Б.А. Глас Б.В.

(преди разпределение на резултата)

Индивидуален отчет за финансовото състояние

(Сумите са посочени в евро)

Активи	**Бележки**	**31.12.2021 г.**	**31.12.2020 г.**
Нетекущи активи			
Финансови инвестиции	4.4	680 454 638	684 306 174
		680 454 638	**684 306 174**
Текущи активи			
Вземания от дружества от Групата	4.5	6 600 000	6 600 000
Други вземания		179 213	145 355
Други текущи активи		13 650	44 026
Парични средства и краткосрочни депозити	4.7	21 930 939	14 639 672
		28 723 802	**21 429 053**
Общо активи		**709 178 440**	**705 735 226**

Собствен капитал и пасиви	**Бележки**	**31.12.2021 г.**	**31.12.2020 г.**
Емитиран капитал	4.6	36 000	36 000
Премиен резерв		587 482 000	587 482 000
Неразпределена печалба		(109 855 473)	46 881 622
Други корекции на собствения капитал		(1 988 603)	(1 988 603)
Нетна печалба за годината		231 384 450	73 262 905
Собствен капитал, относим към собствениците на компанията-майка		**707 058 374**	**705 673 924**
Общо собствен капитал		**707 058 374**	**705 673 924**
Текущи пасиви			
Дължими към акционерите		500	500
Други текущи пасиви		2 119 566	60 803
		2 120 066	**61 303**
Общо собствен капитал и пасиви		**709 178 440**	**705 735 226**

Б.А. Глас Б.В.

Индивидуален отчет за печалбата или загубата

(Сумите са посочени в евро)

	Бележки	31.12.2021 г.	31.12.2020 г.
Приходи от продължаващи дейности			
Приходи от дейността			
Други приходи		94 500	134 700
		94 500	**134 700**
Разходи за дейността			
Управление, счетоводство и възнаграждения за юридически услуги		171 884	145 324
Бюджетни такси		–	–
Възнаграждение на одитора		55 220	26 500
Други разходи за дейността		91 234	31 464
		318 338	**203 288**
Приходи от дейността		**(223 838)**	**(68 588)**
Финансови приходи			
Дивиденти	4.4	216 000 000	73 223 120
Приходи от лихви		100 681	113 979
Други финансови приходи	4.4	15 561 665	–
		231 662 346	**73 337 100**
Финансови разходи			
Други финансови разходи		54 058	5607
Обезценка на финансови инвестиции	4.4		–
		54 058	**5607**
Финансов резултат		**231 608 288**	**73 331 493**
Печалба преди данъци от продължаващи дейности		**231 384 450**	**73 262 905**
Корпоративен подоходен данък	4.9	–	–
Печалба за годината		**231 384 450**	**73 262 905**

Б.А. Глас Б.В.

Отчет за промените в собствения капитал

(Сумите са посочени в евро)

	Емитиран капитал	Премиен резерв	Неразпределена печалба	Други корекции на собствения капитал	Печалба за годината	Общо собствен капитал
На 1 януари 2020 г.	36 000	587 482 000	90 162 501	(1 988 603)	15 719 121	691 411 019
						–
Разпределение на нетната печалба от предходната година			15 719 121		(15 719 121)	–
Дивиденти			(59 000 000)			(59 000 000)
Печалба за годината					73 262 905	73 262 905
На 31 декември 2020 г.	36 000	587 482 000	46 881 622	(1 988 603)	73 262 905	705 673 924
На 1 януари 2021 г.	36 000	587 482 000	46 881 622	(1 988 603)	73 262 905	705 673 924
						–
Разпределение на нетната печалба от предходната година			73 262 905		(73 262 905)	–
Дивиденти			(230 000 000)			(230 000 000)
Печалба за годината					231 384 450	231 384 450
На 31 декември 2021 г.	**36 000**	**587 482 000**	**(109 855 473)**	**(1 988 603)**	**231 384 450**	**707 058 374**

Б.А. Глас Б.В.

Индивидуален отчет за паричните потоци

(Сумите са посочени в евро)

	31.12.2021 г.	31.12.2020 г.
Отчет за паричния поток – основна дейност		
Постъпления от клиенти	161 824	134 700
Плащания към доставчици	(253 318)	(344 776)
Парични потоци от оперативна дейност	**(91 495)**	**(210 076)**
Плащане/(възстановяване) на корпоративен подоходен данък		
Други (постъпления)/плащания, свързани с оперативната дейност	(30 439)	11 345
Паричен поток от основна дейност (1)	**(121 934)**	**(198 731)**
Отчет за паричния поток – инвестиционна дейност		
Постъпления от:		
Дивиденти	216 000 000	00.1000.00.
Финансови инвестиции	21 413 201	
Предоставени заеми		
	237 413 201	**73 223 120**
Плащания, свързани с:		
Финансови инвестиции		
Предоставени заеми	–	–
	–	–
Парични потоци от инвестиционна дейност (2)	**237 413 201**	**73 223 120**
Отчет за паричния поток – финансиращи дейности		
Постъпления от:		
Получени лихви	–	–
	–	–
Плащания, свързани с:		
Дивиденти	(230 000 000)	(59 000 000)
	(230 000 000)	**(59 000 000)**
Парични потоци от финансиращи дейности (3)	**(230 000 000)**	**(59 000 000)**
Нетна промяна на парични потоци за годината (4)=(1)+(2)+(3)	**7 291 267**	**14 024 389**
Индивидуална нетна промяна на паричните потоци за годината	**7 291 267**	**14 024 389**
Ефект от курсовите разлики	–	–
Парични средства и техни еквиваленти в началото на периода	**14 639 672**	**615 283**
Парични средства и техни еквиваленти в края на периода	**21 930 939**	**14 639 672**

Бележки към индивидуалния отчет за паричния поток:		
Парични средства в брой	–	–
Краткосрочни банкови депозити	21 930 939	14 639 672
Парични средства и техни еквиваленти	**21 930 939**	**14 639 672**

3.1. Бележки към индивидуалните финансови отчети за годината, приключваща на 31 декември 2021 г.

Индивидуалните финансови отчети са изготвени в съответствие с Международните стандарти за финансово отчитане (МСФО), издадени от Съвета за международни счетоводни стандарти (СМСС) и възприети от Европейския съюз, както и в съответствие с Част 9 на Книга 2 от нидерландския Граждански кодекс.

Настоящите финансови отчети са изготвени на база историческа цена.

3.2 Обща информация

Б.А. Глас Б.В. („Дружеството“) е учредено като дружество с ограничена отговорност по законите на Нидерландия на 4 септември 2008 г. Седалището на Дружеството е в Амстердам, Нидерландия. Адресът на управление на дружеството е в Амстердам на ул. „Basisweg“ №10, пощенски код 1043AP, Амстердам [Basisweg 10, 1043AP Amsterdam]. Целите на дружеството са да действа като холдингово и финансово дружество. Дружеството е вписано в Търговската камара на Нидерландия под номер на досието 34310991.

3.3 Принципи за оценяване на активите и пасивите и за определянето на резултата

Счетоводните принципи, прилагани по отношение на консолидирания отчет, са същите като прилаганите спрямо индивидуалните отчети, освен по отношение на инвестициите в дъщерни и асоциирани предприятия, които се отчитат по себестойност или по-ниската възстановима стойност. Вж. бележка 2.4 от консолидираните финансови отчети.

Управление на капитала

Дружеството управлява своята капиталова структура и предприема промени в светлината на промените в икономическите условия и изискванията на финансовите ангажименти.

Дружеството управлява своята капиталова структура и се приспособява към промените в икономическите условия и изискванията на финансовите ангажименти. За поддържането и приспособяването на капиталовата си структура Дружеството може да коригира плащането на дивидент на акционерите, да върне част от капитала на акционерите или да емитира нови акции.

Дружеството наблюдава капитала, използвайки коефициент на задлъжнялост, представляващ съотношение на нетните задължения и EBITDA. Политиката на Дружеството е да поддържа коефициента на съотношение под 4,0x. В нетния дълг Дружеството включва лихвоносните заеми и привлечени средства минус паричните средства и краткосрочните депозити, изключвайки преустановените дейности.

