Interim Report

For the three and nine months ended
September 30, 2021

Ardagh Group S.A.

INDEX TO THE UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Ardagh Group S.A.

Unaudited Consolidated Interim Financial Statements

As used herein, "AGSA" or the "Company" refer to Ardagh Group S.A., and "we", "our", "us", "Ardagh" and the "Group" refer to AGSA and its consolidated subsidiaries, unless the context requires otherwise.

ARDAGH GROUP S.A.
CONSOLIDATED INTERIM INCOME STATEMENT

	Note	Unaudited Three months ended September 30, 2021			Unaudited Three months ended September 30, 2020		
		Before exceptional items $'m	Exceptional items $'m	Total $'m	Before exceptional items $'m	Exceptional items $'m	Total $'m
			Note 5			Note 5	
Revenue	4	1,942	–	1,942	1,800	–	1,800
Cost of sales		(1,644)	(6)	(1,650)	(1,499)	(3)	(1,502)
Gross profit		**298**	**(6)**	**292**	**301**	**(3)**	**298**
Sales, general and administration expenses		(89)	(240)	(329)	(85)	(8)	(93)
Intangible amortization		(58)	–	(58)	(59)	–	(59)
Operating profit/(loss)		**151**	**(246)**	**(95)**	**157**	**(11)**	**146**
Net finance expense	6	(77)	(29)	(106)	(78)	–	(78)
Share of post-tax loss in equity accounted joint venture	8	–	(10)	(10)	2	(4)	(2)
Profit/(loss) before tax		**74**	**(285)**	**(211)**	**81**	**(15)**	**66**
Income tax charge		(22)	2	(20)	(24)	1	(23)
Profit/(loss) for the period		**52**	**(283)**	**(231)**	**57**	**(14)**	**43**
(Loss)/profit attributable to:							
Equity holders				(200)			43
Non-controlling interests				(31)			–
(Loss)/profit for the period				**(231)**			**43**

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

ARDAGH GROUP S.A.
CONSOLIDATED INTERIM INCOME STATEMENT

		Unaudited Nine months ended September 30, 2021			Unaudited Nine months ended September 30, 2020		
	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	5,590	–	5,590	5,028	–	5,028
Cost of sales		(4,723)	(20)	(4,743)	(4,230)	(5)	(4,235)
Gross profit		**867**	**(20)**	**847**	**798**	**(5)**	**793**
Sales, general and administration expenses		(275)	(266)	(541)	(258)	(14)	(272)
Intangible amortization		(179)	–	(179)	(175)	–	(175)
Operating profit		**413**	**(286)**	**127**	**365**	**(19)**	**346**
Net finance expense	6	(245)	(42)	(287)	(183)	(74)	(257)
Share of post-tax loss in equity accounted joint venture	8	(19)	(28)	(47)	(10)	(12)	(22)
Profit/(loss) before tax		**149**	**(356)**	**(207)**	**172**	**(105)**	**67**
Income tax charge		(51)	5	(46)	(56)	29	(27)
Profit/(loss) from continuing operations		**98**	**(351)**	**(253)**	**116**	**(76)**	**40**
Profit from discontinued operation, net of tax	16	–	–	–	–	22	22
Profit/(loss) for the period		**98**	**(351)**	**(253)**	**116**	**(54)**	**62**
(Loss)/profit attributable to:							
Equity holders				(222)			62
Non-controlling interests				(31)			–
(Loss)/profit for the period				**(253)**			**62**

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

ARDAGH GROUP S.A.
CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

		Unaudited			
		Three months ended September 30,		Nine months ended September 30,	
	Note	2021 $'m	2020 $'m	2021 $'m	2020 $'m
(Loss)/profit for the period		**(231)**	**43**	**(253)**	**62**
Other comprehensive income/(expense):					
Items that may subsequently be reclassified to income statement					
Foreign currency translation adjustments:					
-Arising in the period		(11)	(34)	(11)	(44)
		(11)	**(34)**	**(11)**	**(44)**
Effective portion of changes in fair value of cash flow hedges:					
-New fair value adjustments into reserve		69	(11)	190	(12)
-Movement out of reserve to income statement		(13)	27	(33)	25
-Movement in deferred tax		(5)	(6)	(19)	(4)
		51	**10**	**138**	**9**
(Loss)/gain recognized on cost of hedging:					
-New fair value adjustments into reserve		(5)	4	(6)	(1)
-Movement out of reserve		–	–	(1)	–
		(5)	**4**	**(7)**	**(1)**
Share of other comprehensive (expense)/ income in equity accounted joint venture	8	(3)	3	(8)	15
Items that will not be reclassified to income statement					
-Re-measurement of employee benefit obligations	11	(9)	13	134	(149)
-Deferred tax movement on employee benefit obligations		2	(2)	(15)	44
		(7)	**11**	**119**	**(105)**
Share of other comprehensive (expense)/income in equity accounted joint venture	8	(2)	(1)	6	(2)
Total other comprehensive income/(expense) for the period		**23**	**(7)**	**237**	**(128)**
Total comprehensive (expense)/ income for the period		**(208)**	**36**	**(16)**	**(66)**
Attributable to:					
Equity holders		(181)	36	11	(66)
Non-controlling interests		(27)	–	(27)	–
Total comprehensive (expense)/income for the period		**(208)**	**36**	**(16)**	**(66)**
Attributable to:					
Continuing operations		(208)	36	(16)	(88)
Discontinued operation		–	–	–	22
Total comprehensive (expense)/income for the period		**(208)**	**36**	**(16)**	**(66)**

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

ARDAGH GROUP S.A.
CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

	Note	Unaudited At September 30, 2021 $'m	Unaudited At December 31, 2020 $'m
Non-current assets			
Intangible assets	7	2,524	2,756
Property, plant and equipment	7	3,387	2,945
Derivative financial instruments		20	9
Deferred tax assets		243	245
Investment in material joint venture	8	321	390
Other non-current assets		77	73
		6,572	**6,418**
Current assets			
Inventories		1,098	923
Trade and other receivables*		1,231	869
Contract assets		162	139
Derivative financial instruments		131	36
Cash, cash equivalents and restricted cash		3,550	1,267
		6,172	**3,234**
TOTAL ASSETS		**12,744**	**9,652**
Equity attributable to owners of the parent			
Issued capital	9	23	23
Share premium		1,292	1,292
Capital contribution		485	485
Other reserves		389	164
Retained earnings		(1,959)	(2,326)
		230	**(362)**
Non-controlling interests		23	1
TOTAL EQUITY		**253**	**(361)**
Non-current liabilities			
Borrowings	10	8,293	6,481
Lease obligations	10	337	283
Employee benefit obligations	11	651	811
Derivative financial instruments		3	26
Deferred tax liabilities		396	369
Provisions and other liabilities	12	94	55
		9,774	**8,025**
Current liabilities			
Borrowings	10	11	14
Lease obligations	10	93	83
Interest payable		132	43
Derivative financial instruments		7	104
Trade and other payables		1,960	1,579
Income tax payable		127	115
Provisions		56	50
Dividend payable to shareholders	15	331	—
		2,717	**1,988**
TOTAL LIABILITIES		**12,491**	**10,013**
TOTAL EQUITY and LIABILITIES		**12,744**	**9,652**

