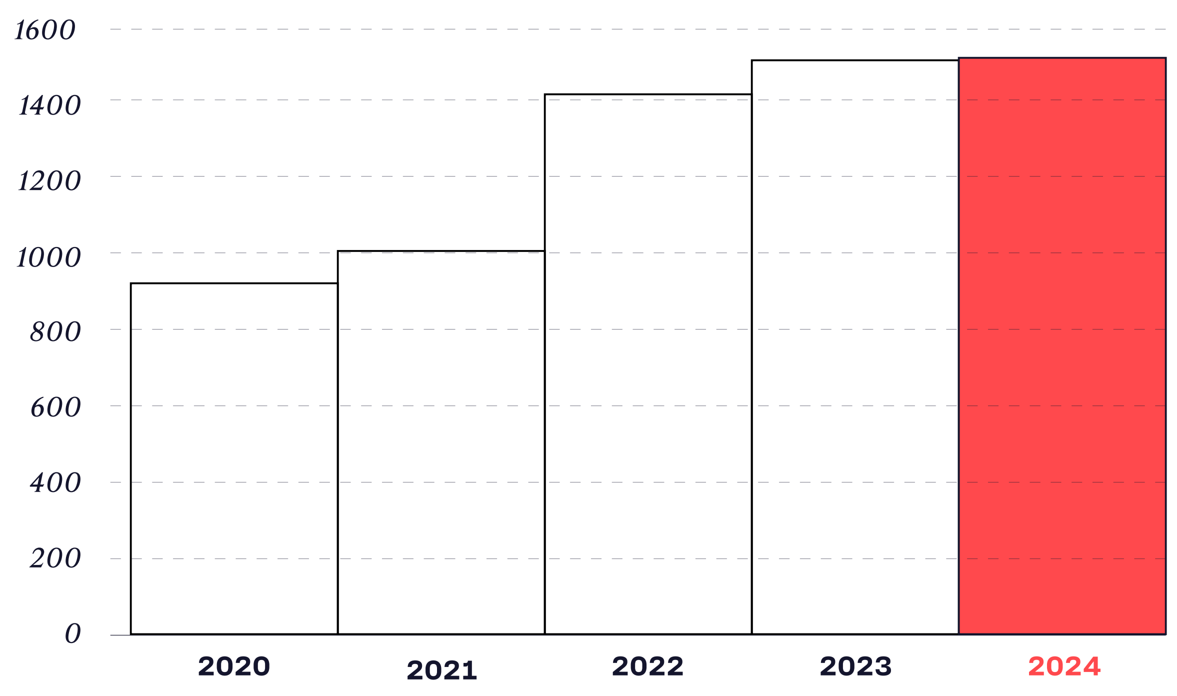
The significant market contraction translated directly into lower demand, with an average of about 20 furnaces ceasing production across Europe. This downturn also triggered a more aggressive commercial approach from all glass packaging players. Several factors contributed to this slowdown, beginning with excess stock accumulation following a shortage in 2022, when high prices led to widespread destocking. The speed of this process varied by segment—beer saw a faster adjustment, while spirits took longer. Additionally, high energy prices, inflation, and rising interest rates played a key role in altering consumer purchasing power and behavior. While private-label consumption increased, benefiting our food and wine segments, there was also a shift toward lower-cost packaging materials. This trend was particularly evident in beer markets with a strong off-trade presence, where cans gained market share.

A similar pattern was observed in Mexico and the United States, where our latest data indicates market declines of 9.0% in Mexico and 6.5% in the U.S. The reasons were largely the same, with tequila—our primary product in the region—experiencing a prolonged destocking cycle. Fillers, distributors, and retailers remained stocked at high levels throughout the supply chain, further delaying recovery in demand.

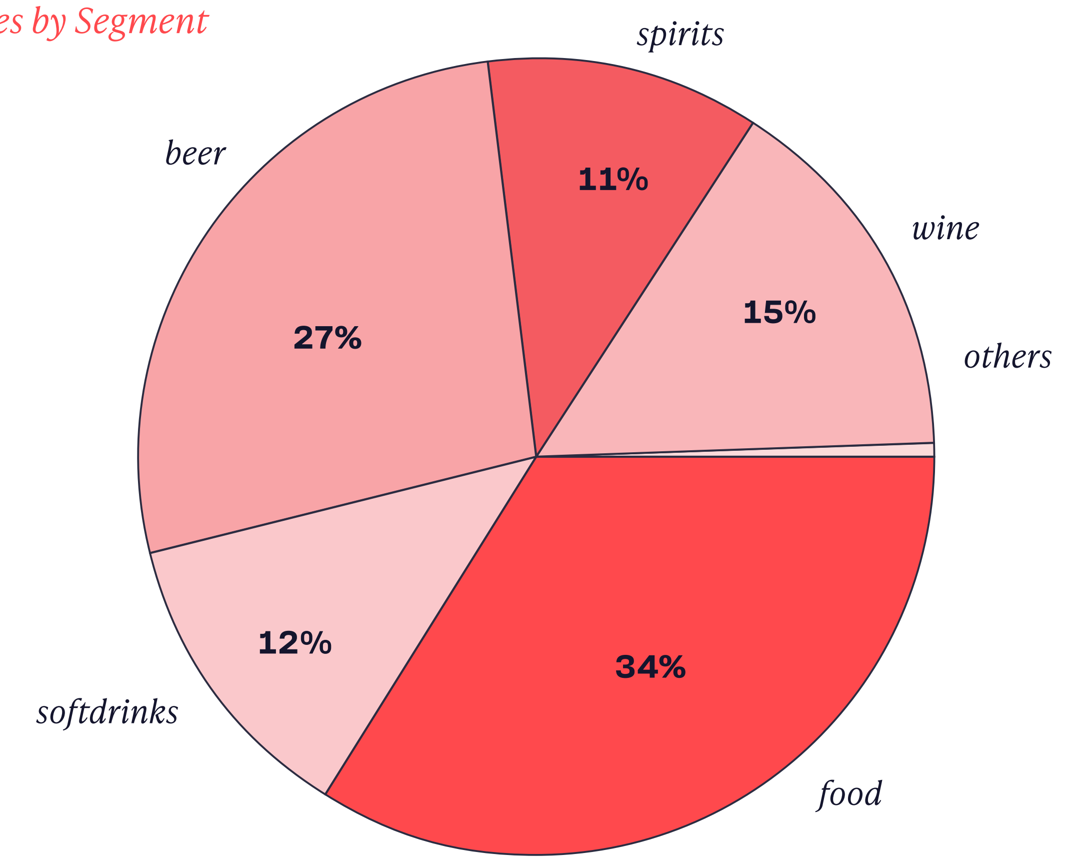
Despite these challenges, our sales grew by 0.6% compared to 2023, reaching a turnover of €1.5 billion. Growth was primarily driven by the food, beer, and spirits segments. The food segment performed strongly across all countries, benefiting from increased private-label consumption. The beer segment also grew, supported by the successful integration of our new plant in Poland, which helped diversify sales within the Central Europe division and offset some of the challenges posed by shifting alcohol consumption trends and the rising penetration of cans. Meanwhile, in the spirits segment, we strengthened our position in Mexico despite the decline in tequila market demand.

Looking ahead, we remain focused on supporting our customers and driving long-term success. While demand for glass declined in 2024 and the outlook for 2025 remains uncertain, our commitment to quality, sustainability, and innovation continues to guide our strategy. Challenging years require close collaboration with our customers, and we are dedicated to maintaining the highest service levels and continuously improving our responsiveness to market needs.

Turnover (k.€) / Thousands



Sales by Segment



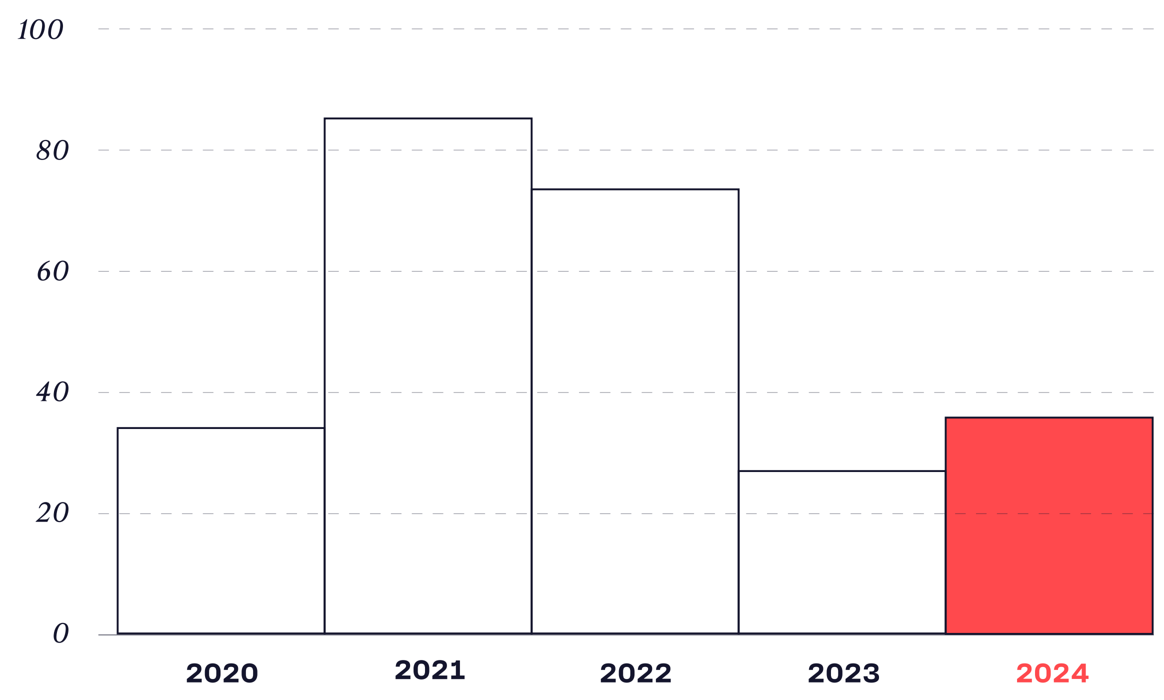
Innovation

In 2024, we significantly accelerated new product development, leading to a substantial renewal of our portfolio and the creation of new business opportunities. Over the year, we developed 381 new projects, including 174 entirely new designs, increasing our innovation success rate by 33%. Additionally, we introduced 136 new models, effectively doubling our output compared to the previous year.

These achievements have reinforced our ability to offer customers innovative glass packaging solutions that enhance differentiation and competitiveness in the market. By combining design excellence with functional innovation, we continue to support our clients in adapting to evolving consumer preferences and industry trends.

As we move forward, we have already launched 39 innovation initiatives in collaboration with our customers, going beyond traditional approaches to identify cost-saving opportunities and explore new product possibilities. Through transparent communication and a shared vision, we are strengthening our partnerships and transforming challenges into opportunities for sustainable growth.

New Projects Sucess Rate (%)

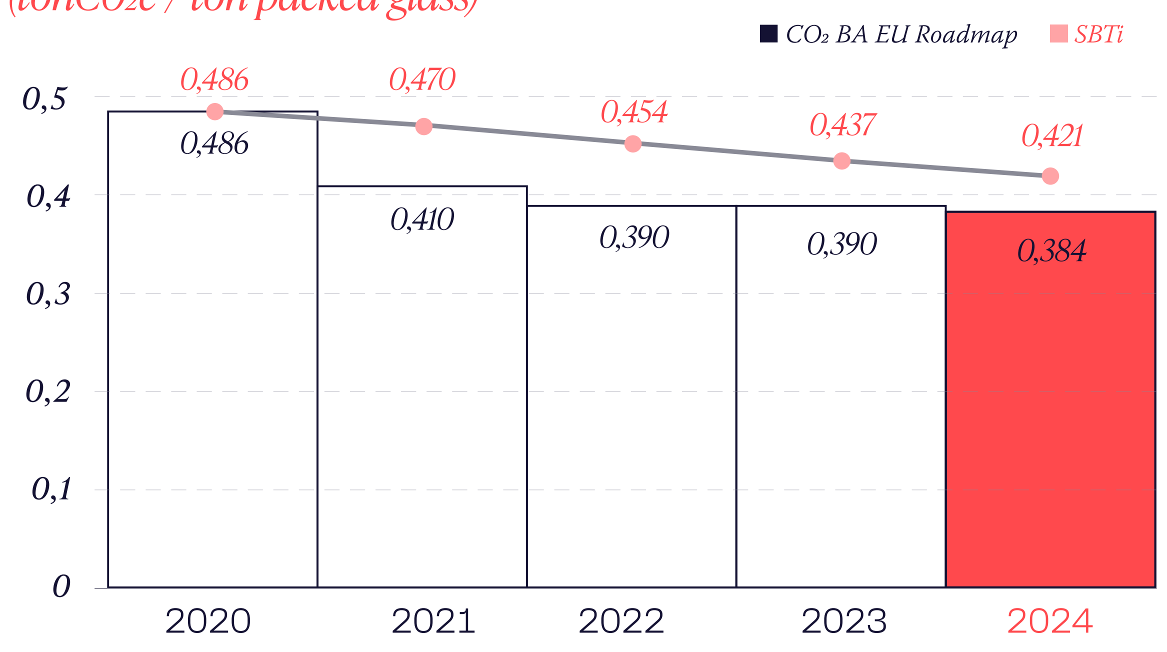


SUSTAINABILITY

Sustainability remains at the core of our strategy. We continue to prioritize investments aimed at reducing our carbon footprint, supported by innovative research to produce more sustainable glass containers. Our commitment to sustainability has once again been recognized, as we were named the Most Sustainable Company in the global glass packaging industry by the World Finance Sustainability Awards for the fifth consecutive year. Additionally, we maintained our A score from CDP in climate change for the third year in a row, reinforcing our position among global leaders in sustainability practices.

In 2024, we reduced CO_2 equivalent emissions (CO_2e) per ton of glass produced (Scope 1 and 2) from 0.390 to 0.384 tons, marking a 1.5% improvement compared to 2023. This achievement positions us 9% below the target value set by the Science-Based Targets initiative (SBTi) for the year. Having outperformed our 2024 SBTi targets, we remain on track to achieve a 50% reduction in specific Scope 1 and 2 emissions by 2035, using 2020 as our base year. To reach this goal, we are focusing on electrification, the use of green gases such as biomethane, increased cullet incorporation, and raw material innovation.

Scope 1 and 2 emissions Vs SBTi (tonCO_2e / ton packed glass)



Increasing cullet utilization has played a significant role in reducing emissions. In 2024, we increased cullet incorporation by five percentage points compared to 2023, further strengthening our commitment to circularity and resource efficiency. Additionally, external cullet consumption rose by 15%, resulting in a savings of approximately 26,000 tons of CO_2, thanks to energy efficiency improvements and reduced reliance on virgin raw materials.

Recognizing that green hydrogen may not be a feasible short-term option, we have actively explored alternative energy sources, particularly biomethane. Biomethane presents a strong opportunity in countries with favorable conditions, such as Germany, Spain, and, from 2025 onward, Portugal. As a chemically identical substitute for natural gas, biomethane does not require structural modifications to our existing installations, making it a practical solution for reducing Emissions Trading System (ETS) costs. As a major milestone, we secured guarantees of origin for biomethane in Germany, replacing 8,600 MWh of natural gas and reducing Scope 1 emissions by 1,754 tons of CO_2e, reinforcing our role as a pioneer in the biomethane market within the glass packaging industry.

Our transition to renewable energy remains a priority. We continue to source 100% of our electricity from renewable sources, ensuring zero Scope 2 emissions. In 2024, we significantly expanded solar energy production, completing the first full year of operation of the Sofia photovoltaic park, which spans 95,000 m^2 and has an installed capacity of 18.5 MW. This contributed to a reduction of over 6,500 tons of CO_2 emissions. Furthermore, our Virtual Power Purchase Agreements (VPPA) in Poland and Portugal, with a combined capacity of 22.4 MW, began generating electricity, saving an additional 11,400 tons of CO_2 emissions. These initiatives more than doubled the positive impact of our green energy transition, reinforcing our commitment to reducing our carbon footprint.

We have also made substantial progress in Scope 3 emissions reductions, addressing sustainability across our supply chain. In 2024, we expanded the use of intermodal transport systems, duo trailers, and green fuels such as biomethane and HVO, which gained greater prominence during the year. We also launched our first electric vehicle for transport operations in Spain, further demonstrating our commitment to greener logistics and sustainable innovation.

Additionally, we took steps toward optimizing raw material sustainability, with a slight shift from synthetic to natural soda ash, which has 3.5 times lower CO_2 emissions during its manufacturing process. This transition directly impacts the 'Purchased Goods and Services' category, the largest contributor to our Scope 3 emissions, accounting for approximately 20% of total emissions. As in previous years, our full CO_2 inventory for 2024 will undergo verification with APCER, ensuring transparency and accountability in our emissions reporting.

Collaboration with our customers has also intensified through the Collab2Zero initiative, which fosters joint decarbonization efforts. These customer-tailored plans allow us to accelerate sustainability progress while sharing costs and responsibilities, ensuring meaningful advancements toward a lower-carbon economy.

Innovation remains at the heart of our sustainability strategy. We continue to actively participate in the IPGR Zero CO_2 Glass project, which is preparing a trial plant for the development of a revolutionary furnace capable of melting glass without CO_2 emissions. Early large-scale industrial trials have already demonstrated the feasibility of glass production without soda ash, paving the way for further advancements in low-carbon manufacturing.

Central to this vision is the development of the ECO Furnace, a breakthrough technology set to transform glass production. This state-of-the-art furnace can operate exclusively on 100% renewable energy, eliminating CO_2 emissions related to energy consumption. By replacing natural gas with renewable electricity, green hydrogen, or biofuels, the ECO Furnace is expected to deliver significant energy savings. Additionally, emissions from carbon-based raw materials will be partially offset through substitutions, with remaining emissions addressed through carbon capture technologies, a field in which we are actively collaborating with industry partners.

Our lightweight program continues to reduce the amount of glass used in packaging, further supporting emissions reductions. In 2024, this initiative led to a reduction of over 237 tons of CO_2 emissions, thanks to new designs. With the production of 15 million lightweight units sold within 12 months, we saved more than 8,700 tons of glass, demonstrating the program's significant impact.

We remain steadfast in our commitment to driving sustainability, reducing emissions, and setting new industry standards. Through continued innovation, collaboration, and strategic investments, we are making steady progress toward our goal of carbon neutrality, shaping a more sustainable future for glass packaging.

OPERATIONS

Challenges and Actions

Keeping our production lines running remained one of the biggest challenges in 2024, further complicated by the high stock levels at the start of the year. After reducing 2.5% of our capacity in 2023, we had to stop 4.5% in 2024, with the Mexican operation playing a significant role in this adjustment. As we move into 2025, we are continuing to take targeted capacity management actions, ensuring that production aligns closely with stock control requirements.

One of the most difficult decisions of the year was the closure of the Athens facility at the end of the first quarter. This step was taken with the utmost care and consideration for our people in Greece, ensuring full transparency and engagement throughout the process. The market downturn, coupled with the significant investment required to modernize a facility with structural limitations, led us to this decision. While a challenging transition, we successfully managed the closure with 100% participation from our employees, reinforcing our commitment to responsible workforce management.

From a cost perspective, energy prices have declined but remain volatile and above pre-crisis levels. Similarly, while the prices of raw materials, consumables, parts, and services have also decreased, industrial costs are still significantly higher than before the crisis. The key challenges we faced in 2023—rising inflation, energy price volatility, and the ongoing debate over the environmental impact of glass packaging compared to alternative materials—have persisted into 2024. These factors continue to shape our operational and strategic decisions.

Despite these challenges, 2024 was a strong year in terms of energy efficiency. Thanks to our new investments and targeted energy consumption programs, we achieved our best-ever year in terms of energy efficiency, even with the production stoppages mentioned earlier. These efforts underscore our ongoing commitment to optimizing operations, reducing costs, and strengthening our long-term sustainability strategy.

Plants

With an expanded geographical presence, benchmarking has become a key driver of performance and development. The exchange of best practices across regions has strengthened our operations, with our European teams providing critical support to the Mexico division in navigating the year's challenges while simultaneously establishing new operational targets. This collaborative approach has enhanced efficiency, reinforced strategic alignment, and accelerated improvements across divisions.

In the Iberia division, we successfully start-up the furnace rebuilt at the Avintes plant, setting efficiency records that will serve as benchmarks for future rebuilds. Despite an incident in July affecting one of the furnaces, the plant made notable advancements in the "lights out" program, maximizing digitalization from the furnace to the cold end. Other Iberian plants also accelerated technological and digitalization initiatives, driving visible improvements in key performance indicators, highlighting Villafranca de los Barros plant, that, despite facing market constraints, demonstrated strong operational progress, reinforcing its competitive position.

The Central Europe division underwent significant expansion with the acquisition of the Orzesze plant from the Canpack Group. Integration efforts began in the second quarter, delivering substantial operational improvements throughout 2024. In Sieraków, following the successful completion of an intermediate furnace repair, the plant is now even better equipped to meet customer demand, particularly in the spirits and wine segments. Meanwhile, the Jedlice plant, backed by a highly motivated and well-prepared team, has consistently set new productivity records. Talent development was also a priority in 2024, strengthening our capabilities to address current market challenges and positioning the division for long-term success.

In Southeastern Europe, the year began with the successful startup of a rebuilt furnace at the Plovdiv plant. This state-of-the-art furnace improves working conditions, reduces energy consumption, and lowers CO_2 emissions, marking a milestone in our investment cycle in the region. Additionally, the Sofia, Plovdiv, and Bucharest plants demonstrated positive progress in efficiency and quality, further enhancing service levels for our customers. Talent development remains a key pillar of our success, and in 2024, we accelerated efforts to prepare young professionals for leadership roles, injecting new perspectives and energy into the division.

Safety remains a top priority, but 2024 was a challenging year in this regard. Performance fell below expectations, particularly in the Iberia division, where the number of accidents increased to 45. In response, we continue to invest in existing safety programs while also introducing new initiatives to address this setback. Strengthening workplace safety across all regions remains a critical focus, ensuring that we reinforce a culture of prevention, awareness, and continuous improvement.

Supply Chain

In 2024, we faced significant supply chain challenges driven by persistent inflationary pressures and shifting geopolitical dynamics. At the same time, we placed a strong emphasis on achieving efficiency gains and cost savings across our supply chain operations.

Energy prices showed some stabilization in the first half of the year, but Europe's energy market remained highly sensitive to supply fluctuations and geopolitical developments. The second half of the year saw a sharp rise in natural gas prices, driven by concerns over a potential halt in Russian gas inflows through Ukraine and forecasts of a colder winter that could reduce reserves. These concerns materialized in 2025 when Ukraine ceased Russian gas transit to Europe, pushing natural gas prices to their highest levels in two years. Electricity prices followed a similar trajectory—while initially stable, they remained high throughout the year and increased toward the end of 2024. In Southeastern Europe, average electricity costs remained equal to or above 2023 levels, further impacting competitiveness in the region.

To mitigate energy cost volatility, we maintained our hedging policy throughout 2024. This strategy allowed us to manage energy price fluctuations, including through contracts inherited from our recent acquisitions in Mexico and Orzesze. However, as in 2023, the lack of substantial government support further complicated cost management efforts. Europe keeps lacking a strategic view regarding energy and quite vulnerable to the moods of the markets, Europe does not plan to lead.

Raw material costs followed mixed trends. Soda ash prices kept decreasing but continued to reflect the higher levels observed in early 2022, exceeding pre-energy crisis values. We continued working closely with suppliers to reduce soda ash-related emissions, and we increased the share of natural soda ash in our consumption. Meanwhile, recycled glass (cullet) remained a highly desirable raw material, both for its environmental benefits and its role in reducing furnace energy consumption. However, prices remained high across multiple regions, at times challenging the economic viability of increased cullet use. Despite these cost pressures, we significantly increased cullet incorporation in 2024, supported by the restructuring of production capacity in Europe and the positive contributions of RetuRO, the deposit and return scheme in Romania.

Other raw materials, including silica sand, limestone, and dolomite, remained stable despite lower demand, meaning prices did not decrease proportionally to their production costs.

The transportation market in 2024 was shaped by tightened capacity due to the long-term effects of reduced volumes in 2023, which forced smaller logistics companies out of business and led to fleet downsizing. As a result, although transportation volumes remained stable, available capacity declined, driving higher spot prices. Southeastern Europe faced additional challenges, particularly due to new cross-border regulations in Romania and infrastructure works at the Bulgaria-Romania border, which further increased logistical costs.

To optimize logistics efficiency, we expanded our use of sustainable transportation solutions, including dual and link trailers, biofuels such as bio-liquefied natural gas (LNG) and Hydrotreated Vegetable Oil (HVO) trucks, and electric trucks, all contributing to Scope 3 emissions reductions. Additionally, we increased our use of intermodal transport solutions, combining road, rail, and short-sea shipping for mid-distance routes. We also closely monitored supplier fleet availability and industry trends to support our sustainability and cost-efficiency objectives.

In packaging, we continued replacing disposable materials, such as cardboard, with reusable plastic to improve cost efficiency and reduce waste. While cardboard and plastic foil prices decreased in early 2024, cardboard prices began rising again in the second half of the year, driven by higher energy costs. Wooden pallets remained scarce, with prices still well above historical levels. To mitigate these impacts, we enhanced the efficiency of our reverse logistics process for pallet management.

In Mexico, our purchasing team has been actively working with suppliers to implement our BA Way approach. While still in the market learning phase, we have already introduced several action plans in collaboration with suppliers and adjusted our purchasing team to align with BA's processes and philosophy. These efforts have strengthened our supply chain, ensuring greater efficiency, consistency, and adherence to our operational standards.

Additionally, packaging strategies in Mexico differ significantly from those used in Europe. In 2024, we took an important step toward standardizing our practices, starting with the implementation of automatic shrink foil systems. This initiative brings Mexico's packaging operations in line with our European standards, enhancing efficiency, sustainability, and process integration across our global operations

As a result of these combined factors, industrial costs declined from the uncompetitive levels of 2023, but they remain significantly above pre-energy crisis levels. Looking ahead to 2025, one of our main priorities will be to further reduce costs and enhance the competitiveness of glass packaging.

