ARD Finance S.A. Interim Report

For the three and nine months ended September 30, 2023

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Unaudited consolidated interim financial statements for the three and nine months ended September 30, 2023

Management Report

SUMMARY INFORMATION

ARD Finance S.A. (the “Company”) was incorporated in Luxembourg on May 6, 2011 and is a subsidiary of ARD Holdings S.A. The Company’s registered office is 56, rue Charles Martel, L-2134 Luxembourg, Luxembourg.

The Company is a holding company whose assets as of September 30, 2023 consist mainly of its direct and indirect interest in the share capital of Ardagh Group S.A., a company incorporated and existing under the laws of Luxembourg, and certain related party receivables. The Company and those of its subsidiaries which are above Ardagh Group S.A. in the corporate structure are referred to as the “ARD Finance Group”.

All of the business of the Company and its controlled subsidiaries (the “Group”) is conducted by Ardagh Group S.A. (“Ardagh”) and its subsidiaries (together, the “Ardagh Group”). The Ardagh Group and its subsidiaries are a leading supplier of sustainable innovative, value-added rigid packaging solutions, in Europe, Africa, North America and Brazil. The Ardagh Group’s products include metal beverage cans and glass containers primarily for beverage and food markets, which are characterized by stable, consumer-driven demand. End-use categories include beer, food, hard seltzers, wine, spirits, carbonated soft drinks, energy drinks, juices and sparkling waters, as well as pharmaceuticals. Any description of the business of the Group is a description of the business of the Ardagh Group.

As at September 30, 2023, Ardagh indirectly held 76% of the ordinary shares and 100% of the preferred shares of Ardagh Metal Packaging S.A. (“AMPSA”). AMPSA is a leading supplier of beverage cans globally, with a particular focus on the Americas and Europe. This business supplies sustainable and infinitely recyclable metal packaging to a diversified customer base of leading global, regional and national beverage producers.

Ardagh also holds a 42% stake in Trivium Packaging B.V. (“Trivium”), a leading supplier of metal packaging in the form of cans and aerosol containers, serving a broad range of end-use categories, principally including food, seafood, pet food and nutrition, as well as beauty and personal care.

All of the financing of the Group other than the 6.500% / 7.250% Senior Secured Toggle Notes due 2027, and the 5.000% / 5.750% Senior Secured Toggle Notes due 2027 (together the “Toggle Notes”, as described in Note 10 – Financial assets and liabilities) are liabilities of the Ardagh Group.

These unaudited consolidated interim financial statements reflect the consolidation of the legal entities forming the Group for the periods presented.

As used herein, “we”, “our” and “us” refer to the Ardagh Group and its consolidated subsidiaries, unless the context requires otherwise

SELECTED FINANCIAL INFORMATION

The following discussion should be read together with, and is qualified in its entirety by reference to, the unaudited consolidated interim financial statements for the three and nine months ended September 30, 2023 (the "Unaudited Consolidated Interim Financial Statements") including the related notes thereto. As used in this section, the "Group" refers to ARD Finance S.A. and its subsidiaries.

Some of the measures used in this report are not measurements of financial performance under IFRS and should not be considered an alternative to cash flow from operating activities as a measure of liquidity or an alternative to operating profit/(loss) or profit/(loss) for the period as indicators of operating performance or any other measures of performance derived in accordance with IFRS.

The following table sets forth summary consolidated financial information for ARD Finance S.A..

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Income Statement Data	(in $ millions except percentages)		(in $ millions except percentages)	
Revenue	2,486	2,344	7,188	6,827
Adjusted EBITDA [1]	**334**	**345**	**1,056**	**927**
Depreciation and amortization	(214)	(195)	(619)	(581)
Exceptional operating items [2]	(19)	(39)	(217)	(102)
Net finance expense [3]	(149)	(92)	(433)	(266)
Share of post-tax (loss)/profit in equity accounted joint venture [4]	(3)	(1)	(34)	14
(Loss)/profit before tax	**(51)**	**18**	**(247)**	**(8)**
Income tax credit/(charge)	4	(18)	15	(28)
Loss for the period	**(47)**	**—**	**(232)**	**(36)**
Other Data				
Adjusted EBITDA margin [1]	13.4%	14.7%	14.7%	13.6%
Net interest expense [5]	153	133	449	372
Maintenance capital expenditure [6]	109	126	366	352
Growth investment capital expenditure [6]	150	113	383	388

Balance Sheet Data	**As at September 30, 2023**	**As at December 31, 2022**
	(in $ millions except ratios)	
Cash and cash equivalents and restricted cash [7]	458	1,138
Working capital [8]	1,041	610
Total assets	11,738	12,097
Total equity	(3,238)	(2,864)
Net borrowings [9]	11,621	11,470
Net debt [10]	11,190	10,340
Ratio of net debt to LTM Adjusted EBITDA [1,10,11]	8.1x	8.2x
Ratio of net debt to pro-forma LTM Adjusted EBITDA*[1,10,11]		7.9x

*The ratio of net debt to pro-forma LTM Adjusted EBITDA as at December 31, 2022 is presented on an unaudited pro-forma basis, as if the acquisition of Consol Holdings Proprietary Limited ("Consol"), which took place on April 29, 2022, had occurred on January 1, 2022.

All footnotes are on page 8 of this document.

Financial Performance Review

The consolidated results and the results for Ardagh Glass Packaging Europe & Africa for the three and nine months ended September 30, 2023 and the three months ended September 30, 2022 are presented on an as reported basis.

In order to facilitate comparison, the consolidated revenues and Adjusted EBITDA for the Group and for Ardagh Glass Packaging Europe & Africa for the nine months ended September 30, 2022 are presented below on a pro-forma basis, as if the acquisition of Consol was completed on January 1, 2022.

Three months ended September 30, 2023 compared with three months ended September 30, 2022

Segment results for the three months ended September 30, 2023 and 2022 are:

Revenue	Ardagh Metal Packaging Europe	Ardagh Metal Packaging Americas	Ardagh Glass Packaging Europe & Africa	Ardagh Glass Packaging North America	Group
	$'m	$'m	$'m	$'m	$'m
Reported Revenue 2022	**493**	**680**	**704**	**467**	**2,344**
Movement	30	52	64	(59)	87
FX translation	39	—	16	—	55
Reported Revenue 2023	**562**	**732**	**784**	**408**	**2,486**

Adjusted EBITDA	Ardagh Metal Packaging Europe	Ardagh Metal Packaging Americas	Ardagh Glass Packaging Europe & Africa	Ardagh Glass Packaging North America	Other unreported*	Group
	$'m	$'m	$'m	$'m	$'m	$'m
Reported Adj. EBITDA 2022	**38**	**102**	**139**	**53**	**13**	**345**
Movement	26	2	(9)	(23)	(13)	(17)
FX translation	3	—	3	—	—	6
Reported Adj. EBITDA 2023	**67**	**104**	**133**	**30**	—	**334**
2023 margin % - reported	**11.9%**	**14.2%**	**17.0%**	**7.4%**		**13.4%**
2022 margin % - reported	**7.7%**	**15.0%**	**19.7%**	**11.3%**		**14.7%**

*Includes a reduction in a provision in respect of a long-term incentive plan established by the Company.

Revenue

Ardagh Metal Packaging Europe. Revenue increased by $69 million, or 14%, to $562 million in the three months ended September 30, 2023, compared with $493 million in the three months ended September 30, 2022. The increase in revenue was principally due to higher input cost recovery, favorable foreign currency translation effects of $39 million and favorable volume/mix effects.

Ardagh Metal *Packaging Americas*. Revenue increased by $52 million, or 8%, to $732 million in the three months ended September 30, 2023, compared with $680 million in the three months ended September 30, 2022. The increase in revenue principally reflected favorable volume/mix effects, partly offset by the pass through to customers of lower input costs.

Ardagh *Glass Packaging Europe & Africa.* Revenue increased by $80 million, or 11%, to $784 million in the three months ended September 30, 2023, compared with $704 million in the three months ended September 30, 2022. The increase was principally due to the pass through of higher input costs and favorable foreign currency translation effects of $16 million, partly offset by unfavorable volume/mix effects.

Ardagh Glass Packaging North America. Revenue decreased by $59 million, or 13%, to $408 million in the three months ended September 30, 2023, compared with $467 million in the three months ended September 30, 2022. The decrease in revenue primarily reflected adverse volume/mix effects, including related to the ongoing beer market disruption in North America, partly offset by the pass through of higher input costs.

Adjusted EBITDA

Ardagh Metal Packaging Europe. Adjusted EBITDA increased by $29 million, or 76%, to $67 million in the three months ended September 30, 2023, compared with $38 million in the three months ended September 30, 2022. The increase in Adjusted EBITDA was principally due to higher input cost recovery, favorable volume/mix effects and favorable foreign currency translation effects, partly offset by higher operating costs.

