Q2 2019 – IPL Plastics Inc.

Unaudited Condensed Consolidated Interim Financial Statements

For the three and six-month periods ended
June 30, 2019 and 2018

CONTENTS **Page**

IPL Plastics Inc.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF INCOME

For the three and six-month periods ended June 30, 2019 and 2018 (unaudited)

		Three months ended June 30		*Six months ended June 30*	
($'000, unless otherwise stated)	Notes	**2019**	2018	**2019**	2018
Revenue	2	**$168,629**	$178,292	**$310,410**	$326,613
Cost of sales		**(130,809)**	(147,309)	**(246,407)**	(271,071)
Gross profit		**37,820**	30,983	**64,003**	55,542
Operating expenses (net)		**(21,457)**	(18,539)	**(41,194)**	(36,274)
Initial public offering and related costs	3	**—**	(8,442)	**—**	(9,923)
Business reorganization, acquisition and integration costs	3	**(667)**	(1,942)	**(3,234)**	(3,372)
Operating profit		**15,696**	2,060	**19,575**	5,973
Other income/(expense) (net)		**314**	(96)	**334**	35
Share of profit of equity-accounted investees		**—**	806	**—**	806
Finance costs (net)	5	**(4,465)**	(5,719)	**(8,392)**	(9,890)
Refinancing transaction costs	3	**—**	(4,761)	**—**	(4,761)
Income/(loss) before income taxes		**11,545**	(7,710)	**11,517**	(7,837)
Income tax (expense)/credit	6	**(3,075)**	5,136	**(1,970)**	6,682
Net income/(loss): all attributable to equity holders of the Company		**$8,470**	$(2,574)	**$9,547**	$(1,155)
Earnings per share					
Basic earnings per share	7	**$0.16**	$(0.06)	**$0.18**	$(0.03)
Diluted earnings per share	7	**$0.16**	$(0.06)	**$0.18**	$(0.03)

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

IPL Plastics Inc.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF OTHER COMPREHENSIVE INCOME

For the three and six-month periods ended June 30, 2019 and 2018 (unaudited)

		Three months ended June 30		*Six months ended June 30*	
($'000)	Note	**2019**	2018	**2019**	2018
Other comprehensive income					
Net income/(loss) for the period		**$8,470**	$(2,574)	**$9,547**	$(1,155)
Items that are or may be reclassified to profit and loss					
Foreign operations – foreign currency translation adjustments ("FCTA")		**1,869**	(11,120)	**4,545**	(5,463)
Effective portion of changes in fair value of cash flow hedges		**38**	(1,159)	**(1,212)**	(1,159)
Tax impact of changes in fair value of commodity price hedge		**(9)**	—	**294**	—
Available-for-sale financial assets – net change in fair value		—	(691)	—	(2,567)
Total other comprehensive income/(loss)		**1,898**	(12,970)	**3,627**	(9,189)
Total comprehensive income/(loss): all attributable to equity holders of the Company		**$10,368**	$(15,544)	**$13,174**	$(10,344)

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

IPL Plastics Inc.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

As at June 30, 2019 and December 31, 2018 (unaudited)

($'000)	Notes	**June 30, 2019**	December 31,2018
Assets			
Current assets			
Cash and cash equivalents		**$46,707**	$49,857
Trade and other receivables		**126,251**	99,744
Derivative financial assets	8	**259**	973
Inventories		**93,885**	84,373
		267,102	234,947
Non-current assets			
Trade and other receivables		**11,070**	13,777
Equity-accounted investees	4	**112**	3,624
Property, plant and equipment	9	**310,038**	264,205
Right-of-use asset	9	**21,652**	—
Investment property		**1,233**	1,242
Goodwill and intangible assets	10	**291,791**	233,834
		635,896	516,682
Total assets		**902,998**	751,629
Liabilities and shareholders' equity			
Current liabilities			
Loans and borrowings	11	**9,389**	3,149
Trade and other payables		**97,969**	103,756
Income taxes payable	6	**4,394**	3,515
Government grants deferred		**256**	258
Derivative financial liabilities	8	**1,667**	595
Provisions		**93**	264
Lease liabilities	11	**3,870**	167
		117,638	111,704
Non-current liabilities			
Loans and borrowings	11	**355,309**	255,282
Trade and other payables		**2,253**	2,134
Government grants deferred		**2,520**	2,631
Provisions		**4,837**	4,859
Deferred tax liabilities		**37,312**	27,400
Lease liabilities	11	**19,662**	377
		421,893	292,683
Total liabilities		**539,531**	404,387
Shareholders' equity			
Share capital		**383,755**	381,340
Other reserves		**(28,451)**	(32,203)
Retained earnings/(deficit)		**8,163**	(1,895)
Total shareholders' equity		**363,467**	347,242
Total liabilities and shareholders' equity		**$902,998**	$751,629

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

IPL Plastics Inc.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY

For the six-month period ended June 30, 2019 (unaudited)

($'000)	Share capital	Translation reserve	Share-based payment reserve	Convertible loan note reserve	Hedging reserve	Retained earnings	Total
Balance at January 1, 2019	**$381,340**	**$(35,426)**	**$3,123**	**$100**	**$—**	**$(1,895)**	**$347,242**
Total comprehensive income							
Net income for the period	**—**	**—**	**—**	**—**	**—**	**9,547**	**9,547**
Other comprehensive income							
Foreign operations – foreign currency translation adjustments ("FCTA")	**—**	**4,545**	**—**	**—**	**—**	**—**	**4,545**
Effective portion in changes in fair value commodity price hedge	**—**	**—**	**—**	**—**	**(1,212)**	**—**	**(1,212)**
Tax impact on changes in fair value of commodity price hedge	**—**	**—**	**—**	**—**	**294**	**—**	**294**
Total other comprehensive income	**—**	**4,545**	**—**	**—**	**(918)**	**—**	**3,627**
Total comprehensive income	**—**	**4,545**	**—**	**—**	**(918)**	**9,547**	**13,174**
Contributions and distributions							
Issue of ordinary shares – exercise of share options	**2,415**	**—**	**(511)**	**—**	**—**	**511**	**2,415**
Equity-settled share-based payment reserve – charge for the period	**—**	**—**	**636**	**—**	**—**	**—**	**636**
Total contributions and distributions	**2,415**	**—**	**125**	**—**	**—**	**511**	**3,051**
Total transactions with owners of the Company	**2,415**	**4,545**	**125**	**—**	**(918)**	**10,058**	**16,225**
Balance at June 30, 2019	**$383,755**	**$(30,881)**	**$3,248**	**$100**	**$(918)**	**$8,163**	**$363,467**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