In line with our commitment to supply chain efficiency, we continue to explore alternative solutions to optimize costs and improve operational resilience. Through ongoing innovation and strategic initiatives, we aim to strengthen our supply chain performance, ensuring sustainable and cost-effective operations in the years to come.

Investments

In 2024, we continued to invest in our future through capital expenditure, reaching €178 million. In a year of stagnant demand, our focus remained on maintaining high-quality production with state-of-the-art equipment. More than 60% of the total investment was dedicated to furnace rebuilds, in a year where we successfully completed furnace rebuilds in Bulgaria, and Portugal, reinforcing operational efficiency and optimizing energy consumption. These projects reflect our ongoing commitment to enhancing production processes, reducing emissions, and increasing sustainability across our facilities.

Sustainability remains a key driver in our decision-making. We continue to invest in renewable energy and upgrade our emissions control technology to minimize our environmental impact. As part of our commitment to energy transition, we are actively preparing for decarbonization in the industry, participating in roundtables, increasing electrical power availability at our plants, and challenging suppliers to align with future energy demands.

We continue to leverage technology and digitalization to drive efficiency across our operations. During furnace rebuilds, we have installed auto-swab systems in several production lines, reducing process variability and enhancing operator safety. Infrared cameras in the Hot End now detect defects earlier, improving inspection efficiency and strengthening quality control measures. Additionally, Gob Control cameras in the Hot End measure volume, position, and weight before gobs reach the forming machines, preventing machine stoppages and defects. These innovations enhance product quality while reducing inefficiencies.

In 2024, our digital transformation efforts significantly advanced. Almost one third of our production lines are now equipped with swabbing robots, with dual-side robotization successfully implemented in a pilot line. Regarding Analytics, our data-driven optimization systems, leveraging machine learning and real-time process analytics, are now taking decisions regarding energy consumption and the glass forming process, both with very encouraging results and already being rolled out throughout our plants.

On the systems and connectivity front, we completed the full implementation of our integrated manufacturing data system across all sites, now being intensively used by our people.

These advancements reinforce our commitment to operational excellence, ensuring that we continue to deliver high-quality products with improved efficiency and sustainability.

People

In 2024, the European labor market continued its recovery, with low unemployment rates in many regions, particularly in Western Europe. However, persistent labor shortages—driven by aging populations and migration restrictions—remained a challenge. Additionally, wage growth was significant, influenced by inflationary pressures.

As in previous years, we faced a highly dynamic labor market, with increased job mobility driven by the growing number of opportunities available. To meet our operational needs—particularly those related to new investments in furnaces and plants—we experienced a wave of new hires, particularly in plant operations and corporate functions. The increasing digitalization of our operations has further heightened the demand for skilled professionals, reinforcing the importance of upskilling and talent development.

The digital transformation outlined in our Digital Roadmap requires not only the restructuring of activities but also the reconfiguration of skill sets to operate effectively in a digitally driven environment. To address this, we have been implementing upskilling programs across all twelve of our plants, an initiative that will continue to play a key role in transforming our workforce. This commitment also positions BA Glass and the glass industry as an attractive career choice for younger generations entering the labor market.

Our values—Humbleness, Emotion, Ambition, Rigor, and Transparency (HeART)—continue to be deeply embedded in our organization. Through the BA Way program, our ambassadors play a crucial role in reinforcing these principles across the company. In 2024, we expanded training on the BA Way, integrating new colleagues from our recent acquisitions in Mexico, the UK, and Poland, while also rolling out dedicated BA Way training for all blue-collar employees across our locations.

Building stronger connections among employees remains a priority. In 2024, we organized various initiatives to foster engagement and teamwork, including informal gatherings, open days, and team marathons, reinforcing a sense of community within BA.

We also strengthened our relationships with educational institutions, engaging in reciprocal visits with students interested in understanding the glass manufacturing process and its transformation into packaging for food and beverages. Our Dual-Training programs in Spain, Poland, and Romania continued to offer technical in-house training for secondary school students, preparing them as potential future employees.

The Futura Program, now in its fourth edition in Iberia and Romania, remained a key initiative in attracting young engineers eager to start their careers in a growing and international company like BA.

Our commitment to employee development remained a strategic priority in 2024. We continued to invest in comprehensive training programs tailored to enhance employee skills and capabilities across all roles. Recognizing the importance of continuous learning, we launched immersive training initiatives, supporting the development of both technical and leadership competencies.

To support career growth and streamline HR processes, we introduced a new HR platform, improving accessibility and efficiency in managing personal and professional information. We also launched a new digital Performance Evaluation Platform, aimed at enhancing career development and succession planning. In addition, a new performance assessment tool for blue-collar employees was successfully rolled out, reinforcing structured feedback and development pathways.

The Group Annual Management Meeting returned in June, bringing together more than 280 executives and managers from 17 nationalities. This fully in-person event provided a platform to discuss strategic challenges and opportunities, strengthening alignment across all business areas.

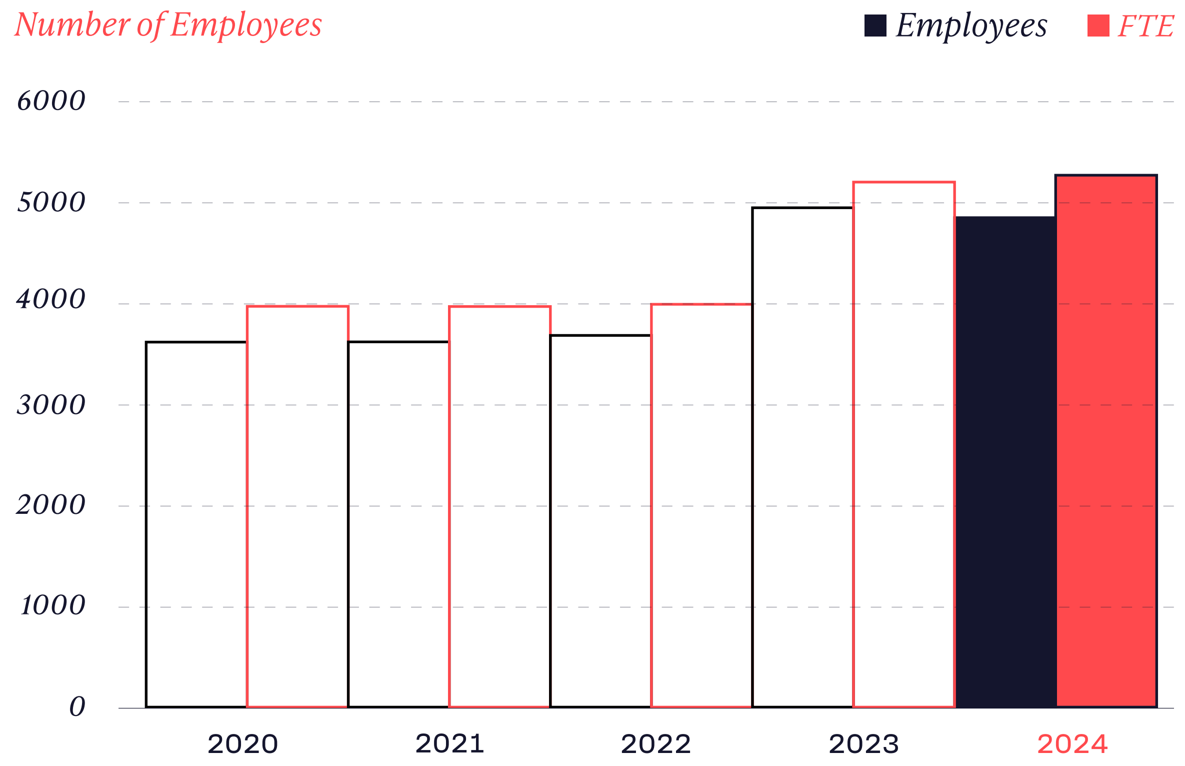
Health and Safety remains a fundamental pillar of our strategy. We are fully committed to providing safe and healthy working conditions while proactively preventing work-related injuries. This is not only a moral responsibility but also a critical factor in maintaining competitiveness and productivity.

In 2024, we continued to enhance our BA Safety Way approach, dedicating significant resources to equipping our employees with technical skills, safety tools, and cutting-edge technology. This included ongoing training programs, advanced safety equipment, and the adoption of innovative safety solutions to create a safer workplace.

At year-end, we had 5,104 Full-Time Equivalent (FTE) employees, reflecting an increase of 990 employees compared to 2023—primarily due to acquisitions. Excluding the impact of BA Mexico, Orzesze, and Recresco, our total workforce stood at 3,831 FTEs, 283 fewer than at the end of 2023.

The whistleblowing channel remains fully integrated into our operations, providing a confidential and direct platform for employees and stakeholders to report concerns. In 2024 all reports were thoroughly analyzed, risk mitigation measures were implemented, and resolutions were aligned with our Group Code of Ethics and legal requirements.

By fostering a strong ethical culture, prioritizing employee well-being, and investing in talent development, we continue to build a resilient, future-ready workforce, ensuring BA Glass remains a leader in the glass packaging industry.



Management Board Composition

On January 1, 2022, the "Diversity Act," aimed at achieving a better gender balance in top-level corporate positions, came into effect. According to this act, sizable corporations are required to establish suitable objectives for enhancing gender diversity in the management board, supervisory board, and other senior management roles identified by the company. Moreover, these large companies must submit an annual report to the SER (Social and Economic Council) in a prescribed format within ten months of the conclusion of the financial year, detailing the count of men and women holding positions on the board, supervisory board, and senior management as of the financial year's end.

The company has set a target to ensure that a minimum of 28% of the management board positions are held by women. Consistent with the Diversity Act, this ratio is calculated based on the individuals appointed as directors of the company. In the end of 2024, 27% of our Board of Directors are women, similar to 33% of women in BA's top management.

RESULTS

In compliance with European Commission Regulation 1606/2002 of the European Parliament, with the Council dated 19 July 2002, and European Commission Regulation 1725/2003 dated 29 September 2003, BA Glass has been preparing its consolidated financial statements since 2005 in conformity with the International Financial Reporting Standards (IFRS), as published by the International Accounting Standards Board (IASB) and adopted by the European Union, and Title 9 BW 2.

In 2024, our results were weaker compared to 2023, as anticipated in our previous report. We had already highlighted the exceptional nature of 2023, when the misalignment between sales prices and cost reductions temporarily boosted profitability. Looking at the broader picture, we experienced two years of low EBITDA performance in 2021 and 2022, followed by a strong rebound in 2023, where higher sales prices in the first quarter helped generate a record EBITDA and recover part of the previous slowdown. In 2024, we saw a stabilization in prices, which remained high for both sales and costs, but profitability was pressured by weaker volumes and the integration of newly acquired businesses.

Production costs decreased due to stabilized energy prices and lower raw material costs, but they remain significantly higher than pre-crisis levels. And regarding energy prices the evolution throughout the year was incremental since the low point in February, we ended the year with higher prices than at the end of 2023. Other operational expenses continued to rise, with labor inflation impacting some cost categories. The most affected areas were freight, maintenance, and warehousing. Industrial cost was not optimal as we had to stop some production, harming fixed costs dilution.

Net sales for 2024 totaled €1,532 million, reflecting a 0.6% increase compared to the previous year. The Orzesze plant, acquired in April 2024, contributed with nine months of sales to our consolidated results. When adjusted for constant currency, sales declined by 15% before accounting for the acquisitions of Mexico, Recresco, and Orzesze. This decline was driven by the referred price adjustment as 2024 reflected the new cost reality after the energy crisis, while volumes grew at a small single digit.

Cost wise, the improvements in variable costs were all offset by the acquisitions, and COGS remained almost the same as in 2023. On the fixed costs, as we kept the same structure for a similar volume business and as we have the incorporation from the new businesses, we can see an increase of 36M€ in Supplies and external services and 62M€ in Personnel costs.

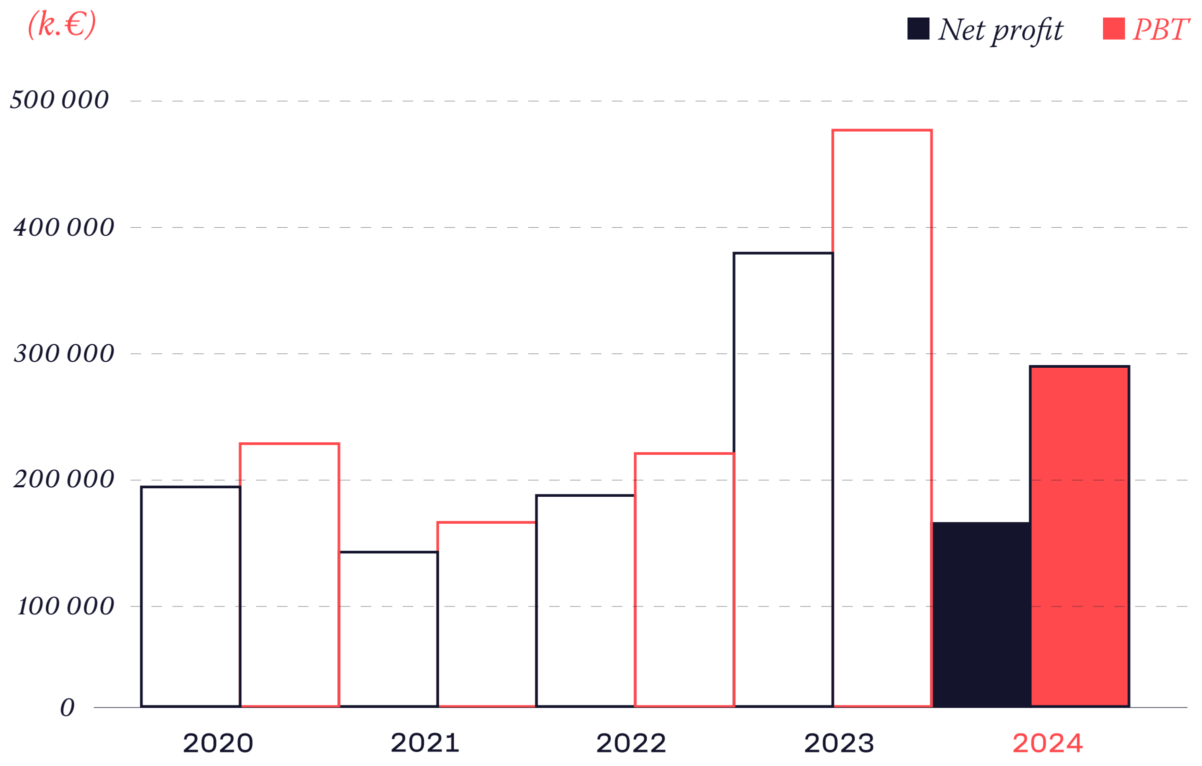
Also related with new businesses both from the operational depreciations and the accounting impacts of the acquisition PPA's, depreciations increased by 50M€ and Provisions and impairments increased 10M€. Hence,

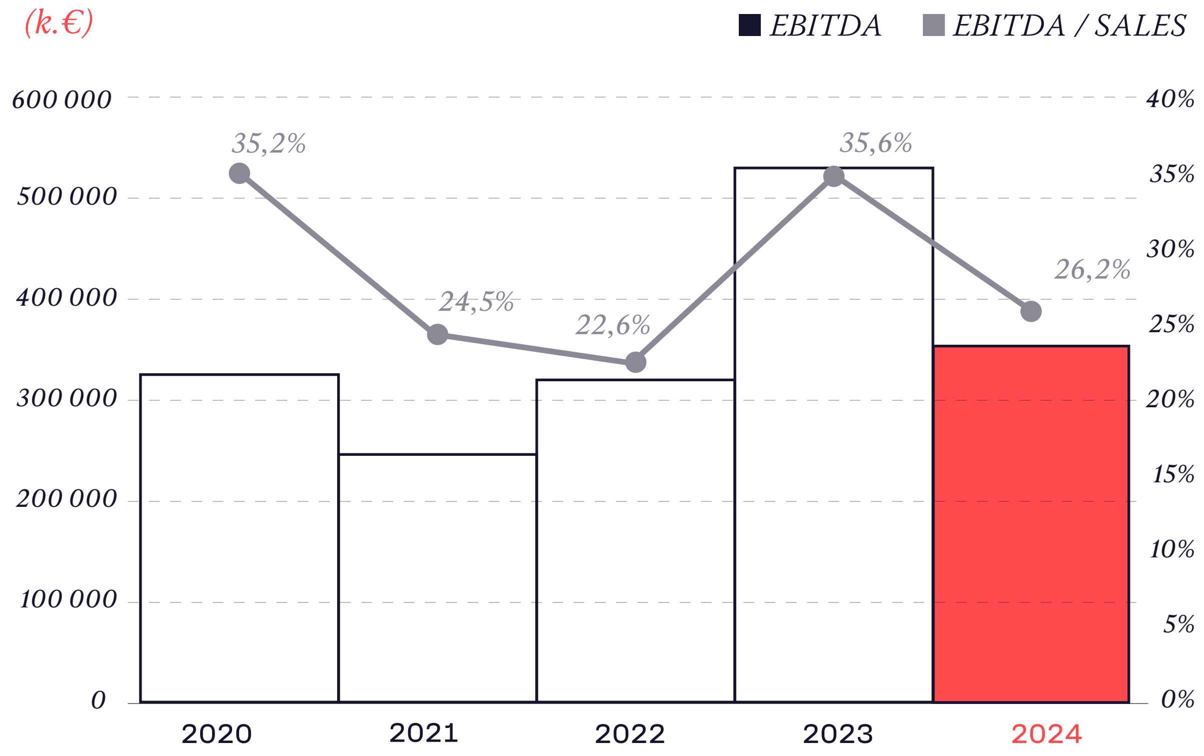
EBITDA[1] amounted to EUR 401,8 million, EUR 131,5 million below the previous year. The EBITDA[1] margin was 26.2%, decreasing 8,8 p.p. when compared to the previous year.

EBIT[1] amounted to EUR 241,97 million, equivalent to 15.8% of sales, EUR 191,6 million below the previous year and an EBIT[1] margin of 12,7 p.p. below last year.

The financial results amounted to a loss of EUR 34 million (compared to a loss of EUR 22,2 million last year). The increase in the negative financial results is primarily attributable to the rise in debt levels throughout 2024 in comparison to the same period last year. The financial costs were partially offset by a positive impact of cash remuneration (EUR 3,6 million), by positive exchange rate impacts (EUR 7,1 million), and by reversal of earn-out estimates related to acquisitions made last year (EUR 16,8 million).

Profit before taxes amounted to EUR 207,9 million, 56.5% below previous year (2023: EUR 478,3 million), and net profit totaled EUR 157,2 million, 58.7 % less than in the previous year (2023: EUR 380,6 million).





Financial Analysis

The Balance Sheet as of December 31, 2024, reflects the impact of the Orzesze plant acquisition and the Purchase Price Allocation exercise for Recresco conducted during 2024.

At the end of 2024, the consolidated assets were at EUR 2.582 million (2023: EUR 2.415 million), mainly driven by acquisition from Orzesze plant. Besides acquisitions and its impact in debt, the main impact was related to the decrease of other non-current liabilities related to the remeasurement of the non-controlling interest in BA Mexico acquisition (EUR 31,9 million decrease) and other current liabilities as result of payments in the year related to contingent consideration of acquisitions made last year (EUR 63,5 million decrease).

Net tangible assets turnover[1] was 1,5, 12% less than in 2023 (1,7), mainly impacted by the new acquisitions.

Working capital10 at the end of the year reached 15,7% of sales, EUR 1,9 million higher than the previous year. This increase reflects the higher inventory levels, partially offset by an increase in trade payables and decrease in trade receivables.

Total liabilities were EUR 1.739,7 million, EUR 241,3 million more than in the previous year, and the Company's net debt[1] amounted to EUR 925,4 million (2023: EUR 545,4 million). The increase in liabilities is due to the increase in debt (EUR 376 million) related to acquisitions (EUR 196 million) and dividends distribution (EUR 250 million). Excluding these factors, net debt would have decreased by EUR 67 million despite significant CAPEX investments of EUR 201 million euros.

The leverage ratio[1] ended the year with a value of 2.3 (2023: 1,02) and the Company's equity reached 32.6% (2023: 38,0%) of total assets.

We close the year in a strong financial and economic position, prepared to improve profitability in what we expect to be a recovering market in both Europe and North America.

1. See glossary

Glossary

EBITDA is calculated on the basis of net income adjusted for provision for income taxes, financial result, discontinuation of hedging agreements, depreciations and amortization of intangibles.
EBIT is calculated on the basis of net income adjusted for provision for income taxes, financial result and discontinuation of hedging agreements.
Net tangible assets turnover = Turnover / Net tangible assets
Net Debt = Interest-bearing loans and borrowings – Cash and Short-term Deposits
Leverage ratio = Net Debt / EBITDA
Working Capital = Inventories + Trade Receivables – Trade Payables

Certifications and Associations

BA policy is to have an integrated management system certified according to prestigious international standards for Quality, Food Safety, Environment, Health & Safety, and Energy.

The growth of the Group in the last two years required additional resources to implement and certify the plants that joined BA recently. In Europe Division, all BA plants are certified according to ISO 9001 for Quality Management System and FSSC 22000 for Food Safety.

Also all the plants, except Gardelegen and Orzesze, are certified according to ISO 14001 for Environmental Management System and ISO 45001 for Health & Safety System.

Moreover, our plants in Portugal, Spain, and Germany proudly hold ISO 50001 certification for Energy Management Systems.

In North America Division, BA started the implementation of Quality and Food Safety Systems in the two facilities with the aim of getting both certifications in 2025.

Also, SMETA 4 pillars verification was successfully carried out in most of BA plants and a new standard was implemented and certified in Marinha Grande plant - IMS Certification for Foreign Manufacturers of Single-Service Containers and Closures for Milk and Milk Products – a specific food safety standard required to supply this product segment at United States.

We firmly believe that adhering to these international standards significantly enhances our company procedures and practices. Certification serves as a testament to our commitment to consistency *and best practices, benefiting not just our customers but the entire value chain*.

Our company is also an active member of several esteemed associations, including AIVE – Associação dos Industriais de Vidro de Embalagem, ANFEVI – Asociación Nacional de Empresas de Fabricación Automática de Envases de Vidrio, PIO – Polska Izba Opakowań, BV Glas - Bundesverband Glasindustrie e.V., FEVE – Fédération Européenne du Verre d'Embalage, and the Food Packaging Forum Foundation in Switzerland.

As an active member of these associations, BA Glass places a strong emphasis on promoting glass as a sustainable and healthy packaging material. We also diligently monitor national and community legislative initiatives. A key focus for all these associations is the recycling of glass, driven by the need to deliver packaging with a higher content of recycled material.

Acknowledgments

The Board of Directors extends its sincere appreciation to all company employees for their diligent efforts and unwavering dedication throughout 2024. The exemplary work, creativity, and commitment significantly contributed to both the current stability of our business, ensuring its security and continuity, and the strategic planning for future growth. The enhancement of various processes, and the attainment of many records. We express gratitude for the invaluable role of all employees in BA Glass collective success.

We also extend our heartfelt gratitude to our customers for standing by us during challenging times marked by a lack of demand. Their unwavering commitment and collaboration in co-developing solutions have been pivotal in reinforcing glass as the preferred packaging choice. Your resilience and partnership inspire us, and we look forward to continuing this journey together towards shared success.

Additionally, we extend sincere appreciation to our suppliers who, without fail, upheld their commitment and service. Their support enabled us to maintain our operations and progress with numerous projects at hand. We value their dedication and look forward to continuing our successful collaboration.

To the central, regional, and local authorities of the Netherlands, Portugal, Spain, Poland, Germany, Bulgaria, Romania, Greece, and more recently México and United Kingdom, we acknowledge their support to our activities and projects.

We have benefited from the collaboration of banks and other financial institutions that the company has engaged with throughout the year. Their support for our ambitions and projects has been instrumental. Without their assistance, our ability to invest and grow would be significantly constrained.

Our appreciation is also due to the Auditors and the Audit Committee of the holding and its subsidiaries for their continuous collaboration and constructive dialogue. Their efforts in monitoring, examining, and challenging the financial statements, processes, and risk management practices of the companies are highly valued.

A final word to all our consumers, to whom we extend sincere appreciation for consistently choosing glass as their preferred packaging material for the food and beverages shared with their families and friends. Your ongoing support, driven by a commitment to sustainability and health, is truly valued.

Business Risks

The use of a risk assessment methodology allows the identification of exogenous and endogenous factors that can have a very significant influence on BA Glass profitability, being an integrant part of its management process and sustainable development. By analysing the critical points, potential situations of value destruction or creation can be identified, leading to decisions and actions to avoid, mitigate or even leverage the business risks.

These risks and how to deal with them are described in management procedures, emphasizing the procedure of "Crisis Management", where the rules and responsibilities of communication in case of exceptional events are specified. All the established procedures and management practices are regularly reviewed and optimized, with the collaboration of all areas involved to ensure the continuous improvement of processes and reduction of potential risks and/or their impact on the group business and sustainability.

Key elements of our risk management framework

Our risk management framework defines the Board of Directors, the Audit Committee (BAFC) and the Executive Board as the bodies that coordinate all risk management in BA Glass.

The Board of Directors has the overall responsibility for risk management, including risk appetite and oversight for the risk assessment and mitigation strategy, BAFC oversights the risk framework and internal control assurance on behalf of the Board and the Executive Board has overall accountability for the management of risks.

Principal risks are discussed and agreed by the Executive Board and the BAFC and are cascaded down to the business units (top-down) who manage and report on the principal risks and any additional significant business unit risks. Business units also escalate risks as appropriate (bottom-up) to the Executive Board. The principal risks are discussed and evaluated through regular meetings with senior management. The risk assessment process relies on our evaluation of the risk likelihood and impact, and on the development and monitoring of appropriate internal controls. We maintain risk registers detailing the risks we face, and this is an important component of how we manage our risks.