Ardagh Metal Packaging *Americas.* Adjusted EBITDA increased by $2 million, or 2%, to $104 million in the three months ended September 30, 2023, compared with $102 million in the three months ended September 30, 2022. The increase was primarily driven by favorable volume/mix effects, partly offset by higher operating costs.

Ardagh Glass Packaging Europe & Africa. Adjusted EBITDA decreased by $6 million, or 4%, to $133 million in the three months ended September 30, 2023, compared with $139 million in the three months ended September 30, 2022. This decline was principally due to to unfavorable volume/mix effects and higher operating costs related to fixed cost under absorption as a result of lower production, partly offset by increased selling prices to recover higher input costs.

Ardagh Glass Packaging North America. Adjusted EBITDA decreased by $23 million, or 43%, to $30 million in the three months ended September 30, 2023, compared with $53 million in the three months ended September 30, 2022. This was principally driven by higher operating costs related to fixed cost under absorption as a result of lower production and unfavorable volume/mix effects, including those related to the North America beer market disruption.

Nine months ended September 30, 2023 compared with nine months ended September 30, 2022

Segment results for the nine months ended September 30, 2023 and 2022 are:

Revenue	**Ardagh Metal Packaging Europe**	**Ardagh Metal Packaging Americas**	**Ardagh Glass Packaging Europe & Africa**	**Ardagh Glass Packaging North America**	**Group**
	$'m	**$'m**	**$'m**	**$'m**	**$'m**
			Pro-forma		
Reported Revenue 2022	**1,525**	**2,088**	**1,825**	**1,389**	**6,827**
Acquisition	—	—	199	—	199
Pro-forma Revenue 2022	**1,525**	**2,088**	**2,024**	**1,389**	**7,026**
Movement	68	(10)	283	(122)	219
FX translation	10	(1)	(66)	—	(57)
Reported Revenue 2023	**1,603**	**2,077**	**2,241**	**1,267**	**7,188**

Adjusted EBITDA	**Ardagh Metal Packaging Europe**	**Ardagh Metal Packaging Americas**	**Ardagh Glass Packaging Europe & Africa**	**Ardagh Glass Packaging North America**	**Other unreported***	**Group**
	$'m	**$'m**	**$'m**	**$'m**	**$'m**	**$'m**
			Pro-forma			
Reported Adj. EBITDA 2022	**155**	**311**	**334**	**141**	**(14)**	**927**
Acquisition	—	—	50	—	—	50
Pro-forma Adj. EBITDA 2022	**155**	**311**	**384**	**141**	**(14)**	**977**
Movement	25	(39)	98	(5)	14	93
FX translation	— —	—	(14)	—	—	(14)
Reported Adj. EBITDA 2023	**180**	**272**	**468**	**136**	**—**	**1,056**
2023 margin % - reported	**11.2%**	**13.1%**	**20.9%**	**10.7%**		**14.7%**
2022 margin % - pro-forma	**10.2%**	**14.9%**	**19.0%**	**10.2%**		**13.9%**

*Includes a reduction in a provision in respect of a long-term incentive plan established by the Company.

Revenue

Ardagh Metal Packaging Europe. Revenue increased by $78 million, or 5%, to $1,603 million in the nine months ended September 30, 2023, compared with $1,525 million in the nine months ended September 30, 2022. Excluding favorable foreign currency translation effects of $10 million, revenue increased by $68 million, principally due to higher input cost recovery, partly offset by unfavorable volume/mix effects.

Ardagh Metal *Packaging Americas*. Revenue decreased by $11 million, or 1%, to $2,077 million in the nine months ended September 30, 2023, compared with $2,088 million in the nine months ended September 30, 2022. The decrease in revenue principally reflected the pass through of lower input costs, partly offset by favorable volume/mix effects.

Ardagh Glass Packaging Europe & Africa. Revenue increased by $217 million, or 11%, to $2,241 million in the nine months ended September 30, 2023, compared with a pro-forma $2,024 million in the nine months ended September 30, 2022. The increase in revenue was principally due to higher selling prices, reflecting the pass through of higher input costs, partly offset by unfavorable volume/mix effects, and unfavorable foreign currency translation effects.

Ardagh Glass Packaging North America. Revenue decreased by $122 million, or 9%, to $1,267 million in the nine months ended September 30, 2023, compared with $1,389 million in the nine months ended September 30, 2022. The decrease in revenue principally reflected unfavorable volume/mix effects, including those related to the ongoing disruption in the North America beer market, partly offset by higher selling prices.

Adjusted EBITDA

Ardagh Metal Packaging Europe. Adjusted EBITDA increased by $25 million, or 16%, to $180 million in the nine months ended September 30, 2023, compared with $155 million in the nine months ended September 30, 2022. The increase in Adjusted EBITDA was principally due to higher input cost recovery, partly offset by higher operating costs.

Ardagh Metal Packaging Americas. Adjusted EBITDA decreased by $39 million, or 13%, to $272 million in the nine months ended September 30, 2023, compared with $311 million in the nine months ended September 30, 2022. The decrease was primarily driven by higher operating costs and input cost headwinds, partly offset by favorable volume/mix effects.

Ardagh Glass Packaging Europe & Africa. Adjusted EBITDA increased by $84 million, or 22%, to $468 million in the nine months ended September 30, 2023, compared with a pro-forma $384 million in the nine months ended September 30, 2022. Excluding unfavorable foreign currency translation effects of $14 million, Adjusted EBITDA increased by $98 million, or 26%, principally due to increased selling prices to recover higher input costs, partly offset by higher operating costs related to fixed cost under absorption as a result of lower production, and unfavorable volume/mix effects.

Ardagh Glass Packaging North America. Adjusted EBITDA decreased by $5 million, or 4%, to $136 million in the nine months ended September 30, 2023, compared with $141 million in the nine months ended September 30, 2022. The decrease in Adjusted EBITDA was principally driven by unfavorable volume/mix effects, including those related to the ongoing disruption in the North American beer market, and resulting higher operating costs related to fixed cost under absorption due to lower production, partly offset by higher selling prices.

Footnotes to the Selected Financial Information

(1) Adjusted EBITDA consists of profit/(loss) for the period before income tax expense/(credit), net finance expense, depreciation and amortization, exceptional operating items and share of profit or loss in equity accounted joint venture. Adjusted EBITDA margin is calculated as Adjusted EBITDA divided by revenue. Adjusted EBITDA and Adjusted EBITDA margin are presented because we believe that they are frequently used by securities analysts, investors and other interested parties in evaluating companies in the packaging industry. However, other companies may calculate Adjusted EBITDA and Adjusted EBITDA margin in a manner different from ours. Adjusted EBITDA and Adjusted EBITDA margin are not measurements of financial performance under IFRS and should not be considered an alternative to profit/(loss) as indicators of operating performance or any other measures of performance derived in accordance with IFRS.

(2) Exceptional operating items are shown on a number of different lines in the Consolidated Interim Income Statement as referred to in Note 5 - Exceptional items of the Unaudited Consolidated Interim Financial Statements.

(3) Includes exceptional finance income and expense.

(4) Includes exceptional share of post-tax profit/(loss) in equity accounted joint venture.

(5) Net interest expense is as set out in Note 6 - Net finance expense of the Unaudited Consolidated Interim Financial Statements.

(6) Capital expenditure is the sum of purchase of property, plant and equipment and software and other intangibles, net of proceeds from disposal of property, plant and equipment, as per the Consolidated Interim Statement of Cash Flows.

(7) Cash and cash equivalents and restricted cash include short term bank deposits and restricted cash as per the note disclosures to the consolidated interim financial statements included in this interim report.

(8) Working capital is comprised of inventories, trade and other receivables, current related party receivables, contract assets, trade and other payables and current provisions. Other companies may calculate working capital in a manner different to ours.

(9) Net borrowings comprise non-current and current borrowings net of deferred debt issue costs.

(10) Net debt is comprised of net borrowings and derivative financial instruments used to hedge foreign currency and interest rate risk, net of cash and cash equivalents and restricted cash.

(11) Net debt to Adjusted LTM EBITDA ratio at September 30, 2023 of 8.1x, is based on net debt at September 30, 2023 of $11,190 million and reported Adjusted EBITDA for the last twelve months to September 30, 2023 of $1,379 million.

Unaudited Consolidated Interim Financial Statements

ARD FINANCE S.A.
CONSOLIDATED INTERIM INCOME STATEMENT

		Unaudited Three months ended September 30, 2023			Unaudited Three months ended September 30, 2022		
	Note	Before exceptional items $'m	Exceptional items $'m	Total $'m	Before exceptional items $'m	Exceptional items $'m	Total $'m
			Note 5			Note 5	
Revenue	4	2,486	–	2,486	2,344	–	2,344
Cost of sales		(2,195)	(11)	(2,206)	(2,057)	(17)	(2,074)
Gross profit		**291**	**(11)**	**280**	**287**	**(17)**	**270**
Sales, general and administration expenses		(125)	(8)	(133)	(85)	(22)	(107)
Intangible amortization		(46)	–	(46)	(52)	–	(52)
Operating profit		**120**	**(19)**	**101**	**150**	**(39)**	**111**
Net finance expense	6	(150)	1	(149)	(99)	7	(92)
Share of post-tax loss in equity accounted joint venture	8	1	(4)	(3)	–	(1)	(1)
(Loss)/profit before tax		**(29)**	**(22)**	**(51)**	**51**	**(33)**	**18**
Income tax credit/(charge)		(3)	7	4	(26)	8	(18)
Loss for the period		**(32)**	**(15)**	**(47)**	**25**	**(25)**	**–**
Loss attributable to:							
Equity holders				(51)			(17)
Non-controlling interests	14			4			17
Loss for the period				**(47)**			**–**

The accompanying notes to the unaudited consolidated interim financial statements are an integral part of these unaudited consolidated interim financial statements.