3.4 Финансови инвестиции

	31.12.2021 г.			31.12.2020 г.		
	Себестойност	Обезценка	Нетна балансова стойност	Себестойност	Обезценка	Нетна балансова стойност
Ba Glass I (a)	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
Anchor Glass				63 779 267	(59 927 732)	3 851 536
	680 454 638	–	680 454 638	744 233 906	(59 927 732)	684 306 174

През годините, приключващи на 31 декември 2021 г. и 2020 г., промените във финансовите инвестиции се състоят в следното:

	31.12.2021 г.	31.12.2020 г.
	EUR	EUR
Начално салдо	**684 306 174**	**684 306 174**
(Намаление)/Увеличение:		

Продажба на Anchor Glass	(3 851 536)	–
Крайно салдо	**680 454 638**	**684 306 174**
Нетна стойност	**680 454 638**	**684 306 174**

(a) Инвестицията в размер на 587 500 000 евро се отнася до 100-процентовия дял в BA Glass I – Serviços de Gestão e Investimentos S.A., Авинтес, Португалия. Инвестицията е отчетена по метода на приетата стойност, тъй като тези финансови отчети са изготвени в съответствие с МСФО и Част 9 от Книга 2 на нидерландския Граждански кодекс към датата на учредяване на Б.А. Глас Б.В.

През 2016 г. Дружеството бе ангажирано в два процеса по придобиване – единият в Германия, където Дружеството придоби 100-процентов дял от капитала на HNG Global (понастоящем с фирма BA Glass Germany) и миноритарен дял (в съвместно предприятие със CVC Capital Partners) в американското дружество Anchor Glass. И двете дружества развиват дейност в областта на производството на стъклен амбалаж за хранителната и питейната промишленост, подобно на останалите дружества в Групата.

През 2021 г. Дружеството получи дивиденти от дъщерните предприятия в размер на 216 000 000 евро от BA Glass I (2020 г.: 59 000 000 евро от BA Glass I и

14 223 120 евро от BA Glass Poland).

Също така през 2021 г. Дружеството продаде придобития през 2016 г. миноритарен дял в американското дружество Anchor Glass за нетна продажна цена от 19,4 милиона евро (за повече подробности вж. бележка 9 към консолидираните финансови отчети), което доведе до нетна печалба от 15,5 милиона евро (нетна продажна цена –/– балансова стойност), която е представена в други финансови приходи.

Б.А. Глас Б.В. е холдингово дружество със следните преки и непреки финансови участия:

Дъщерно предприятие		**Седалище**	**31.12.2021 г.**	**31.12.2020 г.**
Б.А. Глас Б.В.		Амстердам (Нидерландия)	Компания-майка	Компания-майка
BA Glass 1 – Servigos de Gestao e Investimentos, SA.		Авинтес (Португалия)	100%	100%
BA Glass Portugal, S.A.		Авинтес (Португалия)	100%	100%
BA Glass Spain, SAU		Леон (Испания)	100%	100%
BA Glass Poland Sp.Z.o.o.		Познан (Полша)	100%	100%
BA Glass Germany Gmbh		Гарделеген (Германия)	100%	100%
Moldin, S.A.		Авинтес (Португалия)	100%	100%
BA Vidno Distnbucion Comerc Envases, S A		Мерида (Испания)	100%	100%
Minas de Valdecastillo, SAU		Леон (Испания)	100%	100%
Barbosa & Almeida SGPS, S.A.		Авинтес (Португалия)	100%	100%
BA Vidro II Marinha Grande, SGPS, S.A.		Авинтес (Португалия)	100%	100%
Artividro – Arte em Vidro, Lda	(1)	Лейрия (Португалия)	87,5%	87,5%
BA Glass Greece, S.A.		Атина (Гърция)	100%	100%
Huta Szklana Holding Sp.Z.o.o	(1)	Сиераков (Полша)	82%	82%
Glasstank, B.V.		Амстердам (Нидерландия)	100%	100%
BA Glass Romania, S.A.		Букурещ (Румъния)	100%	100%
Chelianda Estates Ltd	(3)	Лимасол (Кипър)	–	–
Land International Property S.R.L.	(2)	Лимасол (Кипър)	–	–
BA Glass Bulgaria, S.A.		София (България)	100%	100%
Iva Glass Manufacturers, Ltd.	(3)	Лимасол (Кипър)	–	–
Beluxen Enterprises, Ltd.	(4)	Лимасол (Кипър)	–	100%
Hellenic Glass Recycling, S.A.	(4)	Атина (Гърция)	–	100%

(1) Дружествата са изключени при консолидирането, тъй като дейността им е временно преустановена.

(2) Дружеството се е вляло в BA Class Romania, S.A. през 2020 г.

(3) Дружеството е прекратено през 2020 г.

(4) Дружеството е прекратено през 2021 г.

3.5 Вземания от дружества от Групата

	31.12.2021 г.	31.12.2020 г.
Предоставени заеми – BA Glass I	6 600 000	6 600 000
	6 600 000	6 600 000

През 2021 г. падежът на заемите е удължен до 2022 г. при годишен лихвен процент в размер на 12-месечен EURIBOR + 2%.

3.6 Акционерен капитал

Уставният капитал възлиза на 90 000 евро и се състои от 90 000 обикновени акции на стойност 1 евро всяка, от които 36 000 акции са емитирани и внесени към 31 декември 2021 г. и 31 декември 2020 г.

В съответствие с член 2:362, параграф 9 от нидерландския закон Дружеството признава законови резерви, ако това се изисква съгласно нидерландското законодателство. Законовите резерви са неразпределими. Към 31 декември 2021 г. Дружеството не е признало никакви законови резерви въз основа на нидерландското законодателство (31 декември 2020 г.: няма).

Съветът предлага да се разпредели печалбата за годината в размер на 231 384 450 евро към неразпределената печалба.

В съответствие с книга 2, член 289, точка 10 от нидерландския Граждански кодекс, равнението между собствения капитал на индивидуална и на консолидирана основа е следното:

	31.12.2021 г.	31.12.2020 г.
Общо собствен капитал на индивидуална основа	707 058 374	705 673 924
Неразпределена печалба от дъщерни предприятия	(92 943 494)	11 311 639
Общо консолидиран собствен капитал на Групата	**614 114 880**	**716 985 563**

В съответствие с книга 2, член 289, точка 10 от нидерландския Граждански кодекс, равнението на нетната печалба на индивидуална и на консолидирана основа е, както следва:

	31.12.2021 г.	31.12.2020 г.
Нетна печалба на индивидуална основа	**231 384 450**	**73 262 905**
Елиминиране на вътрешногрупови дивиденти	(216 000 000)	(73 223 120)
Нетна печалба (загуба) на дъщерните предприятия	118 159 176	183 477 780
Общо консолидирана нетна печалба (загуба)	**133 543 626**	**183 517 564**

Оповестените по-горе разлики при равнението се дължат главно на признаването на инвестициите по цена на придобиване или по-ниска възстановима стойност в индивидуалните финансови отчети.

3.7 Парични средства и техни еквиваленти

	31.12.2021 г.	31.12.2020 г.
Парични средства в брой	–	–
Краткосрочни банкови депозити	21 930 939	14 639 672
	21 930 939	**14 639 672**

Няма ограничения относно реализирането на парите и техните еквиваленти.

3.8 Служители и директори

През разглежданата година Дружеството не е наемало персонал (предходна година: нула).

3.9 Корпоративен подоходен данък

Корпоративният подоходен данък се изчислява съгласно приложимата ставка върху резултата за финансовата година, като се отчитат постоянните разлики между печалбата, изчислена съгласно финансовия отчет, и печалбата, изчислена за данъчни цели. Временните разлики между отчитането за данъчни цели и финансовите отчети се признават като отсрочени данъци на базата на текущата данъчна ставка. Отсрочените данъчни активи и пасиви се нетират. Нетните отсрочени данъчни активи се включват в баланса, ако действителната им реализация се счита за вероятна от ръководството на Дружеството.