Risk appetite can be defined as the extent to which deviations are deemed acceptable in achieving goals. BA Group risk appetite has been set by the Board for each of our strategic goals. In terms of the level of risk that we are willing to accept in relation to our strategic goals, we differentiate between the following categories: risk averse (low risk appetite), risk neutral (moderate risk appetite) and risk-taking (high risk appetite).

Based on these principles and methodologies the following risks were identified, evaluated, and mitigated:

Area	Risk	Description	Key controls and mitigation factors
Geopolitical	**Conflict in Ukraine and the Middle East**	During 2022 an event took place that can have an impact on the operations of the group, being the war in Ukraine. The war in Ukraine took an increased volatility and uncertainty to the markets leading to high levels of inflation all over Europe. Also many countries have imposed, and continue to impose, new sanctions on specified Russian entities and individuals. Sanctions have also been imposed on Belarus. It is not clear when the conflict will terminate and the full impact in Europe considering it already impacted on all energy supply sources and significantly the increase of energy price that spread through all supply chains. During 2023 a new conflict emerged that could significantly impact the stability in the Middle East with consequences impacting all the world. There has been no relevant impact in the main markets the Group operates In 2024, geopolitical tensions and economic uncertainty persist, with continued inflationary pressures, energy market volatility, and potential supply chain disruptions. The Group remains vigilant in assessing risks and adapting to evolving global challenges.	The hiking energy prices had an impact on the way BA Glass was present in the market requiring a different price mechanism with customers to face the severe impact of energy on its cost structure considering the impact those increasing prices have in the cash flow generated by the operations. The usage of hedging instruments to reduce volatility on cash flow as well as the search and conclusion of several investments on renewable energies was a reality that was accelerated during the year and will be in place for the future. Sanctions imposed by the EU do not impact the operations of the company as there is no exposure, on the inputs or outputs, to the countries subject to the sanctions. (High)
Customers	**Customer habit risk**	A significant change in the preferences of the final consumer may lead, ultimately, to the disappearance of brands in the market, for which the group produces glass containers. Events of customer concentration could also have a significant impact on the group, in terms of business volume and profits.	BA Glass strives to diversify its customer and market portfolio. In 2024, the 30 largest customers accounted for 54% of the total sales, and levels of concentration in any given customer below what could represent a high risk for the continuity of the business. A significant share of these largest customers is multinational companies with presence / operations in several countries which mitigates the impact of specific changes on consumption habits. (Moderate)
Markets	**Glass packaging industry evolution**	The group's business depends intrinsical-ly on the level of consumption of glass packaging in the markets, the level of confidence of economic players in that market and on the products' life cycle. The constant and growing innovation and development of new solutions/alternatives to the glass packaging is also a factor that can add uncertainty to the customers and markets where the group operates.	BA Group customers include some of the world's well-known companies in the segments of Wine, Spirits, Food, Beer and Soft drinks, with an important reputation in their local markets and across borders. The group's exposure to this risk is naturally mitigated by its diversified presence in several customers, segments and products. Additionally, its geographical diversification minimizes the potential impact that an unfavorable evolution of a given market could bring. The glass packaging industry has proved to have a significant resilience to the macro-economic cycles and, in some segments, has been experiencing a slight growth even in periods of economic recession. (Moderate)
	Risk related to the competition	The main competitors of the group are: Owens-Illinois, Verallia, Vidrala, Ardagh, among others with small presence in the market. The group faces significant com-petition from those glass container pro-ducers, as well as from the makers of alternative forms of packaging, such as aluminum cans, plastic containers and cardboard packaging. Competition is based mainly on price, innovation, quality, delivery and customer service as a whole. Decisions from competitors could result in excessive capacity in certain countries, leading to significant price pressure in the packaging market, and consequently a strong impact on profita-bility.	Innovation and product development represent the two major challenges for the group, and the strong focus on those aspects is what enables it to remain competitive. In 2024, BA Group developed 174 new designs from scratch we produced 116 new designs. On a continuous effort to maintain the technology of its operations at the industry's forefront, in order to answer and even anticipate the market needs, the group regularly makes investments on refurbishments and on its operating structure, that are significantly above the industry average, aiming for a superior quality and flexibility levels. The rising international exposure that the Group has been pursuing also aims to seek for new markets, diluting the competitive pressure in some of the markets where BA Glass operates. (Moderate)
Supply	**Risks related with suppliers**	Should some of the group's main suppli-ers of raw materials declare bankruptcy, or experience lack of capacity to respond to the group's needs, or have quality prob-lems, or any other incident disrupting its business, BA's operations could be signif-icantly impacted, leading to additional costs or even impossibility to manufac-ture.	The group has built a large base of suppliers in different countries for its raw materials, materials for production support and other equipment. The 20 biggest suppliers together accounted for 38% of the total consolidated purchases in 2024 Additionally, BA Glass closely monitors the quality and reliability of the products from its suppliers as well as their operations in order to guarantee that the value chain is assured and anticipate any potential disruption. (Moderate)
	Risks related to energy prices and power cuts	Risks related to energy prices and power cuts - The natural gas and electricity supply are vital for the operational activity of BA Glass. These sources of energy increased significantly during the last years with an adjustment during 2024 and represent, on average, 23% of the total costs of the group. A substantial increase of the energy price could boost the opera-tional costs of the group, with a strong negative impact on its profitability. On the other hand, the slight possibility of experi-encing a power cut for longer than 24 hours could lead to a total disablement to manufacture in the affected plants.	Risks related to energy prices and power cuts - The natural gas contracts have an underlying formula that allows the adjustment of price in accordance to the variation of market indexes according the country of consumption. The Group has as a policy to carry out risk coverage contracts', regarding energy price variations, thus the group is exposed to positive or negative variations of the market on the non-hedged portion of the energy, however, part of the energy price variation is reflected on the sales price, sometimes with a time delay. The group has contracted with its suppliers, in the different countries of its plants, energy supply assured uninterruptedly. Additionally, contingency plans are in place to ensure the functioning of the production units for a certain period, until the power is supplied again. It is not expected shortage of supply in Europe and the group reviews regularly with its energy suppliers the contingency plans in case a shortage of supply may occur. (High)

Area	Risk	Description	Key controls and mitigation factors
Operations	**Risks related to operational stoppage**	The glass packaging manufacturing process is significantly capital-intensive and implies a permanent use of the furnaces and specific equipment for that purpose. A stoppage of a furnace to perform a non-planned or extraordinary repair work impacts significantly the operational results of the group, due to both the repairing costs and the resulting production losses.	TThere is a detailed investment and repair plan for each furnace, which is periodically reviewed by an internal technical team, based on periodical inspections of the furnaces. A set of preventive and corrective measures, intended to lengthen the life of the furnaces and prevent extraordinary events, are included in their normal operation. The group has contracted an all-risks policy which assures compensation for lost earnings, in case of accident. (Moderate)
	Risks related with inorganic growth	As part of its growth strategy, the group made, and envisages in the future, acquisitions of other companies, entailing risks such as: · inaccuracy of business plans and consequent companies' valuation based on assumptions which may prove incorrect, especially in respect to future synergies and forecasts of the market evolution; · failure in integrating the acquired companies, their employees and technologies; · inability to retain some key employees, customers or suppliers of the acquired companies; · the group may be forced to keep contractual relationships with costly and/or unfavorable conditions; ·the increase of the group's debt to finance these acquisitions or refinance the debt of the acquired companies.	All acquisition projects are analyzed within several scenarios, including the most pessimistic ones, to evaluate their impact on the target companies and establish realistic boundaries for their valuation. Strategies are designed to overcome those worst-case scenarios from the beginning of the acquisition in a way that all necessary measures will be taken to minimize the impact of such events. On an annual basis, the real development is tracked against the original business plan to validate the strategy initially defined at the moment of acquisition, evaluate the need for adjustments and learn for future acquisitions. The Mergers & Acquisitions team is closely involved in the group's operations, to have a more thorough knowledge of the business and take into account all the relevant variables when analyzing new acquisition opportunities. (Moderate)
Environment	**ESG related risks**	Environmental, Social and Governance risks include those related to climate change impacts mitigation and adaptation, environmental management practices and duty of care, working and safety condition, respect for human rights, anti-bribery and corruption practices, compliance to relevant laws and regulations, among other and might have a significant impact in the business. Our strategy to address these kinds of risks could be ineffective and damage BA Glass's and our customer's reputation, causing business losses, undervaluation, and difficulty attracting long-term investors.	Environmental sustainability is one of our key priorities and in 2024 we gave very significant steps towards be Carbon Neutral, significantly improving our results. We joined the Science Based Targets in 2021 and our targets have been approved, for a publicly commitment with these targets. (Moderate)
Social	**Health and safety risks**	Environmental, Social and Governance risks include those related to climate change impacts mitigation and adaptation, environmental management practices and duty of care, working and safety condition, respect for human rights, anti-bribery and corruption practices, compliance to relevant laws and regulations, among other and might have a significant impact in the business. Our strategy to address these kinds of risks could be ineffective and damage BA Glass's and our customer's reputation, causing business losses, undervaluation, and difficulty attracting long-term investors.	BA Glass has established a 'Safety Hub' program in all plants as a key tool to promote the employee's good behavior at all levels, and Health and Safety as a priority in the whole Group. A safety Committee was also created, with monthly meetings and with direct Executive Board involvement to assure the spread of the good practices and the proper focus of the entire internal and external entities. (Moderate)
People	**Risk of losing talents**	Failure to attract, retain and develop the required capability and continue to evolve our culture results in an impact on the delivery of our purpose and strategic drivers.	Our talent planning and people development processes are established across the Group. Talent and succession planning are regularly discussed by management and the Executive Committee with regular oversight by the Board Nomination and Remuneration Committee. We have clear potential and performance criteria and talent principles which are underpinned by our employer value proposition and strategy. The Remuneration Committee agrees objectives and remuneration arrangements for senior management. (Moderate)
Technology	**Risk of techno-logical failure**	Failure of our IT infrastructure or key IT systems results in a loss of information, inability to operate effectively, financial, or regulatory penalties, and negative impacts on our reputation. Further, failure to build resilience at the time of investing in and implementing new technology, results in potential loss of operating capability.	Every year we continue to enhance our technology infrastructure and resilience capabilities. This involves significant investment in our hosting strategy, partnering with cloud providers and re-engineering some of our legacy systems, while building redundancy for key business systems. Our technology security area continues to enhance information security capabilities thereby strengthening our infrastructure and information technology general controls. (Moderate)

Area	Risk	Description	Key controls and mitigation factors
Cybersecurity	**Risk of cyberattacks**	Risk of an external event such as terror-ism, crime, violence, vandalism, theft, or cyber-attack, which would impact em-ployees, sites, assets, critical information, intellectual property, or stop the normal flow of business, with negative financial, service, or reputational consequences.	BA Glass has well defined procedures to protecting sites, information, and people, complemented with outsourced monitoring and frequent safety tests. A Group Security Manager coordinates all security activities globally to ensure efficient security risk mitigation. Additionally, there is a monthly follow up of all Cybersecurity themes by a Cybersecurity Committee, chaired by the CEO, and with the participation of the CFO, CTO and CPO, which aims to run a continuous security threat monitoring program and an optimized security program for the Group. (Moderate)
Finance	**Customer credit risk**	Given the worldwide economic context, the group cannot rule out the possibility of having one or more customers disabled to honor certain contracts due to financial distress.	The management of credit risk related to customers and other receivables is carried out in such a manner that minimizes the risk of non-receivables in the customers' portfolio. BA Glass has access to an international database of credit risk analysis which is used to define its credit policy and for further monitoring of possible changes in the risk of non-receivables from its customers. This information is complemented with the assessment of the customers' account managers. The non-recourse factoring is a tool that the group can use to anticipate receivables and eliminate their risk. The group does not use credit insurance for managing the credit of its customers on a recurrent basis, because BA Glass customer portfolio presents a very low probability of bad debt. In situations of higher risk, namely in the exports, BA Glass uses export letters of credit. The customer credit management policy has shown effectiveness in its results. In the last five years the bad debts represented less than 0.08% of the group's consolidated sales. (Moderate)
	Interest rate risk	The group is exposed to the risk of changes in market interest rates due to the existence of assets and liabilities negotiated with fixed or floating interest rates.	As a standard rule, the group does not use hedging of interest rate risks as the management controls closely the leverage of the group by following closely the level of Net debt / EBITDA keeping it on levels considered to be conservative, as well as the level of EBITDA / Interests guaranteeing those do not reach values that can imply risks to the financial stability of the group. Keeping these two indicators under strict control and under certain limits significantly lowers the risk to interest rate fluctuations. (Moderate)
	Foreign exchange risk	The group is exposed to exchange rate risks due to its share of sales and pur-chases in currencies different from the Euro. The changes that occur in the ex-change rates can have an impact in the group in terms of direct competitiveness of the subsidiaries in their markets as well as in the Group balance sheet by the consolidation of subsidiaries with curren-cy different than euro.	The group's activities performed in currencies other than euro account for a small percentage of the total activity and almost all those transactions allow to have natural hedging of cash flows between currencies. Sales other than Euro (in the subsidiaries) is of 18% of total revenues and purchases account for 34% of total purchases (25% of total revenues). In Bulgaria, the stability of the exchange rate is very high, which decreases the impact on the Group balance sheet by the consolidation of the companies based in this country. (Low)
	Liquidity risk	In order to finance its own investments and operational activity, BA Glass has to contract debt with financial institutions.	The group's profitability has enabled it to continuously ensure healthy equity/debt ratios, ensuring that the cash-flows generated by the business enable the regular repayment of its debt to keep it at safe levels. BA Group works with the largest banks in the local markets where it operates, to create local relationships. There is a wide diversification of its debt portfolio, to avoid an excessive dependency on any specific financial institution. The group always keeps partially unused overdraft lines to face the constraints that could arise from an unforeseen event. (Low)

Area	Risk	Description	Key controls and mitigation factors
Political, Regulatory and Compliance	**Risks related to the interna-tionality of the business**	The internationalization of the group forc-es it to be exposed to the economic, politi-cal, fiscal, legal and environmental risks of several countries. Following the acqui-sition in Mexico late 2023 the group is now also active outside of Europe, a coun-try to which a different (and higher) risk profile applies compared to the European activities.	We monitor geopolitical developments and societal issues relevant to our interests. Our Legal and Tax functions support our subsidiaries in seeking to ensure compliance with local laws and fiscal regulations. In addition, the group relies on the expertise of its financial, tax, legal and labor teams which permanently analyze, monitor, and anticipate changes in the legislation and labor subjects of the several countries where the group operates, using external specialized support to overcome more complex matters, whenever is needed. The group's exports are generated mostly in markets of the European Union, concentrated in countries where the company has already large experience in how to operate and with customers with good risk profile. (Low)
	Legal risks related to disputes	There are no arbitration, judicial or gov-ernmental proceedings that may have a meaningful impact on the accounts and present a risk.	All disputes are periodically analyzed by the group's legal department. When necessary, and in accordance with the international accounting standards, pro-visions are created to surpass potential risks which may arise from disputes. At the date of this report, there are no out-standing cases which could have a meaningful impact on the equity and financial structures of the group. (Low)
	Property, indus-trial and envi-ronmental risks	The group's properties, plants and equipment are exposed to various risks: fire, explosion, natural disasters, system failures, pollution, non-compliance with the legal limits of emissions, among other factors.	Periodic audits to the safety systems against fire and intrusion and even to the control systems at the plants are per-formed. With the objective of minimizing this risk, there are several simulations that BA Glass performs on a regular basis to test the emergency plans in the case of fire, unanticipated power cut and even glass leakage. BA Group regards environmental considerations as an integrant part of its overall management, having implemented an Environmental Management System, certified accord-ing to ISO 14001. Plants in Portugal, Spain and Germany are certified by ISO 50001 - Energy Management Systems. Requirements with Guidance for use. Daily, all plants of the group are focused on the minimization of the environmental impact of its activities (reduction of the air and noise pollution) and on the pro-motion of a rational use of the resources, by setting, annually, actions aiming to increase the glass recycling, rationaliza-tion of water consumption, energy and raw materials and the weight reduction of the containers produced. It is impera-tive to highlight that all assets of the group have insurances guaranteed by well-known insurance companies in the market, offering a guarantee of solvabil-ity in case of accident. On a regular basis, BA Glass performs, together with the insurance companies, audits to the risks to execute improvement plans and reduction of property risk. Adding to this, BA Glass also has insurances that guar-antee the compensation in the case of business interruption, to minimize the impact of possible accidents. (Moderate)
	Risks related with environ-mental laws and regulations	Our operations are subject to extensive laws, regulations and other legal requirements concerning to environmental protection, namely about waste disposal, materials recycling, air emission limits, container reusage, among others. Such laws and regulations are also subject to constant review, and might impact our market, supplies, production, and investments.	The Group has created, in the different areas of influence, the necessary proce-dures to be updated on all environmental laws and regulations, by a permanent and systematic consultation of all chang-es in all relevant countries. Also, the connection and permanent communica-tion with customers, suppliers, consult-ants, and associations in the glass area provide the cross check and assurance that we have the relevant updates. (Moderate)
	Industrial intel-lectual property risk		The group possesses all the necessary licenses for the use of all the technology and equipment needed to carry out its activity. (Low)

None of the above risks materialized during the year had a significant impact. Further, no significant updates were made to the Group's ERP systems other than the integration of the new acquisitions (Mexican, Recresco and Orzesce Plant) in the Group's ERP system.

The group has in place a capex plan that guarantees the adequate levels of production and the improvement in efficiency and productivity of the business as well as the accomplishment of the sustainability metrics the group is committed to achieve.

There are no changes in the financing policy of the group foreseen for the future and no material changes in the number of FTE that will guarantee the normal level of business.

Subsequent events

After the balance sheet date, at the general assembly meeting of the subsidiary BA Glass I – Serviços de Gestão e Investimentos, SA was deliberated to distribute dividends in the total amount of EUR 100.000.000.

There are no additional events after the balance sheet date with impact on the operations of the Group.

Consolidated Statement of Financial Position

(Amounts expressed in Euros)

Assets	Notes	Dec. 31, 2024	Dec. 31, 2023 (*)
Non-current assets			
Goodwill	10	513 497 314	514 848 655
Intangible assets	11	234 388 828	234 801 428
Property, plant and equipment	12	1 054 550 246	922 401 406
Other financial investments	14	7 811 724	11 228 307
Investment properties	13	788 152	845 523
Deferred tax assets	34	19 457 352	13 943 673
		1 830 493 616	**1 698 068 992**
Current assets			
Inventories	15	277 321 468	258 488 285
Trade receivables	16	208 246 157	209 623 505
Income tax	34	19 172 880	8 585 646
Derivative assets	18	258 032	124 591
Other debtors	17	49 649 263	37 658 367
Other assets	19	7 826 306	11 007 970
Cash and short term deposits	20	189 162 513	191 901 951
		751 636 619	**716 144 835**
Total assets		**2 582 130 234**	**2 415 459 306**

Assets	Notes	Dec. 31, 2024	Dec. 31, 2023*
Equity and liabilities			
Issued capital	21	36 000	36 000
Other capital reserves	21	51 375 301	51 375 301
Retained earnings	21	653 188 227	499 221 499
Other components of equity	21	9 075 076	(9 612 382)
Foreign currency translation		(25 965 363)	(5 991 155)
Profit for the year		154 692 380	381 976 428
Equity attributable to owners of the parent		**842 401 621**	**917 005 691**
Total equity		**842 401 621**	**917 005 691**
Non-current liabilities			
Interest-bearing loans and borrowings	22	858 928 452	571 397 373
Provisions	23	9 656 252	2 544 089
Government grants	28	2 951 832	4 269 316
Derivative liabilities	18	4 812 470	12 718 159
Other liabilities	24	173 623 151	199 565 521
Deferred tax liabilities	34	86 414 566	94 147 351
		1 136 386 723	**884 641 809**
Current liabilities			
Interest-bearing loans and borrowings	22	255 644 097	165 884 037
Trade payables	25	244 916 675	228 159 654
Income tax payable	34	12 207 904	40 841 414
Derivative liabilities	18	2 587 480	-
Other payables	27	51 611 448	69 010 598
Government grants	28	841 666	1 538 551
Other liabilities	26	35 532 622	108 377 553
		603 341 891	**613 811 807**
Total liabilities		**1 739 728 613**	**1 498 453 617**
Total equity and liabilities		**2 582 130 234**	**2 415 459 307**

(*) Restated accounts, see note 3.2

Consolidated Statement of Profit or Loss

(Amounts expressed in Euro)

	Notes	Dec. 31, 2024	Dec. 31, 2023
Continuing operations			
Revenue			
Revenue from contracts with customers	29	1 532 119 188	1 522 919 964
Changes in stocks of finished goods	15	(10 370 469)	11 019 082
Other operating income	30	12 306 965	14 587 237
		1 534 055 684	**1 548 526 283**
Operating expenses			
Raw materials and consumables used	15	660 905 947	577 189 587
Supplies and external services		260 240 325	223 785 334
Employee benefits expense	37	200 848 265	138 703 400
Depreciation and amortization	11,12	149 246 773	99 466 765
Impairment	32	10 580 027	289 708
Other operating expenses	31	10 260 780	8 557 990
		1 292 082 117	**1 047 992 784**
Financial result	33	(34 036 409)	(22 221 448)
Profit before tax from continuing operations		**207 937 158**	**478 312 051**
Income tax expense	34	50 714 375	97 687 148
Profit for the year from continuing operations		**157 222 783**	**380 624 903**
Profit for the year		**157 222 783**	**380 624 903**
Attributable to:			
Equity holders of the parent		154 692 380	381 976 428
Non-controlling interests		2 530 403	(1 351 524)
Earnings per share			
Basic	35	**4 297,01**	**10 610,46**
Diluted	35	**4 297,01**	**10 610,46**
EBITDA [1]		**401 800 367**	**533 380 550**
Operating income (EBIT) [2]		**241 973 567**	**433 624 077**

1. *EBITDA is calculated on the basis of net income adjusted for provision for income taxes, financial result, discontinuation of hedging agreements (see note 18), depreciations, impairment and amortization of intangibles*

2. *EBIT is calculated on the basis of EBITDA adjusted for depreciations, impairment and amortization of intangibles*

Consolidated Statement of Other Comprehensive Income

(Amounts expressed in Euro)

	Notes	Dec. 31, 2024	Dec. 31, 2023
Profit for the year		**157 222 783**	**380 624 903**
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax)			
Exchange differences on translation of foreign operations		(19 974 207)	14 086 607
Net gain/(loss) on cash flow hedges	18	4 240 076	(145 481 233)
Others		-	-
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		**(15 734 131)**	**(131 394 626)**
Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax)			
Re-measurement gains (losses) on defined benefits plans		(68 972)	32 629
Revaluation of land	12	14 516 354	2 807
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		**14 447 382**	**35 436**
Other comprehensive income for the year, net of tax		**(1 286 749)**	**(131 359 190)**
Total comprehensive income for the year, net of tax		**155 936 034**	**249 265 713**
Attributable to:			
Equity holders of the parent		163 391 961	250 617 238
Non-controlling interests		(7 455 927)	(1 351 524)

Consolidated Statement of Changes in Equity

(Amounts expressed in Euro)

		Attributable to the equity owners of the parent								
	Notes	Issued capital	Other capital reserves	Retained earnings	Foreign currency translation reserve	Other components of equity	Profit for the year	Total	Non-controlling interest	Total equity
As at January,1 2023		**36 000**	**51 375 301**	**494 234 708**	**(20 077 762)**	**135 833 415**	**176 360 049**	**837 761 712**	**-**	**837 761 712**
Profit for the period		-	-	-	-	-	381 976 428	381 976 428	(1 351 524)	380 624 903
Other comprehensive income		-	-	-	14 086 607	(145 445 797)		(131 359 190)	-	(131 359 190)
Total comprehensive income		**-**	**-**	**-**	**14 086 607**	**(145 445 797)**	**381 976 428**	**250 617 238**	**(1 351 524)**	**249 265 713**
Put option granted to NCI		-	-	(71 373 259)	-	-	-	(71 373 259)	1 351 524	(70 021 734)
Dividends		-	-	(100 000 000)	-	-	-	(100 000 000)	-	(100 000 000)
Appropriation of prior year net profit		-	-	176 360 049	-	-	(176 360 049)	-	-	-
As at December 31, 2023	**21**	**36 000**	**51 375 301**	**499 221 499**	**(5 991 155)**	**(9 612 382)**	**381 976 428**	**917 005 691**	**-**	**917 005 691**
As at January,1 2024		**36 000**	**51 375 301**	**499 221 499**	**(5 991 155)**	**(9 612 382)**	**381 976 428**	**917 005 691**	**-**	**917 005 691**
Profit for the period		-	-	-	-	-	154 692 380	154 692 380	2 530 403	157 222 783
Other comprehensive income		-	-	-	(19 974 207)	18 687 458	-	(1 286 749)	(9 986 330)	(11 273 080)
Total comprehensive income		**-**	**-**	**-**	**(19 974 207)**	**18 687 458**	**154 692 380**	**153 405 631**	**(7 455 927)**	**145 949 703**
Put option granted to NCI		-	-	21 990 300	-	-	-	21 990 300	8 278 221	30 268 521
Dividends		-	-	(250 000 000)	-	-	-	(250 000 000)	(822 294)	(250 822 294)
Appropriation of prior year net profit		-	-	381 976 428	-	-	(381 976 428)	-	-	-
As at December 31, 2024	**21**	**36 000**	**51 375 301**	**653 188 227**	**(25 965 363)**	**9 075 076**	**154 692 380**	**842 401 621**	**-**	**842 401 621**

Consolidated Statement of Cash Flows

(Amounts expressed in Euro)

	Notes	Dec. 31, 2024	Dec. 31, 2023
Cash flow statement - operating activities			
Receipts from customers		1 561 647 165	1 625 412 683
Payments to suppliers		(924 975 851)	(1 011 642 281)
Payments to employees		(200 337 343)	(137 036 949)
Cash generated from operations		**436 333 971**	**476 733 453**
(Payment) / reimbursement of corporate income tax		(89 626 911)	(58 673 699)
Net gain/loss on cash flow hedges		7 261 570	57 395 408
Other proceeds / (payments) relating to the operating activity		(853 663)	(307 088)
Cash flow from operating activities (1)		**353 114 967**	**475 148 073**
Cash flow statement - investing activities			
Receipts from:			
Fixed assets	12	1 159 278	-
Government grants		-	95 778
Other assets		-	191 000 000
		1 159 278	**191 095 778**
Payments related to:			
Acquisition of a subsidiary, net of cash acquired	7	(197 971 338)	(220 574 737)
Fixed assets	12	(200 831 912)	(202 577 405)
Intangible assets	11	(20 775 950)	(56 456 250)
		(419 579 200)	**(479 608 392)**
Cash flow from investing activities (2)		**(418 419 922)**	**(288 512 614)**

	Notes	Dec. 31, 2024	Dec. 31, 2023
Cash flow statement - financing activities			
Receipts from:			
Borrowings	22	621 865 102	276 375 862
Interests received	33	3 674 486	4 353 857
Other financing activities		1 360 894	-
		626 900 482	280 729 719
Payments related to:			
Borrowings	22	(250 972 148)	(224 385 423)
Interest and similar expense	33	(63 207 707)	(31 854 784)
Dividends	21	(250 000 000)	(100 000 000)
		(564 179 855)	**(356 240 207)**
Cash flow from financing activities (3)		**62 720 627**	**(75 510 488)**
Net cash flow variation for the year (4)=(1)+(2)+(3)		**(2 584 327)**	**111 124 971**
Net foreign exchange differences		**(155 110)**	**(606 902)**
Cash and its equivalents at the beginning of the period	**20**	**191 901 951**	**81 383 882**
Cash and its equivalents at the end of the period	**20**	**189 162 513**	**191 901 951**

Notes to the consolidated cash-flow statement:			
Cash		50 723	48 389
Short term bank deposits		189 111 790	191 853 562
Cash and its equivalents (note 20)	**20**	**189 162 513**	**191 901 951**

Notes to the Consolidated Financial Statements

1. Corporate Information

The consolidated financial statements of BA Glass B.V. (hereinafter the "Company") and its subsidiaries (collectively, "the Group") for the year ended December 31, 2024 were authorized for issue in accordance with a resolution of the directors on March 14th, 2025. However, the consolidated financial statements shall be subject to approval by the Shareholders in the Annual General Meeting.