* Trade and other receivables includes insurance recoverable of $29 million. See note 20 – Other information - Cyber Security Incident and insurance recoverable

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

ARDAGH GROUP S.A.
CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

	Unaudited										
	Attributable to the owner of the parent										
	Share capital $'m	Share premium $'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, 2020	**23**	**1,292**	**485**	**165**	**(11)**	**11**	**–**	**(2,181)**	**(216)**	**1**	**(215)**
Profit for the period	–	–	–	–	–	–	–	62	**62**	–	**62**
Other comprehensive (expense)/income	–	–	–	(41)	20	–	–	(107)	**(128)**	–	**(128)**
Hedging losses transferred to cost of inventory	–	–	–	–	26	–	–	–	**26**	–	**26**
Dividends paid (Note 15)	–	–	–	–	–	–	–	(104)	**(104)**	–	**(104)**
At September 30, 2020	**23**	**1,292**	**485**	**124**	**35**	**11**	**–**	**(2,330)**	**(360)**	**1**	**(359)**
At January 1, 2021	**23**	**1,292**	**485**	**111**	**41**	**12**	**–**	**(2,326)**	**(362)**	**1**	**(361)**
Loss for the period	–	–	–	–	–	–	–	(222)	**(222)**	(31)	**(253)**
Other comprehensive (expense)/income	–	–	–	(25)	139	(7)	–	126	**233**	4	**237**
Hedging gains transferred to cost of inventory	–	–	–	–	(50)	–	–	–	**(50)**	(4)	**(54)**
Business combination - Non-controlling interest (Note 1, Note 14)	–	–	–	–	–	–	–	865	**865**	57	**922**
Business combination - Listing service (Note 14)	–	–	–	–	–	–	164	–	**164**	–	**164**
Re-attribution upon disposal of non-controlling interest (Note 14)	–	–	–	4	–	–	–	–	**4**	(4)	**–**
Dividends (Note 15)	–	–	–	–	–	–	–	(402)	**(402)**	–	**(402)**
At September 30, 2021	**23**	**1,292**	**485**	**90**	**130**	**5**	**164**	**(1,959)**	**230**	**23**	**253**

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

ARDAGH GROUP S.A.
CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

		Unaudited			
		Three months ended September 30,		Nine months ended September 30,	
		2021	2020	2021	2020
	Note	$'m	$'m	$'m	$'m
Cash flows from operating activities					
Cash generated from operations	13	343	481	610	585
Interest paid		(30)	(30)	(163)	(187)
Income tax paid		(16)	(11)	(35)	(34)
Cash flows from operating activities		**297**	**440**	**412**	**364**
Cash flows used in investing activities					
Purchase of property, plant and equipment		(250)	(119)	(675)	(345)
Purchase of software and other intangibles		(5)	(3)	(10)	(8)
Proceeds from disposal of property, plant and equipment		–	–	1	1
Other investing cash flows		5	–	(8)	–
Investing cash flow used in continuing operations		**(250)**	**(122)**	**(692)**	**(352)**
Proceeds from disposal of discontinued operation		–	–	–	32
Net cash used in investing activities		**(250)**	**(122)**	**(692)**	**(320)**
Cash flows from financing activities					
Proceeds from borrowings	10	–	–	2,766	4,068
Repayment of borrowings	10	(794)	(502)	(803)	(3,255)
Proceeds from issuance of non-controlling interest, net of costs	14	934	–	934	–
Early redemption premium paid	5	(24)	–	(24)	(61)
Lease payments		(30)	(23)	(85)	(68)
Deferred debt issue costs paid		(8)	(8)	(38)	(30)
Dividends paid		–	–	(71)	(69)
Consideration paid on maturity of derivative financial instruments	10	(67)	–	(72)	–
Net cash inflow/(outflow) from financing activities		**11**	**(533)**	**2,607**	**585**
Net increase/(decrease) in cash and cash equivalents		**58**	**(215)**	**2,327**	**629**
Cash and cash equivalents at beginning of period		3,541	1,448	1,267	614
Foreign exchange losses on cash and cash equivalents		(49)	(3)	(44)	(13)
Cash and cash equivalents at end of period	10	**3,550**	**1,230**	**3,550**	**1,230**

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

ARDAGH GROUP S.A.
NOTES TO THE UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. General information

Ardagh Group S.A. (the "Company") was incorporated in Luxembourg on May 6, 2011.

Ardagh Group S.A. and its subsidiaries (together the "Group" or "Ardagh") are a leading supplier of sustainable innovative, value-added rigid packaging solutions. The Group's products include metal beverage cans and glass containers primarily for beverage and food markets. End-use categories include beer, wine, spirits, carbonated soft drinks, energy drinks, juices and water, as well as food and pharmaceuticals. Ardagh also holds a stake of approximately 42% 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.

On February 22, 2021, Ardagh announced its entry into a business combination agreement (the "Business Combination Agreement"), dated as of February 22, 2021, by and among Ardagh, Ardagh Metal Packaging, Ardagh MP MergeCo Inc., a newly formed Delaware corporation that is a wholly-owned subsidiary of AMP ("MergeCo") and Gores Holdings V Inc. ("Gores Holdings V"), pursuant to which the parties thereto agreed to effect the merger of MergeCo with and into Gores Holdings V, with Gores Holdings V being the surviving corporation as a wholly-owned subsidiary of AMP (the "Merger", and, together with the other transactions contemplated in the Business Combination Agreement, the "Business Combination") to create an independent, pure-play beverage can company.

In connection with the Business Combination, on March 12, 2021, two affiliates of the Group (the "Co-Issuers") issued green bonds of $2.8 billion equivalent, consisting of €450 million 2.000% Senior Secured Notes due 2028, $600 million 3.250% Senior Secured Notes due 2028, €500 million 3.000% Senior Notes due 2029 and $1,050 million 4.000% Senior Notes due 2029 (the "AMP Notes Issuance"). In connection with the AMP Notes Issuance, the Group designated the Co-Issuers and subsidiaries of AMP as unrestricted subsidiaries under its bond indentures and the Global Asset Based Loan Facility, and on April 1, 2021, the Group reduced the size of Global Asset Based Loan Facility from $700 million to $500 million in connection with such designation.

In connection with the Business Combination, the Group effected on April 1, 2021 a series of transactions that resulted in (a) the equity interests of Ardagh Packaging Holdings Limited, an Irish subsidiary of the Group, and certain other subsidiaries of the Group that are engaged in the metal beverage can business (the "AMP Business") being directly or indirectly owned by Ardagh Metal Packaging (all such entities collectively, the "AMP Entities") and (b) any assets and liabilities relating to the business of the Group (other than the AMP Business) that are held by the AMP Entities being transferred to subsidiaries of the Group that are not AMP Entities, and assets and liabilities relating to the AMP Business that are held by subsidiaries of the Group (other than the AMP Entities) being transferred to the AMP Entities (such transactions, collectively, the "AMP Transfer"). In exchange for newly issued AMP shares, and all warrants exercisable for the purchase of shares in Gores Holdings V were converted into warrants exercisable for the purchase of shares in AMP. Immediately following the completion of the Business Combination, Ardagh held approximately 81.8%, the PIPE Investors held approximately 11.5%, and the Gores Holdings V stockholders and its sponsor held approximately 6.6% of AMP's shares.