Разходите за корпоративен подоходен данък включват текущ и отсрочен данък. Текущият данък е очакваната сума на платимия данък върху облагаемия доход за годината, заедно с всякакви корекции по отношение на платимия данък от предходни години. Разходите за корпоративен подоходен данък се признават в отчета за дохода, освен доколкото се отнасят до позиции, които се признават директно в собствения капитал.

Дружеството има пренесени загуби в размер на 0,5 милиона евро, за които не е признат отсрочен данъчен актив.

3.10 Възнаграждения, платени на регистрираните одитори

Разбивката на възнагражденията, платени от Дружеството на одиторите, е, както следва:

	Сума за 2021 г.	Сума за 2020 г.
Одитни услуги		
Услуги по задължителен одит	40 000	40 000

Ernst & Young Accountants LLP не са фактурирали никакви данъци или такси за други услуги, свързани или несвързани с одит.

3.11 Събития след датата на баланса

На 24 февруари 2022 г. настъпи събитие, което може да окаже влияние върху дейността на Групата. Войната в Украйна увеличава нестабилността и несигурността на пазарите. Б.А. няма пряка експозиция на тези пазари, а непряката експозиция чрез износа на нашите клиенти също се счита в голяма степен за остатъчна. Основното въздействие може да се свърже с повишената нестабилност на цените на енергията, която се увеличи значително след възникването на конфликта. Според последната информация, с която Групата разполага от своите доставчици на енергия и суровини, не се очаква недостиг на доставки.

4. Друга информация

Разпределение на нетния резултат

Дружеството може да извърши разпределение към акционерите само доколкото от актуалния баланс изглежда, че собственият капитал на Дружеството превишава сумата на резервите, които то е законово задължено да поддържа.

Дружеството може да изпълни решение на Общото събрание за разпределение само след като управителният съвет е дал своето одобрение за това. Управителният съвет отказва такова одобрение само ако е наясно или разумно би следвало да предвиди, че Дружеството не може да продължи да изплаща изискуемите си задължения след разпределението.

Съгласно устава на Дружеството, разпределението на резултата се определя от Общото събрание.

Съветът предлага да се разпредели печалбата за годината в размер на 231 384 450 евро, както следва:

Дивиденти за акционерите – 100 000 000 евро;

Свободни резерви – 131 384 450 евро.

Амстердам, 10 март 2022 г.

4. Друга информация

Членове на Съвета на директорите:

Рита Местре Мира да Сива Домингес
(Директор А)

Луиш Мануел Пиньейро Мендеш
(Директор А)

Текла Магдалена Ана Кампхюис
(Управляващ директор Б)

Интертръст (Нидерландия) Б.В.
(Управляващ директор Б)

Независим одиторски доклад

[На бланката на Ърнст и Янг]

Независим одиторски доклад

До акционерите на Б.А. Глас Б.В.

Доклад относно одита на финансовите отчети за 2021 г., включени в годишния отчет

Нашето становище

Ние извършихме одит на финансовите отчети на Б.А. Глас Б.В., със седалище в Амстердам.

По наше мнение приложените финансовите отчети представят достоверно, във всяко съществено отношение, финансовото състояние на Б.А. Глас Б.В. към 31 декември 2021 г. и неговите финансови резултати и парични потоци за годината, приключила на същата тази дата, в съответствие с Международните стандарти за финансова отчетност (МСФО), приети от Европейския съюз (МСФО–ЕС) и част 9 от книга 2 на нидерландския Граждански кодекс.

Финансовите отчети включват:

- ► Консолидирани и индивидуални отчети за финансовото състояние към 31 декември 2021 г.
- ► Следните отчети за 2021 г.: консолидирани и индивидуални отчети за печалбата или загубата, за промените в собствения капитал и за паричните потоци и консолидиран отчет за всеобхватния доход
- ► Бележки, включващи обобщение на значимите счетоводни политики и друга пояснителна информация

База за изразяване на нашето мнение

Нашият одит беше проведен в съответствие с нидерландското законодателство, включително нидерландските стандарти за одит. Отговорностите ни съгласно тези стандарти са допълнително описани в раздела от нашия доклад, озаглавен „Нашата отговорност за одита на финансовия отчет“.

Ние сме независими от Б.А. Глас Б.В. в съответствие с Wet toezicht accountantsorganisaties (Wta, Закон за надзор на одиторските фирми), Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Етичен кодекс на професионалните счетоводители, наредба по отношение на независимостта) и други съответни разпоредби за независимост в Нидерландия. Освен това сме спазили изискванията на Verordening gedrags- en beroepsregels accountants (VGBA, Етичен кодекс на счетоводителите в Нидерландия).

Ние считаме, че одиторските доказателства, получени от нас, са достатъчни и уместни, за да осигурят база за нашето мнение.

Доклад относно друга информация, включена в годишния отчет

В допълнение към финансовите отчети и нашия одиторски доклад върху тях, годишният отчет съдържа и друга информация, която се състои от:

- ► Годишен доклад на ръководството
- ► Друга информация съгласно част 9 от книга 2 на нидерландския Граждански кодекс

Въз основа на следващите извършени процедури стигаме до заключението, че другата информация:

- ► е в съответствие с финансовите отчети и не съдържа съществени неточности
- ► съдържа информацията, изисквана съгласно част 9 от книга 2 на нидерландския Граждански кодекс

Прочетохме другата информация. Въз основа на нашите знания и разбиране, получени в резултат на одита на финансовия отчет или по друг начин, ние направихме преценка дали другата информация съдържа съществени неточности.

Извършвайки тези процедури, ние спазваме изискванията на част 9 от книга 2 на нидерландския Граждански кодекс и на нидерландския Стандарт 720. Обхватът на извършените процедури е по-малък от обхвата на процедурите, извършени в рамките на нашия одит на финансовия отчет.

Ръководството е отговорно за изготвянето на другата информация, включително годишния доклад на ръководството в съответствие с част 9 от книга 2 на нидерландския Граждански кодекс и друга информация съгласно част 9 от книга 2 на нидерландския Граждански кодекс.

Описание на отговорностите за финансовите отчети

Отговорности на ръководството за финансовите отчети.

Ръководството носи отговорност за изготвянето и достоверното представяне на финансовия отчет в съответствие с МСФО–ЕС и част 9 от книга 2 на нидерландския Граждански кодекс и за такава система за вътрешен контрол, каквато ръководството определи, че е необходима, за да даде възможност за изготвянето на финансови отчети, които да не съдържат съществени неточности, независимо дали дължащи се на измама или грешка.

Като част от подготовката за изготвянето на финансовия отчет ръководството носи отговорност за оценяване способността на Дружеството да продължи да функционира като действащо предприятие, оповестявайки, когато това е приложимо, въпроси, свързани с предположението за действащо предприятие и използвайки счетоводната база на основата на предположението за действащо предприятие, освен ако ръководството не възнамерява да ликвидира Групата или да преустанови дейността му, или ако ръководството на практика няма друга алтернатива, освен да постъпи по този начин. Ръководството следва да оповести във финансовите отчети събития и обстоятелства, които могат да породят значително съмнение относно способността на Дружеството да продължи да функционира като действащо предприятие.

Нашите отговорности за одита на финансовия отчет

Целта ни е да планираме и изпълним одитния ангажимент по начин, който ни позволява да получим достатъчни и уместни одиторски доказателства за нашето мнение.

Нашият одит беше изпълнен с висока, но не абсолютна степен на увереност, което означава, че по време на одита може да не открием всички съществени грешки и измами.

Неточности могат да възникнат поради измама или грешка и се считат за съществени, ако те, поотделно или като цяло, биха могли да повлияят на икономическите решения на ползвателите на финансовия отчет, взети въз основа на него. Съществеността оказва влияние върху естеството, времето и обхвата на нашите одиторски процедури и оценката на ефекта от идентифицираните неточности върху нашето становище.