IPL Plastics Inc.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY (continued)

For the six-month period ended June 30, 2018 (unaudited)

($'000)	Share capital	Translation reserve	Share-based payment reserve	Available-for-sale reserve	Convertible loan note reserve	Other equity reserve	Retained earnings	Total
Balance at January 1, 2018	$117,212	$(33,658)	$2,362	$207	$100	$(92,294)	$105,754	$99,683
Total comprehensive income								
Net loss for the period	—	—	—	—	—	—	(1,155)	(1,155)
Other comprehensive income								
Effective portion in changes in fair value of cash flow budgets	—	(1,159)	—	—	—	—	—	(1,159)
Currency translation adjustments	—	(5,463)	—	—	—	—	—	(5,463)
Revaluation losses on available-for-sale assets	—	—	—	(2,567)	—	—	—	(2,567)
Total other comprehensive income	—	(6,622)	—	(2,567)	—	—	—	(9,189)
Total comprehensive income	—	(6,622)	—	(2,567)	—	—	(1,155)	(10,344)
Fair value and translation movement in respect of put liability								
Decrease in fair value of put liability relating to acquired subsidiary undertaking	—	3,438	—	—	—	92,294	(89,999)	5,733
Translation difference in respect of put liability relating to subsidiary undertaking	—	(5,733)	—	—	—	—	—	(5,733)
Total fair value and translation movement in respect of put liability	—	(2,295)	—	—	—	92,294	(89,999)	—
Contributions and distributions								
Issue of ordinary shares – settlement of put liability	140,586	—	—	—	—	—	—	140,586
Issue of new shares from initial public offering	134,532	—	—	—	—	—	—	134,532
Share issuance costs	(12,249)	—	—	—	—	—	—	(12,249)
Buy back liability	(13,046)	—	—	—	—	—	(8,211)	(21,257)
Issue of ordinary shares – exercise of options	568	—	(140)	—	—	—	140	568
Conversion of convertible loan notes	906	—	—	—	—	—	(304)	602
Reclass from share-based payment reserve – lapsed share options	—	—	(134)	—	—	—	134	—
Equity-settled share-based payment reserve – charge for period	—	—	289	—	—	—	—	289
Total contributions and distributions	251,297	—	15	—	—	—	(8,241)	243,071
Total transactions with owners of the Company	251,297	(2,295)	15	—	—	92,294	(98,240)	243,071
Balance at June 30, 2018	$368,509	$(42,575)	$2,377	$(2,360)	$100	$—	$6,359	$332,410

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

IPL Plastics Inc.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

For the three and six-month periods ended June 30, 2019 and 2018 (unaudited)

		Three months ended June 30		*Six months ended June 30*	
($'000)	Notes	**2019**	2018	**2019**	2018
Net cash flows from operating activities before working capital movements	12	**$26,518**	$20,719	**$42,825**	$36,020
Movements in working capital	12	**(12,000)**	(20,646)	**(33,445)**	(55,806)
Net cash flows from/(used in) operating activities		**14,518**	73	**9,380**	(19,786)
Cash flows from investing activities					
Acquisition of subsidiary undertakings, including associated costs and net of cash acquired		**(1,145)**	(57)	**(53,623)**	(401)
Acquisition of property, plant and equipment and intangible assets		**(15,129)**	(12,258)	**(29,770)**	(34,456)
Proceeds from disposal of equity-accounted investee and associated vendor loan note		—	—	**9,459**	—
Dividend received from disposal of equity-accounted investee and available-for-sale assets		**225**	—	**225**	—
Disposal/discontinuation of subsidiary undertakings		**302**	—	**404**	112
Proceeds from sale of property, plant and equipment and intangible assets		**—**	604	**—**	1,766
Deferred consideration paid		**—**	—	**—**	(79)
Government grant received		**47**	—	**107**	—
Net cash flows used in investing activities		**(15,700)**	(11,711)	**(73,198)**	(33,058)
Cash flows from financing activities					
Drawdown of borrowings		**81,725**	347,572	**182,930**	389,338
Repayment of bank borrowings		**(70,986)**	(330,870)	**(109,365)**	(336,366)
Finance costs paid		**(4,352)**	(1,832)	**(7,707)**	(5,758)
Repayment of lease liabilities		**(1,205)**	—	**(2,218)**	—
Net proceeds from equity issued		**1,084**	126,549	**2,415**	127,029
Net cash flows from financing activities		**6,266**	141,419	**66,055**	174,243
Net increase in cash and cash equivalents		**5,084**	129,781	**2,237**	121,399
Cash and cash equivalents at beginning of period		**47,052**	39,806	**49,857**	47,609
Effect of movements in exchange rates on cash held		**(5,429)**	1,037	**(5,387)**	1,616
Cash and cash equivalents at period end		**$46,707**	$170,624	**$46,707**	$170,624

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

1. GENERAL INFORMATION, BASIS OF PREPARATION AND USE OF JUDGEMENTS AND ESTIMATES

IPL Plastics Inc. (the "Company") is incorporated in Canada. The financial statements for the three and six-month periods ended June 30, 2019 consolidate the individual financial statements of the Company and its subsidiaries (together referred to as the "Group", "IPLP", "IPLP Inc." or "IPL Plastics") and show the Group's interests in its equity-accounted investees under the equity method of accounting. Following the reorganization (outlined in the "Reporting entity" section below), the unaudited condensed consolidated interim financial statements of IPLP are prepared on the basis that the Company is a continuation of IPL Plastics Limited ("**IPL Ltd**"), previously known as IPL Plastics plc, reflecting the substance of the arrangement outlined below.