On August 4, 2021, in accordance with the terms of the Business Combination Agreement, the parties consummated the Merger. In addition to retaining AMP shares constituting approximately 81.8% AMP's outstanding shares, Ardagh received in the Business Combination (a) $2,315,000,000 in cash paid upon the consummation of the AMP Transfer (which was funded from the proceeds of the AMP Notes Issuance), and (b) approximately $1 billion in cash paid upon the consummation of the Merger and the PIPE Investment. Ardagh also has the right to receive, during the five-year period commencing 180 days after closing, 60,730,000 additional shares of AMP in five equal installments depending on whether the price of shares of AMP maintains for a certain period of time a volume weighted average price of $13.00, $15.00, $16.50, $18.00 or $19.50.

On September 7, 2021, Ardagh launched an exchange offer pursuant to which it offered 2.5 shares of AMP in exchange for each Class A common shares of Ardagh that was validly tendered and not withdrawn at the closing of the exchange offer on October 5, 2021. Approximately 84% of the total outstanding Class A common shares of Ardagh were exchanged, bringing Ardagh's ownership of AMP to approximately 75% and the public float to approximately 25%.

On October 5, 2021, Ardagh's Class A common shares were suspended from trading on the NYSE in connection with Ardagh's previously announced intention to apply for the delisting of its shares from the NYSE. Ardagh's Class A common shares were delisted from the NYSE effective October 18, 2021 and Ardagh filed a Form 15 with the U.S. Securities and Exchange Commission on October 18, 2021 to terminate the registration of Ardagh's Class A common shares under Section 12(g) of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"), resulting in the automatic suspension of Ardagh's reporting obligations under Sections 13(a) and 15(d) of the Exchange Act.

The Group's metal packaging business 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 23 production facilities in Europe and the Americas, employs approximately 4,900 people and recorded revenues of $3.5 billion in 2020.

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

The significant accounting policies that have been applied to the unaudited consolidated interim financial statements are described in note 3.

2. Statement of directors' approval

The unaudited consolidated interim financial statements were approved for issue by the board of directors of Ardagh Group S.A. (the "Board") on October 27, 2021.

3. Summary of significant accounting policies

Basis of preparation

The unaudited consolidated interim financial statements of the Group for the three and nine months ended September 30, 2021 and 2020, 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, 2020 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.

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 the following notes:

(i) Note 12 – Provisions and other liabilities, for the treatment of Private and Public Warrants,

(ii) Note 14 – Non-controlling interest, and,

(iii) Note 20 – Other information, for the recognition of insurance recoverable.

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, 2021 have been assessed by the Directors and as a result, no new standards or amendments to existing standards effective January 1, 2021 have had a material impact for the Group. The Directors' 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 and reportable segments, which are set out below, 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. Following the reorganization described in note 1 - General information, the Group's operating and reportable segments have remained unchanged but are renamed as follows:

- Ardagh Metal Packaging Europe
- Ardagh Metal Packaging Americas
- Ardagh Glass Packaging Europe
- Ardagh Glass Packaging North America.

Performance of the business 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)/profit for the period to Adjusted EBITDA

	Three months ended September 30,		Nine months ended September 30,	
	2021	**2020**	**2021**	**2020**
	$'m	**$'m**	**$'m**	**$'m**
(Loss)/profit for the period	(231)	43	(253)	40
Income tax charge	20	23	46	27
Net finance expense	106	78	287	257
Depreciation and amortization	185	173	548	509
Exceptional operating items	246	11	286	19
Share of post-tax loss in equity accounted joint venture	10	2	47	22
Adjusted EBITDA	**336**	**330**	**961**	**874**

Segment results for the three months ended September 30, 2021 and 2020 are:

	Revenue		Adjusted EBITDA	
	2021	**2020**	**2021**	**2020**
	$'m	**$'m**	**$'m**	**$'m**
Ardagh Metal Packaging Europe	483	421	76	73
Ardagh Metal Packaging Americas	555	478	100	78
Ardagh Glass Packaging Europe	460	472	104	112
Ardagh Glass Packaging North America	444	429	58	67
Total Reportable segments	**1,942**	**1,800**	**338**	**330**
AMP indemnification net of insurance recoverable*	–	–	(2)	–
Group	**1,942**	**1,800**	**336**	**330**

Segment results for the nine months ended September 30, 2021 and 2020 are:

	Revenue		Adjusted EBITDA	
	2021 $'m	2020 $'m	2021 $'m	2020 $'m
Ardagh Metal Packaging Europe	1,383	1,201	227	197
Ardagh Metal Packaging Americas	1,585	1,357	270	208
Ardagh Glass Packaging Europe	1,308	1,224	315	277
Ardagh Glass Packaging North America	1,314	1,246	166	192
Total Reportable segments	**5,590**	**5,028**	**978**	**874**
AMP indemnification net of insurance recoverable*	–	–	(17)	–
Group	**5,590**	**5,028**	**961**	**874**

*AMP indemnification represents costs net of insurance, borne by the Company pursuant to a letter of agreement between the Company and Ardagh Metal Packaging, whereby the Company agreed to indemnify, defend and hold harmless Ardagh Metal Packaging and its subsidiaries and their respective successors from and against any and all losses incurred prior to December 31, 2021, resulting from the cyber security incident as outlined in note 20 - Other information. The corresponding income is included within Adjusted EBITDA of the Ardagh Metal Packaging Europe ($15 million) and Ardagh Metal Packaging Americas ($11 million) segments. The Group has recorded $12 million of insurance recoveries (of which $9 million has been included within AMP indemnification net of insurance recoverable noted above) during the third quarter in respect of this incident. See note 20 – Other information.

No customer accounted for greater than 10% of total revenue in the nine months ended September 30, 2021 (2020: none).

Within each reportable segment our respective packaging containers have similar production processes and classes of customers. Further, they have similar economic characteristics, as evidenced by similar profit margins, similar degrees of risk and similar opportunities for growth. Based on the foregoing, we do not consider that they constitute separate product lines and, therefore, additional disclosures relating to product lines are not necessary.

The following illustrates the disaggregation of revenue by destination for the three months ended September 30, 2021:

	Europe $'m	North America $'m	Rest of the world $'m	Total $'m
Ardagh Metal Packaging Europe	479	2	2	483
Ardagh Metal Packaging Americas	1	447	107	555
Ardagh Glass Packaging Europe	447	4	9	460
Ardagh Glass Packaging North America	–	444	–	444
Group	**927**	**897**	**118**	**1,942**

The following illustrates the disaggregation of revenue by destination for the three months ended September 30, 2020:

	Europe $'m	North America $'m	Rest of the world $'m	Total $'m
Ardagh Metal Packaging Europe	419	1	1	421
Ardagh Metal Packaging Americas	1	388	89	478
Ardagh Glass Packaging Europe	451	2	19	472
Ardagh Glass Packaging North America	1	427	1	429
Group	**872**	**818**	**110**	**1,800**

The following illustrates the disaggregation of revenue by destination for the nine months ended September 30, 2021:

	Europe $'m	North America $'m	Rest of the world $'m	Total $'m
Ardagh Metal Packaging Europe	1,373	4	6	1,383
Ardagh Metal Packaging Americas	1	1,279	305	1,585
Ardagh Glass Packaging Europe	1,269	9	30	1,308
Ardagh Glass Packaging North America	–	1,314	–	1,314
Group	**2,643**	**2,606**	**341**	**5,590**