The Company is a private limited liability company incorporated and domiciled in the Netherlands. The registered office is located at Basisweg 10, 1043AP Amsterdam, the Netherlands. The objectives of the Company are to act as holding and finance company. The Company is registered at the Dutch Chamber of Commerce with file number 34310991.

The Group is a leading manufacturer of glass packaging products for the food, beer, wine, spirits and soft drinks end markets.

The Company together with its subsidiaries is one of the main players on the glass packaging business and has operating activities in Portugal, Spain, Poland, Germany, Greece, Bulgaria, Romania, Mexico (starting in 2023) and Poland 2 (starting in 2024). In 2023, the Group acquired a glass recycling company in United Kingdom.

The Group operates in the glass industry, more specifically in the manufacturing of glass containers, owning three manufacturing plants in Portugal, two in Spain, three in Poland, one in Germany, two in Bulgaria, one in Romania and two in Mexico, through entities BA Glass Portugal, S.A. (operating in Portugal), BA Glass Spain, S.A.U. (operating in Spain), BA Glass Poland Sp. z o.o. and BA Glass Poland 2 SP. z.o.o. (operating in Poland), BA Glass Germany GmbH (operating in Germany), BA Glass Greece, S.A. (operating in Greece), BA Glass Bulgaria, S.A. (operating in Bulgaria), BA Glass Romania, S.A. (operating in Romania) and BA Glass Mexico C.V. (operating in Mexico). As mentioned above, with the acquisition of Recresco, the group started operating in United Kingdom in glass recycling.

2. Material Accounting Policies

2.1 Going Concern

Management has applied the going concern assumption in preparing the financial statements.

2.2 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS), as endorsed by the EU, and with part 9 of Book 2 of the Dutch Civil Code.

The consolidated financial statements have been prepared on a historical cost basis, except for land, net CO_2 liabilities related derivatives, energy related derivatives, initial measurement of assets and liabilities acquired via business combinations and for a put option granted to BA Glass Mexico NCI that have been measured at fair value.

The consolidated financial statements provide comparative information in respect of the previous period.

The consolidated financial statements are presented in euros and all the value are rounded to the nearest thousand (€000), expect when otherwise indicated.

2.3 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at December 31, 2024.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- → Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- → Exposure, or rights, to variable returns from its involvement with the investee;
- → The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- → The contractual arrangement with the other vote holders of the investee;
- → Rights arising from other contractual arrangements;
- → The Group's voting rights and potential voting rights.

The Group re-assesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

2.4 Summary of material accounting policies

a) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs incurred are expensed and included in suppliers and external services.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organized workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique, scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognized in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognized in profit or loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units (CGUs) that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. A CGU is defined as the smallest identifiable Group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or Group of assets.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

b) Put option granted to non-controlling interest

When the facts and circumstances indicate that the Group has no present ownership on the shares subject to the put option, the Group elects to follow the approach of partial recognition of non-controlling interests, under which the non-controlling interest continues to receive: (i) an allocation of profit and loss; (ii) a share of changes in appropriate reserves, and (iii) dividends declared before the end of the reporting period. At the end of each reporting period, the Group recognizes a financial liability (fair value of the put option) as if the acquisition takes place at that date. Differences between non-controlling interests and fair value of the put option after the allocation period are registered against equity reserves (other components of equity caption) and therefore have no impact on profit and loss. There is no separate accounting for the unwinding of the discount due to the passage of time.

In the event that the option expires unexercised, the financial liability is unwound such that non-controlling interest is recognized at the amount it would have been as if the put option was not granted.

c) Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- → Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- → Held primarily for the purpose of trading;
- → Expected to be realized within twelve months after the reporting period; or
- → Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- → It is expected to be settled in the normal operating cycle;
- → It is held primarily for the purpose of trading;
- → It is due to be settled within twelve months after the reporting period; or
- → There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

d) Fair value measurement

The Group measures financial instruments such as derivatives, put option and contingent consideration related to acquisitions, and non-financial assets such as land, at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- → In the principal market for the asset or liability; or
- → In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. An analysis of the classification of non-financial assets and further details are provided in note 12.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- → Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- → Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- → Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are measured in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. No transfers have occurred during the period.

An analysis of the classification of financial instruments and further details as to how they are measured are provided in note 9.

e) Revenue from contracts with customers

The Group is in the business of manufacturing and selling glass containers and glass products. Revenue is recognized when control of the products has transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. The Group has concluded that it is acting as a principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The Group does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in note 4.

Sale of glass products

Revenue from sale of glass products is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods and depending on incoterms agreed.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of glass products, the Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Some contracts with customers provide a volume rebate based on aggregated sales over 12 months period.

The volume rebates give rise to variable consideration.

Volume Rebates:

The Group provides retrospective volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Group applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Group then applies the requirements on constraining estimates of variable consideration and recognizes a refund liability for the expected future rebates.

Contract Balances

Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Trade Receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

Assets and liabilities arising from rights of return

Right of return assets

Right of return asset represents the Group's right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory. The Group updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

Refund liabilities

A refund liability is the obligation to refund some or all the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refer to above accounting policy on variable consideration.

f) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

g) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit or loss. Board of directors periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- → When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- → In respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- → When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- → In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognized subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction to goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognized in profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Sales tax

Expenses and assets are recognized net of the amount of sales tax, except:

→ When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable;
→ When receivables and payables are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Pillar 2

The Organization for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS) addresses the tax challenges arising from the digitalization of the global economy. The Global Anti-Base Erosion Model Rules (Pillar Two model rules) apply to multinational enterprises (MNEs) with annual revenue in excess of EUR 750 million per their consolidated financial statements.

The new taxing mechanisms can impose a minimum tax on the income arising in each jurisdiction in which an MNE operates. The IIR, UTPR and QDMTT do so by imposing a top-up tax in a jurisdiction whenever the effective tax rate (ETR), determined on a jurisdictional basis under the Pillar Two rules, is below a 15% minimum rate.

h) Foreign currencies

The Group's consolidated financial statements are presented in euros, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognized in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognized in other comprehensive income until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in other comprehensive income or profit or loss are also recognized in other comprehensive income or profit or loss, respectively).

Group companies

On consolidation the assets and liabilities of foreign operations are translated into euros at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognized in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognized in the statement of profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Applied exchange rates

The EUR exchange rates applied for the most significant currencies when preparing the consolidated financial statements are presented below.

	Closing rate		Average rate	
	2024	2023	2024	2023
Polish Zloty (PLN)	4,273	4,348	4,271	4,542
New Romanian leu	4,974	4,976	4,975	4,947
Lev (Bulgaria)	1,956	1,956	1,956	1,956
Mexican Pesos	21,291	18,690	19,831	18,770
GBP (UK)	0,827	0,870	0,828	0,863

i) Cash dividend

The Group recognizes a liability to pay a dividend when the distribution is authorized and the distribution is no longer at the discretion of the Company per balance sheet date. As per the corporate laws of the Company, a distribution is authorized when it is approved by the board of directors and the shareholders of the Company. A corresponding amount is recognized directly in equity.

j) Property, plant and equipment

Construction in progress is stated at cost, net of accumulated impairment losses, if any. Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long- term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognizes such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Land is measured at fair value less accumulated impairment losses recognized after the date of the revaluation. Valuations are performed frequently to ensure that the fair value of a revalued asset does not differ materially from its carrying amount (at least every 5 years a valuation is carried out, if internal assessment demonstrates a potential significant change in fair value). A revaluation surplus is credited to the assets revaluation reserve included in the equity section of the statement of financial position, except to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss, in which case the increase is recognized in profit or loss. A revaluation deficit is recognized in profit or loss, except to the extent that it offsets an existing surplus on the same asset recognized in the asset revaluation surplus.

An annual transfer from the asset revaluation surplus to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the assets and depreciation based on the assets original cost. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to retained earnings.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

	Useful Life
Buildings and other constructions	20 - 50
Property, plant and equipment - production equipment	7 - 9
Property, plant and equipment - other	3 - 20
Transport equipment	4 - 12
Tools	3 - 15
Administrative equipment	3 - 15
Packaging	3 - 7
Other tangible assets	3 - 15

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation are reviewed at each financial year end, and adjusted prospectively, if appropriate. It is assumed that the residual value is nil; hence the amount to be depreciated, over which the depreciation is calculated, coincides with the cost.

The property, plant and equipment is also subject to impairment. Refer to the accounting policies in section (q) Impairment of non-financial assets.

k) Leases

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

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

k1) Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

→ Buildings – 2 to 5 years
→ Plant and machinery – 3 to 5 years
→ Motor vehicles and other equipment – 3 to 5 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (q) Impairment of non-financial assets.

The right-of-use assets are presented in “Property, Plant & Equipment” caption.

k2) Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Group's lease liabilities are included in Interest-bearing loans and borrowings.

k3) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognized as expense on a straight-line basis over the lease term.

l) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

m) Investment properties

Investment properties comprises land and buildings held for purposes of income generation or capital appreciation, or both, that are not used in the conduct of the Group's regular business.

Investment properties are measured initially at cost, including transaction costs. Subsequently, investment properties are stated at cost.

Investment properties are derecognized either when they have been disposed (i.e., at the date the recipient obtains control) or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the statement of profit or loss in the period of derecognition. The amount of consideration to be included in the gain or loss arising from the derecognition of investment property is determined in accordance with the requirements for determining the transaction price in IFRS 15.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

n) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

A summary of the policies applied to the Group's intangible assets is, as follows:

	Co_2 emission rights	Customer Relationship	Licenses	Brand	Other intangibles
Useful Life	Indefinite	Finite (13 years)	Finite (3–5 years)	Finite (2–5 years)	Finite (3–5 years)
Amortization method used	No amortization	Amortized on a straight-line basis	Amortized on a straight-line basis	Amortized on a straight-line basis	Amortized on a straight-line basis

n1) CO_2 Emission rights

The Group receives free emission rights as a result of the ETS (European Emission Trading Schemes). The rights are received on an annual basis and, in return, the Group is required to remit rights equal to its actual emissions. The Group has adopted the net liability approach to the emission rights granted. Therefore, a provision is recognized only when actual emissions exceed the emission rights granted and still held and is measured at fair value.

The emission costs are recognized as "Raw materials and consumables used". Where emission rights are purchased from other parties, they are recorded at cost, and treated as a reimbursement right, whereby they are matched to the emission liabilities and remeasured to fair value. Where emission rights are purchased from other parties are higher than emissions for the year, the differential are recorded as intangible assets, at cost.

CO_2 allowances that the group carries on its balance sheet are described in note 11.

n2) Customer relationship

The customer relationship assets were acquired as part of a business combination. They are recognized at their fair value at the date of acquisition and are subsequently amortized on a straight-line basis over their estimated useful lives assessed during the PPA analysis.

n3) Brand and Non-Compete Agreement

The brand and non-compete agreement assets were acquired as part of a business combination. They are recognized at their fair value at the date of acquisition and are subsequently amortized on a straight-line basis over their estimated useful lives assessed during the PPA analysis.

o) Financial instruments (other than derivative instruments)

Initial recognition and measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Contracts to buy or sell a non-financial item that can be settled net in cash, as if the contract was a financial instrument, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the group's expected purchase, sale or usage requirements, are accounted for as financial instruments.

o1) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15. Refer to the accounting policies in section (e) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as described below:

→ ***Financial assets at amortized cost (debt instruments)***
This category is the most relevant to the Group. The Group measures financial assets at amortized cost if both of the following conditions are met:

- → The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- → The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

This category generally applies to trade receivables, other receivables and loans to related parties. For more information on receivables, refer to note 16.

Factoring

The credits ceded to factoring institutions without recourse, i.e., the risk of default is assumed by the factoring institution, are derecognized from the balance sheet when the cash advances are received.

The credits ceded to factoring institutions with recourse, i.e., the risk of default is assumed by the Company, are not derecognized from the balance sheet and the risk of default is taken into consideration when determining impairment losses. In this case, the cash advances received are recognized as bank loans.

→ ***Financial assets at fair value through OCI (debt instruments)***
For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the statement of profit or loss and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

The Group has not designated any financial assets under this category.

→ ***Financial assets designed at fair value through OCI (equity instruments)***
Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as financial income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group has not designated any financial assets under this category.

→ ***Financial assets at fair value through profit and loss***
Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a Group of similar financial assets) is derecognized (i.e., removed from the Group's consolidated statement of financial position) when:

- → The rights to receive cash flows from the asset have expired; or
- → The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and what extent it has retained the risks and rewards of the ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- → Disclosures for significant assumptions: note 4
- → Financial assets: note 9
- → Trade receivables, including contract assets: note 16

For trade receivables and contract assets, the Group applies a simplified approach in calculating expected credit losses (ECLs). Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

o2) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments related with energy.

Subsequent measurement

The measurement of financial liabilities depends on their classification as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortized cost (loans and borrowings)

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance cost in the statement or profit or loss.

This category generally applies to interest-bearing loans and borrowings. For more information, refer to note 9 and 22.

Trade payables

Trade payables are initially recognized at the respective fair value and are subsequently measured at amortized cost.

Reverse Factoring

The Group has "reverse factoring" agreements with financial institutions. These agreements are not used to manage liquidity of the Group rather are part of the working capital used in Group's normal operating cycle, as it remains the payment on the due date of the invoices (on that date the advances are repaid to the financial institution by the Group). These agreements do not generate any financial expenses for the group. For these reasons, the amounts of invoices advanced to the suppliers, are kept in Liabilities, as "trade payables".

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

p) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward and swap commodity contracts to hedge its commodity price risks, namely in energy and CO_2. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

For the purpose of hedge accounting, hedges are classified as:

→ Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment;
→ Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment;
→ Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

→ There is 'an economic relationship' between the hedged item and the hedging instrument;
→ The effect of credit risk does not 'dominate the value changes' that result from that economic relationship;
→ The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

Fair value hedges

The change in the fair value of a hedging instrument is recognized in the statement of profit or loss as other expense. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognized in the statement of profit or loss as other expense.

For fair value hedges relating to items carried at amortized cost, any adjustment to carrying value is amortized through profit or loss over the remaining term of the hedge using the EIR method. The EIR amortization may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognized, the unamortized fair value is recognized immediately in profit or loss.

When an unrecognized firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognized as an asset or liability with a corresponding gain or loss recognized in profit or loss.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognized in OCI in the cash flow hedge reserve, while any ineffective portion is recognized immediately in the statement of profit or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognized in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

Virtual Power Purchase Agreement

In the recent years, climate changes have become one of the most important topics both politically and in the industry. European industrial companies have declared their willingness to align their business activities to achieve climate protection goals. The motivation of the industrial sector becomes visible, for example, in the increasing use of green electricity, and the sustainability and ESG reporting. Power Purchase Agreements (PPAs) offer a valuable tool for managing corporate green energy needs, and the Group has long-term contracts that have implicitly a virtual PPA.

These contracts are considered as a Financial Instrument in the scope of IFRS 9 and it is accounted as Financial Assets – Derivatives or Financial Liabilities – Derivatives, depending on if the fair value is positive or negative at the end of the period. The ineffectiveness will impact Financial Results.

Day 1 Gains/Losses Accounting

As a result of the day 1 profit provisions, entities that trade in financial instruments are prevented from immediately recognizing a profit on the initial recognition of many financial instruments that are not quoted in active markets, or whose fair value is not measured based on valuation techniques that use only observable inputs. Consequently, locked–in profits will emerge over the life of the financial instruments.

The group has an accounting policy of recognizing these deferred gains or losses on straight line basis over the contract period.

q) Impairment of non-financial assets

Further disclosures relating to impairment of non-financial assets are also provided in the following notes:

→ Disclosures for significant assumptions: note 4
→ Goodwill and intangible assets with indefinite lives: note 10 and 11
→ Intangible assets: note 11
→ Property, plant and equipment: note 12

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are 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. In determining fair value less costs of disposal, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognized in profit or loss in expense categories consistent with the function of the impaired asset, except for property previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognized in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually (as at December 31) and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or Group of CGUs) to which the goodwill relates. Where the recoverable amount of the CGU is less than their carrying amount an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually as at December 31 either individually or at the CGU level, as appropriate and when circumstances indicate that the carrying value may be impaired.

The Group assesses where climate risks could have a significant impact, such as the introduction of emission-reduction legislation that may increase manufacturing costs. These risks in relation to climate related matters are included as key assumptions where they materially impact the measure of recoverable amount. These assumptions have been included in the cash-flow forecasts in assessing value-in-use amounts.

r) Inventories

Inventories are valued at the lower of cost and net realizable value.

Costs incurred in bringing each product to its present location and condition are accounted for, as follows:

→ Raw and consumable materials: purchase cost on an average cost basis;
→ Goods for resale: purchase cost on an average cost basis;
→ Finished goods and work in progress: production cost.

The cost of the inventories includes:

→ Purchasing costs (purchase price, import duties, non-recoverable taxes, freight, handling and other costs directly attributable to the purchase, less any commercial discounts, rebates and other similar items);
→ Production costs (cost of direct materials and labor and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs).

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

s) Cash and short-term deposits

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, that are held for purpose of meeting short-term cash commitments and are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

t) Equity items

t1) *Issued capital*
All of BA Glass B.V.'s subscribed share capital is fully paid.

t2) *Retained earnings*
This item relates exclusively to retained earnings available for distribution to shareholders.

t3) *Other components of equity*
This item includes revaluation reserves and the fair value of cash flow hedges related to derivative financial instruments, such as swap commodity contracts and virtual power purchase agreements.

u) Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

u1) Pensions - defined benefit plan

The Group has committed to grant some of the former employees to regular payments in lieu of retirement pension and supplementary pension benefits, which benefits conform to a defined benefit plan.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Actuarial gains and losses for the defined benefit plan are recognized net of tax in the period in which they occur in other comprehensive income. Such actuarial gains and losses are also immediately recognized in retained earnings and are not reclassified to profit or loss in subsequent periods.

Unvested past service costs are recognized as an expense on a straight-line basis over the average period until the benefits become vested. Past service costs are recognized immediately if the benefits have already vested immediately following the introduction of, or changes to, a pension plan.

The defined benefit asset or liability comprises the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less unrecognized past service costs.

u2) Restructuring provisions

Restructuring provisions are recognized only when the Group has a constructive obligation, which is when: (i) a detailed formal plan identifies the business or part of the business concerned, the location and number of employees affected, a detailed estimate of the associated costs, and (ii) an appropriate timeline, and the employees affected have been notified of the plan's main features.

u3) Employee Benefits

According to the Portuguese and Greek labor legislation in force, employees are entitled to holiday pay and subsidy in the year following the one when the service is provided. Consequently, an accrual for this amount was recognized in the profit and loss account with a counterpart in "Other current liabilities" (note 26).

v) Earnings per share

Basic earnings per share amounts are calculated by dividing the net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

w) Climate-related matters

Climate-related risk currently has a significant impact on the following items:

→ Economic useful life of tangible assets: when reviewing the residual values and expected useful lives of assets, the Group takes into consideration climate-related issues, including laws and regulations that may limit the use of assets or require significant capital expenditures to continue to derive economic benefits from them. New investments are directed towards reducing the carbon footprint, supported by research aimed at producing more sustainable glass, have gained traction.
→ Impairment of non-financial fixed assets: although the Group concluded that no single climate-related assumption is a key assumption for the impairment tests performed on non-financial fixed assets in 2024, expectations regarding increased amounts in value in capex were taken into account when estimating value in use.
→ Emission rights: the Group receives free emission rights on an annual basis and, in return, it is required to remit rights equal to its actual emissions. The Group has adopted the net liability approach to the emission rights granted (note 11).

x) Subsequent events

The Group recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the balance sheet, including the estimates inherent in the process of preparing financial statements.

The Group does not recognize subsequent events that provide evidence about conditions that did not exist at the date of the balance sheet but that arose after the balance sheet date.

3. Changes in accounting policies and disclosures

3.1. New and amended standards and interpretations

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2024 (unless otherwise stated). The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback
The amendments in IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments had no impact on the Group's financial statements.

Amendments to IAS 1 - Classification of Liabilities as Current or Non- current

The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

→ What is meant by a right to defer settlement
→ That a right to defer must exist at the end of the reporting period
→ That classification is unaffected by the likelihood that an entity will exercise its deferral right
→ That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments had no impact on the Group's financial statements.

Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7

The amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments had no impact on the Group's financial statements.

3.2. Changes in accounting policies or correction of errors

During the year of 2024, there has been no changes in accounting policies nor the correction of errors.

Notwithstanding, 2023 consolidated balance figures have been restated due to purchase price allocation of Recresco. The impacts are shown as follows:

Assets	Impact
Goodwill	(60 840 261)
Intangible assets	72 984 942
Property, plant and equipment	6 889 927
Inventories	1 245 480
Liabilities	
Deferred tax liabilities	20 280 087

4. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Group's exposure to risks and uncertainties includes:

→ Capital management note 6
→ Financial instruments risk management and policies note 41
→ Sensitivity analyses disclosures notes 10 and 41.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Purchase Price Allocation – BA Glass Mexico (formerly Vidrio Formas) Acquisition

Put Option

The put should be measured at a fair value of the gross obligation for the potential future acquisition of the shares using the following methodology. To obtain a discount rate in MXN, the rate that reflects the credit profile in EUR for a Company that has its operations in Europe will first be determined. This rate is obtained by:

→ Since there are no rating curves to discount liabilities in MXN for companies with operation in Europe, the Group have started from a rating curve in EUR according to the Company credit profile to obtain this rate.
→ A bond is set up in EUR with the same characteristics as the bond in MXN.
→ The rate of the bond in MXN will be obtained with a cross currency swap.

Once the rate in EUR has been obtained, the valuation of a cross currency swap was carried out.

The rate in MXN that equals the present value of the EUR leg to the present value of the MXN leg will be considered the rate at which the Company could fund a loan in MXN's with characteristics similar to the bank liability.

The liability will be discounted using the rating curve of the Company's credit profile.

The rate in MXN that equals the present value of the liability to the initial unpaid balance will be considered as the Company's rate in MXN.

Estimations and assumptions

a) Revenue from contracts with customers

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

→ Determining method to estimate variable consideration and assessing the constraint

Certain contracts for the sale of glass products include volume rebates and right of return related with returnable packaging that give rise to variable consideration. In estimating the variable consideration, the Group is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

The Group determined that the expected value method is the appropriate method to use in estimating the variable consideration for the sale of glass products that included right of return of returnable packaging, given the large number of customer contracts that have similar characteristics. In estimating the variable consideration for the sale of glass products with volume rebates, the Group determined that using a combination of the most likely amount method and expected value method is appropriate. The selected method that better predicts the amount of variable consideration was primarily driven by the number of volume thresholds contained in the contract. The most likely amount method is used for those contracts with a single volume threshold, while the expected value method is used for contracts with more than one volume threshold.

Before including any amount of variable consideration in the transaction price, the Group considers whether the amount of variable consideration is constrained. The Group determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have the highest risks of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared.

Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

→ Estimating variable consideration volume rebates

The Group's expected volume rebates are analyzed on a per customer basis for contracts that are subject to a single volume threshold. Determining whether a customer will be likely entitled to rebate will depend on the customer's historical rebates entitlement and accumulated purchases to date.

In estimating the variable consideration for the sale of glass products with volume rebates, the Group determined that using a combination of the most likely amount method and expected value method is appropriate. The selected method that better predicts the amount of variable consideration was primarily driven by the number of volume thresholds contained in the contract. The most likely amount method is used for those contracts with a single volume threshold, while the expected value method is used for contracts with more than one volume threshold.