Ние използвахме професионална преценка и запазихме професионален скептицизъм по време на целия одит, в съответствие с нидерландските стандарти за одит, етичните изисквания и изискванията за независимост. Нашият одит включваше, наред с останалото:

- идентифициране и оценяване на рисковете от съществени отклонения във финансовия отчет, независимо дали дължащи се на измама или грешка, разработване и изпълнение на одиторски процедури в отговор на тези рискове и получаване на одиторски доказателства, които да са достатъчни и уместни, за да осигурят основание за нашето мнение. Рискът да не бъде разкрито съществено неправилно отчитане, което е резултат от измама, е по-висок от риска да не бъде разкрито съществено неправилно отчитане, което е резултат от грешка, тъй като измамата може да включва тайно споразумение, фалшифициране, преднамерени пропуски, изявления за въвеждане на одитора в заблуждение, както и пренебрегване или заобикаляне на вътрешния контрол.

- получаване на разбиране за вътрешния контрол, имащ отношение към одита, за да разработим одиторски процедури, които да са подходящи при конкретните обстоятелства, но не с цел изразяване на мнение относно ефективността на вътрешния контрол на дружеството;
- оценяване на уместността на използваните счетоводни политики и разумността на счетоводните приблизителни оценки и свързаните с тях оповестявания, направени от ръководството;
- достигане до заключение относно уместността на използване от страна на ръководството на счетоводната база на основата на предположението за действащо предприятие и, на базата на получените одиторски доказателства, относно това дали е налице съществена несигурност, отнасяща се до събития или условия, които биха могли да породят значителни съмнения относно способността на Дружеството да продължи да функционира като действащо предприятие. Ако стигнем до извода, че съществува такава съществена несигурност, от нас се изисква да обърнем внимание в одиторския си доклад на свързаните с това оповестявания във финансовите отчети или, ако тези оповестявания са недостатъчни, да издадем одиторско становище с конкретни забележки. Нашите заключения се основават на одиторските доказателства, получени до датата на одиторския ни доклад. Бъдещи събития или условия обаче могат да доведат до преустановяването на дейността на Дружеството като работещо предприятие.
- Оценяване на цялостното представяне, структура и съдържание на финансовия отчет, включително оповестяванията
- Оценяване дали финансовият отчет представя стоящите в основата сделки и събития по начин, който постига достоверно представяне

Тъй като в крайна сметка ние сме отговорни за мнението, ние също така сме отговорни за насочването, надзора и изпълнението на одита на Групата. Във връзка с това определихме естеството и обхвата на одиторските процедури, които да бъдат извършени за предприятията от Групата. Решаващи бяха размерът и/или рисковият профил на предприятията или операциите в Групата. На тази основа ние избрахме предприятия от Групата, за които трябваше да бъде извършен одит или преглед на пълния набор от финансова информация или на конкретни позиции.

Съобщаваме на ръководството относно, наред с останалите въпроси, планирания обхват и време на изпълнение на одита и съществените констатации от одита, включително съществени констатации във вътрешния контрол, които идентифицираме по време на извършвания от нас одит.

Амстердам, 10 март 2022 г.

Ърнст & Янг Ъкаунтънтс ЛЛП [Ernst & Young Accountants LLP]

Подписано от: J. Lodewijks

Подписаната, Василка Момчилова Стаматова, удостоверявам верността на извършения от мен превод от английски на български език на приложения документ – Годишен отчет за 2021 г. Преводът се състои от 104 (сто и четири) страници.

Преводач:

Василка Момчилова Стаматова

ПРЕВОДАЧЕСКА АГЕНЦИЯ ЛЮБОФИЯ СОФИЯ ООД

Annual
Report 2021

BA GLASS B.V.

Contents

Introduction & Outlook
2021

BA GLASS B.V.

To the Shareholders,

We hereby present the 2021 Annual Report

A year not to forget, and a year to remember!

2021 started full of uncertainties about the economic activity recovery, but the reduction in the number of deaths after vaccination made us think it could be a more typical year.

The year started shy regarding production and consumption levels. The vaccination programs were bringing the hope that everything would get back to normal. But, when? The visibility about the future was still cloudy and no one could imagine the challenges we had in front of us.

Despite the restricted social activities, it didn't take too long to see a fast start-up of the economic activities that were on hold during the most challenging periods of the pandemic.

The low level of inventories in many of the supply chains created disruptions everywhere. The restart of economic activities was challenging and pressed up the prices of commodities like energy and diverse raw materials. The anxiety increased across the industries and the speculation started!

And all the uncertainty is being fueled by an enormous and sudden energy transition turbulence! The lack of coordination across European countries and governments taking disruptive energy production decisions uncover a heavy historical dependency of Europe on energy supply from non-European countries.

In a glance, an incredible surge in the energy took place during the Summer. A turbulence for which Europe wasn't prepared and will not be anytime soon!

Many governments and analysts claimed the turbulence would be transitory, but it wasn't, and quickly we all perceived that it would last and may change some businesses dynamics.

For the first time, since the beginning of the century, the glass packaging industry was hit, not by the lack of glass demand, but by an excessive cost burden that, in a few months, made unprofitable several sales agreements under the terms in place during the year.

The year 2022 waked up with the disclosure of unusual inflation rates in the leading European economies, and the possibility of a conflict with Russia is weakening the European energy balance. Suddenly, the energy prices surge conquered the headlines of national and worldwide newspapers. And from a transitory scenario, Europe went into a critical situation, and there is no perspective to be solved shortly.

The European economies are very dynamic and there are no signs of slowing down. High inflation is a relevant threat, and the interest rates create some fears about a full recovery.

Also, the glass industry ended the first part of 2021 with low inventories and relevant growing demand. The scarcity of glass started to be a common problem in all European countries and many requests to export to other continents came from multinational customers. As in other industries, after the stoppage of capacity during 2020, the industry has not been able to supply the market demand.

The impressive demand recovery could be seen as compensation for a past year troubled by a pandemic. But an unprecedented surge of the energy prices severely damaged the profitability of an industry energy-intensive and it will have consequences on future growing capacity investments.

The energy transition process will never be the same. The excessive price of energy is fastening investments that had no payback some months ago and also incentivizing industry leaders to revisit the business drivers.

The unprecedented sale prices adjustments in the glass industry will bring some oxygen for the companies that, such as BA, continue to believe in the merits of the glass packaging to wrap the food and beverages consumers take.

Our customers are also reviewing their options and revisiting their propositions. In BA, we continue to support their product innovations and launches. We had a record year in product development, launching 125 new products in the market. The lightweight programs were reinforced and from those new products, 23 were light weighted.

Despite, and because of, the energy challenge, we continued to develop our carbon reduction roadmap. We committed science-based targets and set, as our target for 2035, a reduction of

50% in the amount of CO_2 emitted by each ton of glass we produce, in line with a 2°C future. The year's performance shows a reduction of 3.6% of carbon emissions per ton of glass produced (scope 1 and 2) when comparing with 2020.

For the second time in a row, we were recognized by the World Finance Sustainability Awards as the Most Sustainable Company in the Glass Industry worldwide. And for the first time, BA Glass achieved the A- score (C in 2020) from the CDP organization, which recognized our progress in building a strategy and an organization towards carbon neutrality.

In a year of strong emotions, we counted again on our people, on their commitment and pragmatic sense. They demonstrated a resilient attitude again to accommodate all the year's challenges. What cannot be controlled (such as energy price) must be managed. The focus stayed on operations and energy efficiency and brought positive outcomes at year-end.

We will continue to do what we know to do, adapting and creating options in a new context. The investments will be made, particularly in what will change the way of producing and selling glass packaging.

Our digital roadmap gained speed. Many structural projects are being developed at once. A new team was created in an ecosystem of different capabilities, where the data intelligence blends the manufacturing process knowledge, and partnerships are borne and developed. We are excited about what we will accomplish, a new place of work where machines will co-exist with human beings.

Many achievements were conquered during 2021. The year we suffered an unimaginable profitability loss. Only affordable if transitory.

It is time to rebalance what was severally unbalanced!

Year Activity

BA GLASS B.V.