The following illustrates the disaggregation of revenue by destination for the nine months ended September 30, 2020:

	Europe $'m	North America $'m	Rest of the world $'m	Total $'m
Ardagh Metal Packaging Europe	1,192	2	7	1,201
Ardagh Metal Packaging Americas	2	1,121	234	1,357
Ardagh Glass Packaging Europe	1,169	9	46	1,224
Ardagh Glass Packaging North America	2	1,243	1	1,246
Group	**2,365**	**2,375**	**288**	**5,028**

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,	
	2021 $'m	2020 $'m	2021 $'m	2020 $'m
Over time	811	672	2,298	1,942
Point in time	1,131	1,128	3,292	3,086
Group	**1,942**	**1,800**	**5,590**	**5,028**

5. Exceptional items

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
	$'m	$'m	$'m	$'m
Cyber security incident, net of insurance recovery	(3)	–	3	–
Start-up related costs	9	2	17	4
Restructuring and other costs	–	1	–	1
Exceptional items – cost of sales	**6**	**3**	**20**	**5**
Transaction-related and other costs	233	5	249	11
Restructuring and other costs	3	3	3	3
Cyber security incident, net of insurance recovery	4	–	14	–
Exceptional items – SGA expenses	**240**	**8**	**266**	**14**
Debt refinancing and settlement costs	23	–	23	74
Interest expense	4	–	17	–
Other	2	–	2	–
Exceptional items – finance expense	**29**	**–**	**42**	**74**
Share of exceptional items in material joint venture	10	4	28	12
Exceptional items from continuing operations	**285**	**15**	**356**	**105**
Exceptional income tax credit	(2)	(1)	(5)	(29)
Exceptional items from continuing operations, net of tax	**283**	**14**	**351**	**76**
Exceptional items from discontinued operation, net of tax	–	–	–	(22)
Total exceptional items, net of tax	**283**	**14**	**351**	**54**

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

2021

Exceptional items of $351 million have been recognized in the nine months ended September 30, 2021, primarily comprising:

- $17 million net costs resulting from the cyber security incident, including $34 million of professional support fees and direct incremental costs offset by $17 million of insurance recoverable recorded in the period ended September 30, 2021. See note 20 – Other information cyber security incident and insurance recoverable.
- $17 million start-up related costs primarily in Ardagh Metal Packaging Americas ($11 million) and Ardagh Metal Packaging Europe ($5 million), relating to the Group's investment programs.
- $249 million transaction-related and other costs, primarily comprised of an expense of $205 million relating to the service for the listing of the shares in AMP upon the completion of the Business Combination on August 4, 2021, as further detailed in note 14 – Non-controlling interests, and $44 million of costs relating to acquisition, business combination and other transaction costs, including professional advisory fees, and other costs.
- $3 million restructuring and other costs in Ardagh Glass Packaging North America.
- $23 million debt refinancing, and settlement costs related to the redemption of the Group's 6.000% Senior Notes in August 2021 as described in note 10, including premium payable on the early redemption of the notes and accelerated amortization of deferred finance costs and bond premium.
- $5 million, primarily related to interest payable on AMP Notes Issuance in March 2021 related to the period prior to completion of the AMP transfer on April 1, 2021 and $12 million related to interest charges on the Group's

6.000% Senior Notes from the AMP transfer date, related to the combination of Ardagh Metal Packaging with Gores Holdings V as outlined in note 1 – General information, to the date of redemption.

- $28 million from the share of exceptional items in the Trivium joint venture.
- $5 million from tax credits relating to the above exceptional items.

2020

Exceptional items of $54 million have been recognized in the nine months ended September 30, 2020 primarily comprising:

- $4 million start-up related costs.
- $4 million restructuring and other costs.
- $11 million transaction-related and other costs.
- $74 million debt refinancing and settlement costs related to the redemption of notes in May and June 2020 as described in note 10, including premium payable on the early redemption of the notes of $61 million, accelerated amortisation of deferred finance costs and interest charges from the call date to date of redemption.
- $12 million from the share of exceptional items in the Trivium joint venture.
- $29 million from tax credits primarily relating to U.S. tax reform and debt refinancing and settlement costs incurred in the period.
- $22 million credit in relation to the disposal of Food & Specialty including the finalization of the completion accounts process.

6. Net finance expense

	Three months ended September 30,		Nine months ended September 30,	
	2021	**2020**	**2021**	**2020**
	$'m	**$'m**	**$'m**	**$'m**
Senior Secured and Senior Notes	88	69	247	189
Other interest expense	6	12	16	33
Interest expense	**94**	**81**	**263**	**222**
Net pension interest costs	3	3	8	11
Foreign currency translation gains	(1)	(6)	(1)	(38)
(Gains)/losses on derivative financial instruments	(18)	1	(22)	(8)
Other finance income	(1)	(1)	(3)	(4)
Net finance expense before exceptional items	**77**	**78**	**245**	**183**
Exceptional finance expense (Note 5)	29	–	42	74
Net finance expense	**106**	**78**	**287**	**257**

7. Intangible assets and property, plant and equipment

	Intangible assets $'m	Property, plant and equipment $'m
Net book value at January 1, 2021	**2,756**	**2,945**
Additions	10	873
Acquisition	–	22
Disposals	–	(3)
Charge for the period	(179)	(369)
Foreign exchange	(63)	(81)
Net book value at September 30, 2021	**2,524**	**3,387**

At September 30, 2021, the carrying amount of goodwill included within intangible assets was $1,643 million (December 31, 2020: $1,682 million).

At September 30, 2021, the carrying amount of the right-of-use assets included within property, plant and equipment was $391 million (December 31, 2020: $319 million).

The Group recognized a depreciation charge of $369 million in the nine months ended September 30, 2021 (2020: $334 million), of which $80 million (2020: $65 million) relates to right-of-use assets.

In March 2021, the Group completed the acquisition of the Longhorn glass manufacturing facility located in Houston, Texas. The transaction is not material to the Group. These unaudited consolidated interim financial statements include management's preliminary estimate of the fair values of assets acquired and liabilities assumed.

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 existed at the reporting date and has considered the carrying amount of the respective goodwill and concluded that it is fully recoverable as at September 30, 2021.

Impairment test for Glass Packaging North America

During the quarter management identified events and changes arising from continued operational challenges experienced in the Glass Packaging North America CGU that indicate a potential impairment of the goodwill allocated to the CGU. As a result, management has performed an impairment test of the carrying amount of goodwill allocated to the Glass Packaging North America CGU as at September 30, 2021.

Management has determined the recoverable amount of the Glass Packaging North America CGU by assessing the fair value less cost of disposal (FVLCD) of the underlying assets using a market approach, on the basis that this gave a higher recoverable amount than an assessment based on Value in Use. The valuation is considered to be level 3 in the fair value hierarchy due to unobservable inputs used in the valuation.