The Group updates its assessment of expected returns and volume rebates semi-annual are adjusted accordingly. Estimates of volume rebates are sensitive to changes in circumstances and the Group's past experience regarding rebate entitlements may not be representative of customers' actual rebate entitlements in the future.

As at 31 December 2024, the amount recognised as refund liabilities for the expected volume rebates was EUR 3,8 M (note 26).

a) Goodwill's impairment analysis

An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and a perpetuity growth rate applied to the terminal year unlevered cash-flow, and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit (CGU) being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in note 10. The Group tests goodwill for impairment on an annual basis.

b) Recognition of provisions

The Group is party to legal proceedings which are running their course on account of which it judges whether to recognize a provision or contingent liability for legal expenses based on the opinion of its legal advisors (refer to note 23). As of 2024 there are no contingent liabilities related to legal proceedings recognized.

With respect to years open to tax inspections, management believes that any adjustment to the tax returns that could result from reviews carried out by the tax authorities will not have any significant impact in the financial statements.

c) Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See notes 18, 24 and 26 for further disclosures.

Contingent consideration, resulting from business combinations, is valued at fair value at the acquisition date as part of the business combination. When the contingent consideration meets the definition of a financial liability, it is subsequently remeasured to fair value at each reporting date. The determination of the fair value is based in discounted cash flows. The key assumption taken into consideration the probability of meeting each performance target and the discounted factor (note 7).

d) Revaluation of land

The Group carries its land at revalued amounts, with changes in fair value being recognized in OCI. The land is valued by reference to transactions involving properties of a similar nature, location and condition. The Group engages independent valuation specialists to assess fair values when in its internal assessment identifies potential significant changes in the fair value.

e) Impairment of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments. (i.e., by geography). In addition to the use of the provision matrix, Board of Directors will assess individual customers that may present impairment indicators based in a default event, external public information or internal information passed by the Sales department. In those instances, a specific impairment analysis will be performed on a case-by-case basis and the allowance determined individually. In such cases the outcome that resulted from provision matrix for such customers will not be considered.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

f) Impairment of inventories

The Group updates its assessment of impairment of inventories quarterly. This includes assessments about obsolete items, risk of breakages and net realizable value in inventory. Estimates of impairment of inventories are sensitive to changes in circumstances and the Group's experience.

5. Subsidiaries

The consolidated financial statements of the Group include:

Subsidiary		Head office	Dec. 31, 2024	Dec. 31, 2023
BA Glass B.V		Amsterdam (Netherlands)	Parent	Parent
BA Glass I - Serviços de Gestão e Investimentos, S.A.		Avintes (Portugal)	100%	100%
BA Glass Portugal, S.A.		Avintes (Portugal)	100%	100%
BA Glass Spain, SAU		León (Spain)	100%	100%
BA Glass Poland Sp.Z.o.o.		Poznan (Poland)	100%	100%
BA Glass Germany Gmbh		Gardelegen (Germany)	100%	100%
Moldin, S.A.		Avintes (Portugal)	100%	100%
BA Vidrio Distribución Comerc.Envases, S.A.		Mérida (Spain)	100%	100%
Minas de Valdecastillo, SAU		León (Spain)	100%	100%
Barbosa & Almeida, SGPS, S.A:		Avintes (Portugal)	100%	100%
BA Vidro II Marinha Grande, SGPS, S.A.		Avintes (Portugal)	100%	100%
Artividro - Arte em Vidro, Lda.		Leiria (Portugal)	87,5%	87,5%
BA Glass Greece , S.A.		Athens (Greece)	100%	100%
Huta Szklana Holding Sp.Z.o.o		Sieraków (Poland)	82%	82%
Glasstank, B.V.		Amsterdam (Netherlands)	100%	100%
BA Glass Romania, S.A.	(1)	Bucarest (Romania)	100%	100%
BA Glass Bulgaria, S.A.	(1)	Sofia (Bulgaria)	100%	100%
BA Glass Mexico, S.A. de C.V.		Mexico City (Mexico)	60%	60%
Corpo Vica, S.A.P.I de C.V.		Mexico City (Mexico)	60%	60%
Pronav, S.A. de C.V.		Mexico City (Mexico)	56,4%	56,4%
Recresco Limited		England (Nottingham)	100%	100%
BA Glass Poland 2 Sp.Z.o.o.	(2)	Poznan (Poland)	100%	100%

(1) Companies were excluded from consolidation because they are dormant and totally immaterial.

(2) Company incorporated in 2023 with the purpose to acquire CP Glass operations

These subsidiaries are fully consolidated.

For the acquisitions of the year, see note 7.

6. Capital management

For the purpose of the Group's capital management, capital includes issued capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximize the shareholder value.

The Group manages its capital structure and adjust in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Group monitors capital using a leverage ratio, which is 'net debt' divided by EBITDA. The Group's policy is to keep the leverage ratio below 4,0x. The Group includes within net debt, interest bearing loans and borrowings, less cash and short-term deposits, excluding discontinued operations.

In order to achieve this overall objective, the Group's capital management, among other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings.

There have been no breaches of the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2024 and 2023.

7. Business combinations and acquisition of non- controlling interest

The Group has engaged in business combination during the reporting period, whereby control was obtained. These transactions have been accounted according to IFRS 3. Under this method, identifiable assets acquired, liabilities assumes and any non-controlling interests in the acquired business are recognized at their fair values at the acquisition date. Any excess of the consideration transferred over the fair value of net assets acquired is recognized as goodwill.

Acquisitions

Acquisitions in 2024

BA Glass Poland 2

The company signed a Share Purchase Agreement on November 18, 2023 to acquire the operations of CP Glass. The closing date of the transaction was in April, 2024.

The fair value of the identifiable assets acquired, and liabilities assumed as at the date of acquisition were:

Assets	Fair value recognized on acquisition (€)
Intangible assets	28 156 284
Property, plant and equipment	75 849 362
Inventories	30 929 426
Trade receivables	28 341 097
Liabilities	
Interest-bearing loans and borrowings	18 024 600
Other liabilities	1 041 061
Total identifiable net assets at fair value	144 210 509
Goodwill arising on acquisitions (Note 10)	10 055 621
Purchases consideration transferred	(154 266 130)

The fair value of the Property, Plant and Equipment determined at the acquisition date was EUR 75,8M and the Intangible Assets (customer relationship) was EUR 28,2M.

The goodwill of EUR 10M comprises the value of expected synergies arising from the acquisition. As of December 31, 2024 the determination of goodwill is completed.

To estimate the Fair Value of the Customer Relationship, the Group applies the Multi-Period Excess Revenue Method ("MPEEM"), a variation of the income approach that estimates and intangible asset's value based on the present value of the incremental after tax-cash flows (or "excess earnings") attributable only to the intangible asset.

When applying the MPEEM, the expected benefits generated by the Customer Relationship are projected over the remaining useful life estimated for the intangible asset under analysis. Profits are adjusted by taxes and by the required return related to the use of contributory assets.

Later, the returns of all the assets involved in the generation of total cash flows are deducted and the residual generated by the intangible asset subject to valuation is isolated and discounted at present value.

The attrition rate is calculated to estimate the percentage of customers who are expected to stop consuming and/or purchasing products from the Acquired Company annually. The Group considers a lifespan of 13 years, which in turn represents an attrition rate of 7.7%.

For the valuation of the Customer Relationship, we considered appropriate to calculate a discount rate based on the WACC of the business. The discount rate used we used in the valuation of the Customer Relationship was 12.3% in nominal terms and in PLN.

To determine the Fair Value of the PP&E, a third party was engaged, and the scope of the valuation included the estimation of the market value of the assets considered as critical to the core of the operation.

The cash flow on acquisition were as follows:

	Amount in EUR
Consideration paid	154 266 130
Net cash acquired	—
Net cash flow on acquisition	154 266 130

Recresco

The Purchase Price Allocation and the determination of the fair value of the assets and liabilities was completed in 2024.

The fair value of the identifiable assets acquired, and liabilities assumed as at the date of acquisition were:

Assets	Fair value recognized on acquisition (€)
Intangible assets	73 736 385
Property, plant and equipment	25 072 228
Inventories	7 518 680
Trade receivables	8 761 364
Other assets	1 730 140
Cash and short-term deposits	31 775 408
Liabilities	
Interest-bearing loans and borrowings	2 279 914
Trade payables	6 623 442
Other payables	5 342 636
Deferred tax liabilities	22 853 157
Total identifiable net assets at fair value	111 495 055
Goodwill arising on acquisitions (Note 10)	43 318 733
Purchases consideration transferred	154 811 527

The fair value of the Intangible Assets (trademark and customer relationship) and Property, Plant and Equipment is higher by EUR 7M and EUR 74M respectively, to the carrying amount in Recresco books, which led to a recognition of a deferred tax liability of EUR 20M. The deferred tax liability mainly comprises the tax effect of the depreciation for tax purposes of tangible and intangible assets, as this is not done in tax accounts.

The final goodwill of EUR 43M comprises the value of expected synergies arising from the acquisition. None of the goodwill recognized is expected to be deductible for income tax purposes. As of 31 December 2024 the determination of goodwill is completed.

To estimate the Fair Value of the Customer Relationship, the Group applies the Multi-Period Excess Revenue Method ("MPEEM"), a variation of the income approach that estimates and intangible asset's value based on the present value of the incremental after tax-cash flows (or "excess earnings") attributable only to the intangible asset.

When applying the MPEEM, the expected benefits generated by the Customer Relationship are projected over the remaining useful life estimated for the intangible asset under analysis. Profits are adjusted by taxes and by the required return related to the use of contributory assets.

Later, the returns of all the assets involved in the generation of total cash flows are deducted and the residual generated by the intangible asset subject to valuation is isolated and discounted at present value.

The attrition rate is calculated to estimate the percentage of customers who are expected to stop consuming and/or purchasing products from the Acquired Company annually. The Group considers a lifespan of 13 years, which in turn represents an attrition rate of 7.7%.

For the valuation of the Customer Relationship, we considered appropriate to calculate a discount rate based on the WACC. The discount rate used we used in the valuation of the Customer Relationship was 13.6% in nominal terms and in GBP.

To determine the Fair Value of the PP&E, the Group performs the analysis using the comparative method. In undertaking our valuation of the property, we have made our assessment on the basis of a collation and analysis of appropriate comparable transactions, together with evidence of demand within the vicinity of the subject property. With the benefit of such transactions we have then applied these to the property, taking into account size, location and other material factors.

In 2024, the conditions for paying the contingent consideration were not partially met. As a result, a financial gain of EUR 7M was recognized.

Acquisitions in 2023

Mexico

The company signed a Share Purchase Agreement on July 12, 2023 to acquire 60% of BA Glass Mexico. The closing date of the business was in November, 2023. The agreement has put and call options mechanisms that will allow BA to acquire the non-controlled shares in the future. The Group has elected to measure the non-controlling interests in the acquiree at fair value.

The fair value of the identifiable assets acquired, and liabilities assumed as at the date of acquisition were:

Assets	Fair value recognized on acquisition (€)
Intangible assets	103 787 102
Property, plant and equipment	138 783 330
Goodwill	53 654
Other financial investments	1 259 684
Deferred tax assets	1 001 781
Inventories	47 962 416
Trade receivables	26 792 470
Other assets	4 718 402
Cash and short term deposits	64 523 199
Liabilities	
Interest-bearing loans and borrowings	26 409 069
Trade payables	6 749 791
Other payables	14 671 048
Deferred tax liabilities	47 701 798
Total identifiable net assets at fair value	293 350 331
Fair value non-controlling interests	(130 755 895)
Goodwill arising on acquisitions (Note 10)	62 051 030
Purchases consideration transferred	(224 645 466)

The fair value of the Property, Plant and Equipment and Intangible Assets (brand, customer relationship and non-compete agreement) is higher by EUR 55M and EUR 104M respectively, to the carrying amount in Vidrio Formas books, which led to a recognition of a deferred tax liability of EUR 48M. The deferred tax liability mainly comprises the tax effect of the depreciation for tax purposes of tangible and intangible assets, as this is not done in tax accounts.

The goodwill of EUR 62M comprises the value of expected synergies arising from the acquisition. None of the goodwill recognized is expected to be deductible for income tax purposes. As of December 31, 2023 the determination of goodwill is completed. The fair value of the non-controlling interests has been estimated in accordance with the terms of the shareholders agreement. As of December 31, 2023 the group recognizes a financial liability amounting to EUR 192M which corresponds to the actual value of the put option granted to the non-controlling interests.

At the acquisition date, the fair value of the trade receivables was EUR 26,8M, and it is expected that the full contractual amounts can be collected.

To estimate the Fair Value of the Customer Relationship, we applied the Multi-Period Excess Revenue Method ("MPEEM"), a variation of the income approach that estimates and intangible asset's value based on the present value of the incremental after tax-cash flows (or "excess earnings") attributable only to the intangible asset.

When applying the MPEEM, the expected benefits generated by the Customer Relationship are projected over the remaining useful life estimated for the intangible asset under analysis. Profits are adjusted by taxes and by the required return related to the use of contributory assets.

Later, the returns of all the assets involved in the generation of total cash flows are deducted and the residual generated by the intangible asset subject to valuation is isolated and discounted at present value.

The attrition rate is calculated to estimate the percentage of customers who are expected to stop consuming and/or purchasing products from the Acquired Company annually. We considered a lifespan of 13 years, which in turn represents an attrition rate of 7.7%.

For the valuation of the Customer Relationship, we considered appropriate to calculate a discount rate based on the WACC of the business plus a 2% premium related to the additional risk of the intangible asset. The discount rate used we used in the valuation of the Customer Relationship was 19.5% in nominal terms and in MXN.

To determine the Fair Value of the PP&E, we performed the analysis of the historical financial information of Vidrio Formas. For the estimation of the contributory charges generated by the PP&E. The rate of return used was 14% over the value of the PP&E during the projection period, based on the cost of equity and the cost of debt determined for the Company and considering a debt-to-equity structure of 50%/50%.

NCI at acquisition date were measured at fair value which has been determined considered the consideration paid for the 60% stake adjusted by a control premium.

From the date of acquisition, Vidrio Formas contributed with EUR 21M of revenue and EUR 0,2M negative to profit before tax from continuing operation of the Group. If the combination had taken place at the beginning of the year, the revenue from continuing operation would have been higher by EUR 125M and profit before tax from continuing operations for the Group would have been higher by EUR 32M.

Transaction costs of have been expensed and are included in administrative expenses. There is a contingent consideration that has been agreed as part of the purchase price in the amount of EUR 10M.

The below table present the breakdown of the purchase consideration transferred.

Purchases consideration	Amount in EUR
Consideration paid	214 455 811
Contingent consideration	10 189 655
Total	224 645 466

The cash flow on acquisition were as follows:

	Amount in EUR
Consideration paid	214 255 811
Net cash acquired	(28 033 419)
Net cash flow on acquisition	196 612 048

In 2024, the conditions for paying the contingent consideration were not met. As a result, a financial gain of EUR 9,8M was recognized.

Recresco

The company signed a Share Purchase Agreement on December 7, 2023, to acquire 100% of Recresco Limited. The completion date took place on December 20, 2023. A provisional goodwill (justified by the lack of time to perform purchase price allocation) in amount of 104.8M€ was recognised as of December 31, 2023.

If the combination had taken place at the beginning of the year 2023, the revenue from continuing operation would have been higher by EUR 80M and profit before tax from continuing operations for the Group would have been higher by EUR 25M.

The transaction costs related to this business combination have been expensed and are included in administrative expenses. There is a contingent consideration that has been agreed as part of the purchase price, as the earn out agreement applied is based on future performance.

The below table present the breakdown of the purchase consideration transferred.

Purchases consideration	Amount in EUR
Consideration paid	93 192 011
Contingent consideration	61 620 426
Total	154 811 527

The cash flow on acquisition were as follows:

	Amount in EUR
Consideration paid	93 192 011
Net cash acquired	(31 774 944)
Net cash flow on acquisition	61 417 067

8. Material party-owned subsidiaries

Apart from the subsidiary in Mexico, no other subsidiary has material non-controlling interests (note 7).

9. Classification of financial assets and financial liabilities

Financial assets and liabilities are recognized on the financial position statement when the Group becomes a contractual party to the respective financial statements.

The financial assets and financial liabilities are classified in the categories presented in tables below, accordingly to IFRS 13. Those measured at fair value are considered as Level 3 in the fair value hierarchy, except what concerns the balance included in derivatives assets and liabilities, related with energy price hedging instruments, that is considered as Level 2.

Financial Assets

	Note	Financial assets at amortized cost	Financial assets at FVOCI	Financial assets at FVPL	Total
Other financial investments	14	7 811 725	-	-	7 811 725
Trade receivables	16	208 246 157	-	-	208 246 157
Other current debtors	17	49 649 263	-	-	49 649 263
Derivative assets	18	-	258 032	-	258 032
Cash and short term deposits	20	189 162 513	-	-	189 162 513
Total December 31, 2024		**454 869 658**	**258 032**	**-**	**455 127 690**
Other financial investments		11 228 307	-	-	11 228 307
Trade receivables		209 623 505	-	-	209 623 505
Other current debtors		37 658 367	-	-	37 658 367
Derivative assets		-	124 591	-	124 591
Cash and short term deposits		191 901 951	-	-	191 901 951
Total December 31, 2023		**450 412 130**	**124 591**	**-**	**450 536 721**

Financial Liabilities

	Note	Financial liabilities at amortized cost	Financial liabilities at FVOCI	Financial liabilities at FVPL	Total
Interest - bearing loans and borrowings	22	1 114 572 549	-	-	1 114 572 549
Trade payables	25	244 916 675	-	-	244 916 675
Other payables	27	51 611 448	-	-	51 611 448
Derivative liabilities	18	-	7 399 950	-	7 399 950
Other financial liabilities	24 26	49 177 495	-	159 978 279	209 155 773
Total December 31, 2024		**1 460 278 166**	**7 399 950**	**159 978 279**	**1 627 656 394**
Interest - bearing loans and borrowings		737 281 409	-	-	737 281 409
Trade payables		228 159 654	-	-	228 159 654
Other payables		69 010 598		-	69 010 598
Derivative liabilities		-	12 718 159	-	12 718 159
Other financial liabilities		52 548 504	-	255 394 570	307 943 074
Total December 31, 2023		**1 087 000 165**	**12 718 159**	**255 394 570**	**1 355 112 895**

For the financial assets and liabilities at amortized cost, in particular, interest-bearing loans and borrowings, the carrying amount is considered to be a reasonable approximation of its fair value.

There were no transfers between levels during the year.

10. Goodwill

As at December 31, 2024 and December 31, 2023, Goodwill was made up as follows:

	Dec. 31, 2024	Dec. 31, 2023
Cost		
Iberia	89 569 229	89 569 229
Poland	106 349 272	104 514 821
Germany	13 889 718	13 889 718
Southeast Europe	208 234 690	208 217 367
Mexico	56 291 338	64 125 609
Recresco	45 115 123	42 877 275
Poland 2	10 107 813	-
	529 557 183	**523 194 018**
Impairment		
Iberia	(8 345 363)	(8 345 363)
Recresco	(7 714 505)	-
	(16 059 868)	**(8 345 363)**
Net book value	**513 497 314**	**514 848 655**

Changes in goodwill are shown as follows:

	Dec. 31, 2024	Dec. 31, 2023
Opening balance	514 848 655	400 576 038
Foreign exchange differences	(3 692 457)	8 277 981
Impairment	(7 714 505)	-
Additions	10 055 621	105 994 636
Closing balance	**513 497 314**	**514 848 655**

Impairment testing of goodwill

Goodwill has been allocated to the distinguishable Cash Generating Units (CGUs) (Iberia, Germany, Poland, Southeast Europe regions, Mexico, Recresco and Poland 2), for impairment testing purposes.

The Group performed its annual impairment test as at December 31, 2024 and December 31, 2023.

The recoverable amount of each CGU has been determined based on a value in use calculation using cash flows projections from budgets approved by senior management covering a five-year period.

Assumptions with respect to gross margins, discount rates, raw materials price inflation, market share during the forecast period used to extrapolate cash flows beyond the forecast period are deemed to be conservative and in line with past performance of the Group. The growth rates are in line with the long-term average growth rate for the markets in which the Group operates.

The pre-tax discount rate considered for each CGU after the projection period are as follows:

Business Unit	2024	2023
Iberia	9,3%	7,5%
Poland	12,3%	9,2%
Germany	8,6%	7,0%
Southeast Europe	11,6%	9,1%
Mexico	13,7%	-
Recresco	11,3%	-

Except for Recresco, the tests performed at year-end 2024 and 2023 show that recoverable amount for each CGU is higher than its carrying amount with sufficient headroom. A reasonable possible change in individual assumptions is therefore not resulting in impairment even with consideration of additional sensitivities at year-end.

Related to Recresco, considering the volatility of PRN scheme in United Kingdom, management has recognised an impairment charge of EUR 7,7M in the current year against goodwill. The impairment charge is recorded within impairment in the statement of profit or loss and can not be reversed in the future.

Key assumptions

The calculation of the recoverable amount for the Group of CGUs referred previously was made with reference to:

- → The discount rate calculation is based on the specific circumstances of the Group and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing loans the Group has;
- → The sales growth forecasts are linked to the expected evolution of costs for each region, used as a reference of forecast changes in selling prices, and the growth in sales volume is consistent with the forecasts for growth in demand and the estimated increase in production capacity of each plant based on investment figures.
- → Regarding the main components (raw materials and energy) that have significant impact on the glass business, the management considered a decrease in prices based on data available from the markets and the derivatives contracted; otherwise, past actual raw material and energy price movements are used as an indicator of future price movements; and
- → The capital expenditures plans used in impairment test of goodwill are in accordance with the projections approved by the Board.

Sensitivity to changes in assumptions

The impairment tests performed were subjected to a sensitivity analysis, namely to the following Key assumptions: (i) discount rates and (ii) perpetuity growth rate.

A 1-percentage point increase in the discount rate and a 1-percentage point decrease in terminal growth rate would not reveal any indication of impairment.

Assumption	Discount rate	Perpetuity growth rate
Δ	**+1%**	**-1%**
Iberia	No impairment	No impairment
Poland	No impairment	No impairment
Germany	No impairment	No impairment
Southeast Europe	No impairment	No impairment
Mexico	No impairment	No impairment
Recresco	Impairment	Impairment

11. Intangible assets

Changes in intangible assets and corresponding accumulated amortization and impairment losses were as follows:

	CO_2 emission rights	Customer relationship	Licenses	Other	Total Amount
Cost					
Balance as at January 1, 2024	**41 187 969**	**179 916 432**	**888 449**	**33 781 470**	**255 774 320**
Foreign exchange differences	-	(9 549 547)	439 735	(16 275)	(9 126 086)
Acquisitions of subsidiaries	-	28 156 284	40 779	979	28 198 042
Additions	20 775 950	-	-	-	20 775 950
Disposals	-	-	(520 769)	-	(520 769)
Transfers/ Release to P&L	(17 846 000)	-	-	-	(17 846 000)
Balance as at December 31, 2024	**44 117 918**	**198 523 170**	**848 194**	**33 766 175**	**277 255 457**
Amortization and impairment					
Balance as at January 1, 2024	**-**	**18 660 376**	**888 449**	**1 424 068**	**20 972 892**
Foreign exchange differences	-	(718 114)	(4 951)	(245 190)	(968 255)
Amortization charge of the year	-	15 573 649	-	7 809 112	23 382 760
Disposals	-	-	(520 769)	-	(520 769)
Transfers/ Release to P&L	-	-	-	-	-
Balance as at December 31, 2024	**-**	**33 515 910**	**362 729**	**8 987 990**	**42 866 629**
Net book value as at December 31, 2024	**44 117 918**	**165 007 260**	**485 465**	**24 778 185**	**234 388 828**

	CO_2 emission rights	Customer relationship	Licenses	Other	Total Amount
Cost					
Balance as at January 1, 2023	**8 679 559**	**32 070 086**	**2 269 520**	**1 020 282**	**44 039 447**
Foreign exchange differences	-	2 648 054	309	41 454	2 689 817
Acquisitions of subsidiaries	-	145 198 292	-	32 325 578	177 523 869
Additions	56 456 250	-	-	394 156	56 850 406
Disposals	-	-	(1 381 380)	-	(1 381 380)
Transfers/ Release to P&L	(23 947 840)	-	-	-	(23 947 840)
Balance as at December 31, 2023	**41 187 969**	**179 916 432**	**888 449**	**33 781 470**	**255 774 320**
Amortization and impairment					
Balance as at January 1, 2023	**-**	**14 950 315**	**2 269 520**	**911 914**	**18 131 749**
Foreign exchange differences	-	13 020	(9 136)	77 444	81 328
Amortization charge of the year	-	3 679 041	-	434 710	4 131 751
Disposals	-	-	(1 371 935)	-	(1 371 935)
Transfers/ Release to P&L	-	-	-	-	-
Balance as at December 31, 2023	**-**	**18 660 376**	**888 449**	**1 424 068**	**20 972 892**
Net book value as at December 31, 2023	**41 187 969**	**161 256 056**	**-**	**32 357 402**	**234 801 428**

The CO_2 emission rights balance represents the emission rights purchased higher than emissions for the year.

The customer relationships were acquired as part of a business combination (see note 7). They are recognized at their fair value at the date of acquisition and are subsequently amortized on a straight-line basis over their estimated useful lives defined during the purchase price allocation process.

Licenses are predominantly related to computer software.