ARD FINANCE S.A.
CONSOLIDATED INTERIM INCOME STATEMENT

		Unaudited Nine months ended September 30, 2023			Unaudited Nine months ended September 30, 2022		
	Note	**Before exceptional items $'m**	**Exceptional items $'m**	**Total $'m**	**Before exceptional items $'m**	**Exceptional items $'m**	**Total $'m**
			Note 5			Note 5	
Revenue	4	7,188	–	7,188	6,827	–	6,827
Cost of sales		(6,234)	(174)	(6,408)	(5,949)	(49)	(5,998)
Gross profit		**954**	**(174)**	**780**	**878**	**(49)**	**829**
Sales, general and administration expenses		(385)	(43)	(428)	(370)	(53)	(423)
Intangible amortization		(132)	–	(132)	(162)	–	(162)
Operating profit		**437**	**(217)**	**220**	**346**	**(102)**	**244**
Net finance expense	6	(438)	5	(433)	(310)	44	(266)
Share of post-tax (loss)/profit in equity accounted joint venture	8	(22)	(12)	(34)	35	(21)	14
Loss before tax		**(23)**	**(224)**	**(247)**	**71**	**(79)**	**(8)**
Income tax credit/(charge)		(29)	44	15	(39)	11	(28)
Loss for the period		**(52)**	**(180)**	**(232)**	**32**	**(68)**	**(36)**
Loss attributable to:							
Equity holders				(232)			(92)
Non-controlling interests	14			–			56
Loss for the period				**(232)**			**(36)**

The accompanying notes to the unaudited consolidated interim financial statements are an integral part of these unaudited consolidated interim financial statements.

ARD FINANCE S.A.
CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

	Note	Unaudited Three months ended September 30, 2023 $'m	Unaudited Three months ended September 30, 2022* $'m	Unaudited Nine months ended September 30, 2023 $'m	Unaudited Nine months ended September 30, 2022* $'m
Loss for the period		**(47)**	**—**	**(232)**	**(36)**
Other comprehensive income/(expense):					
Items that may subsequently be reclassified to income statement					
Foreign currency translation adjustments:					
—Arising in the year		36	(4)	(23)	38
		36	**(4)**	**(23)**	**38**
Share of foreign currency translation adjustments in equity accounted joint venture*		**(6)**	**(16)**	**(2)**	**(38)**
Effective portion of changes in fair value of cash flow hedges:					
—New fair value adjustments into reserve		43	129	(103)	231
—Movement out of reserve to income statement		(40)	(4)	(11)	(48)
—Movement in deferred tax		(5)	(12)	11	(8)
		(2)	**113**	**(103)**	**175**
Share of changes in fair value of cash flow hedges in equity accounted joint venture*		**1**	**3**	**(3)**	**3**
Gain/(Loss) recognized on cost of hedging:					
—New fair value adjustments into reserve		—	(1)	1	(5)
—Movement in deferred tax		—	1	—	1
		—	**—**	**1**	**(4)**
Share of loss recognized on cost of hedging in equity accounted joint venture*	8	**—**	**(1)**	**—**	**(3)**
Items that will not be reclassified to income statement					
—Re-measurement of employee benefit obligations	11	33	44	32	224
—Deferred tax movement on employee benefit obligations		(8)	(13)	(8)	(60)
		25	**31**	**24**	**164**
Share of items that will not be reclassified to income statement in equity accounted joint venture*	8	**2**	**6**	**1**	**25**
Total other comprehensive income/(expense) for the period		**56**	**132**	**(105)**	**360**
Total comprehensive income/(expense) for the period		**9**	**132**	**(337)**	**324**
Attributable to:					
Equity holders		6	116	(327)	247
Non-controlling interests	14	3	16	(10)	77
Total comprehensive income/(expense) for the period		**9**	**132**	**(337)**	**324**

The accompanying notes to the unaudited consolidated interim financial statements are an integral part of these unaudited consolidated interim financial statements.

*Prior year amounts which had been aggregated as a single item have been separated out onto individual lines to show the share of the equity accounted joint venture in each reserve within other comprehensive income, to conform to the current year presentation.

ARD FINANCE S.A.
CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

	Note	Unaudited At September 30, 2023 $'m	Unaudited At December 31, 2022 $'m
Non-current assets			
Intangible assets	7	2,111	2,240
Property, plant and equipment	7	5,110	4,825
Derivative financial instruments		17	15
Deferred tax assets		134	153
Investment in equity accounted joint venture	8	251	292
Related party loan receivable	15	322	322
Employee benefit assets		14	27
Other non-current assets		33	31
		7,992	**7,905**
Current assets			
Inventories		1,630	1,400
Trade and other receivables		1,347	1,340
Contract assets		265	239
Derivative financial instruments		38	54
Cash, cash equivalents and restricted cash	10	458	1,138
Related party receivables	15	8	21
		3,746	**4,192**
TOTAL ASSETS		**11,738**	**12,097**
Equity attributable to owners of the parent			
Equity share capital	9	—	—
Other reserves		180	270
Retained earnings		(3,349)	(3,110)
		(3,169)	**(2,840)**
Non-controlling interests	14	(69)	(24)
TOTAL EQUITY		**(3,238)**	**(2,864)**
Non-current liabilities			
Borrowings	10	10,858	10,764
Lease obligations	10	601	557
Employee benefit obligations		320	361
Derivative financial instruments		108	59
Deferred tax liabilities		294	375
Provisions and other liabilities	12	113	108
		12,294	**12,224**
Current liabilities			
Borrowings	10	22	25
Lease obligations	10	140	124
Interest payable		150	50
Derivative financial instruments		63	55
Trade and other payables		2,104	2,310
Income tax payable		98	93
Provisions	12	105	80
		2,682	**2,737**
TOTAL LIABILITIES		**14,976**	**14,961**
TOTAL EQUITY and LIABILITIES		**11,738**	**12,097**

The accompanying notes to the unaudited consolidated interim financial statements are an integral part of these unaudited consolidated interim financial statements.

ARD FINANCE S.A.
CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

	Unaudited									
	Attributable to the owner of the parent									
	Share capital $'m	Capital contribution $'m	Foreign currency translation reserve $'m	Cash flow hedge reserve $'m	Cost of hedging reserve $'m	Other reserves $'m	Retained earnings $'m	Total $'m	Non-controlling interests $'m	Total equity $'m
At January 1, 2022	–	**10**	**144**	**85**	**7**	**164**	**(2,788)**	**(2,378)**	**(38)**	**(2,416)**
(Loss)/Profit for the period	–	–	–	–	–	–	(92)	**(92)**	56	**(36)**
Other comprehensive (expense)/income	–	–	9	158	(7)	–	177	**337**	23	**360**
Shares acquired by AMPSA (Treasury shares)	–	–	–	–	–	(35)	–	**(35)**	–	**(35)**
Hedging gains transferred to cost of inventory	–	–	–	(107)	–	–	–	**(107)**	(25)	**(132)**
Transactions with owners in their capacity as owners										
Share purchases (Note 9)	–	–	–	–	–	–	(21)	**(21)**	5	**(16)**
Dividends by subsidiary to non-controlling interest	–	–	–	–	–	–	–	–	(44)	**(44)**
At September 30, 2022	**—**	**10**	**153**	**136**	**—**	**129**	**(2,724)**	**(2,296)**	**(23)**	**(2,319)**
At January 1, 2023	–	**10**	**95**	**24**	**4**	**137**	**(3,110)**	**(2,840)**	**(24)**	**(2,864)**
Loss for the period	–	–	–	–	–	–	(232)	**(232)**	–	**(232)**
Other comprehensive (expense)/income	–	–	(26)	(95)	1	–	25	**(95)**	(10)	**(105)**
Hedging losses transferred to cost of inventory	–	–	–	33	–	–	–	**33**	4	**37**
NOMOQ acquisition (Note 7)	–	–	–	–	–	(5)	–	**(5)**	4	**(1)**
Transactions with owners in their capacity as owners										
Share-based payment reserve	–	–	–	–	–	2	–	**2**	–	**2**
Share purchases (Note 9)	–	–	–	–	–	–	(1)	**(1)**	1	**–**
Dividends by subsidiary to non-controlling interest	–	–	–	–	–	–	(31)	**(31)**	(44)	**(75)**
At September 30, 2023	**–**	**10**	**69**	**(38)**	**5**	**134**	**(3,349)**	**(3,169)**	**(69)**	**(3,238)**

The accompanying notes to the unaudited consolidated interim financial statements are an integral part of these unaudited consolidated interim financial statements.