The key assumptions applied in the FVLCD calculation for the Glass Packaging North America CGU are, by their nature, subjective, and include adjustments to actual full year 2021 year to date reported results for annualized projected maintainable revenue volumes, cost savings and the effects of future restructuring as part of estimating the projected Adjusted EBITDA from a market participant's perspective. A multiple of 6.5x was then applied to the market participant projected Adjusted EBITDA, based on comparable companies and market transactions. This was then further adjusted for selling costs. The recoverable amount was then compared to the carrying value of the Glass Packaging North America CGU. This did not identify a material impairment as at September 30, 2021. The impairment test has identified, however, that the Glass Packaging North America CGU is sensitive to reasonably possible changes in the significant assumptions.

A sensitivity analysis was performed on the FVLCD calculation by:

(i) increasing and decreasing the projected Adjusted EBITDA from a market participant's perspective by 5%; and,

(ii) decreasing the multiple which was applied to the projected Adjusted EBITDA from a market participant's perspective by 25 basis points.

The results of the sensitivity analysis would result in an impairment charge as follows:

(i) If the projected Adjusted EBITDA from a market participant's perspective was 5% lower than management's estimates at September 30, 2021, the Group would have had to recognize an impairment charge of $59 million; and,

(ii) If the multiple which was applied to the projected Adjusted EBITDA from a market participant's perspective decreased by 25 basis points, the Group would have had to recognize an impairment charge of $40 million.

Following board approval of the annual budget in the fourth quarter, the Group will perform its annual impairment test in line with the Group accounting policy.

8. Investment in material joint venture

Investment in material joint venture is comprised of the Group's approximate 42% investment in Trivium Packaging B.V. incorporated in the Netherlands, with corporate offices in Amsterdam. The remaining approximate 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 of Trivium, including in respect of the governance of Trivium and its subsidiaries, their ability to transfer their shares in Trivium and other customary matters.

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

	Three months ended September 30,		**Nine months ended September 30,**	
	2021	**2020**	**2021**	**2020**
	$'m	**$'m**	**$'m**	**$'m**
Loss for the period	(10)	(2)	(47)	(22)
Other comprehensive (expense)/income	(5)	2	(2)	13
Total comprehensive expense	**(15)**	**—**	**(49)**	**(9)**

	At September 30,	**At December 31,**
	2021	**2020**
	$'m	**$'m**
Investment in joint venture	321	390

The reconciliation of summarized financial information presented to the carrying amount of the Group's interest in Trivium is set out below.

	2021 $'m
Group's interest in net assets of joint venture - January 1,	390
Share of total comprehensive expense	(49)
Foreign exchange	(20)
Carrying amount of interest in joint venture - September 30,	**321**

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, 2021.

The Group is party to a Mutual Services Agreement ("MSA") with Trivium, pursuant to which the Group and Trivium provide services to each other. The services generally relate to administrative support in respect of treasury activities, tax reporting, procurement and logistics, R&D and certain IT services. The MSA provides for the sharing of certain facilities leased by the Group in connection with the provision of services, with appropriate segregation in place between the Group's entities, on the one hand, and Trivium, on the other hand.

The Group recognized income of $3 million and $9 million in respect of the MSA in the three and nine months ended September 30, 2021 respectively (September 30, 2020: $4 million and $15 million).

At September 30, 2021 and December 31, 2020, the Group had no significant related party balances outstanding with Trivium.

In May 2020, the Group, as lender, entered into a credit facility (the "Trivium Credit Facility") with Trivium, as borrower. The amount of the Trivium Credit Facility was $36 million. The facility matured on April 30, 2021 and was not extended.

9. Issued capital and reserves

Share capital

Issued and fully paid shares:

	Class A common shares (par value €0.01) (million)	Class B common shares (par value €0.10) (million)	Total shares (million)	Total $'m
At December 31, 2020	18.67	217.70	236.37	23
Share issuance	–	–	–	–
At September 30, 2021	**18.67**	**217.70**	**236.37**	**23**

There were no material share transactions in the nine months ended September 30, 2021.

10. Financial assets and liabilities

At September 30, 2021 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			Local currency m	$'m	$'m
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	439	508	–
2.125% Senior Secured Notes	EUR	790	15-Aug-26	Bullet	790	915	–
4.750% Senior Notes	GBP	400	15-Jul-27	Bullet	400	538	–
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	–
Global Asset Based Loan Facility	USD	467	07-Dec-22	Revolving	–	–	467
Lease obligations	Various	–		Amortizing	–	245	–
Other borrowings/credit lines	Various	–	Rolling	Amortizing	–	–	1
Restricted Group total borrowings / undrawn facilities						**5,921**	**468**
2.000% Senior Secured Notes	EUR	450	01-Sep-28	Bullet	450	521	–
3.250% Senior Secured Notes	USD	600	01-Sep-28	Bullet	600	600	–
3.000% Senior Notes	EUR	500	01-Sep-29	Bullet	500	579	–
4.000% Senior Notes	USD	1,050	01-Sep-29	Bullet	1,050	1,050	–
Global Asset Based Loan Facility	USD	325	06-Aug-26	Revolving	–	–	325
Lease obligations	Various	–		Amortizing	–	185	–
Other borrowings/credit lines	Various	–	Rolling	Amortizing	–	11	–
Unrestricted Group* total borrowings / undrawn facilities						**2,946**	**325**
Total borrowings / undrawn facilities						**8,867**	**793**
Deferred debt issue costs and bond discounts/bond premium						(133)	–
Net borrowings / undrawn facilities						**8,734**	**793**
Cash, cash equivalents and restricted cash						(3,550)	3,550
Derivative financial instruments used to hedge foreign currency and interest rate risk						–	–
Net debt / available liquidity						**5,184**	**4,343**

*Unrestricted group refers to Ardagh Metal Packaging S.A. and its subsidiaries as referred to in note 1- General information.

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

The fair value of the restricted group's total borrowings excluding lease obligations at September 30, 2021, is $5,796 million (December 31, 2020: $6,788 million). The fair value of the unrestricted group's total borrowings excluding lease obligations at September 30, 2021, is $2,776 million (December 31, 2020: $10 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 nature customary for such facilities.

At December 31, 2020, 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			Local currency m	$'m	$'m
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	439	539	–
2.125% Senior Secured Notes	EUR	790	15-Aug-26	Bullet	790	969	–
6.000% Senior Notes	USD	800	15-Feb-25	Bullet	800	826	–
4.750% Senior Notes	GBP	400	15-Jul-27	Bullet	400	546	–
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	–
Global Asset Based Loan Facility	USD	599	07-Dec-22	Revolving	–	–	599
Lease obligations	Various	–		Amortizing	–	366	–
Other borrowings/credit lines	Various	–	Rolling	Amortizing	–	14	1
Total borrowings / undrawn facilities						**6,975**	**600**
Deferred debt issue costs and bond discounts/bond premium						(114)	–
Net borrowings / undrawn facilities						**6,861**	**600**
Cash, cash equivalents and restricted cash						(1,267)	1,267
Derivative financial instruments used to hedge foreign currency and interest rate risk						105	–
Net debt / available liquidity						**5,699**	**1,867**

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

	At September 30, 2021 $'m	At December 31, 2020 $'m
Within one year or on demand	51	55
Between one and three years	70	67
Between three and five years	3,388	1,567
Greater than five years	2,412	5,141
Restricted Group total borrowings	**5,921**	**6,830**
Within one year or on demand	54	42
Between one and three years	53	46
Between three and five years	37	21
Greater than five years	2,802	36
Unrestricted Group total borrowings	**2,946**	**145**
Total borrowings	**8,867**	**6,975**
Deferred debt issue costs and bond discounts/bond premium	(133)	(114)
Net borrowings	**8,734**	**6,861**

Warrants

Please refer to note 12 – Provisions and other liabilities for further details about the recognition and measurement of the Public and Private Warrants.