Acquisition of Loomans Group N.V.

On March 28, 2019, the Group completed the acquisition of 100% of the share capital of Loomans Group N.V. ("**Loomans**"). The total consideration for the acquisition transferred to former owners was $54.5 million (EUR €48.5 million) and repaid outstanding borrowings and related party debt amounting to $40.0 million (EUR €35.6 million) at the date of acquisition, which was financed from the Company's cash on hand and existing credit facilities. Loomans has its operations and headquarters in Belgium and is being integrated into the Consumer Packaging Solutions ("**CPS**") business in Europe. Loomans is a well invested, single site plastic business, operating for over fifty years. The acquisition of Loomans is consistent with IPL Plastics' acquisition strategy. It diversifies the Group's geographic footprint, adding new capacity and capabilities to serve a broader customer base such as the cosmetic/personal care and beverage sectors in the consumer space.

Reporting entity

IPL Plastics Inc. was incorporated under the Canada Business Corporations Act on April 16, 2018 and became the holding company of IPL Ltd on June 19, 2018. The corporate restructuring was implemented by means of a scheme of arrangement under Chapter 1 of Part 9 of the Companies Act 2014 of Ireland (the **"Scheme of Arrangement"**) which was approved by IPL Ltd shareholders on May 17, 2018 and by the High Court of Ireland on June 14, 2018. Considering the corporate restructuring and the fact that the Company obtained control of IPL Ltd by issuing equity instruments in exchange for existing equity instruments of IPL Ltd, that the assets and liabilities of the IPLP Inc. and IPL Ltd are the same immediately before and after the reorganization and the owners of IPL Ltd before the reorganization have the same interests in the net assets of IPL Ltd and IPLP Inc. immediately before and after the reorganization, the historical financial statements of IPLP Inc. before and after its incorporation are prepared as a continuation of the consolidated financial statements of IPL Ltd, reflecting the historical carrying value of assets and liabilities of IPL Ltd and the equity instruments of IPLP Inc.

Statement of compliance and basis of presentation

The interim financial information, which is presented in U.S. dollars (**"USD"** or **"$"**), included in this report has been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting* (**'IAS 34'**) as issued by the International Accounting Standards Board ("**IASB**").

This report should be read in conjunction with the consolidated financial statements of IPLP for the year ended December 31, 2018. The accounting policies, methods of computation and presentation including the associated basis of determination of judgments, estimates and assumptions as adopted in the preparation of the interim financial information are consistent with those described and applied in the IPLP financial statements for the financial year ended December 31, 2018, except as described below:

- Taxes on income in the interim periods are accrued using the effective tax rate that would be applicable to expected annual earnings.

- The Group has elected to adopt the general hedge accounting model in IFRS 9 *Financial Instruments* (**"IFRS 9"**). This requires the Group to ensure that hedge accounting relationships are aligned with its risk management objectives and strategy and to apply a more qualitative and forward-looking approach to assessing hedge effectiveness. To the extent that the hedge is effective, commodity price differences arising on the translation of a financial liability designated as a hedge are recognized in the statement of other comprehensive income ("OCI"). Any remaining differences (being the

1. GENERAL INFORMATION, BASIS OF PREPARATION AND USE OF JUDGEMENTS AND ESTIMATES (Continued)

ineffective portion) are recognized in the statement of income.

Adoption of IFRS 16 Leases

The Group adopted IFRS 16 *Leases* ("**IFRS 16**"), effective January 1, 2019, which sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessee and lessor. The adoption of IFRS 16 eliminated the classification of leases as either operating leases or finance leases and introduced a single lessee accounting model. The Company, as a lessee, recognized right-of-use assets of $21.3 million representing its rights to use the underlying assets and recognized lease liabilities of $21.3 million representing its obligation to make lease payments as at January 1, 2019.

IPLP adopted IFRS 16 using the modified retrospective approach, under which at January 1, 2019, the right-of-use assets for an amount equal to the lease liability has been recognized. Accordingly, the comparative information presented for 2018 has not been restated i.e. it is presented, as previously reported, under IAS 17 *Leases (***"IAS 17"**) and related interpretations. The details of the changes in accounting policy are disclosed below:

Definition of a lease and IPLP as a lessee

Previously, IPLP determined at contract inception whether an arrangement was or contained a lease under IFRIC 4 *Determining Whether an Arrangement contains a Lease* (**"IFRIC 4").** The Group now assesses whether a contract is or contains a lease based on the new definition of a lease. Under IFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

On transition to IFRS 16, IPLP elected to apply the practical expedient to grandfather the assessment of which transactions are leases. It applied IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under IAS 17 and IFRIC 4 were not reassessed. Therefore, the definition of a lease under IFRS 16 has been applied only to contracts entered into or changed on or after January 1, 2019.

IPLP leases many assets including properties, plant and machinery and IT equipment. As a lessee, IPLP previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all of the risk and rewards of ownership. Under IFRS 16, IPLP has recognized right-of-use assets and lease liabilities for most leases. IPLP has availed of the practical expedient allowing leases previously classified as operating leases and ending within 12 months of the date of transition or deemed to be of an immaterial value of less than $5,000 to be accounted for as short-term leases. The right-of-use assets and lease liabilities are detailed separately on the face of the statement of financial position and further details are provided in the property, plant and equipment and right-of-use asset, and the loans and borrowings and lease liabilities notes in the financial statements, note 9 and note 11 respectively.

Significant accounting policies

IPLP recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost and subsequently at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by the lease payments made.