12. Property, plant and equipment

	Land	Buildings	Equipment	Transport equipment	Administrative equipment	Other fixed assets	Fixed assets under construction	Right of use	Total amount fixed assets
Balance as at January 1, 2024	**120 743 039**	**383 174 962**	**1 355 633 348**	**5 396 704**	**14 559 554**	**14 089 087**	**80 745 467**	**19 737 657**	**1 994 079 818**
Foreign exchange differences	(821 185)	(4 048 227)	(9 258 864)	(339 787)	(93 878)	(175 169)	(1 538 736)	1 892 737	(14 383 109)
Acquisition of subsidiaries	2 051 982	13 399 089	60 231 324	-	-	-	166 966	-	75 849 362
Additions	3 671 990	21 089 104	46 892 773	202 340	485 349	1 803 807	98 066 536	9 522 592	181 734 491
Disposals/write off	-	(546 957)	(18 522 798)	(6 786)	(44 415)	(71 009)	-	(6 293 894)	(25 485 860)
Revaluation	12 254 057	5 042 032	-	-	-	-	-	-	17 296 089
Transfers/Other adjustments	-	26 273 239	44 986 344	-	-	5 327	(71 264 910)	-	-
Balance as at December 31, 2024	**137 899 884**	**444 383 242**	**1 479 962 128**	**5 252 470**	**14 906 610**	**15 652 043**	**106 175 324**	**24 859 091**	**2 229 090 792**
Depreciation and impairment									
Balance as at January 1, 2024	**-**	**149 242 246**	**885 782 232**	**2 512 113**	**11 123 697**	**11 839 698**	**-**	**11 178 426**	**1 071 678 412**
Foreign exchange differences	-	352 994	1 857 836	5 916	18 659	56 696	-	(107 811)	2 184 290
Depreciation charge of the year	-	13 178 954	103 258 250	468 169	559 261	3 757 874	-	4 641 505	125 864 012
Disposals/write off	-	(247 266)	(18 522 798)	(6 786)	(44 415)	(71 009)	-	(6 293 894)	(25 186 168)
Transfers/Other adjustments	-	-	-	-	-	-	-	-	-
Balance as at December 31, 2024	**-**	**162 526 928**	**972 375 520**	**2 979 412**	**11 657 201**	**15 583 259**	**-**	**9 418 225**	**1 174 540 545**
Net book value as at December 31, 2023	**120 743 039**	**233 932 716**	**469 851 117**	**2 884 590**	**3 435 857**	**2 249 389**	**80 745 467**	**8 559 231**	**922 401 406**
Net book value as at December 31, 2024	**137 899 884**	**281 856 314**	**507 586 607**	**2 273 058**	**3 249 408**	**68 785**	**106 175 324**	**15 440 866**	**1 054 550 246**

	Land	Buildings	Equipment	Transport equipment	Administrative equipment	Other fixed assets	Fixed assets under construction	Right of use	Total amount fixed assets
Balance as at January 1, 2023	**100 809 702**	**272 474 781**	**1 123 428 691**	**2 751 587**	**12 088 880**	**19 052 985**	**52 282 506**	**29 623 660**	**1 612 512 793**
Foreign exchange differences	500 798	4 276 885	11 729 255	44 045	110 226	173 989	532 927	172 903,87	17 541 030
Acquisition of subsidiaries	16 927 982	62 363 159	82 215 762	1 022 496	262 789	429 507	708 247	-	163 929 943
Additions	582 419	29 053 066	127 195 098	1 643 154	292 674	353 057	52 434 662	4 448 253	216 002 382
Disposals/write off	(559 653)	(484 610)	(10 799 000)	(64 578)	-	-	-	(3 995 680)	(15 903 522)
Revaluation	(2 807)	-	-	-	-	-	-	-	(2 807)
Transfers/Other adjustments	2 484 598	15 491 681	21 863 543	-	1 804 985	(5 920 452)	(25 212 875)	(10 511 480)	-
Balance as at December 31, 2023	**120 743 039**	**383 174 962**	**1 355 633 348**	**5 396 704**	**14 559 554**	**14 089 087**	**80 745 467**	**19 737 657**	**1 994 079 818**
Depreciation and impairment									
Balance as at January 1, 2023	**-**	**134 986 096**	**799 431 804**	**2 401 915**	**10 704 535**	**17 921 089**	**-**	**17 074 089**	**982 519 528**
Foreign exchange differences	-	1 289 774	6 477 697	22 950	102 280	171 234	-	145 676	8 209 611
Depreciation charge of the year	-	9 216 218	80 958 113	133 273	453 547	372 265	-	4 201 597	95 335 014
Disposals/write off	-	-	(10 799 000)	(14 269)	-	-	-	(3 572 473)	(14 385 742)
Transfers/Other adjustments	-	3 750 158	9 713 618	(31 756)	(136 666)	(6 624 890)	-	(6 670 464)	-
Balance as at December 31, 2023	**-**	**149 242 246**	**885 782 232**	**2 512 113**	**11 123 697**	**11 839 698**	**-**	**11 178 426**	**1 071 678 412**
Net book value as at December 31, 2022	**100 809 702**	**137 488 685**	**323 996 887**	**349 673**	**1 384 345**	**1 131 896**	**52 282 506**	**12 549 571**	**629 993 264**
Net book value as at December 31, 2023	**120 743 039**	**233 932 716**	**469 851 117**	**2 884 590**	**3 435 857**	**2 249 389**	**80 745 467**	**8 559 231**	**922 401 406**

During 2024 and 2023, there is no amount of borrowing costs capitalized.

Assets under construction as at 31 December 2024 relates to investments to be done in furnaces in Romania and Portugal.

Revaluation of land

The fair value of the properties was determined using the market comparable method. The valuation has been performed by the valuer and are based on proprietary databases of process of transactions for properties of similar nature, location and condition. The fair values are based on valuations performed by an accredited independent valuer who has valuation experience. A net gain from the revaluation of EUR 14,5M in 2024 was recognized in OCI.

Right of Use

Changes in right of use assets and corresponding accumulated depreciation and impairment losses were as follows:

	Land	Buildings & other constructions	Transport equipment	Other fixed assets	Total
Gross Assets					
Balance as at January 1, 2024	**-**	**3 503 897**	**7 069 186**	**9 164 573**	**19 737 656**
Foreign exchange differences	-	48 369	16 825	1 827 542	1 892 737
Additions	-	3 155 497	2 854 672	3 512 423	9 522 592
Disposals/write off	-	(837 957)	(3 083 017)	(2 372 920)	(6 293 894)
Transfers/Other adjustments	-	-	-	-	-
Balance as at December 31, 2024	**-**	**5 869 806**	**6 857 666**	**12 131 618**	**24 859 091**
Depreciation and impairment					
Balance as at January 1, 2024	**-**	**915 869**	**4 334 631**	**5 927 926**	**11 178 426**
Foreign exchange differences	-	4 574	3 146	(115 531)	(107 811)
Depreciation charge of the year	-	612 438	1 418 275	2 610 792	4 641 505
Disposals/write off	-	(837 957)	(2 677 775)	(2 778 162)	(6 293 894)
Transfers/Other adjustments	-	-	-	-	-
Impairment Losses	-				
Balance as at December 31, 2024	**-**	**694 924**	**3 078 277**	**6 486 593**	**9 418 225**
Net book value as at December 31, 2024	**-**	**5 174 883**	**3 779 389**	**5 794 786**	**15 440 865**

	Land	Buildings & other constructions	Transport equipment	Other fixed assets	Total
Gross Assets					
Balance as at January 1, 2023	**2 481 780**	**13 011 548**	**5 816 958**	**8 313 373**	**29 623 659**
Foreign exchange differences	-	32 601	81 751	58 552	172 904
Additions	-	838 708	2 103 182	1 506 363	4 448 253
Disposals/write off	-	(2 876 552)	(926 001)	(193 127)	(3 995 680)
Transfers/Other adjustments	(2 481 780)	(7 502 408)	(6 704)	(520 588)	(10 511 480)
Balance as at December 31, 2023	**-**	**3 503 897**	**7 069 186**	**9 164 573**	**19 737 656**
Depreciation and impairment					
Balance as at January 1, 2023	**-**	**8 796 720**	**4 012 833**	**4 264 536**	**17 074 089**
Foreign exchange differences	-	33 273	41 280	71 124	145 676
Depreciation charge of the year	-	959 650	1 190 594	2 051 353	4 201 597
Disposals/write off	-	(3 027 042)	(657 599)	112 169	(3 572 473)
Transfers/Other adjustments	-	(5 846 731)	(252 477)	(571 256)	(6 670 464)
Impairment Losses	-				
Balance as at December 31, 2023	**-**	**915 869**	**4 334 631**	**5 927 926**	**11 178 426**
Net book value as at December 31, 2023	**-**	**2 588 028**	**2 734 555**	**3 236 647**	**8 559 231**

13. Investment properties

	Dec. 31, 2024	Dec. 31, 2023
Gross Assets		
Balance as at January 1	1 842 343	1 842 343
Increases	-	-
Foreign exchange differences	-	-
Decreases	-	-
Balance as at December 31	1 842 343	1 842 343
Depreciation		
Balance as at January 1	996 820	939 448
Increases (Current Depreciation)	57 371	57 371
Foreign exchange differences	-	-
Decreases	-	-
Balance as at December 31	1 054 191	996 820
Net value as at December 31	788 152	845 523

Investment properties consist of properties initially measured at cost which are held for renting in Portugal.

After initial recognition, investment properties are being depreciated through the estimated useful life of duration (20-50 years or any depreciation in case of lands). Rentals are earned and they are recognized in "other operating income" (note 30).

The Group has no restrictions on the recoverability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements. As at 31 December 2024, BA estimates that the fair value is higher than the book value.

14. Other financial investments

The caption other financial investments comprise mainly investments in funds which activity is connected to investment in companies engaged in R&D activities which may allow tax benefits.

15. Inventories

Description	Dec. 31, 2024	Dec. 31, 2023
Raw materials and consumables	55 903 007	47 941 198
Finished goods and work in progress	246 212 183	228 984 007
Goods for resale	697 718	685 783
	302 812 908	**277 610 988**
Impairment	(25 491 440)	(19 122 703)
	277 321 468	**258 448 285**

Quality of stock is reviewed periodically, and non-conforming stock is destroyed immediately. The increases / decreases of finished goods and work in progress, and the impairment, of the period are recognized in the caption "Change in stocks of finished goods".

The year-over-year increase is attributed to higher inventories of finished goods, resulting from reduced market demand, which also impacts the impairment amount.

The variation of Raw materials and consumables and Changes in stock of finished goods is as follows:

Raw Materials and consumables	2024	2023
Opening Balance	**45 922 487**	**34 790 184**
Purchases	659 784 078	585 794 569
Acquisition of subsidiaries	7 700 143	2 527 321
Closing Balance	(52 500 761)	(45 922 487)
	660 905 947	**577 189 587**
Finished goods and WIP		
Opening Balance	**212 565 797**	**146 466 596**
Acquisition of subsidiaries	25 269 712	52 940 860
Regularizations	(2 644 333)	2 139 260
Closing Balance	(224 820 707)	(212 565 797)
	(10 370 469)	**11 019 082**

Raw materials and consumables includes the cost with the consumptions of raw materials such as silica sand, limestone, cullet, energy and CO_2 licenses.

16. Trade receivables

Description	Dec. 31, 2024	Dec. 31, 2023
Trade receivables	214 625 891	214 554 730
Notes receivables	3 876 587	5 322 859
	218 502 478	**219 877 589**
Impairment	(10 256 321)	(10 254 084)
	208 246 157	**209 623 505**

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

The movements in the impairment allowance of receivables are as follows:

Description	Dec. 31, 2024	Dec. 31, 2023
As at January 1	**10 254 084**	**9 956 824**
Charges of the year	175 613	1 521 943
Unused amounts reversed	(172 673)	(1 232 235)
Foreign exchange differences	(703)	7 552
As at December 31	**10.256.321**	**10.254.084**

17. Other debtors

	Dec. 31, 2024	Dec. 31, 2023
Current		
State and other state entities	32 613 895	24 117 387
Right of return - Arising from Return Pack	8 199 122	8 023 217
Other receivables/prepayments	1 055 244	1 592 927
Other	7 781 001	3 924 836
	49 649 263	**37 658 367**

The carrying amount of "State and other state entities" is related to VAT connected with the normal business operations of the group that was already claimed back from the different tax jurisdictions and is in the normal procedure of recovery.

The right of return asset arising from Returnable Packaging sold to customers represents the Group's right to recover the pallets and plastic pads expected to be returned by customers (see note 26).

The caption "Other receivables/prepayments" mainly relates to prepayments to suppliers.

18. Derivatives

Assets	Dec. 31, 2024	Dec. 31, 2023
Non Current		
Derivative financial instruments	-	-
	-	-
Current		
Derivative financial instruments	258 032	124 591
	258 032	**124 591**
	258 032	**124 591**
Liabilities		
Non Current		
Derivative financial instruments	4 812 470	12 718 159
	4 812 470	**12 718 159**
Current		
Derivative financial instruments	2 587 480	-
	2 587 480	-
	7 399 950	**12 718 159**
Derivative financial instruments (net)	(7 141 918)	(12 593 568)

BA Glass is exposed to changes in commodity prices, including the energy (mainly natural gas) that is used in its operating activities. The company limits its exposure to energy price fluctuations through the use of swaps to fix energy purchase prices.

As at 31 December 2024, the derivative financial instruments includes energy swaps agreements and Virtual Power Purchase Agreements (Vppa). The fair value of the amounts covered by energy swaps is negative at EUR 7,4M (2023: asset of EUR 12,6M) of which EUR 124k relate to contracts maturing in 2024 and EUR 2,6M in 2025. Additionally, this caption is also affected by the vPPA which fair value amounted to EUR -4,8M. BA Glass estimates that with these derivatives it has covered approximately 14% of its consumption.

The hedge relationship qualifies for the cash flow hedge accounting application. As at 31 December 2024, the fair value amount referred above is reflected in equity net of deferred tax impact under the caption “Other components of equity”, based on accounting policies disclosed under note 2.4. p), with an ineffective portion being recorded in the income statement.

The effect of the cash flow hedges in the statement of profit or losses amounted to EUR 1,7M (2023: EUR 49,1M), of which EUR nill (2023: EUR 66,9M) related to the discontinuation of derivatives settled. From a management perspective, EBITDA does not include the discontinuance of derivatives as it was a one-off transaction.

19. Other assets

	Dec. 31, 2024	Dec. 31, 2023
Current		
Accrued income	3 856 783	9 125 526
Deferred costs – insurances	2 995 369	1 253 417
Other	974 154	629 027
	7 826 306	**11 007 970**

From the total amount of the “accrued income” caption, EUR 1,5M is related to hedging settlements.

20. Cash and short-term deposits

	Dec. 31, 2024	Dec. 31, 2023
Cash on Hand	50.723	48.389
Bank Balance	189 111 790	191 853 562
Total Cash and short-term deposits	**189 162 513**	**191 901 951**

The caption “Cash and short-term deposits” includes cash on hand, demand deposits, treasury applications and term deposits which maturity is less than three months for which there is insignificant risk of change in value.

21. Equity

Issued capital

As at December 31, 2024 and 2023, the Group’s share capital, totaling EUR 36.000 was fully subscribed and paid up.

The following table details the Group’s shareholding structure, as at December 31, 2024 and December 31, 2023:

	Dec. 31, 2024		Dec. 31, 2023	
	No.of shares	%	No.of shares	%
Fim do Dia, SGPS, S.A.	17.064	47,4%	17.064	47,4%
Teak Capital, S.A.	9.468	26,3%	9.468	26,3%
Tangor Capital, S.A.	9.468	26,3%	9.468	26,3%
	36.000	**100,0%**	**36.000**	**100,0%**

Teak Capital and Tangor Capital have a directly participation in Fim do Dia SGPS of 33,616% and 40,059%, respectively.

Other capital reserves

Other capital reserves relate to fiscal revaluations that can not be distributed.

Other components of equity

In 2024 the increase of EUR 18,8M mainly relates to revaluation reserves and cash flow hedges (net of deferred tax impact, see note 12 and 18, respectively).

Retained earnings

In 2024 a dividend of EUR 6.944 (2023: EUR 2.778) per share was paid, totalizing EUR 250M (2023: EUR 100M).

In the last years, shareholders decided to apply part of the results – in the amount of EUR 29.8 M – to a reserve for the development of technologies that will allow the reduction of CO_2 generated in Group’s plants and mitigate its impact in the environment, through the support of R&D projects.

22. Interest-bearing loans and borrowings

	Dec. 31, 2024	Dec. 31, 2023
Interest Bearing loans and Borrowings		
Non – current	858 928 452	571 397 373
Current	255 644 097	165 884 037
	1 114 572 549	**737 281 409**
Cash and short term deposits		
Cash	50 723	48 389
Bank deposits	189 111 790	191 853 562
	189 162 513	**191 901 951**
Net Debt	**925 410 036**	**545 379 458**

The Group’s bank loans bear interests at market rates. Most of the Group exposure to interest rate risk arises as it borrows funds mainly at floating interest rates.

The foreign currency bank loans were translated to Euro using the exchange rates in force at the statement of financial position date. The amount of interests-bearing and borrowings in foreign currency corresponds to 2% of total balance.

The net position of bank balances (hereinafter as "net debt") is as follows:

	Short term	Long term	Total Debt Dec.31, 2024	Total Debt Dec.31, 2023
Bank Loans	58 039 161	224 994 468	283 033 629	286 219 822
Bonds and commercial paper	162 837 546	623 432 520	786 270 066	420 300 000
Bank overdrafts	10 048 346	-	10 048 346	-
Other loans	20 031 203	-	20 031 203	21 981 495
Lease liabilities	4 687 841	10 501 464	15 189 305	8 780 093
Interest bearing loans and borrowings	**255 644 097**	**858 928 452**	**1 114 572 549**	**737 281 409**
Cash and Bank deposits	**(189 162 513)**	**-**	**(189 162 513)**	**(191 901 951)**
	66 481 584	**858 928 452**	**925 410 036**	**545 379 458**

There are some covenants attached to some loans negotiated with the banks. Breaches in meeting the financial covenants would permit the bank to immediately call back loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

All Group debt is secured with Negative pledge (with certain carve-outs and thresholds available), cross default and Pari Passu clauses.

No mortgages or pledges are in place as guarantee for the accomplishment of the obligations in any financing contract.

Group uses Commercial Paper programs to have flexibility in the management of the available financing lines. A mix of short term and long term is used to adapt repayment schedule of the debt to the expected cash flow generated for debt repayment.

The Group has liquidity available to face possible negative movements in the finance markets. Debt is followed with strict control and some indicators are measured and controlled to guarantee a solid and safe financial structure. Main indicator considered as a key control to guarantee financial stability is net debt / EBITDA which the Board follows strictly to ensure it is not above 4.0x.

The group has finished the year with a net debt / EBITDA of 2,3, below the levels where the Board of Directors has given indications the debt should be.

22.1 Maturity of debt

Maturity of Debt, except lease liabilities

2024		2023	
2025	250 956 256	2024	162 793 738
2026-2027	417 150 956	2025-2026	244 500 985
> 2028	431 276 032	> 2027	321 206 594

Also, as of 31st of December 2024, the group had EUR 323,5 M (2023: 294,1 M) of loans negotiated and not used.

23. Provisions

	Retirement pensions (note 36)	Environmental liabilities	Others	Total
Balance as at January 1, 2024	**2 343 378**	**193 238**	**6 928**	**2 544 089**
Foreign exchange difference	2 730			2 730
Utilization	(332 018)			(332 018)
Increase in the year	190 897			190 897
Actuarial results through OCI	68 972			68 972
Other	274 064		6 907 517	7 181 582
Balance as at December 31, 2024	**2 548 023**	**193 238**	**6 914 444**	**9 656 252**
Balance as at January 1, 2023	**2 399 679**	**193 238**	**6 928**	**2 599 844**
Foreign exchange difference	12 516	-	-	12 516
Utilization	(272 532)	-	-	(272 532)
Increase in the year	248 055	-	-	248 055
Actuarial results through OCI	(32 629)	-	-	(32 629)
Other	(11 165)	-	-	(11 165)
Balance as at December 31, 2023	**2 343 378**	**193 238**	**6 928**	**2 544 089**

Minas de Valdecastillo, SAU is liable for restoration of land allocated to its mining operations which are estimated to an amount of EUR 193k (refer to note 39.2).

24. Other non current liabilities

The "other non current liabilities" includes 160M€ (EUR 192M€ in 2023) related to the fair value of the non-controlling interest in BA Glass Mexico acquisition which has been estimated in accordance with the terms of the shareholders agreement. Through a valuation technique that was calculated based on the discounted cash flow methodology and that was prepared applying the level 3 of the value measurement hierarchy. The put option could be exercised during years 2026 to 2028. The remaining amount is related to contingent consideration to be paid in connection to acquisitions (see note 7).

From the remeasurement of the put option as of 31 December 2024, the variation of EUR 30,3M was recognized in equity.

25. Trade payables

The caption "Trade payables" as at 31 December 2024 and 2023 is made up as follows:

	Dec. 31, 2024	Dec. 31, 2023
Trade payables	244 916 675	228 159 654
	244 916 675	**228 159 654**

This caption as at 31 December 2024 and 2023 corresponds to balances resulting from purchases in the normal course of the Group's business.

The carrying amount of these liabilities (which are reported at their nominal value) constitutes a fair approximation of its amortized cost and fair value.

Trade payables are non-interest bearing and are normally settled on 60 to 90 day terms.

The Group has some supplier financing mechanism agreements. The limit granted to the Group was EUR 97M for 2024 and 2023, of which EUR 75M and EUR 84M were utilized in 31 December 2024 and 2023, respectively.

As of balance sheet date, the Group's liabilities covered by supplier financing mechanisms are for the period of 120 days. The liabilities not covered by supplier financing mechanisms has payment terms that varies from prompt payment to 120 days.

26. Other current liabilities

	Dec. 31, 2024	Dec. 31, 2023
Accrued costs		
Payroll expenses	10 797 043	10 286 121
Finance expenses	2 804 344	4 259 075
Bonus granted (rappel)	3 795 226	11 930 522
CO_2 licenses	1 217 098	-
Contingent consideration (see note 7)	-	63 505 580
Other	7 461 533	9 469 445
	26 075 243	**99 450 742**
Refund liability - Arising from Return. Pack.	8 199 122	8 111 026
Other deferred revenue	1 258 257	815 786
	9 457 379	**8 926 811**
Other current liabilities	**35 532 622**	**108 377 553**

The Group accounts for the liability for commercial bonus (rappel) is in accordance with the sales agreements in place.

27. Other payables

	Dec. 31, 2024	Dec. 31, 2023
State and other state entities	13 326 419	11 638 426
Fixed asset suppliers	33 100 943	44 460 735
Advance payments received from costumers	473 469	252 702
Other	4 710 617	12 658 735
	51 611 448	**69 010 598**

The caption "State and other state entities" as at December 31, 2024 comprises an amount of EUR 3,8M (2023: EUR 3,9M) related with social security contributions, personnel income taxes withheld amounting to EUR 1,9M (2023: 1,6M) derived from December payroll, and VAT payable of EUR 7,7M (2023: EUR 10M).

28. Government grants

Government grants have been received in connection with the purchase of certain items of property, plant and equipment.

	Dec.31, 2024	Dec.31, 2023
As at January 1	**5 807 867**	**8 675 235**
Foreign exchange difference	9 165	38 247
Received during the year	-	95 778
Released to the statement of profit or loss	(2 023 534)	(3 001 394)
As at December 31	**3 793 498**	**5 807 867**
Current	841 666	1 538 551
Non-current	2 951 832	4 269 316

There are no unfulfilled conditions or contingencies attached to grants. Amounts released to the statement of profit or loss are recorded as Other operating income (see note 30).

29. Revenue from contracts with customers

29.1 Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	Europe					
Description	Iberia division	Central division	Southeast division	Inter-segment elimination	Mexico	Total
Total Dec.31,2024	738 999 945	319 516 118	359 555 841	(4 620 865)	118 668 149	1 532 119 188
Total Dec.31,2023	777 388 504	279 826 991	446 080 922	(1 190 194)	20 813 740	1 522 919 964

29.2 Right of return assets and refund liabilities

	Dec.31, 2024	Dec.31, 2023
Right of return assets - arising from Returnable Packaging (note 17)	8 199 122	8 111 026
Refund Liabilities - arising from volume rebates (note 26)	3 795 226	11 930 522
Refund Liabilities - arising from Returnable Packaging (note 26)	8 199 122	8 111 026

Right of Return asset arising from Returnable Packaging sold to customers. This Right of return asset represents the Group's right to recover the pallets and plastic pads expected to be returned by customers.

Refund liabilities arising from retrospective volume rebates, in accordance with the sales agreement in place. To estimate the variable consideration for the expected future rebates, the Group applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold.

Refund liabilities also arising from the Returnable Packaging sold to customers and expected to be returned by them.

29.3 Performance obligations

Sale of Glass Packaging

The performance obligation is satisfied upon delivery of the goods and payment is generally due within 30 to 90 days from delivery. Some contracts provide customers with a volume rebate which give rise to variable consideration subject to constraint.

There is no revenue recognised in 2024 (neither in 2023) that was related with performance obligations satisfied (or partially satisfied) in previous periods.

30. Other operating income

Description	Dec.31, 2024	Dec.31, 2023
Government grants (note 28)	2 023 534	3 001 394
Operating subsidies	2 678 298	1 087 749
Gain on disposal of assets	1 700 203	798 335
Indemnities - Insurance	3 763 506	1 608 327
Rentals	100 236	84 512
Tax refund	-	215 274
Write off balances	662 108	608 298
Energy refunds	-	4 572 194
Other	1 379 080	2 611 153
	12 306 965	**14 587 237**

The variation of other operating income is mostly justified by the decrease in energy refunds.

31. Other operating expenses

Description	Dec.31, 2024	Dec.31, 2023
Taxes	5 241 489	3 807 815
Loss on disposal of assets	540 924	23 582
Exchange differences	80 057	-
Indemnities	2 714 283	1 382 020
Other	1 684 027	3 344 573
	10 260 780	**8 557 990**

Taxes include municipal property taxes, stamp duty, environmental taxes and other local legal fees and taxes.