Markets

At the beginning of 2021, we all thought that this pandemic would end soon, and we heard many different analysis and opinions about what the “new reality” post- pandemic could be and how the new reality would impact the consumption choices and our daily lives. And then, the reality turned not to be what we expected.

We started the year focused on consolidating BA’s position in existing customers and looking for new other customers and offers, stretching the implementation time for new projects. We had to benefit from the investments done during the pandemic period, but also the ones executed during the year.

The market recovered better than expected. Household’s savings rate was at very high level. The consumers declared their preference for glass in many of their beverage and food choices. And the inventories realized during pandemic season were quite low. All drove us to a record year of sales. With a growth of 9,2% comparing with 2020, we overcome the year above 1.000 million euros of turnover, an exciting landmark in the 109 years of the company.

The supply during the summer was particularly challenging when the scarcity for glass became a reality. We worked hard, in close partnership with our customers to accommodate all their needs and to maintain the service level, bringing much more complexity to the industrial operations to ensure the deliveries according to customers’ requests.

Sales grew in all segments and in all countries, returning to a more usual portfolio, where Horeca segments regained part of the market share. Consumers’ behavior started to shift back to the pre-pandemic profile, eating more away from home. However, the sales in the Food & Oil segment were kept significantly above 2019 and Softdrinks were still trying to catch up the volumes sold in 2019.

Despite the positive market trend, new challenges arrived with significant impact in our business. Suddenly the transportation by sea was constrained by a much smaller capacity available and the costs rose to totally unexpected values. All the changes impacted our service level and particularly the reliability of our delivery’s accuracy for specific countries. Also, the transportation by truck was heavily affected: much less trucks were available and at much higher prices.

Along the year, the increasing of production costs started to be unaffordable, as it was difficult to pass it to the market. Suddenly some agreements became less profitable and damaged severally the business profitability.

Inflation is now a reality and together is affecting the price of glass packaging as it already affected the price of many other packaging materials.

We still don’t know when the energy prices will stabilize, but the inflation in our production costs is very significant as in many other industries. The industry will need to keep adjusting the prices to assure the continuity of the production and investments.

Innovation

Despite all the adversities that we had to manage to keep running all our production lines, we maintained our focus on innovation and sustainability.

The motivation to implement and invest in energy efficient practices is higher than ever. More recycled glass was incorporated in the products and the lightweight program was extended to other items of our portfolio.

We challenge our customers with a new brand: “Pure - immersed in nature” where innovation is at the service of sustainability, and what we produce comes from nature and ends in nature, in a close the glass loop.

With a challenging mindset, during 2021, we reached the record on lightweight productions, but we also accomplished a record in the number of new products developed and launched, working closer to our customers, understanding their expectation and needs, and offering more sustainable solutions.

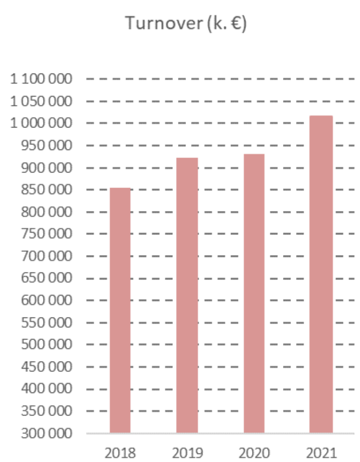
Sustainability

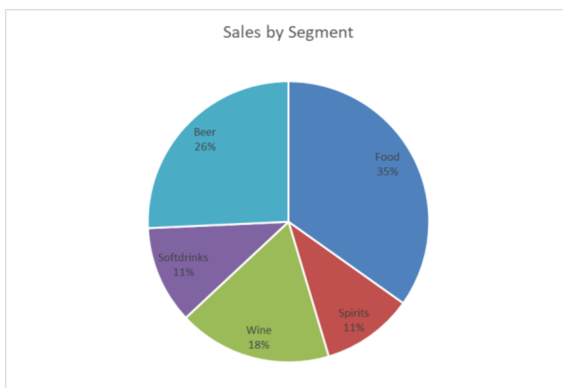
The development of our carbon reduction roadmap was reinforced, and a new record was reached. In 2021, we emitted less 2,5% during the production of jars and bottles (scope 1), when comparing with 2020. We found new routes and new options to transport our products. We looked for less carbon raw materials and we applied artificial intelligence to the melting process, going beyond its known process limits.

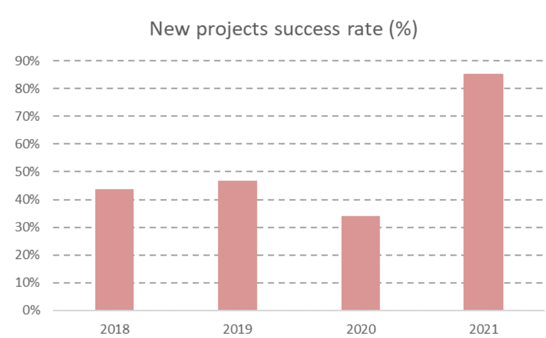
The commitment with sustainability and a much greener future was reinforced when we committed with the science-based targets initiative and set, as our target for 2035, a reduction of 50% in the amount of CO2 emitted by each ton of glass we produce, in line with a 2°C future.

For the second time in a row, we were recognized by the World Finance Sustainability Awards as the Most Sustainable Company worldwide in the Glass Industry. And for the first time, BA Glass achieved the A- score (it was C in 2020) from the CDP, Carbon Disclosure Project, organization, which recognized our progress in building a strategy and an organization towards carbon neutrality.

The glass packaging industry commitment with recycling and circular economy is being reinforced with the launching of innovative initiatives. We must highlight the *Close the Glass Loop* project, a European recycling action platform, focused on increasing substantially the recycling rates in the European countries, which joins all the stakeholders having a role in a so ambitious goal. During the year was born a similar initiative, the *Vidro+*, in Portugal aiming to improve the recycling rate in Portugal.







Operations

Challenges and actions

After a very complex 2020, where flexibility was asked to all our operational teams, to cope and adapt to the pandemic challenges, 2021 was a year focused on the efficiency of our operations. The severe industrial cost increase growth became more significant in the second part of the year and the manufacturing efficiency became much more important.

In 2021 the biggest challenges in operations were related with costs inflation. It started with transports, first sea and then truck freights, then commodities, with plastics up front And, in August, energy prices started to increase exponentially and at the end of the year basically all materials and services were impacted by the inflation.

We implemented several actions to improve operations efficiency: energy as the major focus, but also raw materials and packaging consumptions and materials alternatives. The targets for production productivity were revisited and challenged to improve the costs and mitigate a so remarkable inflation.

Plants

Our plants were quite efficient, and many records were beat. Performance improved, especially in the second semester, after finding the right balance between market flexibility and efficiency. The efficiency improvements were followed by other relevant accomplishments, namely on energy consumption, reaching records in six of our twelve plants and a continuous positive trend in safety, with17 accidents with loss of time, from 28 in 2020.

In the Iberian division, the team performed quite well, breaking several records in productivity, quality, and service, dealing well with the challenges from the market and the investments. The significant investment in digitalization is getting the first results. Data collection infrastructure is fully implemented, and the data lake is the playground of our data science and analytics teams looking for solutions for the problems the operations face. After several proof of concepts and trials, we have a roadmap that will fasten the digital transformation of BA Glass.

The performance in the Central European division was negatively impacted by operational problems in Gardelegen plant during the first quarter, that, despite its full recovery during the year, prevented better results in the division. Nevertheless, some records were also broken, with a significant improvement in Sieraków plant and the consolidation of results in Jedlice Plant.

In the Southeastern Europe Division, 2021 continued to be a very intense year in terms of organizational transformations through team reorganization, intensive training, and new people attraction and retention. After Plovdiv investments, a relevant investment was done in our Sofia plant and a complete new team was recruited and trained to operate the new furnace during the second quarter of 2022. The year had many records, in the pull of the furnace and in the production efficiency too.

COVID-19 remained a challenge, with the Omicron variant cases proliferation having a direct impact on absenteeism, although not causing any interruption in operations.

Benchmarking and cooperation between plants increased, after the release of travelling restrictions, restarting the knowledge sharing between the plants. Plants preventive maintenance process was reinforced, with a major software development and implementation.