Financing activity

2021

On March 12, 2021, the Group, in connection with the transaction related to the combination of Ardagh Metal Packaging with Gores Holdings V, issued €450 million 2.000% Senior Secured Notes due 2028, $600 million 3.250% Senior Secured Notes due 2028, €500 million 3.000% Senior Notes due 2029 and $1,050 million 4.000% Senior Notes due 2029. Details related to the transaction and use of proceeds from this issuance are outlined in note 1 – General information.

On August 15, 2021, the Group redeemed in full the remaining outstanding $800 million 6.000% Senior Notes due 2025 and paid applicable redemption premiums and accrued interest.

Lease obligations at September 30, 2021 of $430 million (December 31, 2020: $366 million), primarily reflects $160 million of new lease liabilities, offset by $96 million of principal repayments and foreign currency movements in the nine months ended September 30, 2021.

At September 30, 2021 the Group had $792 million available under the Global Asset Based Loan Facilities. On April 1, 2021, the Group reduced the size of Global Asset Based Loan Facility from $700 million to $500 million in connection with the designation of the AMP entities as unrestricted subsidiaries. On August 6, 2021, AMP and certain of its subsidiaries entered into a Global Asset Based Loan Facility in the amount of $300 million. The amount increased to $325 million on September 29, 2021.

Cross currency interest rate swaps

The Group hedges certain of its external borrowings and interest payable thereon using cross-currency interest rate swaps ("CCIRS"), with a net position at September 30, 2021 of nil (December 31, 2020: $105 million net liability).

On February 15, 2021, a tranche of the Group's $700 million U.S. dollar to euro CCIRS matured. The fair value of the swap at maturity was $6 million and the cash settlement was $5 million.

On August 4, 2021, the remaining $650 million tranche of the Group's $700 million U.S. dollar to euro CCIRS matured. The fair value of the swaps at maturity were $61 million and the cash settlement was $63 million.

On August 4, 2021, a tranche of the Group's $100 million U.S. dollar to euro CCIRS matured. The fair value of the swaps at maturity were $4 million and the cash settlement was $4 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 and senior 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 estimated value of fixed interest-bearing deposits is based on discounted cash flows using prevailing money-market interest rates for debts with similar credit risk and remaining maturity and represents 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 Level 1 input.

11. Employee benefit obligations

Employee benefit obligations at September 30, 2021 have been reviewed in respect of the latest discount rates, inflation rates and asset valuations. A re-measurement loss of $9 million and a re-measurement gain of $134 million (2020: gain of $13 million and loss of $149 million) have been recognized in the unaudited consolidated interim statement of comprehensive income for the three and nine months ended September 30, 2021 respectively.

The re-measurement loss of $9 million (2020: gain of $13 million) recognized for the three months ended September 30, 2021 consisted of a decrease in asset valuations of $27 million (2020: increase of $20 million), partly offset by a decrease in the obligations of $18 million (2020: increase of $7 million).

The re-measurement gain of $134 million (2020: loss of $149 million) recognized for the nine months ended September 30, 2021 consisted of a decrease in the obligations of $145 million (2020: increase of $146 million), partly offset by a decrease in asset valuations of $11 million (2020: decrease of $3 million).

12. Provisions and other liabilities

As further outlined in note 1 - General information all warrants previously exercisable for the purchase of shares in Gores Holdings V were converted into AMPSA warrants exercisable for the purchase of shares in AMPSA. In accordance with IAS 32, those warrants have been recognized as a financial liability measured at fair value in the unaudited consolidated interim financial statements. The estimated valuation of the liability as of August 4 and September 30, 2021 were $41 million and $37 million, respectively. The initial recognition of the liability as of August 4, was reflected as part of the exceptional $205 million costs of the service for the listing of the AMPSA shares discussed in note 5 - Exceptional items. Any subsequent changes in the valuation have been reflected in net finance expense. The warrants issued to former public shareholders of Gores Holdings V ("Public Warrants") were valued using the traded closing price of the AMPSA warrants. For the warrants issued to the former sponsors ("Private Warrants"), a valuation was performed for the purpose of determining the financial liability. The valuation applied a Black Scholes model, using key assumptions for volatility (30%), risk-free rate and AMPSA share price. Any increase or decrease in volatility of 5% would result in an increase or decrease in the fair value of the Private Warrants of approximately $1 million.

13. Cash generated from operating activities

	Three months ended September 30,		Nine months ended September 30,	
	2021 $'m	2020 $'m	2021 $'m	2020 $'m
(Loss)/profit from continuing operations	**(231)**	**43**	**(253)**	**40**
Income tax charge	20	23	46	27
Net finance expense	106	78	287	257
Depreciation and amortization	185	173	548	509
Exceptional operating items	246	11	286	19
Share of post-tax loss in equity accounted joint venture	10	2	47	22
Movement in working capital	37	162	(283)	(210)
Transaction-related, start-up and other exceptional costs paid	(30)	(9)	(68)	(76)
Exceptional restructuring paid	–	(2)	–	(3)
Cash generated from operations	**343**	**481**	**610**	**585**

14. Non-controlling interests

As a result of the completion of the Business Combination as outlined in note 1 – General information, Ardagh held approximately 81.8%, the PIPE Investors held approximately 11.5%, and the Gores Holdings V stockholders and its sponsor held approximately 6.6% of AMPSA's shares.

The effect on the equity attributable to the owners of AMPSA is summarized as follows:

	At September 30, 2021 $'m
Carrying amount of non-controlling interests disposed	(57)
Consideration received from non-controlling interests *	922
Excess of consideration received recognized in the transactions with the non-controlling interests reserve within retained earnings	**865**

*Total consideration is comprised of $954 million cash received, offset by $32 million of directly attributable transaction costs related to the issuance of the non-controlling interest, of which $20 million have been paid as of September 30, 2021.

Upon disposal, a historical cumulated loss of $4 million in the foreign currency translation reserve has been re-attributed to the new non-controlling interest.

Summarized financial information, as of the date these interim consolidated financial statements were authorized for issue, for AMPSA for the nine months ended and as at September 30, 2021 is set out below:

	Nine months ended September 30, 2021 (i)
	$'m
Revenue	2,968
Expenses	(2,981)
Operating loss	**(13)**
Net finance expense	(189)
Loss before tax	**(202)**
Income tax expense	(24)
Loss after tax	**(226)**

(i) The income statement for the period ended September 30, 2021 includes exceptional items of $287 million, in accordance with Ardagh accounting policy, of which $42 million is in respect of exceptional interest expense and $147 million of non-exceptional interest expense. Also included is depreciation and amortization of $254 million and income tax expense of $24 million.

	At September 30, 2021
	$'m
Non-current assets	3,442
Current assets (ii)	1,769
Total assets	**5,211**
Total equity	**271**
Non-current liabilities (iii)	3,632
Current liabilities (iv)	1,308
Total liabilities	**4,940**
Total equity and liabilities	**5,211**

(ii) Includes cash and cash equivalents of $0.5 billion.