Transition

Previously, IPLP classified property leases as operating leases under IAS 17. These include warehouse, factory and office facilities. These leases typically run for a period of 1-13 years. Some leases include an option to renew the lease following the end of the non-cancellable period. Some leases provide for additional rent payments that are based on changes in local price indices.

(In thousands of U.S. dollars except the number of shares and per share data and unless stated otherwise)

1. GENERAL INFORMATION, BASIS OF PREPARATION AND USE OF JUDGEMENTS AND ESTIMATES (Continued)

Transition (Continued)

At transition, for leases classified as operating leases under IAS 17, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Company's incremental borrowing rate as at January 1, 2019 and an equivalent amount of right-of-use assets were recognized.

Going Concern

The financial position of the Group, its cash generation, capital resources and liquidity continue to provide a stable financing platform. Having made enquiries, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the consolidated interim financial statements.

The unaudited condensed consolidated interim financial statements were authorized for issue by the Board of Directors of the Company on August 13, 2019.

Judgements and estimates

In preparing these unaudited condensed consolidated interim financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended December 31, 2018.

Exchange rates

The principal non-USD currencies applicable to the Group are Pound Sterling, Canadian Dollar, Chinese Renminbi and euro. The average and closing rates to the U.S. dollar for the three and six-month periods to June 30, 2019 and 2018 and as at June 30, 2019 and December 31, 2018 for these currencies were:

	Three-month Average rate		Six-month Average rate		Closing rate	
	2019	2018	2019	2018	2019	2018
Pound Sterling	0.7785	0.7346	0.7733	0.7266	0.7878	0.7812
Canadian Dollar (C$)	1.3380	1.2897	1.3338	1.2769	1.3087	1.3629
Chinese Renminbi	6.8276	6.3732	6.7713	6.3662	6.8704	6.8778
euro	0.8899	0.8384	0.8851	0.8260	0.8787	0.8734

2. OPERATING SEGMENTS

The Board of Directors of IPL Plastics Inc. is deemed the chief operating decision maker ("**CODM**") within the Group. The Group is organized into three strategic business units, which are its reportable segments. These segments offer different products and services and are managed separately. The Board reviews quarterly internal management reports of each business unit. The Group structures the Company and the operating segments across the three primary market facing activities: Large Format Packaging and Environmental Solutions ("**LF&E**"), Consumer Packaging Solutions and Returnable Packaging Solutions ("**RPS**"), all of which primarily serve the North American and European markets.

(In thousands of U.S. dollars except the number of shares and per share data and unless stated otherwise)

2. OPERATING SEGMENTS (Continued)

The following summary describes the operations of each reportable segment:

Reportable segment	Operations
Large Format Packaging and Environmental Solutions	This segment comprises the manufacture of a range of large containers, crates and pails for the food, environmental, industrial, agricultural and retail end-markets in North America and Europe.
Consumer Packaging Solutions	This segment primarily consists of value-add specialty, customized thin-wall injection molded containers, lids and over caps primarily for branded and private label consumer products and custom packaging solutions in North America, Europe and China. The post-acquisition period results from the acquisition of Loomans are included in the CPS segment.
Returnable Packaging Solutions	This segment is primarily in the manufacture and sale of rigid plastic bulk packaging components and instruments to the agriculture and automotive sectors primarily in North America and Europe.

The CODM monitors the results of the reportable segments separately in order to allocate resources between them and assess performance.

Information about reportable segments

Information related to each reportable segment is set out below. Segmental performance is evaluated based on Revenue, Adjusted EBIT and Adjusted EBITDA. The Board believes that Adjusted EBIT/EBITDA, while not defined under IFRS, provides a fair reflection of the underlying trading performance of the Group. Adjusted EBITDA represents the net income/(loss) from continuing operations before income tax expense/(credit), net finance costs, other (income)/expense, initial public offering and related costs, refinancing transaction costs, business reorganization, acquisition and integration costs, and depreciation and amortization. Adjusted EBIT is Adjusted EBITDA as described, less depreciation and amortization. Adjusted EBIT/EBITDA are therefore measured differently from net income or operating profit in the condensed consolidated interim financial statements as explained and reconciled to net income/(loss) in the table below.

The adoption of IFRS 16 *Leases* has resulted in an improvement of $1.0 million in Adjusted EBITDA offset by an increase in depreciation of $0.8 million and finance costs of $0.2 million in Q2 2019.

	Three months ended June 30		*Six months ended June 30*	
($'000)	**2019**	2018	**2019**	2018
Net Income/(loss)	**$8,470**	$(2,574)	**$9,547**	$(1,155)
Adjusted for:				
Other income/(expense) (net)	**(314)**	96	**(334)**	(35)
Share of profit of equity-accounted investees	**—**	(806)	**—**	(806)
Finance costs (net)	**4,465**	5,719	**8,392**	9,890
Refinancing transaction costs	**—**	4,761	**—**	4,761
Income taxes expense/(credit)	**3,075**	(5,136)	**1,970**	(6,682)
Operating profit	**15,696**	2,060	**19,575**	5,973
Initial public offering and related costs	**—**	8,442	**—**	9,923
Business reorganization, acquisition and integration costs	**667**	1,942	**3,234**	3,372
Adjusted EBIT	**16,363**	12,444	**22,809**	19,268
Depreciation and amortization	**12,158**	10,354	**22,978**	20,584
Adjusted EBITDA	**$28,521**	$22,798	**$45,787**	$39,852

(In thousands of U.S. dollars except the number of shares and per share data and unless stated otherwise)