Supply chain

On the supply chain, it was a very challenging year, with inflation as the major concern. We ended the year with inflation being a reality in almost 100% of our costs, but Energy was the most severe increase of all.

The pandemic in 2020 impacted demand and prices, with historical minimums being reached in the summer of 2020. The governments’ reaction was strong, and demand started to recover very quickly, already during 2020, but energy supply was affected, both by the economic recovery and by a decrease in investments in some energies production related with the green transition.

These opposite effects started to impact energy prices, with a steady but normal growth until summer of 2021. In autumn, the low stock levels of Natural Gas in Europe, together with geopolitics tensions with Russia, and the fossil fuel and nuclear divestment started the panic in the natural gas price. TTF, the main Natural Gas index in Europe reached 160€ in October and 180€ in December, compared to a normal range of 15€ to 25€.

Electricity, with the marginal pricing system implemented in Europe, raised in the same degree as Natural Gas, with electricity prices being determined by the highest production cost source, Natural Gas. From a normal range between 40€ to 60€ electricity raised to a maximum above 400€.

The new energy prices reality, with high prices and extreme volatility, was at it maximums in the 4th quarter, reaching its peak in December. Futures showed a relative price normalization in 2023, but nothing can be easily forecasted. To face this new reality BA Glass changed its hedging policy, to decrease volatility and unfordable risks.

Other cost area activities suffered the same cost disruptions, such as transports, with sea freight increasing more than 6 times comparing with historical normal prices, and as plastics, paper, and wood, all suffering significant price surges, and directly impacting our margins. At the end of the year, raw materials' price was also impacted, with energy intensive suppliers increasing prices during the last quarter.

CO2 price followed the same trend and increased 166% in 2021, starting the year with a price in the range of 30€/ton and ended the year with 80€/ton. The growth of activity after the pandemic, the higher consumption of coal because of natural gas price increase, and the action of speculators acting on the CO2 market, are some of the reasons behind the significant price increase of CO2.

Uncapable to change this inflation reality and lacking actions from the governments to mitigate the abnormal facts in Europe, in BA we focus our teams in acting on the variables we could influence.

Cost decrease measures were taken in all departments, adjusting raw material recipe and energy mix to a new price reality, reinforcing all energy saving actions, optimizing packaging materials, diversifying the source of some materials, working on the purchasing options for better prices and developing alternative suppliers and solutions.

Investments

In 2021 total investments reached EUR 101 million, 9,8% lower than 2020 (EUR 112 million), which represents 9.9% of sales, a value in line with the average of the industry. This decrease was related with the fact that no rebuild was concluded in 2021, and in 2020 we made two complete furnaces reconstructions. For 2022 we will have a furnace reconstruction in Portugal and a new furnace starting-up in Bulgaria.

The digitalization projects played a key role in this year's investments, with a significant bet both technology and people skills. Digital tools, together with data analytics and intelligence are changing the way we work, where data analysis and data driven decisions gain much more importance.

Following our commitment to the environment, a third photovoltaic park was built on the roofs of the Plovdiv's plant. It is the third solar facility of the Group after Villafranca de los Barros and Avintes, and we have two more facilities being built which will be ready to start producing electricity in 2022.

Innovation & Development

In January 2021 we joined the SBTi (Science Based Targets initiative), and in June we presented our carbon footprint reduction targets for 2035.

The emissions from our furnaces' operation (direct emissions, scope 1) are the most relevant and is where the industry, as us, are dedicating financial and human resources to develop much greener solutions. It is neither easy, nor cheap, to change furnaces technology with more than 20 years to use renewable sources of energy. The glass industry project, under FEVE coordination, to develop a hybrid furnace capable of increasing the usage of electricity up to 80% of total energy consumption was not approved by the EU, but this will not stop our and the industry aims for a carbon neutral activity. We are doing our own investigations and developments, working closely with partners and suppliers to make the hybrid furnace technology a reality.

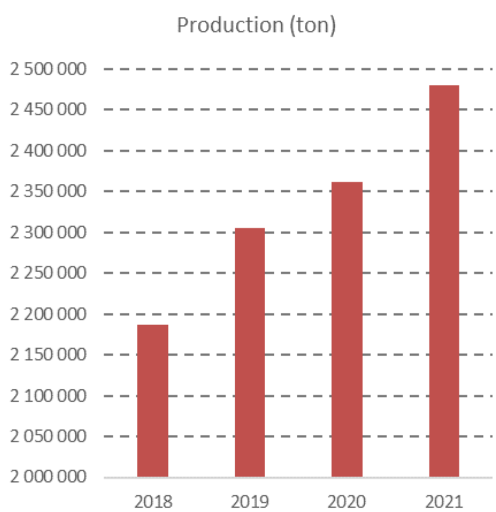
We also evolved significantly in the carbon capture project, studying, and understanding the available technologies. A proof of concept was designed and will be implemented in one of our plants. Although still far from its usage, hydrogen options are deserving our attention and some partnerships are under development.

Digitalization is no longer an R&D topic as IoT, analytics, data science, swabbing robots, artificial intelligence, process mining, predictive and preventive quality, among many other, are in the routines of many of our plants. In every area from production to administration, our people is incorporating more and more digitalization in the processes, enhancing their performance.

The light-weighting of our bottles and jars continues to be a top priority for our design team, as we believe there is still a lot to be done in this field. In 2021, the light-weighted products enabled us to save more than 9.000 tons of CO2.

M&A

M&A opportunities surged some months after the year started. We analyzed and explored some options to enlarge our business in different geographies. We looked for opportunities that create value to all our stakeholders. The growth needs to bring long-term value, reason we are always very demanding and selective on those opportunities.



People

After a 2020 year full of challenges and unexpected scenarios, 2021 was a year of consolidation, in which we were able to learn how to work differently in a world with different rules.

The acceleration of the digital transformation made crucial the redesign of our workers skills to operate and manage in a much more digital environment. The workers upskilling programs, which started at full speed during 2021, is one of BA's biggest challenges in the coming years and one of the most significant opportunities to transform our company

The project kicked-off in all our plants, and we started mapping the present and future workforce skills and drawing the future industrial organization. To acquire the future-critical capabilities, different programs were designed according to each team needs, in partnership with technical schools. In the recruitment processes of new teams, such as the one for the new furnace in Sofia, a more demanding job profile (technical and behavioral) was built. Furthermore, an enormous effort is being made to reinforce a learning culture. The necessary skills will be obsolete very quickly. Today we are preparing the upgrade of skills that will not be needed in a very short time, and others will arise, therefore the awareness of our people for a constant transformation is a continuous priority.

The strong restarting of activities that were interrupted or slowdown during the confinement periods, created a booming in the labor market, and many became overemployed. Consequently, the turnover rates increased in some of our geographies, and it became much more difficult to find specialized workers. The heavy industry today competes with less demanding activities and, particularly after COVID, with the trend of “working from home” which is not compatible with the industry needs.

In 2021, our culture continued to be reaffirmed. Our values: HeART (Humbleness, emotion, Ambition, Rigour, and Transparency) have always been present in our actions. And we have always invested on making them explicit, applying them in our daily decisions, and naming their ambassadors, the ones living intensively the "BA Way". This work has been even more intense and was enriched in the last two years, as we were forced to deal with challenging contexts and experiences. Our values will continue to be our pillars, which will help us to overcome other future challenges, just as they did in this difficult stage.

Once again, we used benchmarking and the sharing of experiences across geographies as the best way of spreading the values and developing our people, and in 2021 the number of expats increases once again in relation to the previous year.

During 2021, the social survey collected people's opinions regarding five major clusters (strategy, engagements, HR policies, work conditions, and leadership). The survey also included the assessment of the BA Way practices, the psychosocial risks and the COVID-19 measures effectiveness.

The participation rate was above 90% in all the locations (7 plants above 97%), representing a record attendance and reflecting our people's trust in the effectiveness of this tool. The average score of all BA Group was 3,7 vs. 3,5 in the last survey (on a 1 to 5 scale) and it was the best score ever. For the second consecutive year, Sofia was the plant with the highest score, representing the recognition for all the investments we made in the region during the last years.