32. Impairment and provisions

Description	Dec.31, 2024	Dec.31, 2023
Trade receivables (Note 16)	2 940	289 708
Tangible assets (Note 12)	(75 826)	-
Goodwill (Note 10)	7 714 505	-
Provisions	2 873 839	-
Other	64 569	-
	10 580 027	**289 708**

33. Financial Results

Description	Dec.31, 2024	Dec.31, 2023
Interest on debts and borrowings	60 029 967	33 235 444
Discounts for early settlement	1 267 008	1 270 577
Other finance costs	456 001	520 104
Finance costs	**61 752 976**	**35 026 125**
Interest income	3 674 486	4 353 857
Other financial income (Note 7)	16 877 135	2 461 394
Foreign exchange gains	7 164 946	5 989 245
Finance income	**27 716 567**	**12 804 676**
Financial results	**(34 036 409)**	**(22 221 448)**

The variation of finance costs is related not only to the rise in the Euribor index but also to the increase in loans and borrowings of the year. The increase in other financial income is related to 2023 acquisitions (see note 7).

34. Income tax

The major components of income tax expense for the years ended 31 December 2024 and 2023 are:

Description	Dec.31, 2024	Dec.31, 2023
Current income tax		
Current income tax charge	57 479 228	105 297 843
Adjustments in respect of current income tax of previous year	6 161 298	(2 028 343)
Deferred tax		
Relating to origination and reversal temporary differences	(16 259 144)	(5 582 353)
Provisions	3 332 993	-
Income tax expense reported in the statement of profit or loss	**50 714 375**	**97 687 148**
Deferred tax related to items recognized in OCI during in the year:		
Revaluation of PP&E	(2 780 758)	-
Remeasurement (gain)/loss on actuarial gains and losses	6 897	-
Net (gain)/loss on cash flow hedges	(238 820)	42 586 833
Deferred tax charged to OCI	**(3 012 680)**	**42 586 833**

Corporate income tax rates in the countries where the Group are as follows:

	2024		2023	
Tax jurisdiction	**Nominal tax rate**	**Other additional rate**	**Nominal tax rate**	**Other additional rate**
Portugal	21,0%	-	21,0%	1.5%-9%
Spain	25,0%	-	25,0%	-
Poland	19,0%	-	19,0%	-
Germany	15,0%	14,0%	15,0%	14%-17%
Greece	22,0%	-	24,0%	-
Bulgaria	10,0%(*)	-	10,0%	-
Romania	16,0%	-	16,0%	-
Netherlands	19%-25,8%	-	15%-25%	-
Mexico	30,0%	-	-	-

(*) in Bulgaria there is a minimum local tax rate of 15% due to Pillar 2 requirements (see note 2.4 g)

Reconciliation of tax expense and the accounting profit multiplied by BA Glass B.V. domestic tax rate for 2024 and 2023:

Reconciliation of tax expense and the accounting profit:	Dec.31, 2024	Dec.31, 2023
Profit before tax	**207 937 158**	**478 312 051**
Nominal tax rate for the period	25,8%	25,8%
At statutory income tax rate (nominal)	53 647 787	123 404 509
Adjustments in respect of current income tax of previous years	6 161 298	(2 050 956)
Tax benefits	(6 056 502)	(6 486 337)
Effect tax rate different (subsidiaries)	(1 297 773)	(19 581 617)
Other	(1 740 435)	2 401 549
Income tax expense	**50 714 375**	**97 687 148**
Effective tax rate for the period	**22,79%**	**20,42%**

The nominal tax rate corresponds to the Dutch tax rate. The main difference between the nominal tax rate and the effective tax rate are mainly related to tax benefits and the effect of lower tax rates in other geographies.

All the deferred tax assets related with carry forward of unused tax losses are recognized.

As at December 31, 2024 the amount related with corporate income tax payable presented in balance sheet is EUR 12.2M (2023: EUR 40.8M). The variation in income tax liability arises from the normal activity of the Group and it is mostly justified by BA Glass Spain (EUR 4,6M) and BA Glass Poland (EUR 2,5M).

As at December 31, 2024, the amount related with corporate income tax recoverable includes advanced CIT payments in Portugal and United Kingdom.

Pillar 2

The Group has performed an assessment of its potential exposure to Pillar Two income taxes based on the 2023 country-by-country reporting and 2024 financial information for the constituent entities in the Group. The Pillar Two effective tax rates in most of the jurisdictions in which the Group operates is above 15%. However, the Group has recognized a Pillar Two current tax expense of €3.812.277 that arises in Bulgaria – which is not subject to the transitional safe harbour relief– because of low statutory tax rates.

Deferred tax

Description	Dec.31, 2024	Dec.31, 2023
Deferred tax assets		
Provisions for pensions	1 592 938	1 775 893
Allowance for bad debts	520 464	721 780
Tax depreciations	0	309 109
Goodwill	0	25 345
Tax revaluation of tangible fixed assets	523 776	988 678
Tax losses	3 632 543	1 252 947
Impairment inventories	5 148 446	4 443 735
Derivatives	1 839 683	1 251 263
Other	6 199 502	3 174 924
	19 457 352	**13 943 673**
Deferred tax liabilities		
Uniform depreciation criteria (adjustment of useful lives)	3 588 580	3 339 535
Derivatives	46 170	1 563 391
Fair value adjustments - land	6 522 855	9 060 063
Fair value adjustments - tangible assets	18 122 957	18 636 919
Fair value adjustments - intangible assets	43 126 064	52 869 478
Tax revaluation reserves of tangible assets	12 355 842	4 613 927
Other	2 652 099	4 064 039
	86 414 566	**94 147 351**
Net deferred tax assets/ (liabilities)	**(66 957 214)**	**(80 203 678)**

In 2016, the subsidiary BA Glass Portugal recognized for the first time a deferred tax asset in accordance with tax revaluation tangible fixed assets under a Portuguese specific legislation that entered in force during the year. The tax revaluation, is subject to a special taxation of 14%, paid in three equal installments, in 2016, 2017 and 2018. The increase in depreciation resulting from the revaluation can be considered for tax purposes as from the taxation period beginning in 2018 for the following 8 years. The deferred taxes are being used since 2018.

During the year ended 31 December 2024 and 2023, changes in deferred tax (net) were made up as follows:

	Dec.31, 2024	Dec.31, 2023
Reconciliation of deferred tax, net		
As at January 1	**(80 203 678)**	**(59 028 525)**
Deferred taxes acquired in business combinations (note 7)	-	(69 344 339)
Tax income/(expense) during the period recognized in profit or loss	16 259 144	5 582 353
Tax income/(expense) during the period recognized in OCI	(3 012 680)	42 586 833
As at December 31	**(66 957 214)**	**(80 203 678)**

There are no income tax consequences attached to the payment of dividends in either 2024 or 2023 by the Group to its shareholders.

35. Earnings per share

The following table reflects the income and share data used in the basic and diluted EPS computations:

	Dec.31, 2024	Dec.31, 2023
Profit attributable to ordinary equity holders of the parent:		
Continuing operations	154 692 380	381 976 428
Discontinued operations	-	-
Profit attributable to ordinary equity holders of the parent for basic earnings	**154 692 380**	**381 976 428**
Weighted average number of ordinary shares	**36 000**	**36 000**
Earnings per share		
Basic	4 297,01	10 610,46
Diluted	4 297,01	10 610,46

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorization of these financial statements.

36. Post-retirement benefits

	Dec.31, 2024	Dec.31, 2023
Portugal	721 738	743 499
Greece	105 226	408 304
Bulgaria	1 545 375	1 067 219
Other	175 684	124 357
	2 548 023	**2 343 378**

The subsidiary BA Glass Portugal offers to actual pensioners' retirement pension plans which liabilities are annually calculated based on actuarial studies. The plans have been closed some years ago, therefore, no new entries have occurred.

The subsidiary BA Greece has a defined benefit retirement plan, incurring from is obligation accordingly with the law 2112/20, as amended by law 4093/12.

The subsidiary BA Bulgaria has a defined benefit retirement plan, incurring from its obligation according to the Bulgarian labor law and the Collective Labor Agreement to pay to its employees upon retirement from two to seven gross monthly salaries, depending on the years of service.

The components of the retirement employee benefits expense recognized in the profit and loss, and the liabilities recognized in the balance sheet as at December 31, 2024 and 2023 are summarized below:

	Dec.31, 2024	Dec.31, 2023
Current Service Cost	126 124	143 071
Interest cost on service obligation	64 773	72 957
Net benefit expense	**190 897**	**216 028**
Changes in present value of the defined benefit obligations:		
Defined benefit obligation as at January 1	**2 343 378**	**2 399 680**
Interest cost	64 773	72 957
Current service cost	126 124	143 071
Benefits paid	(332 018)	(272 532)
Settlement/Curtailment/ Termination loss/(gain)	-	32 027
Actuarial changes arising from changes in demographic assumptions	13 228	11 222
Actuarial changes arising from changes in financial assumptions	62 260	(146 816)
Actuarial changes of experience adjustments	(6 515)	102 965
Exchange differences	2 730	12 516
Other	274 063	(11 713)
Defined benefit obligation as at December 31	**2 548 023**	**2 343 378**
Pension Cost Charge to profit and loss	**190 897**	**216 028**
Remeasurement gains/(losses) in OCI	**(68 972)**	**32 629**

A valuation methodology based on a "projected unit credit model" was determined by external parties and the following actuarial assumptions were used:

	2024			2023		
	Portugal	Greece	Bulgaria	Portugal	Greece	Bulgaria
Discount rate	3,00%	3,65%	4,00%	4,03%	3,65%	4,5%
Inflation rate	n.a.	2,25%	5,00%	n.a.	2,25%	5,00%
Pay increase	n.a.	2,25%	5,00%	n.a.	2,25%	5,00%

The Group does not have plan assets to pay or fund employee benefits.

37. Employee benefit expenses

	Dec.31, 2024	Dec.31, 2023
Salaries, wages and similar	148 613 744	106 723 497
Other employee benefits	52 234 521	31 979 903
	200 848 265	**138 703 400**

The average of Full Time Employee number of employees during 2024 was 5.104 (4.967 during 2023).

The number of employees outside Netherlands was 5.100 (4 in Netherlands). In 2023, the number of employees outside Netherland was 4.963 (4 in Netherlands).

38. Related party transactions

Intercompany balances and transactions reported to the companies included in the consolidation perimeter, as referred in note 5, were eliminated for purposes of preparing the consolidated financial statements.

The key management personnel team comprises of 38 people who are based in different countries across Europe and Mexico where the group has operations. Their compensation is limited to short-term benefits and include deferred compensation linked to the Group´s performance in a three year-period. No other long-term employee benefits are earned by directors. The Group does not have any share-based payments schemes and during the period no termination benefits have been paid. Overall, compensation of key management is aligned with market and industry practices. Fixed compensation represents around 50% of the total compensation.

Remuneration of the members of the Board of Directors

The remuneration of the members of company boards of BA Glass B.V. and its subsidiaries for the years ended December 31, 2024 amounted to EUR 6.454.761 (2023: EUR 5.946.636).

The amounts disclosed are the amounts recognized as an expense during the reporting period.

39. Environmental matters

In the conduct of its business, the Group incurs a variety of expenses of an environmental management nature which, depending on their characteristics, are capitalized or recognized as an operating expense in its operating results for the reporting period.

39.1 CO_2 Emission rights

In 2021 the European Union started a new program of allocation of CO_2 emission rights that last until 2030. In accordance with the new allocation rules, the CO_2 emissions rights were reduced and will further result in a reduction every year till 2030.

The new rules defined by the European Commission will put in place more restrict rules for free allocations to companies under the European Trading Scheme and the group follows very closely all the developments to assess the impact in the future as well as the impact on the investment plan.

Several investments are being made in order to reduce the emissions of the group in line with the ESG goals of the group.

During 2024 and 2023 the Group accounted under other "Raw materials and consumables used" all the deficit of used versus free licenses. During the year the Group's total emissions amounted to 955,5k tons (2023: 1.005,4k tons).

39.2 Environmental restoration expenses

Minas de Valdecastillo, SAU carries a legal and constructive liability to restore land allocated to its mining operations which is estimated to amount to EUR 193 thousand (2023: EUR 193 thousand).

39.3 Liability for environmental damages

The Group's subsidiaries which operate in Portugal have contractual reserves under equity to comply with the provisions of Decree-Law no. 147/2008.

40. Commitments and contingencies

40.1 Bank guarantees

As at December 31, 2024, in connection to Group Loans, the Group provided a bank guarantee of EUR 14,1M (2023: EUR 18,7M) to European Investment Bank ("EIB") as security. This loan is part of the debt of the group.

40.2 Contingencies

The Group has open tax matters/tax inspections with Portuguese and Bulgarian Tax Authorities, as a result of additional tax settlements.

The Group has EUR 315.000 (2023: EUR 4,7 million) booked in "Income tax" in current assets related with an exceptional regularization of tax debts. This regularization regime applies to debts which are being challenged by the Group in Court and the Group believes that it is not more likely than not that there will be an unfavorable settlement. In spite of the Group has paid this amount, it does not mean that the Group will not have a favorable assessment in what concerns the debts aforementioned.

These payments in advance were performed by the companies BA Glass Portugal S.A. and BA Glass I - Serviços de Gestão e Investimentos, S.A..

As at the date of the financial statements there is a tax inspection open in Bulgaria for the period of 2017-2018 and 2020-2021.

41. Financial Risk

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations.

The Group has loan and other receivables, trade and other receivables, and cash and short-term deposits that arrive directly from its operations.

The Group is exposed to financial risk such as interest rate risk, exchange rate risk, commodity price risk, credit risk and liquidity risk.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below.

The financial risk is the risk of the fair value or future cash flows of a financial instrument varying and of obtaining results other than those expected, whether these are positive or negative, changing the Group's net worth.

When carrying out its current activities the Group is exposed to a variety of financial risks liable to change its net worth which, depending on their nature, can be grouped into the following categories:

- → Market risk
  - → Interest rate risk
  - → Exchange rate risk
  - → Commodity price risks
- → Credit risk
- → Liquidity risk
- → Other risks

The management of the above-mentioned risks – risks which arise largely from the unpredictability of the financial markets – requires the careful application of a series of rules and methodologies approved by Management, whose ultimate objective is the reducing of their potential negative impact on the Group's net worth and performance.

With this objective in mind, all risk management is geared towards two essential concerns:

- → To reduce, whenever possible, fluctuations in the results and cash-flows subject to situations of risk;
- → To limit any deviations from the forecasted results by way of strict financial planning based on multiannual budgets.

As a rule, the Group does not assume speculative positions meaning that, generally speaking, the operations carried out in the context of financial risk management are aimed at controlling already existing risks to which the Group is exposed.

Management defines principles for risk management as a whole and policies which cover specific areas such as foreign exchange risk, interest rate risk, liquidity risk, credit risk and the use of derivative or non-derivative financial instruments and the investment of excess liquidity.

The management of financial risks, including their identification and evaluation, is carried out by the finance department in accordance with policies approved by Management.

Interest rate risk

Interest rate risk is the risk of the fair value or future cash flows of a financial instrument varying due to changes to market interest rates, changing the Group's net worth.

The Group's exposure to the risk of changes in market interest rates relates to the existence of assets and liabilities negotiated with fixed or floating interest rates. In the first case, the Group faces a risk of fluctuation in the "fair value" of the assets or liabilities, due to the fact that any change in the interest market rates involves an "opportunity cost" (positive or negative). In the second case, such change has a direct impact on the amount of interest received/paid, causing cash variances.

The Group has financing in Euros, Polish Zloty and Mexican Pesos all with variable interest rates and Pounds with fixed rate. The Group considers that changes in the interest estimations has no material impact in its financial position.

Interest rate sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected.

With all other variables held constant, the Group's profit before tax is affected through the impact on float rate borrowings, as follows:

Amounts in EUR thousands	Increase/ decrease in basis point	Impact in profit before taxes
EUR	100	10.045
PLN	100	13
GBP	100	29
MXN	100	257
EUR	(100)	(10.045)
PLN	(100)	(13)
GBP	(100)	(29)
MXN	(100)	(257)

Finance in EUR is indexed to Euribor for the different tenure/maturity and indexes have had an increase during both 2023 and 2024 with the intervention of central banks to control the rising inflation.

Exchange rate risk

The exchange rate risk is the risk of the fair value or cash flows of a financial instrument varying as a result of changes in foreign exchange rates.

The internationalization of the Group forces it to be exposed to the exchange rate risk of the currencies of various countries. The group is mainly exposed, through the investments in subsidiaries, to the following currencies, - PLN, RON, Bulgarian Lev, Mexico Peso and GBP.

To quantify the sensitivity to currency risk, taking 2024 data, an average depreciation by PLN, RON, GBP and MXN currencies of 5% in a full year, ceteris paribus, would have no relevant impact in the group's consolidated profit.

Commodity price risk

The Group's glass container operations require a continuous supply of significant amounts of energy, mostly natural gas and electrical power. Adequate supplies of energy are generally available at all of the Group's manufacturing locations. Energy costs typically account for 20-30% of the Group's total manufacturing costs, depending mainly on the energy price can be very volatile as they depend on several uncontrolled factors like, oil and exchange rate fluctuations, inventories and weather conditions among other. The changes in the prices of energy can have a significant impact in the cash flow of the company and in its operating results.

In each country the Group has agreements with the suppliers to guarantee the continuous supply of energy.

The Group follows closely and actively the energy markets to access its evolution and take decisions on how to be processed, the Group has revised its policy and started to hedge part of its energy consumptions due to the high volatility and impact of the energy prices.

Credit risk

The credit risk is the risk of a third party failing to meet its obligations under the terms of a financial instrument, causing a loss.

The Group is subject to risk in credit with regards to its operating activity, namely with customers, suppliers and other accounts receivable and payable.

The management of credit risk with regard to customers and other accounts receivable is carried out as follows:

- → The compliance with policies, procedures and controls established by the Group;
- → The credit limits are established for all customers based on defined internal evaluation criteria;
- → The credit quality of each customer is evaluated based on credit risk information received by specialized external companies;
- → The outstanding debts are monitored on a regular basis and supplies to the most important customers are usually covered by guarantees.

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of the customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

Outstanding customer receivables are regularly monitored. The requirement for impairment is analyzed at each reporting date on an individual basis for major clients.

Additionally, a large number of minor receivables are grouped into homogenous Groups and assessed for impairment collectively. The calculation is based on actually incurred historical data.

The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclose in note 9.

Factoring

The credits ceded to factoring institutions without recourse, i.e., the risk of default is assumed by the factoring institution, are derecognized from the balance sheet when the cash advances are received.

The credits ceded to factoring institutions with recourse, i.e., the risk of default is assumed by the Company, are not derecognized from the balance sheet and the risk of default is taken into consideration when determining impairment losses. In this case, the cash advances received are recognized as bank loans.

Reverse Factoring

The Group has "reverse factoring" agreements with financial institutions. These agreements are not used to manage liquidity of the Group, as it remains the payment on the due date of the invoices (on that date the advances are paid to the financial institution by the Group). These agreements did not generate any financial expenses for the group. For these reasons, the amounts of invoices advanced to the suppliers, are kept in Liabilities, as "trade payables".

Liquidity risk

Liquidity risk is defined as the risk that the Group could not be able to settle or meet its obligations on time or at a reasonable price. Due to the existence of liquidity risk, management of liquidity is performed with the objective of maximize liquidity gains and minimize opportunity costs of retaining liquidity on a safe and efficient way.

The Group manages liquidity risk with the following objectives:

Liquidity – ensure permanent and efficient access to funds to fulfill commitments;

Safety – minimize the probability of not being able to fulfill its commitments; and

Financial efficiency – minimize the opportunity cost of retaining excess of liquidity in the short -term.

The Group manages liquidity risk by ensuring the contract of financial instruments and different borrowings facilities with appropriate amounts to the funding needs of each business and subsidiary, ensuring comfortable levels of liquidity.

42. Structure of the members of the Board of directors

The board of directors is composed of 4 members:

- → Rita Mestre Mira da Silva Domingues (Director A);
- → Luis Manuel Pinheiro Mendes (Director A);
- → Deni Tomasevic(Director B); and
- → Intertrust (Netherlands) B.V. (Director B).

43. Fees paid to the statutory auditors

Audit fees are as follows:

Non-audit services provided by EY Network were in the amount of EUR 326.039 (2023: EUR 649.657) of which EUR 322k are related to tax.

Audit Services	2024	2023
Statutory audit services		
Iberia	135 509	123 972
Netherlands	57 132	47 400
Central Europe	53 312	55 415
Southeast	123 429	154 540
Others	96 618	-
Total EY	**466 000**	**381 327**
Total Non-EY	**35 500**	**24 000**

44. Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Lack of exchangeability – Amendments to IAS 21

In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted, but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The amendments are not expected to have a material impact on the Group's financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

45. Events after the balance sheet date

There are no events after the balance sheet date with impact on the operations of the company.

Amsterdam, March 14th, 2025
Members of the Board of Directors:

Rita Mestre Mira da Silva Domingues
(Director A)

Luis Manuel Pinheiro Mendes
(Director A)

Deni Tomasevic
Director B)

Intertrust (Netherlands) B.V.
(Director B)

1. Standalone Annual Accounts
(before appropriation of results)

Standalone Statement of Financial Position
(**Amounts expressed in euro**)

Assets	Notes	Dec 31, 2024	Dec 31, 2023
Non-current assets			
Financial investments	3.4	680 454 638	680 454 638
		680 454 638	**680 454 638**
Current assets			
Due from group companies	3.5	6 600 000	6 600 000
Other receivables		175 991	171 267
Other current assets		48 730	9 178
Cash and short term deposits	3.7	439 899	1 830 487
		7 264 620	**8 610 933**
Total assets		**687 719 258**	**689 065 571**
Equity and liabilities			
Issued capital	3.6	36 000	36 000
Share premium		587 482 000	587 482 000
Retained earnings		(146 519 679)	1 417 367
Other equity adjustments		(1 988 603)	(1 988 603)
Net profit for the year		248 630 890	102 062 954
Equity attributable to owners of the parent		**687 640 608**	**689 009 718**
Total equity		**687 640 608**	**689 009 718**
Current liabilities		-	-
Due to shareholders		78 650	55 853
Other current liabilities		**78 650**	**55 853**
Total equity and liabilities		**687 719 258**	**689 065 571**

Standalone Statement of Profit or Loss

(Amounts expressed in Euro)

	Notes	Dec 31, 2024	Dec 31, 2023
Continuing operations			
Revenue			
Revenue from contracts with customers		129 695	176 748
Changes in stocks of finished goods		84 817	49 060
Other operating income		29 820	46 365
		244 332	**272 173**
Operating Income		**(244 332)**	**(272 173)**
Financial Income			
Dividends	3.4	248 500 000	100 000 000
Interest income		354 636	343 854
Other operating expenses	3.4	28 862	2 000 000
		248 883 498	**102 343 854**
Financial costs			
Other financial costs		8 276	8 728
		8 276	**8 728**
Financial result		**248 875 224**	**102 335 127**
Profit before tax from continuing operations		**248 630 890**	**102 062 954**
Corporate income tax	3.9	-	-
			-
Profit for the year		**248 630 890**	**102 062 954**

Statement of Changes in Equity

(Amounts expressed in Euro)

	Issued capital	Share Premium	Retained earn-ings	Other equity adjustments	Profit for the year	Total Equity
As at January 1, 2023	**36 000**	**587 482 000**	**21 528 977**	**(1 988 603)**	**79 888 391**	**686 946 765**
Appropriation of prior year net profit	-	-	79 888 391	-	(79 888 391)	-
Dividends	-	-	(100 000 000)	-		(100 000 000)
Profit for the year	-	-	-	-	102 062 954	102 062 954
As at December 31, 2023	**36 000**	**587 482 000**	**1 417 367**	**(1 988 603)**	**102 062 954**	**689 009 718**
As at January 1, 2024	**36 000**	**587 482 000**	**1 417 367**	**(1 988 603)**	**102 062 954**	**689 009 718**
Appropriation of prior year net profit	-	-	102 062 954	-	(102 062 954)	-
Dividends	-	-	(250 000 000)	-		(250 000 000)
Profit for the year	-	-	-	-	248 630 890	248 630 890
As at December 31, 2024	**36 000**	**587 482 000**	**(146 519 679)**	**(1 988 603)**	**248 630 890**	**687 640 608**

Standalone Statement of Cash Flows

(amounts expressed in euro)

	Dec. 31, 2024	Dec. 31, 2023
Cash flow statement - operating activities		
Receipts from customers	-	-
Payments to suppliers	(254 623)	(283 623)
Cash generated from operations	**(254 623)**	**(283 623)**
(Payment) / reimbursement of corporate income tax	-	-
Other proceeds / (payments) relating to the operating activity	(7 833)	(1 377)
Cash flow from operating activities (1)	**(262 096)**	**(285 000)**
Cash flow statement - investing activities		
Receipts from:		
Dividends	248 500 000	100 000 000
	248 500 000	**100 000 000**
Cash flow from investing activities (2)	**248 500 000**	**100 000 000**
Cash flow statement - financing activities		
Receipts from		
Interests received	350 917	463 234
Others	28 866	
	379 783	**463 234**
Payments related to:		
Dividends	(250 000 000)	(100 000 000)
Others	(8 276)	(7 944)
	(250 008 276)	**(100 007 944)**
Cash flow from financing activities (3)	**(249 628 492)**	**(99 544 710)**

Net cash flow variation for the year (4)=(1)+(2)+(3)	**(1 390 588)**	**170 290**
Standalone net cash flow variations for the year	**(1 390 588)**	**170 290**
Effect of foreign exchange differences	**-**	**-**
Cash and its equivalents at the beginning of the period	**1 830 487**	**1 660 197**
Cash and its equivalents at the end of the period	**439 899**	**1 830 487**

Notes to the standalone cash-flow statement:		
Cash	-	-
Short term bank deposits	439 899	1 660 197
Cash and its equivalents	**439 899**	**1 660 197**

1.1. Notes to the standalone financial statements for the year ended December 31, 2024

The standalone financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), as adopted by the European Union and in accordance with Part 9 of Book 2 of the Dutch Civil Code.