(iii) Includes non-current financial liabilities (excluding other payables and provisions) of $3.3 billion.

(iv) Includes current financial liabilities (excluding trade and other payables and provisions) of $0.2 billion.

As at September 30, 2021, AMPSA had net debt of $2.4 billion.

No dividend has been paid to the non-controlling interest during the nine months ended September 30, 2021.

The Business Combination is accounted for under IFRS 2. The difference in the fair value of equity instruments, issued by AMPSA, over the fair value of identifiable net assets of Gores Holdings V represents a service for listing of the shares in AMPSA and is accounted for as a share-based payment expense in accordance with IFRS 2. The cost of such service, which is a fully vested non-cash and non-recurring expense, is calculated as shown in the table below, using Gores Holdings V market prices as of August 4, 2021 (the "Closing Date") for the Gores Holdings V Class A common stock to be exchanged for shares in AMPSA.

	Shares	$'m
Class A stockholders	30,175,827	
Class F stockholders	9,843,750	
Total shares to be issued to Gores Holdings V stockholders	**40,019,577**	
Market value per share at the Closing Date	$10.59	
Fair value of shares to be issued to Gores Holdings V in consideration for combination		**424**
Net assets of Gores Holdings V at Closing Date (including fair value of assumed Public and Private Warrants as discussed in note 12)		219
Difference – being IFRS 2 charge for listing services		**205**

The cost for the listing service of $205 million have been presented as an exceptional item as outlined in note 5, with an offset in other reserves of $164 million and in provisions and other liabilities of $41 million (see note 12), respectively.

15. Dividends

	Three months ended September 30,		Nine months ended September 30,	
	2021 $'m	2020 $'m	2021 $'m	2020 $'m
Cash dividends on common shares declared and paid:				
Interim dividend for 2021: $0.15 per share (2020: $0.14 per share)	–	–	(35)	(33)
Interim dividend for 2021: $0.15 per share (2020: $0.15 per share)	–	–	(36)	(36)
	–	**–**	**(71)**	**(69)**
Cash dividends on common shares declared, not paid:				
Interim dividend for 2021: $0.15 per share (2020: $0.15 per share)	(35)	(35)	(35)	(35)
Interim dividend for 2021: $1.25 per share	(296)	–	(296)	–
	(331)	**(35)**	**(402)**	**(104)**

On February 15, 2021, the Company approved a cash dividend of $0.15 per common share. The dividend of $35 million was paid on April 1, 2021 to shareholders of record on March 18, 2021.

On April 28, 2021, the Company approved a cash dividend of $0.15 per common share. The dividend of $36 million was paid on June 16, 2021 to shareholders of record on June 2, 2021.

On August 2, 2021, the Board declared a cash dividend of $0.15 per common share, payable on October 1, 2021 to the shareholders of record on September 17, 2021.

On September 22, 2021, the Board declared a special cash dividend of $1.25 per common share, payable on October 12, 2021 to the shareholders of record on October 4, 2021.

16. Discontinued operation

On October 31, 2019, the Group completed the combination of its Food & Specialty business with the business of Exal to form Trivium. In the nine months ended September 30, 2020, the Group recognized a non-cash gain on disposal of $22 million arising from the remeasurement of the estimated consideration for the disposal of the Food & Specialty business.

17. Related party transactions

With the exception of the transactions in note 8 'Investment in material joint venture' and the transactions between the Company and Ardagh Metal Packaging as described in note 1 and note 4, there have been no transactions in the nine months ended September 30, 2021 with related parties, as disclosed in the Group's Annual Report, that had a material effect on the financial position or performance of the Group.

18. 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 metal packaging and surface treatment using solvents;
- the operation of installations for manufacturing of container glass;
- 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.

19. 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 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 facility.

20. Other information

Cyber security incident and insurance recoverable

On May 17, 2021, the Group announced that it had experienced a cyber security incident, the response to which included pro-actively shutting down certain IT systems and applications used by the business. Key systems have now been brought back online securely, in a phased manner and in line with our plan. Production at all of our manufacturing facilities continued to operate throughout this period, though we experienced some shipping delays as a result of this incident.

We believe that our existing information technology control environment is appropriately robust and consistent with industry standards. We are reviewing our information technology roadmap and accelerating planned IT investments to further improve the effectiveness of our information security. We do not believe that our growth investment program has been impacted by this incident. The Group has notified relevant authorities in relation to the exfiltration and dissemination of data which arose in connection with this incident. We do not expect further material costs to arise from the incident.

During the nine months ended September 30, 2021, the Group recognized $63 million of costs related to this incident, including $34 million of exceptional costs. The Ardagh Metal Packaging business incurred $31 million of the total Group costs, including $5 million exceptional related costs, due to this incident, which the Company has agreed to indemnify under the letter agreement dated May 21, 2021. We maintain appropriate insurance in respect of a wide range of risks, including in respect of IT incidents. In the third quarter, in accordance with it's insurance recoverable accounting policy, the Group recognized an insurance recoverable of $29 million in relation to costs deemed virtually certain to be recovered based on the demonstratable entitlement to such recovery. Included within this insurance recoverable of $29 million are exceptional costs of $17 million. In addition to the recognized insurance recoverable of $29 million a further $31 million of costs are deemed probable to be recovered but are not recognized as at September 30, 2021.

21. Events after the reporting period

On October 5, 2021, Ardagh's Class A common shares were suspended from trading on the NYSE in connection with Ardagh's previously announced intention to apply for the delisting of its shares from the NYSE. Ardagh's Class A common shares were delisted from the NYSE effective October 18, 2021 and Ardagh filed a Form 15 with the U.S. Securities and Exchange Commission on October 18, 2021 to terminate the registration of Ardagh's Class A common shares under Section 12(g) of the Exchange Act, resulting in the automatic suspension of Ardagh's reporting obligations under Sections 13(a) and 15(d) of the Exchange Act.

Following the successful completion of the recent Exchange Offer and the de-listing of the shares of Ardagh Group S.A., David Matthews has decided to step down as CFO and as a Director of Ardagh Group S.A. and is leaving the Group. John Sheehan, the Group's Corporate Development & Investor Relations Director, succeeds David Matthews as CFO and was appointed as a Director of Ardagh Group S.A. on October 27, 2021.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

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, 2021 including the related notes thereto. As used in this section, the "Group" refers to Ardagh Group 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 our operating performance or any other measures of performance derived in accordance with IFRS.

Business Drivers

The main factors affecting our results of operations for Ardagh Metal Packaging and Ardagh Glass Packaging are: (i) global economic trends and end-consumer demand for our products; (ii) prices of energy and raw materials used in our business, primarily aluminum, steel, cullet, sand, soda ash and coatings, and our ability to pass through these and other cost increases to our customers, through contractual pass through mechanisms under multi-year contracts, or through renegotiation in the case of short-term contracts; (iii) investment in operating cost reductions; (iv) acquisitions; and (v) foreign exchange rate fluctuations and currency translation risks arising from various currency exposures, primarily with respect to the euro, U.S. dollar, British pound, Swedish krona, Polish zloty, Danish krone and Brazilian real.