When it was possible, we returned to visiting schools and universities and receiving students and trainees in our facilities. The *Employer Branding* activities were reborn, and we were able to reach important audiences, especially in countries where the BA brand in the labor market is not so known.

The *Dual Learning*, which combines the theoretical learning with the practice of a real profession, continued to be developed in Spain and Poland, and for the first time, we were able to reach similar agreements with the Romanian technical schools, creating new academic programs, and building the foundations for a knowledge increase.

Futura program 2nd edition, started in Iberia and Romania, attracting young engineers who want to start a career in a growing company with the possibility of international challenges.

The Annual Management Meeting, which took place in September, allowed, once more, to align and focus our teams on the most important messages. This year was a hybrid format between virtual sessions and local groups interaction spread by all our geographies.

Under the motto *"it's time!",* the event was a call to action, for the participants to take the lead on the changes that need to be done in the way we work. Changes are happening more and more quickly: humankind is being threatened by rapid climate change, new health concerns, and the arising of extremist ideas. Businesses are now global, where the competition goes beyond frontiers, and the economic assumptions may be different. Constant innovations are emerging, and technological improvements are being exponentially applied. All these changes are creating an urgency to change the way we work. But, more than technology, human behaviors are the key to doing things differently. More than just accepting the change, people should enjoy being part of building this new world. And to lead consumers' choices, glass cannot afford to miss the opportunity of being carbon neutral and dictate the consumer's demand. During the event, 200 people debated all those concerns and opportunities and they left the session inspired to do better!

2021 was the year of records in Safety. Although COVID-19 constraints and very high absenteeism mainly due to quarantines, the plants continued to operate normally, and all the safety measures continued in place. The *BA Safety Way* model continued to be implemented at full speed and the results arrived!

We beat the record of the number of accidents ever (17)! However one just accident is still too much and we continue to pursue each day the challenge of achieving *zero accidents*. Several plants have already achieved it and the goal is becoming a reality each day. Empowerment programs for the safety supervisors, safety talks, safety walks, near miss program, implementation of new controlling tools and other programs took place during the year. A special attention was given to continue improving the safety of " the moving machines, in investments projects, the IS machines operation, the works on highs and the fire prevention", and several people from different departments were involved on it.

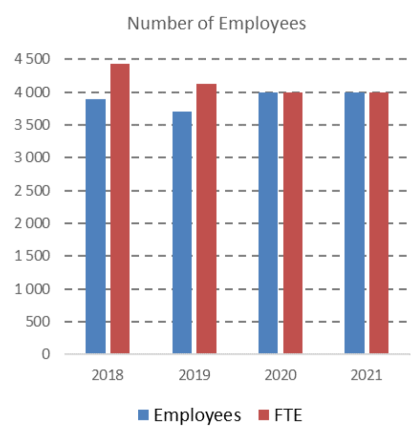
The Safety Committee and the Executive Board continued to follow closely all the actions and the outcomes, assuring that Safety is the first priority inside BA.

The adjustment to the new ways of developing and training people, including online training, allowed us to increase the number of training hours, almost duplicating the 2020 volume and surpassing the 2019 results. The *TWI (Training Within Industry*) and the BA Academy returned to work in full mode and delivered several programs that were suspended in 2019 due to the COVID restriction. Programs as "BAMDP – Managers Development Program", "Growing leaders", "Train the trainers", "Leadership toolbox" and many others took place in-person every time the conditions allowed it to, but also in blended and online mode, with the programs completely adapted to the new reality. In 2021 a special edition of "Problem-solving training" took place with all white collars of the company to "reborn" a new way of looking at the problems and to do well at first.

From all the BA Academy schools, the highlight of 2021 goes to the new school, the Digitalization School, which provided several different programs, from basic concepts which everyone should learn for their daily work, to complex program which allow the development of advanced skills to all that were willing and needed to enter in new dimensions of digitalization. All the programs were supported by a new digital platform allowing people to customize their development journey.

BA believes it has a role to play in developing the communities through education, and BA Glass Seeds had a full year of activities during 2021! Besides the previous commitment with Teach for Portugal, 42 Lisbon School, or other Iberian organizations and schools, BA reinforces its presence, supporting Teach for Romania, and sponsors the digitalization of schools in the Central Europe region. Furthermore, the Eco glass project started to build educational material that the schools can use to promote sustainable behaviors in the youngest generations.

The year ended with 3990 Full-Time Equivalent employees, similar to 2020 number, but with a different distribution. Some employees left the company due to the processes' optimization and automation, and many others were hired to build new teams and add new skills to existing teams. For 2022 we expect to keep stable the number of FTE's.



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.

Sales increased 9,6% comparing with last year to a record value of EUR 1,016 million. Despite this significant increase, cost inflation, namely energy prices surge, severely hit our EBITDA, that decreased EUR 79 million, when compared with 2020, reaching EUR 249 million to a 24,5% EBITDA to sales margin (10.9 pp below 2020). The direct effect of energy prices growth in the decrease of the yearly EBITDA reached the 145,4 million euros and the undirected effects hit almost all the production and transport costs.

The cost of goods sold increased 52.6% comparing with last year, with energy prices accounting for almost all negative deviation. The other expenses increased 8,6% comparing with last year, mainly the freight costs impacted by the sales volume growth and some expensive destinations.

The many operational records and improved productivity at our plants, and the numerous saving costs actions implemented were totally insufficient to overcome the tremendous negative energy effect.

The gross margin was heavily downgraded in 12.2 pp against the previous year.

At the beginning of the year, the shareholders decided to attribute a special bonus of EUR 8.2 million to our employees (EUR 8.5 million in 2020), as a recognition for their contribution to the company value creation in the last couple of years with the successful integration of the companies acquired.

Hence,

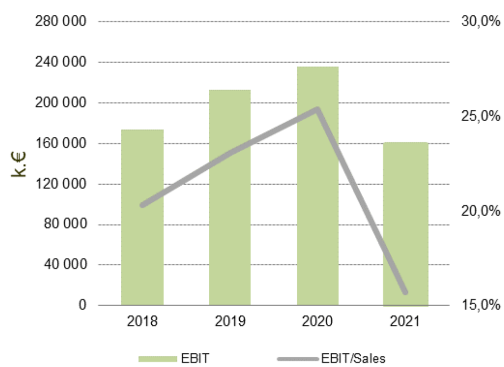
EBITDA amounted to EUR 248.7 million, EUR 79.4 million lower when compared to the previous year. The EBITDA margin was 24.5%, decreasing 10.9 p.p. when compared to the previous year.

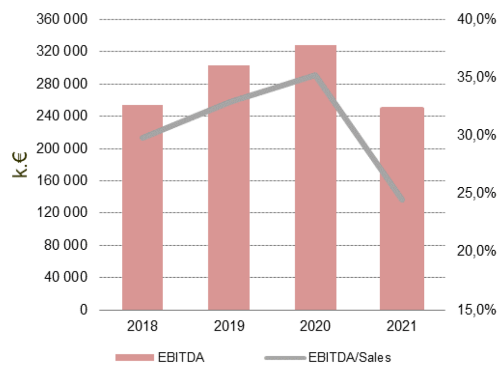
Operating profit (EBIT) amounted to EUR 159.4 million, equivalent to 15.7% of sales, EUR 76.7 million and 9.8 p.p. lower than in 2020.

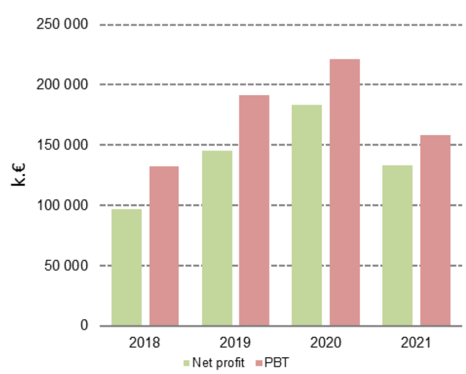
Net tangible assets turnover[1] was 1.67, 5.0% higher than in 2020 (1.59), and reflecting the sales increase in 2021.