ARD FINANCE S.A.
CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

		Unaudited		Unaudited	
		Three months ended September 30,		Nine months ended September 30,	
	Note	2023 $'m	2022 $'m	2023 $'m	2022 $'m
Cash flows from/(used in) operating activities					
Cash from operations	13	329	308	541	277
Interest paid		(44)	(33)	(319)	(278)
Settlement of foreign currency derivative financial instruments		—	18	(19)	18
Income tax received/(paid)		7	(28)	(44)	(76)
Net cash from/(used in) operating activities		**292**	**265**	**159**	**(59)**
Cash flows used in investing activities					
Purchase of property, plant and equipment		(255)	(237)	(740)	(730)
Purchase of intangible assets		(4)	(3)	(10)	(11)
Proceeds from disposal of property, plant and equipment		—	1	1	1
Repayment of loan by immediate parent company	15	—	—	30	13
Other investing cash flows		(2)	(2)	(4)	(4)
Purchase of businesses, net of cash acquired, and related derivative settlement gain		—	–	—	(572)
Cash flows used in investing activities		**(261)**	**(241)**	**(723)**	**(1,303)**
Cash flows from financing activities					
Proceeds from borrowings		14	1	495	701
Repayment of borrowings		(71)	(1)	(389)	(596)
Deferred debt issue costs paid		(1)	(4)	(7)	(14)
Share purchases		—	(1)	—	(16)
Lease repayments	10	(43)	(34)	(124)	(97)
Debt settlements costs paid	5	—	—	—	(19)
Dividends paid		(14)	—	(75)	(392)
Consideration received on maturity of derivative financial instruments		—	37	11	37
Shares purchased by AMPSA		—	(32)	—	(35)
Other financing activities		—	–	—	(1)
Net cash outflow from financing activities		**(115)**	**(34)**	**(89)**	**(432)**
Net decrease in cash and cash equivalents and restricted cash		**(84)**	**(10)**	**(653)**	**(1,794)**
Cash and cash equivalents and restricted cash at the beginning of the period	10	556	1,223	1,138	3,049
Exchange losses on cash and cash equivalents and restricted cash		(14)	(2)	(27)	(44)
Cash and cash equivalents and restricted cash at the end of the period	10	**458**	**1,211**	**458**	**1,211**

The accompanying notes to the unaudited consolidated interim financial statements are an integral part of these unaudited consolidated interim financial statements.

Notes to the Unaudited Consolidated Interim Financial Statements

ARD FINANCE S.A.
NOTES TO THE UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. General information

ARD Finance S.A. (the "Company") was incorporated in Luxembourg on May 6, 2011 and is a subsidiary of ARD Holdings S.A. The Company's registered office is 56, rue Charles Martel, L-2134 Luxembourg, Luxembourg.

The Company is a holding company whose assets as of September 30, 2023 consist mainly of its direct and indirect interest in the share capital of Ardagh Group S.A., a company incorporated and existing under the laws of Luxembourg, and certain related party receivables. The Company and those of its subsidiaries which are above Ardagh Group S.A. in the corporate structure are referred to as the "ARD Finance Group".

All of the business of the Company and its controlled subsidiaries (the "Group") is conducted by Ardagh Group S.A. ("Ardagh") and its subsidiaries (together, the "Ardagh Group"). The Ardagh Group and its subsidiaries are a leading supplier of sustainable innovative, value-added rigid packaging solutions. The Ardagh Group's products include metal beverage cans and glass containers primarily for beverage and food markets, which are characterized by stable, consumer-driven demand. End-use categories include beer, wine, spirits, carbonated soft drinks, energy drinks, juices and sparkling water, as well as pharmaceuticals. The Group operates 63 packaging facilities globally, located in the Americas, Europe and Africa.

As at September 30, 2023, Ardagh indirectly held 76% of the ordinary share capital and 100% of the preferred shares in AMPSA. AMPSA is a leading supplier of beverage cans globally, with a particular focus on the Americas and Europe. The business supplies sustainable and infinitely recyclable metal packaging to a diversified customer base of leading global, regional and national beverage producers. The Group's metal packaging business operates 24 production facilities in Europe and the Americas, employs approximately 6,300 people and recorded revenues of $4.7 billion in 2022.

Ardagh also holds a 42% stake in Trivium Packaging B.V. ("Trivium"), a leading supplier of metal packaging in the form of cans and aerosol containers, serving a broad range of end-use categories, principally including food, seafood, pet food and nutrition, as well as beauty and personal care. Trivium recorded revenues of $3.3 billion in 2022.

All of the financing of the Group other than the 6.500% / 7.250% Senior Secured Toggle Notes due 2027, and the 5.000% / 5.750% Senior Secured Toggle Notes due 2027 (together the "Toggle Notes", as described in Note 10 – Financial assets and liabilities) are liabilities of the Ardagh Group.

The Group does not have any operations within Russia or Ukraine and continues to monitor and comply with the various sanctions administered by the U.S. Department of the Treasury's Office of Foreign Assets Control, the European Union, the United Kingdom and the United Nations Security Committee that have been imposed on the Russian government and certain Russian entities and individuals..

These unaudited consolidated interim financial statements reflect the consolidation of the legal entities forming the Group for the periods presented.

The accounting policies that have been applied to the unaudited consolidated interim financial statements are described in Note 3 – Summary of accounting policies.

2. Statement of directors' approval

The unaudited consolidated interim financial statements were approved for issue by the board of directors of ARD Finance S.A. (the "Board") on November 24, 2023.

3. Summary of accounting policies

Basis of preparation

The unaudited consolidated interim financial statements of the Group for the three and nine months ended September 30, 2023 and 2022, have been prepared in accordance with IAS 34 "Interim Financial Reporting". The unaudited consolidated interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the Annual Report for the year ended December 31, 2022 which was prepared in accordance with International Financial Reporting Standards ("IFRS").

The unaudited consolidated interim financial statements are presented in U.S. dollar rounded to the nearest million. The functional currency of the Company is euro.

Income tax in interim periods is accrued using the effective tax rate expected to be applied to annual earnings.

The accounting policies, presentation and methods of computation followed in the unaudited consolidated interim financial statements are consistent with those applied in the Group's latest Annual Report. In addition, please refer to Note 10 - Financial assets and liabilities for further details around the recognition and measurement of a virtual power purchase agreement.

Recent changes in accounting pronouncements

The impact of new standards, amendments to existing standards and interpretations issued and effective for annual periods beginning on or after January 1, 2023, have been assessed by the Board. No new standards or amendments to existing standards effective January 1, 2023 have had or are expected to have a material impact for the Group. The Board's assessment of the impact of new standards, which are not yet effective, and which have not been early adopted by the Group, on the consolidated interim financial statements is on-going.

4. Segment analysis

The Group's operating segments reflect the basis on which the Group's performance is reviewed by management and presented to the Board, which has been identified as the Chief Operating Decision Maker ("CODM") for the Group.

The Group aggregates the Ardagh Glass Packaging Europe and the Ardagh Glass Packaging Africa operating segments into the Ardagh Glass Packaging Europe & Africa reportable segment. The nature of the products and services, production processes as well as the type and class of customers and the method of distribution are essentially identical, with similar long-term financial and economic characteristics.

The following are the Group's four reportable segments:

- Ardagh Metal Packaging Europe
- Ardagh Metal Packaging Americas
- Ardagh Glass Packaging Europe & Africa
- Ardagh Glass Packaging North America

Performance of the Group is assessed based on Adjusted EBITDA. Adjusted EBITDA is the profit or loss for the period before income tax charge or credit, net finance expense, depreciation and amortization, exceptional operating items and share of profit or loss in equity accounted joint venture. Other items are not allocated to segments, as these are reviewed by the CODM on a group-wide basis. Segmental revenues are derived from sales to external customers. Inter-segment revenue and revenue with joint ventures is not material.