2. OPERATING SEGMENTS (Continued)

	Three months ended June 30									
	LF&E		**CPS**		**RPS**		**Other**		**Total**	
($'000)	**2019**	2018	**2019**	2018	**2019**	2018	**2019**	2018	**2019**	2018
External revenues	**$77,570**	$86,704	**$59,618**	$49,379	**$26,471**	$34,707	**$4,970**	$7,502	**$168,629**	$178,292
Adjusted EBITDA	**12,809**	8,623	**12,308**	8,697	**6,453**	5,552	**(3,049)**	(74)	**28,521**	22,798
Depreciation and amortization	**(4,748)**	(4,518)	**(4,250)**	(3,180)	**(2,741)**	(2,525)	**(419)**	(131)	**(12,158)**	(10,354)
Adjusted EBIT	**8,061**	4,105	**8,058**	5,517	**3,712**	3,027	**(3,468)**	(205)	**16,363**	12,444
Initial public offering and related costs (note 3)	—	—	—	—	—	—	—	—	—	(8,442)
Business reorganization, acquisition and integration costs (note 3)	—	—	—	—	—	—	—	—	**(667)**	(1,942)
Other income/(expense) (net)	—	—	—	—	—	—	—	—	**314**	(96)
Share profit of equity-accounted investees										806
Finance costs (net) (note 5)	—	—	—	—	—	—	—	—	**(4,465)**	(5,719)
Refinancing transaction costs (note 3)	—	—	—	—	—	—	—	—	—	(4,761)
Income tax (expense)/ credit (note 6)	—	—	—	—	—	—	—	—	**(3,075)**	5,136
Net income/(loss)for the period	—	—	—	—	—	—	—	—	**$8,470**	$(2,574)
Other segment information										
Capital additions	**$3,391**	$5,257	**$5,406**	$3,634	**$2,686**	$4,321	**$ 13**	$56	**$11,496**	$13,268

(In thousands of U.S. dollars except the number of shares and per share data and unless stated otherwise)

2. OPERATING SEGMENTS (Continued)

	Six months ended June 30									
	LF&E		**CPS**		**RPS**		**Other**		**Total**	
($'000)	**2019**	2018	**2019**	2018	**2019**	2018	**2019**	2018	**2019**	2018
External revenues	**$151,762**	$162,296	**$104,902**	$94,371	**$43,059**	$56,516	**$10,687**	$13,430	**$310,410**	$326,613
Adjusted EBITDA	**23,657**	16,943	**19,964**	15,891	**7,406**	8,514	**(5,240)**	(1,496)	**45,787**	39,852
Depreciation and amortization	**(9,283)**	(9,045)	**(7,414)**	(6,449)	**(5,474)**	(4,872)	**(807)**	(218)	**(22,978)**	(20,584)
Adjusted EBIT	**14,374**	7,898	**12,550**	9,442	**1,932**	3,642	**(6,047)**	(1,714)	**22,809**	19,268
Initial public offering and related costs (note 3)	—	—	—	—	—	—	—	—	—	(9,923)
Business reorganization, acquisition and integration costs (note 3)	—	—	—	—	—	—	—	—	**(3,234)**	(3,372)
Other income (net)	—	—	—	—	—	—	—	—	**334**	35
Share profit of equity-accounted investees										806
Finance costs (net) (note 5)	—	—	—	—	—	—	—	—	**(8,392)**	(9,890)
Refinancing transaction costs (note 3)	—	—	—	—	—	—	—	—	—	(4,761)
Income tax (expense)/ credit (note 6)	—	—	—	—	—	—	—	—	**(1,970)**	6,682
Net income/(loss) for the period	—	—	—	—	—	—	—	—	**$9,547**	$(1,155)
Other segment information										
Capital additions	**$10,282**	$8,071	**$8,480**	$10,300	**$4,205**	$6,482	**$69**	$196	**$23,036**	$25,049

(In thousands of U.S. dollars except the number of shares and per share data and unless stated otherwise)

3. TRANSACTION, REORGANIZATION AND INTEGRATION COSTS

Transaction, reorganization and integration costs consists of initial public offering and related costs, business reorganization, acquisition and integration costs, and refinancing transaction costs. In accordance with the Group's accounting policy, the following items have been presented as transaction, reorganization and integration costs:

	Three months ended June 30		*Six months ended June 30*	
($'000)	**2019**	2018	**2019**	2018
Initial public offering and related costs	**$—**	$8,442	**$—**	$9,923
Business reorganization, acquisition and integration costs				
Acquisition related costs	**181**	109	**1,585**	151
Gain on disposal of associate	**—**	—	**(895)**	—
Business reorganization costs	**486**	1,833	**2,544**	3,221
Refinancing transaction costs	**—**	4,761	**—**	4,761
Total Transaction, Reorganization and Integration Costs	**$667**	$15,145	**$3,234**	$18,056

During the three-month period ended June 30, 2019, transaction, reorganization and integration costs were $0.7 million including $0.2 million of Loomans integration related acquisition costs and $0.5 million primarily related to the ongoing project to improve the Company's business margins and core profitability levels with specific focus on the LF&E division in North America.

During the six-month period ended June 30, 2019, transaction, reorganization and integration costs were $3.2 million and related primarily to business reorganization costs with respect to restructuring and redundancy. Restructuring and redundancy costs of $1.4 million were recognized related to the streamlining of the RPS fixed overhead cost base following the temporary trading difficulties experienced by that division in Q1 2019. Other management restructuring costs amounting to $1.1 million were also recognized. Acquisition related costs of $1.6 million were recognized which primarily related to the acquisition of Loomans. These costs were offset by a gain of $0.9 million related to the early settlement of an unsecured vendor loan note and the release of potential liabilities following the disposal of a 25% investment in Rilta Environmental Ltd ("**Rilta**") in Q1 2019.

Q2 2018 includes $8.4 million of costs incurred in respect of the Initial Public Offering ("**IPO**") and Scheme of Arrangement process. Business reorganization and integration costs included $1.8 million of costs incurred in relation to the start-up and integration of the major capital expansion projects at the North American facilities. In addition, as part of the bank refinancing that was completed in April 2018, the unamortized finance costs in respect of the repaid indebtedness of the Company under the previously existing Irish bank facility agreement and under the previously existing Canadian credit agreement which amounted to $4.8 million were expensed to the consolidated statements of income in Q2 2018 and recognized within refinancing transaction costs.