The financial results amounted to a loss of EUR 8.1 million (compared to a loss of EUR 15.5 million last year). The improvement was mainly related with exchange rate differences. The Share of profit of an associate amounted to EUR 6.8 million and was generated by the positive accounting impact of Anchor Glass participation sale.

Profit before taxes amounted to EUR 158.1 million, 27.2% lower than in the previous year (2020: EUR 221.5 million), and the net profit totaled EUR 133.5 million, 27.2% lower than in the previous year (2020: EUR 183.5 million).







[1] Net tangible assets turnover = Turnover / Net tangible assets

Financial Analysis

At the end of 2021, the consolidated net assets were at EUR 1,521 million (2019: EUR 1,532 million).

Working capital at the end of the year reached 2.1% of sales, EUR 114.2 million lower than the previous year with energy price surge impacting Trade Payables.

The total liabilities were EUR 907 million, EUR 91.6 million more than in the previous year, and the Company's net debt[2] amounted to EUR 389.5 million (2020: EUR 401.2 million).

The leverage ratio[3] ended the year with a value of 1.57 (2020: 1.22) and the Company's equity reached 40.4% (2020: 46.8%) of total assets. It is important to highlight a net debt reduction of EUR 12 million in a year with a EUR 230 million dividends, demonstrating the cash conversion ability and financial robustness of the Company, and its readiness to continue growing.

[2] Net Debt = Interest-bearing loans and borrowings – Cash and Short term Deposits
[3] Leverage ratio = Net Debt / EBITDA

Certifications and associations

The Company management systems are certified according to international standards for Quality, Food Safety, Environment, Social Accountability, Health & Safety, and Energy.

Concerning management systems, all plants are certified according to ISO 9001 – *Quality Management Systems*, and FSSC 22000 – *Food Safety System*. All plants, except for Athens and Gardelegen, are certified according to ISO 14001 – *Environmental Management Systems*. Gardelegen plant is certified according to ISO 50001 – *Energy Management Systems*. Regarding social concerns and labor conditions, Iberian plants are certified according to SA 8000 - *Social Accountability*. Polish, Romanian, and Bulgarian plants are certified according to ISO45001 - *Occupational Health and Safety Management Systems.*

We believe that the adoption of international standards brings added value for the improvement of company procedures and practices, and that certification is a guarantee of consistency and best practices, which will benefit customers and the whole value chain.

The Company and its subsidiaries are members of the following associations: 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* – Switzerland. BA Glass continues to be an active member of these associations, placing a particular emphasis on promoting glass as a sustainable and healthy packaging material, and on monitoring national and community legislative initiatives. The recycling of glass was the focus of all associations, reinforced by the need to deliver packaging with more recycling content.

Acknowledgments

The Board of Directors wishes to thank, firstly, all the employees of the company who, with their hard work, creativity, enthusiasm, dedication, and commitment have enabled us to grow the business, to create value for our customers and shareholders, and who were part of the 2021 accomplishments. When we look back at the accomplishments of the year, with a record sales increase, record KPI's in most of the plants, and several process improvements, we see the magnitude of the accomplishments that couldn't be reached without their dedication.

We also want to extend our extreme gratitude to our customers, for their preference and trust in a such challenging environment, and for their quality-related demands, which have been the critical drivers in BA's quest for excellence and differentiation. They continue to be the ones who make us strive for more growth and investments.

And to our suppliers, that in any moment failed their commitment and service, allowing us to continue our operations and the development of many projects he had in hands.

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

We have also counted on the cooperation of banks and other financial institutions with whom the company has worked during the year, and that have been supporting our ambitions and projects. Without them, we cannot continue to invest and grow.

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

A final word to all the consumers who, on a recurrent basis, have glass as their favorite packaging material for the food and beverages provided to their families and friends, choosing glass as a sustainable and healthy option.

The Board proposes to allocate the profit for the year in the amount of EUR 133.543.626, according to the following:

Dividends to the Shareholders – EUR 100.000.000

Free reserves – EUR 33.543.626

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 in order 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 entities 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 Executive Board and the BAFC and are cascaded 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
COVID-19	COVID-19	COVID-19 pandemic outbreak and measures to prevent its spread may impact our business in several ways, as global economy will suffer a severe impact, most possibly impacting consumer demand and consequently the products we manufacture. It may also adversely affect our ability to operate our business, including potential disruptions on our supply chain and workforce. Also, liquidity and cost of borrowing may also be affected. The significance of the impact of these disruptions on our financial and operational results, will depend on the length of the duration of the COVID-19 pandemic, of the severity of the variants and of the impact of governmental regulations that might be imposed in response to the pandemic.	Being integrated in the food and beverage industry (considered as essential for the economic activity of the countries we work) may relieve some of the constrains related with COVID-19 governmental measures. The safety and wellbeing of our colleagues and customers has been and continues to be our overriding priority. The Executive Board is monitoring events closely with regular Board oversight evaluating the impacts and designing appropriate response strategies. The availability of cash resources and committed facilities together with strong cash flow, support BA Glass's liquidity and longer-term viability. Our teams are working tirelessly to implement specific actions to adjust our production reality in these challenging times. Our business continuity and crisis management plans have been mobilized in all plants and head-offices and additional measures have been implemented including change of lines (with the necessary investments), securing additional supply chain capacity to meet changes in demand, implementing changes to normal functioning (including hours, additional security, hygiene, and social distancing measures), and extending support to colleagues and customers at increased risk. (Moderate)
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 2021, the 30 largest customers accounted for 50% 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)

AREA	RISK	DESCRIPTION	KEY CONTROLS AND MITIGATION FACTORS
MARKETS	GLASS PACKAGING INDUSTRY EVOLUTION	The group's business depends intrinsically 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 competition from those glass container producers, 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 profitability.	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 2021, BA Group developed 125 new products and launched 23 new products in the market. 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)

AREA	RISK	DESCRIPTION	KEY CONTROLS AND MITIGATION FACTORS
SUPPLY	RISKS RELATED WITH SUPPLIERS	Should some of the group's main suppliers of raw materials declare bankruptcy, or experience lack of capacity to respond to the group's needs, or have quality problems, or any other incident disrupting its business, BA's operations could be significantly impacted, leading to additional costs or even impossibility to manufacture.	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 39% of the total consolidated purchases in 2021 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 represent, on average, 18% of the total costs of the group. A substantial increase of the energy price could boost the operational costs of the group, with a strong negative impact on its profitability. On the other hand, the slight possibility of experiencing 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 parameters which influence the gas price in the international markets (the exchange rate EUR/USD and the price of the brent as well as the Dutch TTF gas prices index). 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 of time, 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. (Moderate)

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 in order 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.	There 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 2021 we gave very significant steps towards be Carbon Neutral, improving significantly our results. In the beginning of the year, we joined the Science Based Targets, for a publicly commitment with these targets. (Moderate)
SOCIAL	HEALTH AND SAFETY RISKS	Failure to meet safety standards in relation to our workplace, results in death or injury to our customers, colleagues or third parties and leads to adverse financial and reputational consequences. Group-wide injury statistics continue to improve alongside identifying continuous improvement opportunities to further embed controls.	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)

AREA	RISK	DESCRIPTION	KEY CONTROLS AND MITIGATION FACTORS
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 TECHNOLOGICAL 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)
CYBERSECURITY	RISK OF CYBERATTACKS	Risk of an external event such as terrorism, crime, violence, vandalism, theft, or cyber-attack, which would impact employees, 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 in order to ensure efficient security risk mitigation. Additionally, there is a monthly follow up of all Cybersecurity themes by a Cybersecurity Commitee, 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)

AREA	RISK	DESCRIPTION	KEY CONTROLS AND MITIGATION FACTORS
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 purchases in currencies different from the Euro. The changes that occur in the exchange 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 currency 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) are of 18% of total revenues and purchases account for 28% of total purchases (23% 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, in order 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 in order to face the constraints that could arise from an unforeseen event. (Low)