Reconciliation of loss for the period to Adjusted EBITDA

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
	$'m	$'m	$'m	$'m
Loss for the period	(47)	—	(232)	(36)
Income tax (credit)/charge	(4)	18	(15)	28
Net finance expense (Note 6)	149	92	433	266
Depreciation and amortization (Note 7)	214	195	619	581
Exceptional operating items (Note 5)	19	39	217	102
Share of post-tax loss/(profit) in equity accounted joint venture (Note 8)	3	1	34	(14)
Adjusted EBITDA	**334**	**345**	**1,056**	**927**

Segment results for the three months ended September 30, 2023 and 2022 are:

	Revenue		Adjusted EBITDA	
	2023	2022	2023	2022
	$'m	$'m	$'m	$'m
Ardagh Metal Packaging Europe	562	493	67	38
Ardagh Metal Packaging Americas	732	680	104	102
Ardagh Glass Packaging Europe & Africa	784	704	133	139
Ardagh Glass Packaging North America	408	467	30	53
Total reportable segments	**2,486**	**2,344**	**334**	**332**
Other Unreported*	–	–	–	13
Group	**2,486**	**2,344**	**334**	**345**

Segment results for the nine months ended September 30, 2023 and 2022 are:

	Revenue		Adjusted EBITDA	
	2023	2022	2023	2022
	$'m	$'m	$'m	$'m
Ardagh Metal Packaging Europe	1,603	1,525	180	155
Ardagh Metal Packaging Americas	2,077	2,088	272	311
Ardagh Glass Packaging Europe & Africa	2,241	1,825	468	334
Ardagh Glass Packaging North America	1,267	1,389	136	141
Total reportable segments	**7,188**	**6,827**	**1,056**	**941**
Other Unreported*	–	–	–	(14)
Group	**7,188**	**6,827**	**1,056**	**927**

* Includes a reduction in a provision in respect of a long-term incentive plan established by the Company.

One customer across all reportable segments accounted for greater than 10% of total revenue in the nine months ended September 30, 2023 (2022: one).

Within each reportable segment our respective packaging containers have similar production processes and classes of customers. Further, they have similar economic characteristics. Based on the foregoing, we do not consider additional disclosures as necessary.

The following illustrates the disaggregation of revenue by destination for the three months ended September 30, 2023:

	Europe	North America	Rest of the world	Total
	$'m	$'m	$'m	$'m
Ardagh Metal Packaging Europe	556	-	6	562
Ardagh Metal Packaging Americas	–	613	119	732
Ardagh Glass Packaging Europe & Africa	602	6	176	784
Ardagh Glass Packaging North America	–	408	–	408
Group	**1,158**	**1,027**	**301**	**2,486**

The following illustrates the disaggregation of revenue by destination for the three months ended September 30, 2022:

	Europe $'m	North America $'m	Rest of the world $'m	Total $'m
Ardagh Metal Packaging Europe	487	2	4	493
Ardagh Metal Packaging Americas	–	551	129	680
Ardagh Glass Packaging Europe & Africa	510	4	190	704
Ardagh Glass Packaging North America	–	467	–	467
Group	**997**	**1,024**	**323**	**2,344**

The following illustrates the disaggregation of revenue by destination for the nine months ended September 30, 2023:

	Europe $'m	North America $'m	Rest of the world $'m	Total $'m
Ardagh Metal Packaging Europe	1,586	7	10	1,603
Ardagh Metal Packaging Americas	–	1,763	314	2,077
Ardagh Glass Packaging Europe & Africa	1,684	22	535	2,241
Ardagh Glass Packaging North America	–	1,267	–	1,267
Group	**3,270**	**3,059**	**859**	**7,188**

The following illustrates the disaggregation of revenue by destination for the nine months ended September 30, 2022:

	Europe $'m	North America $'m	Rest of the world $'m	Total $'m
Ardagh Metal Packaging Europe	1,512	6	7	1,525
Ardagh Metal Packaging Americas	–	1,667	421	2,088
Ardagh Glass Packaging Europe & Africa	1,468	11	346	1,825
Ardagh Glass Packaging North America	–	1,388	1	1,389
Group	**2,980**	**3,072**	**775**	**6,827**

The following illustrates the disaggregation of revenue based on the timing of transfer of goods and services:

	Three months ended September 30,		Nine months ended September 30,	
	2023 $'m	2022 $'m	2023 $'m	2022 $'m
Over time	1,020	947	2,930	2,897
Point in time	1,466	1,397	4,258	3,930
Group	**2,486**	**2,344**	**7,188**	**6,827**

5. Exceptional items

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
	$'m	$'m	$'m	$'m
Start-up related and other costs	7	17	30	49
Restructuring and other costs	6	—	77	—
Impairment - property, plant and equipment	(2)	—	59	—
Capacity realignment costs	—	—	8	—
Exceptional items - cost of sales	**11**	**17**	**174**	**49**
Transaction-related and other costs	2	13	29	68
Restructuring and other costs	2	6	2	9
IT & other transformation initiatives	4	3	12	10
Settlement of US legal matter	—	—	—	(34)
Exceptional items - SGA expenses	**8**	**22**	**43**	**53**
Gains on derivative financial instruments and other	(1)	(7)	(5)	(64)
Debt refinancing and settlement costs	—	—	—	19
Interest expense	—	—		1
Exceptional items - finance income	**(1)**	**(7)**	**(5)**	**(44)**
Share of exceptional items in equity accounted joint venture	4	1	12	21
Exceptional items	**22**	**33**	**224**	**79**
Exceptional income tax credit	(7)	(8)	(44)	(11)
Total exceptional charge, net of tax	**15**	**25**	**180**	**68**

Exceptional items are those that, in management's judgment, need to be disclosed by virtue of their size, nature or incidence.

2023

Exceptional items of $180 million have been recognized in the nine months ended September 30, 2023, comprising:

- $30 million start-up related and other costs primarily in Ardagh Metal Packaging Americas ($16 million) and Ardagh Metal Packaging Europe ($12 million), primarily relating to the Group's investment programs and $2 million of other costs in Ardagh Glass Packaging North America, as a result of unexpected downtime due to power supply interruption.
- $77 million of restructuring and other costs comprised of $54 million incurred in Ardagh Glass Packaging North America, including related to the closure of the Ruston (Louisiana) and Wilson (North Carolina) production facilities, $15 million in Ardagh Metal Packaging Europe following the decision to close the remaining steel lines in the Weissenthurm production facility in Germany, completing the conversion to an aluminum-only facility and $8 million in Ardagh Glass Packaging Europe primarily due to the closure of certain furnaces.
- $59 million related to the impairment of property, plant and equipment across the Group, including $50 million due to capacity adjustments in Ardagh Glass Packaging North America, resulting from the closure of the Ruston and Wilson production facilities and $9 million in Ardagh Metal Packaging Europe following the decision to close the remaining steel lines in the Weissenthurm production facility in Germany.
- $8 million of capacity realignment costs in Ardagh Glass Packaging North America, relating to the closure of the Ruston and Wilson facilities and production downtime associated with these closures.
- $29 million and $2 million relating to transaction-related and restructuring and other costs respectively, including $14 million of costs in Ardagh Metal Packaging comprised of a $6 million legal settlement in respect of a contract manufacturing agreement arising from the Group's acquisition of the beverage can business in 2016 and $8 million of professional advisory fees and other costs primarily in relation to transformation initiatives. In Ardagh Glass Packaging North America $7 million of costs arose related to a Pension Annuity Risk Transfer ("PART") transaction executed during the period. See Note 11 - Employee Benefit Obligations for further details. A further

$10 million of costs related to acquisition, other transaction costs, including professional fees, and other costs in Ardagh Glass Packaging Europe.

- $12 million relating to IT and other transformation initiatives.
- $5 million credit primarily related to fair value and foreign currency gains on Public and Private Warrants.
- $12 million from the Group's share of exceptional items in Trivium.
- $44 million from tax credits relating to the above exceptional items.

2022

Exceptional items of $68 million have been recognized in the nine months ended September 30, 2022, primarily comprising:

- $49 million start-up related and other costs in Ardagh Metal Packaging Americas ($25 million) and Ardagh Metal Packaging Europe ($22 million), relating to the Group's investment programs and $2 million other costs in Ardagh Glass Packaging North America, as a result of weather-related downtime.
- $68 million transaction-related and other costs primarily relating to professional advisory and other fees in connection with transformation initiatives in Ardagh Metal Packaging ($9 million), $8 million of foreign currency translation losses relating to the exceptional cost of hedging activities in Ardagh Metal Packaging Americas and transactions in Ardagh Glass Packaging Europe & Africa ($40 million). A further $11 million of costs related to acquisition and transaction costs, including professional advisory fees and other costs across the Ardagh Glass Packaging division.
- $34 million gain arising in Ardagh Glass Packaging North America from the resolution of a legal matter, which offsets losses and costs previously incurred in connection with this matter.
- $9 million restructuring and other costs in Ardagh Glass Packaging North America and Ardagh Glass Packaging Europe & Africa.
- $10 million relating to IT transformation costs, including professional support fees.
- $64 million finance income primarily relating to a $42 million gain realised on forward foreign exchange contracts entered into in connection with the acquisition of Consol on April 29, 2022 (as outlined in Note 1 - General information), and a $22 million credit related to fair value and foreign currency gains on Public and Private Warrants.
- $19 million debt settlement costs related to the redemption premium on the partial redemption of the $1,300 million 6.500%/7.250% senior secured toggle notes due 2027 and the €1,000 million 5.000%/5.750% senior secured toggle notes due 2027 plus $1 million accrued interest up to but excluding the payment date.
- $21 million from the Group's share of exceptional items arising in Trivium.
- $11 million from tax credits relating to the above exceptional items.