During the six-month period ended June 30, 2018, $9.9 million of costs were recognized in respect of the IPO and Scheme of Arrangement process. Business reorganization and integration costs included $3.2 million of costs incurred in relation to the start-up and integration of the major capital expansion projects at the North American facilities.

4. EQUITY-ACCOUNTED INVESTEES

The Group has one associate undertaking at June 30, 2019; Altas Investments plc ("**Altas**"). The Group's interest in Altas, which is unlisted, is set out below.

The Group holds a 23.6% shareholding in Altas, an Irish company whose principal activity is that of an investment holding company in the road and energy sectors. On the basis of representation on the Board since June 2012, and the Group's shareholding in Altas, the Group is deemed to have significant influence over the relevant activities of Altas and therefore Altas is an associate undertaking of the Group. The carrying value of the Group's investment in Altas at June 30, 2019 is

(In thousands of U.S. dollars except the number of shares and per share data and unless stated otherwise)

4. EQUITY-ACCOUNTED INVESTEES (Continued)

$0.1 million.

The Group previously held a 25% interest in Rilta following the disposal of 75% of the Group's 100% shareholding effective January 1, 2017. The 25% shareholding was retained by the Group under a five-year put and call option agreement.

On January 11, 2019, the Group sold its 25% shareholding in Rilta for total proceeds of €8.25 million ($9.5 million). The total proceeds include the settlement of both the 25% equity investment in the amount of €2.75 million ($3.2 million) and the vendor loan note instrument in the amount of €5.5 million ($6.3 million).

($'000)	**Associates**
Balance at January 1, 2018	$3,519
Movement in fair value	412
Share of profit after tax	2,415
Distribution received	(2,495)
Currency translation adjustment	(227)
Balance at December 31, 2018	$3,624
Disposal of associate	(3,512)
Balance at June 30, 2019	**$112**

The Group's share of associate profit or loss per the statement of income for Q2 2019 is $Nil (Q2 2018: $0.8 million).

5. FINANCE COSTS (NET)

	Three months ended June 30		*Six months ended June 30*	
($'000)	**2019**	2018	**2019**	2018
Financial liabilities measured at amortized cost – interest expense	**$4,331**	$6,085	**$7,538**	$10,198
Interest on deferred consideration	**—**	—	**—**	17
Other interest	**(55)**	—	**475**	—
Interest expense on lease liabilities	**160**	—	**321**	—
Unwind of discounts	**—**	(407)	**—**	(407)
Convertible loan note interest	**29**	41	**58**	82
Total Finance costs (net)	**$4,465**	$5,719	**$8,392**	$9,890

6. INCOME TAXES

During the six-month period ended June 30, 2019, an income tax expense of $2.0 million was recognized based on management's best estimate of the weighted average annual tax rate expected for the full financial year in accordance with the requirements of IAS 34. The income tax expense for the three-month period ended June 30, 2019 was $3.1 million compared with a credit of $5.1 million in Q2 2018, an increase of $8.2 million on the prior year. There was a large tax credit in the prior period primarily driven by adjustments to the prior year estimates and the net loss incurred in that prior period.

7. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the net income/(loss) attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding.

	Three months ended June 30		*Six months ended June 30*	
($'000)	**2019**	2018	**2019**	2018
Net income/(loss) attributable to ordinary shareholders	**$8,470**	$(2,574)	**$9,547**	$(1,155)
Number of ordinary shares in thousands:				
Issued ordinary shares at beginning of period	**53,948**	41,357	**53,563**	31,719
Weighted-average number of shares issued	**32**	196	**239**	6,579
Weighted-average number of shares for the period	**53,980**	41,553	**53,802**	38,298
Basic earnings per share (in $)	**0.16**	(0.06)	**0.18**	(0.03)

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the net income/(loss) attributable to ordinary shareholders noted in (a) above and the weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares noted below.

	Three months ended June 30		*Six months ended June 30*	
($'000)	**2019**	2018	**2019**	2018
Net income/(loss) attributable to ordinary shareholders	**$8,470**	$(2,574)	**$9,547**	$(1,155)
Number of ordinary shares in thousands:				
Weighted-average number of ordinary shares (basic)	**53,980**	41,553	**53,802**	38,298
Equity instruments with a dilutive effect – share options	**608**	1,536	**608**	1,040
Weighted-average number of ordinary shares (diluted) for the period	**54,588**	43,089	**54,410**	39,338
Diluted earnings per share (in $)	**0.16**	(0.06)	**0.18**	(0.03)

8. FINANCIAL INSTRUMENTS

Measurement of fair values and fair value hierarchy

IPLP have adopted the general hedge accounting model under IFRS 9. This requires the Group to ensure that hedge accounting relationships are aligned with its risk management objectives and strategy and to apply a more qualitative and forward-looking approach to assessing hedge effectiveness. To the extent that the hedge is effective, any commodity price differences arising on the translation of a financial liability designated as a hedge are recognized in OCI. Any remaining differences (being the ineffective portion) are recognized in the statement of income. There have been no other major changes to the methods and assumptions used in estimating the fair values of assets and liabilities disclosed in note 33 to the IPLP audited consolidated financial statements for the year ended December 31, 2018.

As regards the fair value hierarchy, the Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.