These financial statements have been prepared on a historical cost basis.

1.2. General information

BA Glass B.V. (the "Company") was incorporated with limited liability under the laws of the Netherlands on September 4th, 2008. The statutory seat of the Company is in Amsterdam, the Netherlands. The registered office of the company is in Amsterdam, at Basisweg 10, 1043 AP, Amsterdam. The objectives of the Company are to act as holding and finance company. The Company is registered at the Dutch Chamber of Commerce with file number 34310991.

1.3. Principles for the measurement of assets and liabilities and the determination of the result

Accounting principles applied for the consolidated accounts are the same for the standalone accounts, except for investments in subsidiaries and associates which are accounted at cost or lower recoverable amount. Refer to note 2.4 of the consolidated financial statements.

Capital management

The Company manages its capital structure and adjust in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a leverage ratio, which is 'net debt' divided by EBITDA. The Company's policy is to keep the leverage ratio below 4,0x. The Company includes within net debt, interest bearing loans and borrowings, less cash and short-term deposits, excluding discontinued operations.

1.4. Financial investments

	Dec 31, 2024			Dec 31, 2023		
	Cost	Impairment	Net book value	Cost	Impairment	Net book value
BA Glass I	587 500 000	-	587 500 000	587 500 000	-	587 500 000
BA Glass Poland	69 345 387	-	69 345 387	69 345 387	-	69 345 387
Ba Glass Germany	23 559 251	-	23 559 251	23 559 251	-	23 559 251
BA Greece	50 000	-	50 000	50 000	-	50 000
	680 454 638	-	**680 454 638**	**680 454 638**	-	**680 454 638**

During the year ended December 31, 2024, no changes in financial investments were reported.

The investment of EUR 587,500,000 relates to the 100% share in BA Glass I – Serviços de Gestão e Investimentos S.A., Avintes, Portugal. The investment was accounted using the deemed cost approach, since these financial statements have been prepared in accordance with IFRS and Part 9 of Book 2 of the Dutch Civil Code, at the date of incorporation of BA Glass B.V.

During 2016, the company was engaged in two acquisition processes, one in Germany with the acquisition of a 100% stake in the share capital of HNG Global (now denominated BA Glass Germany) and a minority stake (in a joint venture with CVC Capital Partners) in the US company Anchor Glass. Both companies operate in the glass packaging production for the food and beverages industry, in line with the other Group companies.

In 2022 BA Glass BV sold the stake of 25% interest in the company Anchor Glass, and considered, a potential liability of EUR 2 million, which was the maximum management bonus payment connected with the performance of Anchor Glass during the year 2022. This bonus was not achieved, and the liability was cancelled in 2023, with an impact in other financial income.

During 2024, the Company received dividends in the amount of EUR 248.500.000 from BA Glass I (2023: EUR 100.000.000 from BA Glass I).

BA Glass B.V. is a holding company and has the following direct and indirect financial interests:

Subsidiary		Head office	Dec. 31, 2024	Dec. 31, 2023
BA Glass B.V		Amsterdam (Netherlands)	Parent	Parent
BA Glass I - Serviços de Gestão e Investimentos, S.A.		Avintes (Portugal)	100%	100%
BA Glass Portugal, S.A.		Avintes (Portugal)	100%	100%
BA Glass Spain, SAU		León (Spain)	100%	100%
BA Glass Poland Sp.Z.o.o.		Poznan (Poland)	100%	100%
BA Glass Germany Gmbh		Gardelegen (Germany)	100%	100%
Moldin, S.A.		Avintes (Portugal)	100%	100%
BA Vidrio Distribución Comerc.Envases, S.A.		Mérida (Spain)	100%	100%
Minas de Valdecastillo, SAU		León (Spain)	100%	100%
Barbosa & Almeida, SGPS, S.A:		Avintes (Portugal)	100%	100%
BA Vidro II Marinha Grande, SGPS, S.A.		Avintes (Portugal)	100%	100%
Artividro - Arte em Vidro, Lda.	(1)	Leiria (Portugal)	87,5%	87,5%
BA Glass Greece , S.A.		Athens (Greece)	100%	100%
Huta Szklana Holding Sp.Z.o.o	(1)	Sieraków (Poland)	82%	82%
Glasstank, B.V.		Amsterdam (Netherlands)	100%	100%
BA Glass Romania, S.A.		Bucarest (Romania)	100%	100%
BA Glass Bulgaria, S.A.		Sofia (Bulgaria)	100%	100%
BA Glass Mexico, S.A. de C.V.		Mexico City (Mexico)	60%	60%
Corpo Vica, S.A.P.I de C.V.		Mexico City (Mexico)	60%	60%
Pronav, S.A. de C.V.		Mexico City (Mexico)	56,4%	56,4%
Recresco Limited		England (Nottingham)	100%	100%
BA Glass Poland 2 Sp.Z.o.o.	(2)	Poznan (Poland)	100%	100%

(1) Companies were excluded from consolidation because they are dormant and totally immaterial.

(2) Company incorporated in 2023 with the purpose to acquire CP Glass operations

1.5. Due from group companies

	Dec 31, 2024	Dec 31, 2023
Loans Granted - BA Glass I	6 600 000	6 600 000
	6 600 000	**6 600 000**

In 2024, the maturity date of the loans has been extended to 2025, with an annual interest of EURIBOR 12M+1,6%. Management expects that the loan will be repaid in 2025.

1.6. Shareholders' equity

The authorized capital amounts to EUR 90,000, consisting of 90,000 ordinary shares of EUR 1 each of which 36,000 shares are issued and paid-up as at December 31, 2024 and December 31, 2023.

In accordance with article 2:362 sub 9 of Dutch law, the Company recognizes legal reserves if required under Dutch law. Legal reserves are non-distributable reserves. As per December 31, 2024, the Company has not recognized any legal reserves based on Dutch law (2023: none).

The Board proposes to allocate the profit for the year in the amount of EUR 248.630.890,06 to free reserves and make a dividend distribution in the amount of EUR 100.000.000.

In accordance with 2-289-10 of Dutch Civil code, the reconciliation between the standalone equity and consolidated equity is the following:

	Dec 31, 2024	Dec 31, 2023
Total standalone equity	**687 640 608**	**689 009 718**
Retained Earnings from subsidiaries	154 761 013	227 995 973
Total consolidation Group company	**842 401 621**	**917 005 691**

In accordance with 2-289-10 of Dutch Civil code, the reconciliation of the standalone net result and consolidated net result is the following:

	Dec 31, 2024	Dec 31, 2023
Standalone net profit	**248 630 890**	**102 062 954**
Elimination internal dividends	(248 500 000)	(100 000 000)
Net profit (loss) of subsidiaries	157 091 893	380 561 950
Total consolidation net profit (loss)	**157 222 783**	**380 624 903**

The above disclosed reconciliation differences are mainly due to investments being recognized at cost or lower recoverable amount in the standalone financial statements.

1.7. Cash and short-term deposits

	Dec 31, 2024	Dec 31, 2023
Cash	-	-
Short term bank deposits	439 899	1 830 487
	439 899	**1 830 487**

There are no restrictions on the realizability of its cash and its equivalents.

1.8. Employees and Directors

During the year under review the Company did not employ any personnel (previous year: nil).

1.9. Corporate income tax

Corporate income tax is calculated at the applicable rate on the result for the financial year, taking into account permanent differences between profit calculated according to the financial statements and profit calculated for taxation purposes. Temporary differences between the reporting for tax purposes and the financial statements are recognized as deferred taxes based on the current tax rate. Deferred tax assets and liabilities are netted. Net deferred tax assets will be included in the balance sheet if actual realization is assumed probable by the Company's management.

Corporate income tax expense comprises current and deferred tax. Current tax is the expected tax payable on the taxable income for the year and any adjustment to tax payable in respect of previous years. Corporate income tax expense is recognized in the statement of income except to the extent that it relates to items recognized directly in equity.

The Company has EUR 786.310 of losses carried forward at the end of 2022 for which no deferred tax asset is recognized.

1.10. Fees paid to the statutory auditors

The fees paid to the auditors by the Company, at group level, can be broken down as follows

Audit fees are as follows:

Audit Services	2023	2022
Statutory audit services		
Iberia	135 509	123 972
Netherlands	57 132	47 400
Central Europe	53 312	55 415
Southeast	123 429	154 540
Others	96 618	-
Total EY	**466 000**	**381 327**
Total Non-EY	**35 500**	**24 000**

Non-audit services provided by EY Network were in the amount of EUR 326.039 (2023: EUR 649.657) of which EUR 322k are related to tax.

1.11. Events after the balance sheet date

After the balance sheet date, there was a decision on the subsidiary BA Glass I – Serviços de Gestão e Investimentos, SA to distribute dividends to the company in the total amount of EUR 100.000.000.

There are no additional events after the balance sheet date with impact on the operations of the Company

Appropriation of net result

The Company may make distributions to the shareholders only to the extent that from an up-to-date balance sheet it appears that the Company's shareholders' equity exceeds the sum of the reserves which it is legally required to maintain.

The Company may only follow a resolution of the General Meeting to distribute after the management board has given its approval to do this. The management board withholds approval only if it knows or reasonably should be able to foresee that the Company cannot continue to pay its due debts after the distribution.

According to the Company's Articles of Association, the appropriation of the result is to be determined by the General Meeting.

The Board proposes to allocate the profit for the year in the amount of EUR 248.630.890 to free reserves.

Amsterdam, March 14th, 2025
Members of the Board of Directors:

Rita Mestre Mira da Silva Domingues
(Director A)

Luis Manuel Pinheiro Mendes
(Director A)

Deni Tomasevic
Director B)

Intertrust (Netherlands) B.V.
(Director B)

EY
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Independent auditor's report

To: the shareholders of BA Glass B.V.

Report on the audit of the financial statements 2024 included in the annual accounts

Our opinion

We have audited the accompanying financial statements for the financial year ended December 31, 2024 of BA Glass B.V. based in Amsterdam.

In our opinion the financial statements give a true and fair view of the financial position of BA Glass B.V. as at December 31, 2024 and of its result and its cash flows for 2024 in accordance with IFRS Accounting Standards as adopted in the European Union (IFRS Accounting Standards) and with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- The consolidated and standalone statement of financial position as at December 31, 2024
- The following statements for 2024: the consolidated and standalone statement of profit or loss, the consolidated and standalone statement of other comprehensive income, changes in equity and cash flows
- The notes comprising material accounting policy information and other explanatory information

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the Our responsibilities for the audit of the financial statements section of our report.

We are independent of BA Glass B.V. (the company) in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for professional accountants).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion and any findings were addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Our focus on fraud and non-compliance with laws and regulations

Our responsibility

Although we are not responsible for preventing fraud or non-compliance and we cannot be expected to detect non-compliance with all laws and regulations, it is our responsibility to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error.

Our audit response related to fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the company and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control, as well as the outcomes. We refer to the section Business Risks of the management report for management's (fraud) risk assessment.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as the code of conduct and whistle blower procedures. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We addressed the risks related to management override of controls, as this risk is present in all organizations. For these risks we have performed procedures among other things to evaluate key accounting estimates for management bias that may represent a risk of material misstatement due to fraud, in particular relating to significant accounting judgments, estimates and assumptions as disclosed in Note 4 to the financial statements. We have also used data analysis to identify and address high-risk journal entries and evaluated the business rationale (or the lack thereof) of significant extraordinary transactions, including those with related parties.

When identifying and assessing fraud risks we presumed that there are risks of fraud in revenue recognition. We considered among other things the timing of company's revenue realization.
We designed and performed our audit procedures relating to revenue recognition responsive to this presumed fraud risk.
For the risk related to impairment of inventories we verified reasonableness of key assumptions including significant changes compared to previous year through inquiries, recalculation and back testing.

We considered available information and made enquiries of relevant executives and directors.

The fraud risks we identified, enquiries and other available information did not lead to specific indications for fraud or suspected fraud potentially materially impacting the view of the financial statements.

Our audit response related to risks of non-compliance with laws and regulations
We performed appropriate audit procedures regarding compliance with the provisions of those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. Furthermore, we assessed factors related to the risks of non-compliance with laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general industry experience, through discussions with the management board, reading minutes, and performing substantive tests of details of classes of transactions, account balances or disclosures.

We also remained alert to any indication of (suspected) non-compliance throughout the audit. Finally we obtained written representations that all known instances of non-compliance with laws and regulations have been disclosed to us.

Our audit response related to going concern
As disclosed in section Going concern in Note 2.1 to the financial statements, the financial statements have been prepared on a going concern basis. When preparing the financial statements, management made a specific assessment of the company's ability to continue as a going concern and to continue its operations for the foreseeable future.

We discussed and evaluated the specific assessment with management exercising professional judgment and maintaining professional skepticism. We considered whether management's going concern assessment, based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, contains all relevant 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.

Based on our procedures performed, we did not identify material uncertainties about going concern. 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 a company to cease to continue as a going concern.

Report on other information included in the annual accounts

The annual accounts contain other information in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:
- Is consistent with the financial statements and does not contain material misstatements
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information required by Part 9 of Book 2 of the Dutch Civil Code.

Description of responsibilities regarding the financial statements

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The board of directors is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material misstatements, whether due to fraud or error during our audit.

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 these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. The Information in support of our opinion section above includes an informative summary of our responsibilities and the work performed as the basis for our opinion. Our audit included among others:
- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining 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
- Obtaining 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

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- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

We are responsible for planning and performing the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements. We are also responsible for the direction, supervision, review and evaluation of the audit work performed for purposes of the group audit. We bear the full responsibility for the auditor's report.

Communication

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Amsterdam, March 14, 2025

EY Accountants B.V.

Jordy Lodewijks

Digitally signed by Jordy Lodewijks
DN: cn=Jordy Lodewijks, c=NL, o=Jordy Lodewijks
Date: 2025.03.14 10:59:43 +01'00'

J. Lodewijks

BA Glass Group

1 BAgG
BA Glass Group

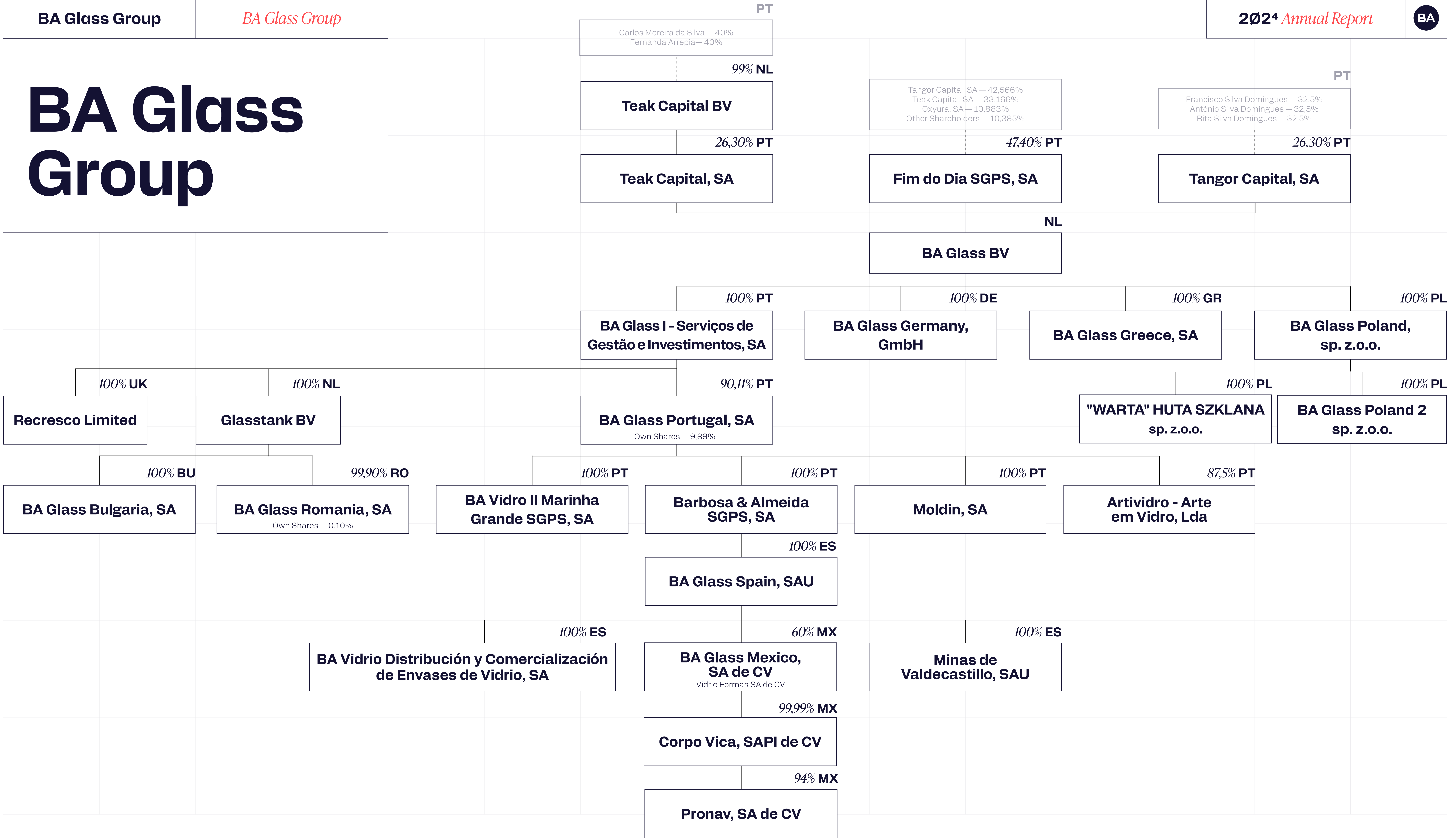
2 BAgMs
BA Group Macro-Structure

3 S²
Shareholders Structure

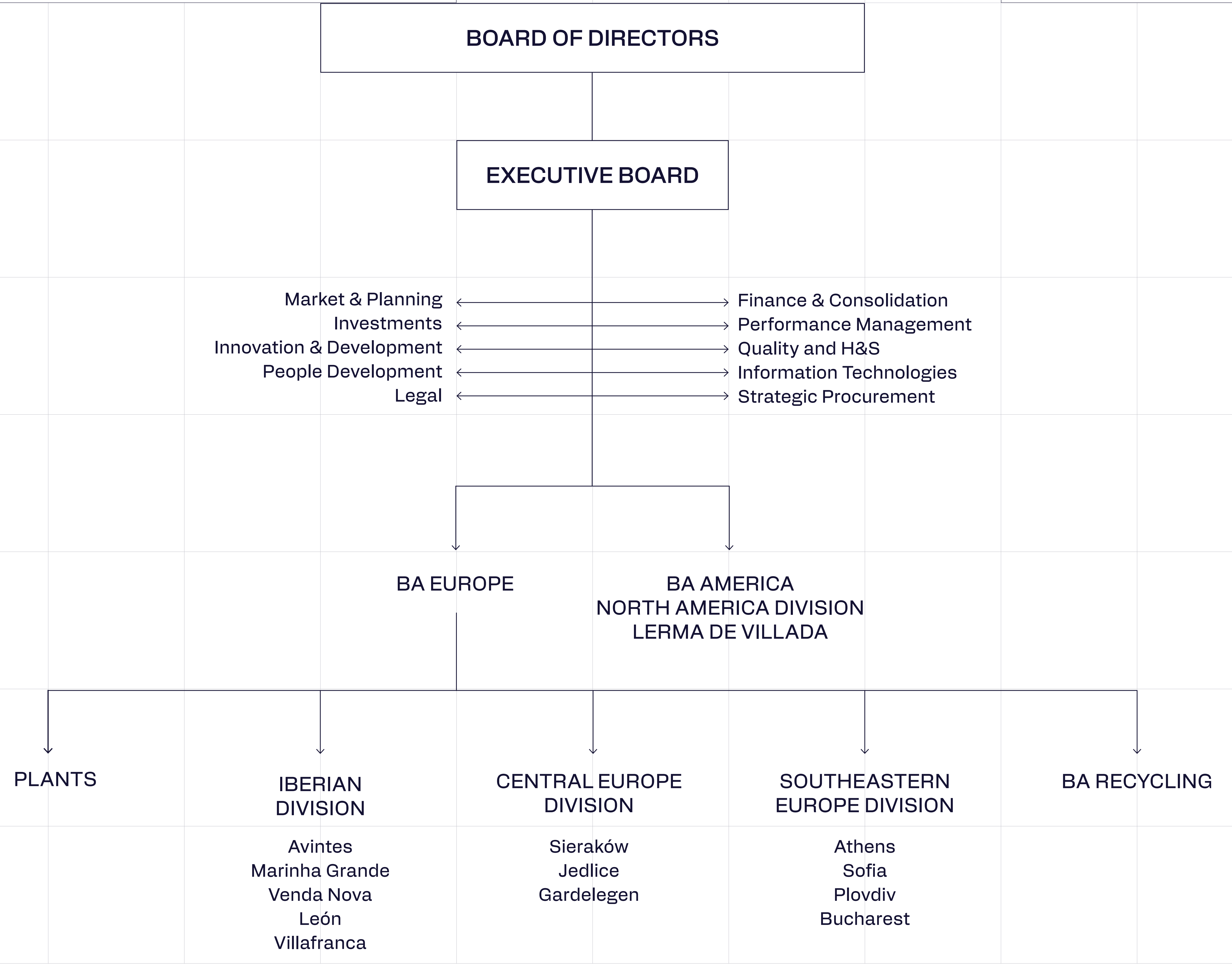
4 A+Gl
Adresses & Geographical Location

5 Co
Commercial Offices

BA Glass Group



BA Group Macro-Structure



BA Glass B.V. Shareholders

	SHARES	% SHARE CAPITAL AND VOTING RIGHTS
Fim do Dia, SGPS, S.A. Company owned by the Board Members and Senior Managers of BA Glass	17,064	47.40%
Teak Capital, S.A. Company owned by the Moreira da Silva family	9,468	26.30%
Tangor Capital, S.A. Company owned by the Silva Domingues family	9,468	26.30%
TOTAL	**36,000**	**100%**

Adresses & Geographical Location

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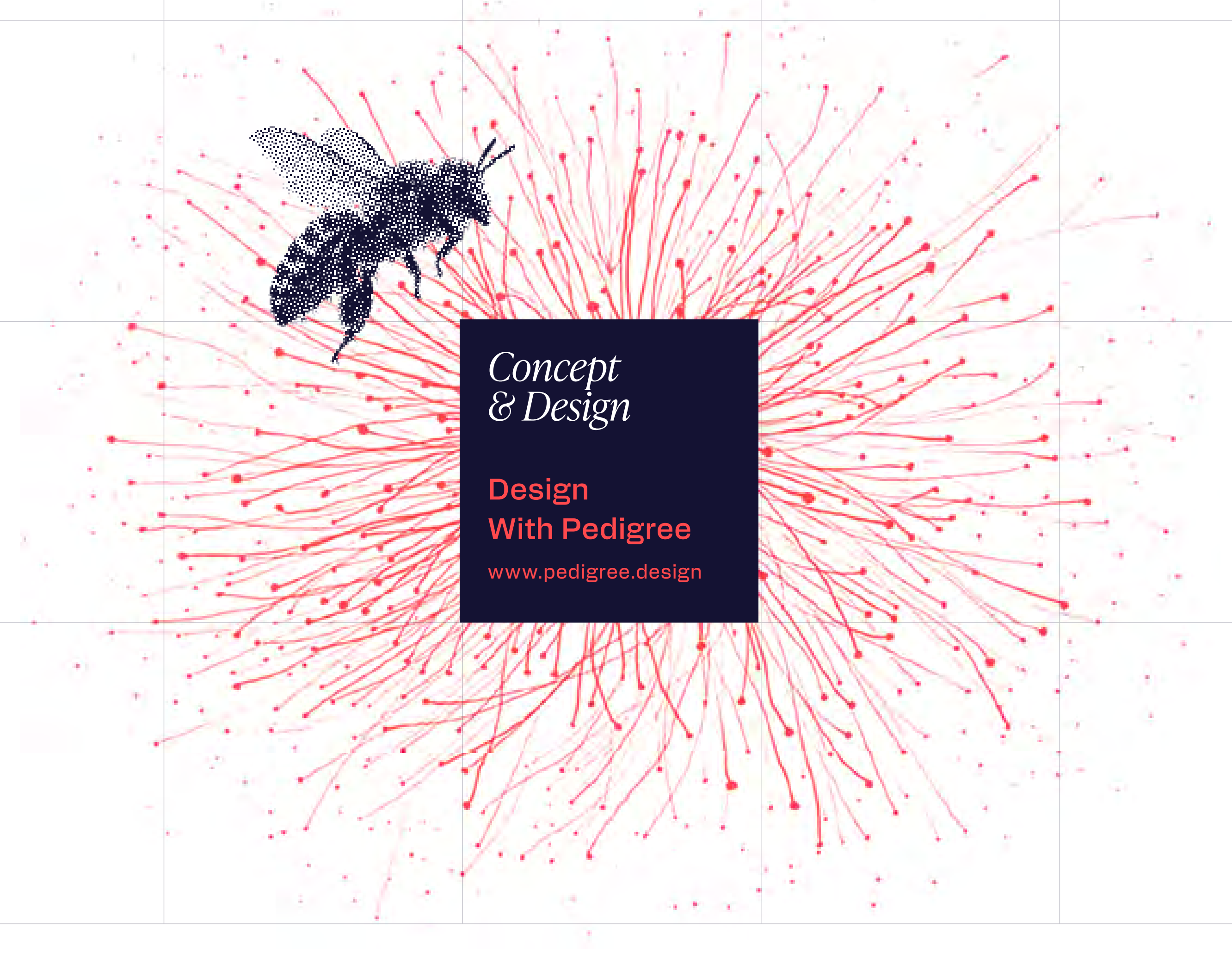
Some images in this report were created using artificial intelligence, reflecting our dedication to explore new possibilities, crossing new frontiers, and embracing a transformative era.



GLASS

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2ø24
Annual
Report

BA