6. Net finance expense

	Three months ended September 30,		Nine months ended September 30,	
	2023	**2022**	**2023**	**2022**
	$'m	**$'m**	**$'m**	**$'m**
Bond and Senior Facilities interest expense*	133	118	395	343
Other interest expense	25	19	70	44
Related Party interest income	(5)	(4)	(16)	(15)
Net interest expense	**153**	**133**	**449**	**372**
Net pension interest cost	4	2	10	7
Foreign currency translation loss/(gain)	3	(31)	(3)	(59)
(Gain)/loss on derivative financial instruments	(2)	—	7	(1)
Net monetary gain - hyperinflation	(3)	—	(9)	—
Other finance income	(5)	(5)	(16)	(9)
Net finance expense before exceptional items	**150**	**99**	**438**	**310**
Net exceptional finance income (Note 5)	(1)	(7)	(5)	(44)
Net finance expense	**149**	**92**	**433**	**266**

*Includes interest related to Senior Secured Toggle Notes, Senior Secured, Senior Secured Green, Senior, Senior Green Notes, and Senior Facilities.

7. Intangible assets and property, plant and equipment

	Intangible assets $'m	Property, plant and equipment $'m
Net book value at January 1, 2023	**2,240**	**4,825**
Additions	10	874
Acquisition*	6	4
Impairment (Note 5)	—	(59)
Disposals	—	(6)
Hyperinflation	—	8
Charge for the period	(132)	(487)
Foreign exchange	(13)	(49)
Net book value at September 30, 2023	**2,111**	**5,110**

*In February 2023, the Group completed the acquisition of a majority share in NOMOQ AG ("NOMOQ"), a start-up digital can printer based in Zurich, Switzerland, for an initial consideration of €15 million, with a further €10 million payable in 2024, subject to NOMOQ achieving certain milestones. Net of €15 million cash acquired; the transaction did not result in a cash outflow for the Group. These unaudited consolidated interim financial statements include management's preliminary estimate of the fair values of assets acquired and liabilities assumed. In conjunction with this transaction, the Group has entered into put and call option arrangements for the acquisition of the outstanding non-controlling interest ("NCI"), part of which are treated as a compensation arrangement for accounting purposes, and could result in future payments to the holders of such NCI, depending on the future performance of NOMOQ. An initial estimate of the fair value of such obligation, which has been reflected in other reserves and other liabilities and provisions, respectively, has been calibrated such that the present value of the liability is equal to the fair value of the NCI that is subject to the put and call arrangement as at the valuation date.

At September 30, 2023, the carrying amount of goodwill included within intangible assets was $1,367 million (December 31, 2022: $1,367 million).

At September 30, 2023, the carrying amount of the right-of-use assets included within property, plant and equipment was $721 million (December 31, 2022: $656 million).

The Group recognized a depreciation charge of $487 million in the nine months ended September 30, 2023 (2022: $419 million), of which $119 million (2022: $96 million) relates to right-of-use assets.

Impairment test for goodwill

Goodwill is not subject to amortization and is tested annually for impairment following the approval of the annual budget (normally at the end of the financial year), or more frequently if events or changes in circumstances indicate a potential impairment.

Management has considered whether any impairment indicators existed at the reporting date and has concluded that the carrying amount of goodwill is fully recoverable as at September 30, 2023.

8. Investment in equity accounted joint venture

Investment in equity accounted joint venture is comprised of the Group's 42% stake in Trivium incorporated in the Netherlands, with corporate offices in Amsterdam. The remaining 58% is held by Ontario Teachers' Pension Plan Board. As the Group jointly controls both the financial and operating policy decisions of Trivium, the investment is accounted for under the equity method. The shareholders of Trivium have entered into a Shareholders Agreement, dated October 31, 2019, which governs their relationship as owners, including in respect of the governance of Trivium and its subsidiaries, their ability to transfer their shares and other customary matters.

The following tables provide summarized financial information for Trivium as it relates to the amounts recognized in the consolidated interim income statement, consolidated interim statement of comprehensive income and consolidated interim statement of financial position.

	Three months ended September 30,		Nine months ended September 30,	
	2023	**2022**	**2023**	**2022**
	$'m	**$'m**	**$'m**	**$'m**
Loss for the period	(3)	(1)	(34)	14
Other comprehensive expense	(3)	(8)	(4)	(13)
Total comprehensive (expense)/income	**(6)**	**(9)**	**(38)**	**1**

	At September 30,	At December 31,
	2023	**2022**
	$'m	**$'m**
Investment in equity accounted joint venture	251	292

The reconciliation of summarized financial information presented to the carrying amount of the Group's interest in Trivium at September 30, 2023 and 2022 respectively is set out below.

	2023	**2022**
	$'m	**$'m**
Group's interest in net assets of equity accounted joint venture at January 1	292	303
Share of total comprehensive (expense)/income	(38)	1
Foreign exchange	(3)	(44)
Carrying amount of interest in equity accounted joint venture at September 30	**251**	**260**

In respect of the Group's equity accounted investment in Trivium, management has considered the carrying amount of the investment and concluded that it is fully recoverable as at September 30, 2023.

The Group was party to a Mutual Services Agreement ("MSA") with Trivium, pursuant to which the Group and Trivium provided services to each other. The MSA ended as at November 2022.

The Group recognized income of $nil and $nil in respect of the MSA in the three and nine months ended September 30, 2023 respectively (September 30, 2022: $1 million and $3 million respectively).

At September 30, 2023 and December 31, 2022, the Group had no significant related party balances outstanding with Trivium.

9. Equity share capital

Issued and fully paid shares:

	Number of shares (million)	**$'m**
Ordinary shares (par value €0.01)	10.3	–
At September 30, 2023 and December 31, 2022	**10.3**	**–**

During the nine months ended September 30, 2023, the Company acquired a number of shares from external shareholders of Ardagh Group S.A.. The combined impact of the transactions resulted in a reduction in the total equity of $nil (September 30, 2022: $16 million).

10. Financial assets and liabilities

At September 30, 2023, the Group's net debt and available liquidity was as follows:

Facility	Currency	Maximum amount drawable	Final maturity date	Facility type	Amount drawn				Undrawn amount
		Local Currency m			ARD Finance Group $'m	Restricted Group * $'m	Unrestricted Group ** $'m	Total Group $'m	$'m
6.500%/7.250% Senior Secured Toggle Notes	USD	895	30-Jun-27	Bullet	895	–	–	895	–
5.000%/5.750% Senior Secured Toggle Notes	EUR	796	30-Jun-27	Bullet	843	–	–	843	–
5.250% Senior Secured Notes	USD	700	30-Apr-25	Bullet	–	700	–	700	–
4.125% Senior Secured Notes	USD	1,215	15-Aug-26	Bullet	–	1,215	–	1,215	–
2.125% Senior Secured Notes	EUR	439	15-Aug-26	Bullet	–	465	–	465	–
2.125% Senior Secured Notes	EUR	790	15-Aug-26	Bullet	–	837	–	837	–
4.750% Senior Notes	GBP	400	15-Jul-27	Bullet	–	490	–	490	–
5.250% Senior Notes	USD	800	15-Aug-27	Bullet	–	800	–	800	–
5.250% Senior Notes	USD	1,000	15-Aug-27	Bullet	–	1,000	–	1,000	–
South African Rand Senior Facilities	ZAR	8,500	01-Mar-28	Bullet	–	397	–	397	53
Global Asset Based Loan Facility	USD	397	30-Mar-27	Revolving	–	–	–	–	397
Lease obligations	Various	–		Amortizing	–	356	385	741	–
Other borrowings/credit lines	Various	–	Rolling	Amortizing	–	15	44	59	36
6.000% Senior Secured Green Notes	USD	600	15-Jun-27	Bullet	–	–	600	600	–
3.250% Senior Secured Green Notes	USD	600	01-Sep-28	Bullet	–	–	600	600	–
2.000% Senior Secured Green Notes	EUR	450	01-Sep-28	Bullet	–	–	477	477	–
3.000% Senior Green Notes	EUR	500	01-Sep-29	Bullet	–	–	530	530	–
4.000% Senior Green Notes	USD	1,050	01-Sep-29	Bullet	–	–	1,050	1,050	–
Global Asset Based Loan Facility	USD	407	06-Aug-26	Revolving	–	–	–	–	407
Total borrowings / undrawn facilities					**1,738**	**6,275**	**3,686**	**11,699**	**893**
Deferred debt issue costs and bond discounts/bond premium					(6)	(41)	(31)	(78)	–
Net borrowings / undrawn facilities					**1,732**	**6,234**	**3,655**	**11,621**	**893**
Cash, cash equivalents and restricted cash					(2)	(302)	(154)	(458)	458
Derivative financial instruments used to hedge foreign currency and interest rate risk					–	20	7	27	–
Net debt / available liquidity					**1,730**	**5,952**	**3,508**	**11,190**	**1,351**

*Restricted Group refers to Ardagh Group excluding the Unrestricted Group.