(In thousands of U.S. dollars except the number of shares and per share data and unless stated otherwise)

8. FINANCIAL INSTRUMENTS (Continued)

- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

At June 30, 2019 and December 31, 2018, the Group recognized and measured the following financial instruments at fair value:

($'000)	**Level 1**	**Level 2**	**Level 3**	**Total**
June 30, 2019				
Derivative financial assets				
At fair value through profit and loss				
Interest rate swaps	**—**	**$17**	**—**	**$17**
Foreign exchange contracts	**—**	**242**	**—**	**242**
Liabilities measured at fair value				
At fair value through profit or loss				
Foreign exchange contracts	**—**	**(259)**	**—**	**(259)**
At fair value through other comprehensive income				
Commodity price contracts used in hedging	**—**	**(1,408)**	**—**	**(1,408)**
December 31, 2018				
Assets measured at fair value				
Derivative financial assets				
At fair value through profit and loss				
Interest rate swaps	—	$144	—	$144
Foreign exchange contracts	—	$829	—	$829
Liabilities measured at fair value				
At fair value through other comprehensive income				
Foreign exchange contracts	—	$(595)	—	$(595)

9. PROPERTY, PLANT AND EQUIPMENT AND RIGHT OF USE ASSET

During the three-month period ended June 30, 2019, the Group had additions of $11.5 million to property, plant and equipment (Q2 2018: $13.3 million) and for the six-month period to June 30, 2019, additions amount to $24.4 million (six months ended June 30, 2018: $25.0 million), of which $1.4 million relates to the addition of a new right-of-use asset during the period. As a result of the adoption of IFRS 16, the Group recognized right-of-use assets of $21.3 million at January 1, 2019. As part of the acquisition of Loomans, the Group acquired $35.3 million of property, plant and equipment. The depreciation charge was $10.0 million for the three-month period ended June 30, 2019 (Q2 2018: $8.9 million) and $19.0 million for the six-month period ended June 30, 2019 (six months ended June 30, 2018: $17.3 million). Other movements include foreign currency exchange movements of $3.5 million for the three-month period ended June 30, 2019 (Q2 2018: $(6.0) million) and $5.5 million for the six-month period ended June 30, 2019 (six months ended June 30, 2018: $(6.3) million).

The cash outflow for the purchase of property, plant and equipment was $14.5 million for the three-month period ended June 30, 2019 (Q2 2018: $12.3 million) and $29.0 million for the six-month period ended June 30, 2019 (six months ended June 30, 2018: $34.5 million) which includes movement in capital creditors.

(In thousands of U.S. dollars except the number of shares and per share data and unless stated otherwise)

10. GOODWILL AND INTANGIBLE ASSETS

The amortization charge recognized for the three-month period ended June 30, 2019 was $2.2 million (Q2 2018: $1.5 million) and for the six-month period $4.0 million (six months to June 30, 2018: $3.3 million), with $0.1 million additions for the three-month period ended June 30, 2019 (Q2 2018: $Nil) and $0.2 million for the six-month period ended June 30 2019 (six months ended June 30, 2018: $Nil) and $1.4 million of foreign exchange movements incurred in the three-month period to June 30, 2019 (Q2 2018: $4.7 million) and $3.2 million in the six-month period to June 30, 2019 (six months to June 30 2018: $6.0 million). No impairments were recognized during the periods. As part of the acquisition of Loomans, the Group acquired $58.6 million of goodwill and intangible assets.

11. LOANS AND BORROWINGS AND LEASE LIABILITIES

($'000)	**June 30, 2019**	December 31, 2018
Current		
Term Loans	**$9,389**	$3,149
Lease Liabilities	**3,870**	167
Total Current Loans and Borrowings and Lease Liabilities	**$13,259**	$3,316
Non-Current		
Term Loans and Revolving Credit Facility	**$355,309**	$255,282
Lease Liabilities	**19,662**	377
Total Non-Current Loans and Borrowings and Lease Liabilities	**$374,971**	$255,659

The Group is primarily funded by committed bank facilities and free cash flow generated from operations.

On April 17, 2018, IPLP entered into a facilities agreement (the **"New Facilities Agreement"**) which replaced its existing credit facilities with committed facilities of €400.0 million ($494.3 million) provided by way of a term loan facility in the aggregate amount equal to €110.0 million ($135.9 million) and a Revolving Credit Facility in the aggregate amount equal to €290.0 million ($358.4 million). The New Facilities Agreement contains an accordion feature allowing IPLP to seek a maximum of two increases of the Revolving Credit Facility commitments in an aggregate maximum amount of €100.0 million ($123.9 million) at any time during the availability period for the Revolving Credit Facility.

On March 13, 2019, the Company signed a Supplemental Facilities Agreement with its syndicate of banks to enable it to utilize the accordion feature contained in the New Facilities Agreement, thereby obtaining an increase of the Revolving Credit Facility in the amount of €90.0 million ($101.7 million). The increase in the Revolving Credit Facility was used to fund the acquisition of Loomans. The New Facilities Agreement permits the Company to seek one further increase of the Revolving Credit Facility under this accordion feature provided the combined increases sought do not exceed an aggregate amount of €100.0 million ($113.0 million) at any time during the availability period for the Revolving Credit Facility.

The Group's bank facilities are secured by charges on the assets of IPL Plastics Inc. and its subsidiary undertakings, subject to exceptions (the **"Subsidiary Guarantors"**). The Company and the Subsidiary Guarantors have provided first ranking security interests, first fixed and floating charges, or negative pledge agreements, as the case may be, to the security agent for the benefit of the secured parties over all of their property, assets and undertaking. The Company and the Subsidiary Guarantors have also pledged, with few exceptions, all shares held by them as security.

The Facilities are available in euros, Pounds Sterling, U.S. dollars or Canadian dollars and subject to agreement with the lenders, some or all of the Facilities will be available in one or more alternative currencies. Subject to the terms of the New Facilities Agreement, the Facilities are available for five years from the date of the New Facilities Agreement or, if all of the lenders agree, following their receipt of an extension request from IPLP within one month of the second anniversary of the New Facilities Agreement, six years.

(In thousands of U.S. dollars except the number of shares and per share data and unless stated otherwise)

11. LOANS AND BORROWINGS AND LEASE LIABILITIES (continued)

The Group's committed banking facilities total €490.0 million ($557.6 million) at June 30, 2019 (December 31, 2018: $458.0 million). At June 30, 2019, the Group's Net Debt was $342.9 million. Net Debt is defined as loans and borrowings, lease liabilities and convertible loan notes less cash and cash equivalents. The Net Debt definition has been revised in Q2 2019 to include lease liabilities recognized on adoption of IFRS 16 *Leases*. These lease liabilities are not included in the reported Net Debt at March 31, 2019 or Fiscal 2018 and amounts to additional debt of $21.4 million as at June 30, 2019.

As of June 30, 2019, the Company was in compliance with all covenants contained in the New Facilities Agreement, and no event of default (as defined in the New Facilities Agreement) had occurred or been waived. As a result of the adoption of IFRS 16 *Leases*, the Group recognized lease liabilities of $21.3 million at January 1, 2019.

12. CASH GENERATED FROM OPERATIONS

	Three months ended June 30		*Six months ended June 30*	
($'000)	**2019**	2018	**2019**	2018
Net income/(loss) for the period	**$8,470**	$(2,574)	**$9,547**	$(1,155)
Adjustments for:				
Depreciation and amortization charges	**12,158**	10,354	**22,978**	20,584
Amortization of government grants	**(125)**	(122)	**(251)**	(252)
Exchange differences	**276**	(1,700)	**190**	(833)
Loss on sale of property, plant and equipment	**(15)**	(41)	**(15)**	(127)
Initial public offering and related costs	**—**	8,251	**—**	8,633
Business reorganization, acquisition and integration costs	**244**	1,035	**769**	857
Refinancing transaction costs	**—**	4,761	**—**	4,761
Net gain on disposal of discontinued subsidiary undertakings	**(203)**	—	**(306)**	—
Finance costs (net)	**4,465**	5,719	**8,392**	9,890
Income received from available-for-sale assets	**(225)**	—	**(225)**	—
Share profit of equity-accounted investees	**—**	(806)	**—**	(806)
Movement on derivative financial instruments	**(723)**	727	**574**	625
Equity-settled share-based payment transactions	**316**	289	**636**	289
Income tax expense/(credit)	**3,075**	(5,136)	**1,970**	(6,682)
Income taxes (paid)/received	**(1,195)**	(38)	**(1,434)**	236
Net cash flows from operating activities before working capital movements	**26,518**	20,719	**42,825**	36,020
Changes in:				
Inventories	**74**	3,292	**(4,700)**	(8,608)
Trade and other receivables	**(11,501)**	(16,573)	**(20,329)**	(44,327)
Trade and other payables	**(573)**	(7,365)	**(8,416)**	(2,871)
Total movements in working capital	**(12,000)**	(20,646)	**(33,445)**	(55,806)
Net cash flows from/(used in) operating activities	**$14,518**	$73	**$9,380**	$(19,786)

13. RELATED PARTIES AND TRANSACTIONS

Transactions with equity-accounted investees

Under IAS 24, the Group had a related party relationship with its associate undertaking, Altas Investments plc during the current and prior year.

(In thousands of U.S. dollars except the number of shares and per share data and unless stated otherwise)

13. RELATED PARTIES AND TRANSACTIONS (Continued)

The following transactions took place during the period between the Group and Altas Investments plc:

- Amounts totaling $5,421 (Q2 2018: $5,903) were paid to the Group by Altas for fees relating to membership of that company's Board of Directors by IPLP employees in Q2 2019. No amounts were owed at June 30, 2019 (June 30, 2018: $Nil).

14. BUSINESS COMBINATIONS

Loomans Group N.V.

On March 28, 2019, the Group completed the acquisition of 100% of the share capital of Loomans Group N.V. ("**Loomans**"). The total consideration for the acquisition transferred to former owners was $54.5 million (EUR €48.5 million) and repaid outstanding borrowings and related party debt amounting to $40.0 million (EUR €35.6 million) at the date of acquisition, which was financed from the Company's cash on hand and existing credit facilities. Loomans has its operations and headquarters in Belgium and is being integrated into our Consumer Packaging Solutions business.

In the post-acquisition period to June 30, 2019, Loomans contributed revenue of $13.6 million and income before taxes of $1.4 million to the Group's results.

The acquisition date fair value of the consideration transferred, which was funded by cash reserves was $54.5 million. The Group incurred acquisition-related expenses of $1.6 million, primarily related to various professional fees incurred. These have been included in business reorganization, acquisition and integration costs, see note 3 to the unaudited condensed consolidated interim financial statements.

The following table summarizes the recognized amounts of assets acquired and liabilities assumed at the date of acquisition. The fair value of the assets and liabilities acquired were provisional at June 30, 2019.

	At June 30 2019
Cash and cash equivalents	$2,211
Trade and other receivables	14,384
Inventories	4,811
Property, plant and equipment	35,285
Intangible assets	16,178
Loans and borrowings acquired	(28,182)
Trade and other payables and provisions	(20,170)
Income tax payable (net)	(2,473)
Deferred tax liability	(10,003)
Total identifiable net assets acquired	**12,041**
Consideration transferred at date of acquisition — cash	54,470
Goodwill at date of acquisition	**$42,429**

15. CONTINGENCIES AND COMMITMENTS

There have been no significant changes since December 31, 2018 in any of the Group's contingent assets or liabilities and commitments (including purchase commitments) requiring additional separate disclosure as at June 30, 2019.

16. SEASONALITY OF OPERATIONS

IPLP's business exhibits moderate seasonality driven by the seasonality of its customers' end markets. While certain variable costs of the Group can be managed to match seasonal patterns, a significant portion of our costs are fixed and cannot be adjusted for seasonality. For example, customers in the agricultural market are typically busiest through the second and third quarter of the year, which coincides with key produce growing seasons. Certain products in the food and consumer end-market, such as the yogurt and ice cream, are also impacted by seasonality. Demand is typically strongest during the second and third quarters of the year. The number and timing of municipal and public council tenders fluctuates by year and is dependent on local micro economic conditions which can also cause variances in the operational performance of the LF&E environmental container business. For these reasons, IPLP's revenue and Adjusted EBITDA tend to be lower in the first and fourth quarters of each year when compared with the second and third quarters of such year.