**Unrestricted Group refers to AMPSA and its subsidiaries as set out in Note 1 - General information.

Net debt includes the fair value of derivative financial instruments that are used to hedge foreign exchange and interest rate risks relating to Group borrowings.

The fair value of the ARD Finance Group and the Restricted Group's total borrowings excluding lease obligations at September 30, 2023, is $6,531 million (December 31, 2022: $6,036 million). The fair value of the Unrestricted Group's total borrowings excluding lease obligations at September 30, 2023, is $2,743 million (December 31, 2022: $2,742 million).

A number of the Group's borrowing agreements contain certain covenants that restrict the Group's flexibility in areas such as incurrence of additional indebtedness (primarily maximum secured borrowings to Adjusted EBITDA and a minimum Adjusted EBITDA to interest expense), payment of dividends and incurrence of liens. The Global Asset Based Loan Facilities are subject to a fixed charge coverage ratio covenant if 90% or more of the facility is drawn. The facilities also include cash dominion, representations, warranties, events of default and other covenants that are generally of a customary nature for such facilities. Borrowing facilities in Africa also contain customary maintenance covenants, primarily net debt to EBITDA and interest coverage tests.

At December 31, 2022, the Group's net debt and available liquidity was as follows:

Facility	Currency	Maximum amount drawable	Final maturity date	Facility type	Amount drawn				Undrawn amount
		Local Currency			ARD Finance Group	Restricted Group*	Unrestricted Group**	Total Group	
		m			$'m	$'m	$'m	$'m	$'m
6.500%/7.250% Senior Secured Toggle Notes	USD	895	30-Jun-27	Bullet	895	–	–	895	–
5.000%/5.750% Senior Secured Toggle Notes	EUR	796	30-Jun-27	Bullet	849	–	–	849	–
5.250% Senior Secured Notes	USD	700	30-Apr-25	Bullet	–	700	–	700	–
4.125% Senior Secured Notes	USD	1,215	15-Aug-26	Bullet	–	1,215	–	1,215	–
2.125% Senior Secured Notes	EUR	439	15-Aug-26	Bullet	–	468	–	468	–
2.125% Senior Secured Notes	EUR	790	15-Aug-26	Bullet	–	843	–	843	–
4.750% Senior Notes	GBP	400	15-Jul-27	Bullet	–	481	–	481	–
5.250% Senior Notes	USD	800	15-Aug-27	Bullet	–	800	–	800	–
5.250% Senior Notes	USD	1,000	15-Aug-27	Bullet	–	1,000	–	1,000	–
JIBAR + 2.60% Senior Term Facilities A&B	ZAR	4,900	28-Feb-24	Bullet	–	289	–	289	–
JIBAR + 2.65% Senior Facility C	ZAR	595	28-Feb-24	Bullet	–	35	–	35	–
Global Asset Based Loan Facility	USD	433	30-Mar-27	Revolving	–	–	–	–	433
Lease obligations	Various	–		Amortizing	–	354	327	681	–
Other borrowings/credit lines	Various	–	Rolling	Amortizing	–	15	40	55	82
2.000% Senior Secured Green Notes	EUR	450	01-Sep-28	Bullet	–	–	480	480	–
3.250% Senior Secured Green Notes	USD	600	01-Sep-28	Bullet	–	–	600	600	–
6.000% Senior Secured Green Notes	USD	600	15-Jun-27	Bullet	–	–	600	600	
3.000% Senior Green Notes	EUR	500	01-Sep-29	Bullet	–	–	533	533	–
4.000% Senior Green Notes	USD	1,050	01-Sep-29	Bullet	–	–	1,050	1,050	–
Global Asset Based Loan Facility	USD	415	06-Aug-26	Revolving	–	–	–	–	415
Total borrowings / undrawn facilities					**1,744**	**6,200**	**3,630**	**11,574**	**930**
Deferred debt issue costs and bond discounts/bond premium					(9)	(57)	(38)	(104)	–
Net borrowings / undrawn facilities					**1,735**	**6,143**	**3,592**	**11,470**	**930**
Cash, cash equivalents and restricted cash					(7)	(576)	(555)	(1,138)	1,138
Derivative financial instruments used to hedge foreign currency and interest rate risk					–	8	–	8	–
Net debt / available liquidity					**1,728**	**5,575**	**3,037**	**10,340**	**2,068**

*Restricted Group refers to Ardagh Group excluding the Unrestricted Group.

**Unrestricted Group refers to AMPSA and its subsidiaries as set out in Note 1 - General information.

The maturity profile of the Group's net borrowings is as follows:

	At September 30, 2023 $'m	At December 31, 2022 $'m
Liabilities of the ARD Finance Group		
Between three and five years	**1,738**	**1,744**
Liabilities of the Ardagh Group		
Within one year or on demand	83	81
Between one and three years	3,330	1,125
Between three and five years	2,762	4,870
Greater than five years	100	124
Restricted Group total borrowings	**6,275**	**6,200**
Within one year or on demand	79	68
Between one and three years	134	100
Between three and five years	1,791	704
Greater than five years	1,682	2,758
Unrestricted Group total borrowings	**3,686**	**3,630**
Total borrowings	**11,699**	**11,574**
Deferred debt issue costs and bond discounts/bond premium	(78)	(104)
Net Borrowings	**11,621**	**11,470**

Warrants

Please refer to Note 12 – Other liabilities and provisions for further details about the recognition and measurement of the Public and Private Warrants.

Financing activity

The refinancing of the Group's South African Rand ("ZAR") debt facilities was completed on February 20, 2023. This extended the maturity of the current debt facilities from 2024 to 2028 and increased the maximum amount drawable under the facilities by ZAR2.9 billion ($163 million), from ZAR6.3 billion to ZAR9.2 billion.

Lease obligations at September 30, 2023 of $741 million (December 31, 2022: $681 million), primarily reflects $184 million of new lease liabilities and foreign currency movements, offset by $124 million of repayments, in the nine months ended September 30, 2023.

At September 30, 2023 the Group had $804 million available under the Global Asset Based Loan Facilities.

Forward foreign exchange contracts

The Group operates in a number of currencies and, accordingly, hedges a portion of its currency transaction risk. Certain forward contracts are designated as cash flow hedges for accounting purposes.

The fair values are based on Level 2 valuation techniques and observable inputs including the contract prices. The fair value of these contracts when initiated is $nil; no premium is paid or received.

Cross currency interest rate swaps

The Group hedges certain portions of its borrowings and interest thereon using cross-currency interest rate swaps ("CCIRS"), and had a net liability position at September 30, 2023 of $27 million (December 31, 2022: $8 million net liability).

In the nine months ended September 30, 2023, the Group entered into a series of new CCIRS, swapping $800 million into synthetic GBP and EUR debt. These CCIRS were designated as hedge accounting arrangements.

Additionally, in the nine months ended September 30, 2023, a series of CCIRS totaling €190 million matured. The swaps, which had been accounted for as a net investment hedge, had a fair value at maturity of $8 million which is retained in Other Comprehensive Income.

Virtual Power Purchase Agreement

As part of our strategy to achieve our climate sustainability targets, the Group entered into a virtual power purchase agreement in June 2023. The renewable energy generation facility underlying this agreement is managed by the facility operator. The Group has no rights of determination or control over the use of the facilities. The benefits accruing from the virtual power purchase agreement come in the form of two components: a monthly financial flow from the Group to the facility developer if the respective spot electricity price falls below an agreed floor price, and certificates that the Group receives as proof of origin for electricity from renewable energies.

The value of the certificates to be received by the Group and the option value of the agreed floor price are reflected as derivative financial instruments within non-current assets and liabilities, respectively. The floor price option valuation applies a Black Scholes model, using key data input for the risk-free rate (3%), with an estimate for volatility (47%). The estimated fair market value at September 30, 2023 was $16 million. An increase or decrease in volatility of 5% would result in an increase or decrease in the fair market value as at September 30, 2023, of approximately $3 million.

Fair value methodology

There has been no change to the fair value hierarchies for determining and disclosing the fair value of financial instruments.

Fair values are calculated as follows:

(i) Senior Secured Green Notes, Senior Secured Notes, Senior Notes and Senior Green Notes – the fair value of debt securities in issue is based on valuation techniques in which all significant inputs are based on observable market data and represent Level 2 inputs.
(ii) Global Asset Based Loan Facilities and other borrowings – the fair values of the borrowings in issue is based on valuation techniques in which all significant inputs are based on observable market data and represent Level 2 inputs.
(iii) CCIRS – the fair value of the CCIRS are based on quoted market prices and represent Level 2 inputs.
(iv) Commodity and foreign exchange derivatives – the fair value of these derivatives is based on quoted market prices and represent Level 2 inputs.
(v) Private and Public Warrants - the fair value of the Private Warrants is based on a valuation technique using an unobservable volatility assumption which represents a Level 3 input, whereas the fair value of the Public Warrants is based on an observable market price and represents a Level 1 input.
(vi) Virtual power purchase agreement – the fair value of the embedded derivative (floor price) in the virtual power purchase agreement is based on a valuation technique using an unobservable volatility assumption which represents a Level 3 input.

11. Employee benefit obligations

Employee benefit obligations at September 30, 2023 have been re-measured in respect of the latest discount rates, inflation rates and asset valuations. A net re-measurement gain of $33 million and $32 million (2022: gain of $44 million and $224 million) have been recognized in the unaudited consolidated interim statement of comprehensive income for the three and nine months ended September 30, 2023 respectively.

The re-measurement gain of $33 million recognized for the three months ended September 30, 2023 consisted of a decrease in obligations of $74 million (2022: decrease of $174 million), partly offset by a decrease in asset valuations of $41 million (2022: decrease of $130 million).

The re-measurement gain of $32 million recognized for the nine months ended September 30, 2023 consisted of an decrease in obligations of $73 million (2022: decrease $739 million), partly offset by an decrease in asset valuations of $41 million. (2022: decrease of $515 million).

In the nine months ended September 30, 2023, Ardagh Glass Packaging North America completed a Pension Annuity Risk Transfer (PART) transaction, which involved transferring the financial risk associated with a group of pension plan participants to an insurance company. Under the terms of the transaction, the Group transferred pension assets of $382 million to the insurer, who assumed responsibility for making future benefit payments to the affected plan participants. As a result of the transaction, the Group's defined benefit obligation decreased by $375 million, reflecting the reduction in future pension obligations resulting from the transfer. The transaction resulted in an exceptional charge to the unaudited consolidated interim income statement of $7 million, as outlined in Note 5 – Exceptional Items.

12. Other liabilities and provisions

	At September 30, 2023 $'m	At December 31, 2022 $'m
Provisions		
Current	105	80
Non-current	105	101
Other liabilities		
Non-current	8	7
	218	**188**

Other Liabilities

AMPSA warrants are exercisable for the purchase of ordinary shares in AMPSA at an exercise price of $11.50 over a five-year period. In accordance with IAS 32, those warrants have been recognized as a financial liability measured at fair value in the consolidated interim financial statements. For certain warrants issued to the former sponsors of Gores Holdings V, (“Private Warrants”) a valuation was performed for the purpose of determining the financial liability. The valuation applied a Black Scholes model, using a key data input for the risk-free rate (5%), (December 31, 2022: risk-free rate 4%), with estimates for volatility (57%) (December 31, 2022: volatility 50%) and dividend yield. All other outstanding warrants (“Public Warrants”) were valued using the traded closing prices of the AMPSA warrants. The estimated valuations of the liability at September 30, 2023, and December 31, 2022, were $2 million and $7 million, respectively. Changes in the valuation of the Public and Private Warrants of $5 million have been reflected as exceptional finance income within net finance income for the nine months ended September 30, 2023 (September 30, 2022: $25 million). An increase or decrease in volatility of 5% would not result in a significant change in the fair value of the Private Warrants at September 30, 2023 (December 31, 2022: $1 million).

Please refer to Note 7- Intangible assets and property, plant and equipment for further information on the NOMOQ acquisition.

13. Cash from/(used) in operating activities

	Three months ended September 30,	Nine months ended September 30,

	2023	2022	2023	2022
	$'m	$'m	$'m	$'m
Loss from operations	**(47)**	**—**	**(232)**	**(36)**
Income tax (credit)/charge	(4)	18	(15)	28
Net finance expense	149	92	433	266
Depreciation and amortization	214	195	619	581
Exceptional operating items	19	39	217	102
Share of post-tax loss/(gain) in equity accounted joint venture	3	1	34	(14)
Movement in working capital	38	(74)	(400)	(563)
Transaction-related, start-up and other exceptional costs paid	(43)	37	(115)	(87)
Cash from operations	**329**	**308**	**541**	**277**

14. Non-controlling interests

Non-controlling interests represent 24% of the total equity in the Group's subsidiary AMPSA (December 31, 2022: 24%), in addition to non-controlling interests related to the acquisition of NOMOQ as discussed in further detail in Note 7 – Intangible assets and property, plant and equipment. The total equity attributable to non-controlling interests at September 30, 2023 is a deficit of $69 million (December 31, 2022: deficit of $24 million). Dividends of $44 million were paid to non-controlling interests during the nine months ended September 30, 2023.

Summarized financial information for AMPSA, as at the date these unaudited consolidated interim financial statements were authorized for issue, is set out below:

	Nine months ended September 30,	
	2023	2022
	$'m	$'m
Profit for the period	6	225
Cash flows from/(used) in operating activities	178	(78)

	At September 30,	At December 31,
	2023	2022
	$'m	$'m
Current assets	1,445	1,908
Non-current assets	3,993	3,957
Current liabilities	(1,275)	(1,464)
Non-current liabilities	(3,924)	(3,946)
Net assets	**239**	**455**

15. Related party transactions

At September 30, 2023 the Group had a related party loan of $322 million and interest receivable balances of $5 million with ARD Securities Finance Sarl (December 31, 2022: loan receivable balance of $322 million and interest receivable balance of $21 million with ARD Securities Finance Sarl).

At September 30, 2023, the Group had a related party loan receivable of $3 million (December 31, 2022: $nil) with ARD Holdings S.A..

At September 30, 2023, the Group had a $4 million investment in a venture capital fund (the "Fund") established to invest in high-growth beverage and food brands, where a family member of a director of the Company owns a significant interest in the Fund's general partners and investment manager.

There were no other transactions with related parties during this period that had a material effect on the financial position or performance of the Group.

Details of related party transactions in respect of the year ended December 31, 2022 are contained in Note 27 to the consolidated financial statements in the Group's Annual Report for the year ended December 31, 2022. There were no other significant related party transactions in the three and nine months ended September 30, 2023.

During the nine months ended September 30, 2023, the Group paid dividends of $31 million to ARD Securities Finance Sarl (September 30, 2022: $nil).

During the nine months ended September 30, 2023, the Group received a payment for interest receivable of $31 million from ARD Securities Finance Sarl (September 30, 2022: $nil).

16. Contingencies

Environmental issues

The Group is regulated under various national and local environmental, occupational health and safety and other governmental laws and regulations relating to:

- the operation of installations for manufacturing of container glass;
- the operation of installations for manufacturing of metal packaging and surface treatment using solvents;
- the generation, storage, handling, use and transportation of hazardous materials;
- the emission of substances and physical agents into the environment;
- the discharge of waste water and disposal of waste;
- the remediation of contamination;
- the design, characteristics, collection and recycling of its packaging products; and
- the manufacturing, sale and servicing of machinery and equipment for the container glass and metal packaging industry.

The Group believes, based on current information, that it is in substantial compliance with applicable environmental laws and regulations and permit requirements. It does not believe it will be required, under existing or anticipated future environmental laws and regulations, to expend amounts, over and above the amounts accrued, which will have a material effect on its business, financial condition or results of operations or cash flows. In addition, no material proceedings against the Group arising under environmental laws are pending.

Legal matters

The Group is involved in certain legal proceedings arising in the normal course of its business. The Group believes that none of these proceedings, either individually or in aggregate, are expected to have a material adverse effect on its business, financial condition, results of operations or cash flows.

Other matters

On March 28, 2023, the Brazilian beverages company, Grupo Petrópolis, which is a customer of AMPSA, filed for a court-supervised reorganization. Negotiations between Grupo Petrópolis and its creditors have concluded and an agreement reached under the court-supervised reorganization process which was ratified in October 2023.

The income tax charge for the period includes tax credits recognized in Brazil of $31 million arising from a recent Superior Court of Justice ruling. Such credits are partially offset by tax charges arising from the derecognition of deferred tax assets in certain territories, due to uncertainty regarding their utilization.

17. Seasonality of operations

The Group's revenue and cash flows are both subject to seasonal fluctuations, with the Group generally building inventories in anticipation of these seasonal demands resulting in working capital requirements typically being the greatest at the end of the first quarter of the year.

The demand for our metal beverage products is strongest during spells of warm weather and therefore demand typically peaks during the summer months, as well as in the period leading up to holidays in December. Demand for beverage products within our Glass Packaging business is similarly strongest during the summer and during periods of warm weather, as well as during the period leading up to holidays in December.

The Group manages the seasonality of working capital principally by supplementing operating cash flows with drawings under our Global Asset Based Loan Facilities.

18. Events after the reporting period

On October 25, 2023, the board of directors of AMPSA approved an interim cash dividend of $0.10 per ordinary share. The interim dividend will be paid on December 20, 2023 to shareholders of record on December 6, 2023.

On October 25, 2023, Management notified employees and union representatives of the potential closure of AMPSA's production facility in Whitehouse, Ohio, North America, as part of its collective bargaining agreement. A final decision on this matter is expected before December 31, 2023.

There are no other events after the reporting period that require adjustment or disclosure in the unaudited consolidated interim financial statements.