On May 17, 2021, the Group announced that it had experienced a cyber security incident, the response to which included pro-actively shutting down certain IT systems and applications used by the business. Key systems have now been brought back online securely, in a phased manner and in line with our plan. Production at all of our manufacturing facilities continued to operate throughout this period, though we experienced some shipping delays as a result of this incident.

We believe that our existing information technology control environment is appropriately robust and consistent with industry standards. We are reviewing our information technology roadmap and accelerating planned IT investments to further improve the effectiveness of our information security. We do not believe that our growth investment program has been impacted by this incident. The Group has notified relevant authorities in relation to the exfiltration and dissemination of data which arose in connection with this incident. We do not expect further material costs to arise from the incident.

During the nine months ended September 30, 2021, the Group recognized $63 million of costs related to this incident, including $34 million of exceptional costs. The Ardagh Metal Packaging business incurred $31 million of the total Group costs, including $5 million exceptional related costs, due to this incident, which the Company has agreed to indemnify under the letter agreement dated May 21, 2021. We maintain appropriate insurance in respect of a wide range of risks, including in respect of IT incidents. In the third quarter, in accordance with it's insurance recoverable accounting policy, the Group recognized an insurance recoverable of $29 million in relation to costs deemed virtually certain to be recovered based on the demonstratable entitlement to such recovery. Included within this insurance recoverable of $29 million are exceptional costs of $17 million.

Ardagh Metal Packaging

AMP generates its revenue from supplying metal can packaging to the beverage end use category. Revenue is primarily dependent on sales volumes and sales prices.

Sales volumes are influenced by a number of factors, including factors driving customer demand, seasonality and the capacity of our metal beverage packaging plants. Demand for our metal beverage cans may be influenced by trends in the consumption of beverages, industry trends in packaging, including marketing decisions, and the impact of environmental regulations and shifts in consumer sentiment towards a greater awareness of sustainability. The demand for our beverage products is strongest during spells of warm weather and therefore demand typically, based on historical trends, peaks during the summer months, as well as in the period leading up to holidays in December. Accordingly, we generally build inventories in the first and fourth quarter in anticipation of the seasonal demands in our beverage business.

AMP's Adjusted EBITDA is based on revenue derived from selling our metal beverage cans and is affected by a number of factors, primarily cost of sales. The elements of our cost of sales include (i) variable costs, such as electricity, raw materials (including the cost of aluminum), packaging materials, decoration and freight and other distribution costs, and (ii) fixed costs, such as labor and other plant-related costs including depreciation and maintenance. In addition sales, marketing and administrative costs also impact Adjusted EBITDA. AMP's variable costs have typically constituted approximately 75% and fixed costs approximately 25% of the total cost of sales for our business.

Ardagh Glass Packaging

Ardagh Glass Packaging generates its revenue principally from selling glass containers. Ardagh Glass Packaging revenue is primarily dependent on sales volumes and sales prices. Ardagh Glass Packaging includes our glass engineering business, Heye International.

Sales volumes are affected by a number of factors, including factors impacting customer demand, seasonality and the capacity of Ardagh Glass Packaging's plants. Demand for glass containers may be influenced by trends in the consumption of beverages, fruit and vegetable harvests, industry trends in packaging, including marketing decisions, and the impact of environmental regulations, as well as changes in consumer sentiment including a greater awareness of sustainability issues.

In the U.S., for example, the growth in consumption of imported beer has seen reduced demand for domestically-produced mass beer brands, resulting in reduced demand for glass packaging for this end-use category. Recent years have also seen an increase in the imports of empty glass containers into the United States. In response, the Group reduced production capacity in its Ardagh Glass Packaging North America division by over 10%, in the period 2018-2019. The Group is pursuing growth opportunities in stronger performing end-markets, including food, wines and spirits and has converted production capacity from the mass beer sector to serve these alternative end-markets. Investments in advanced inspection equipment and automation have also been undertaken, and continue to be undertaken, in order to enhance quality and productivity.

Beverage sales within our Ardagh Glass Packaging business are seasonal in nature, with strongest demand during the summer and during periods of warm weather, as well as the period leading up to holidays in December. Accordingly, Ardagh Glass Packaging's shipment volumes of glass containers is typically lower in the first quarter. Ardagh Glass Packaging builds inventory in the first quarter in anticipation of these seasonal demands. In addition, Ardagh Glass Packaging generally schedules shutdowns of its plants for furnace rebuilding and repairs of machinery in the first quarter. These strategic shutdowns and seasonal sales patterns adversely affect profitability in Ardagh Glass Packaging's glass manufacturing operations during the first quarter of the year. Plant shutdowns may also affect the comparability of results from period to period. Ardagh Glass Packaging's working capital requirements are typically greatest at the end of the first quarter of the year.

Ardagh Glass Packaging's Adjusted EBITDA is based on revenue derived from selling glass containers and glass engineering products and services and is affected by a number of factors, primarily cost of sales. The elements of Ardagh Glass Packaging's cost of sales for its glass container manufacturing business include (i) variable costs, such as natural gas and electricity, raw materials (including the cost of cullet), packaging materials, decoration and freight and other distribution costs, and (ii) fixed costs, such as labor and other plant-related costs including depreciation and maintenance. In addition, sales, marketing and administrative costs also impact Adjusted EBITDA. Ardagh Glass Packaging's variable costs have typically constituted approximately 40% and fixed costs approximately 60% of the total cost of sales for our glass container manufacturing business.

Results of operations

Three months ended September 30, 2021 compared with three months ended September 30, 2020:

	Unaudited (in $ millions) Three months ended September 30,	
	2021	**2020**
Revenue	1,942	1,800
Cost of sales	(1,650)	(1,502)
Gross profit	**292**	**298**
Sales, general and administration expenses	(329)	(93)
Intangible amortization	(58)	(59)
Operating (loss)/profit	**(95)**	**146**
Net finance expense	(106)	(78)
Share of post-tax loss in equity accounted joint venture	(10)	(2)
(Loss)/profit before tax	**(211)**	**66**
Income tax charge	(20)	(23)
(Loss)/profit for the period	**(231)**	**43**

Revenue

Revenue in the three months ended September 30, 2021 increased by $142 million, or 8%, to $1,942 million, compared with $1,800 million in the three months ended September 30, 2020. The increase in revenue is primarily driven by the pass through to customers of higher input costs, favorable volume/mix effects, which includes an impact of the Group's growth investment program and favorable foreign currency translation effects of $30 million.

Cost of sales

Cost of sales in the three months ended September 30, 2021 increased by $148 million, or 10%, to $1,650 million, compared with $1,502 million in the three months ended September 30, 2020. The increase in cost of sales is principally due to unfavorable foreign currency translation effects, increased sales as noted above, higher exceptional cost of sales, which increased by $3 million, and higher input costs. Further analysis of the movements in exceptional items is set out in the "Supplemental Management's Discussion and Analysis" section.

Gross profit

Gross profit in the three months ended September 30, 2021 decreased by $6 million, or 2%, to $292 million, compared with $298 million in the three months ended September 30, 2020. Gross profit percentage in the three months ended September 30, 2021 decreased by 160 basis points to 15.0%, compared with 16.6% in the three months ended September 30, 2020. Excluding exceptional cost of sales, gross profit percentage in the three months ended September 30, 2021 decreased by 140 basis points to 15.3% compared with 16.7% in the three months ended September 30, 2020. Further analysis of the movements in exceptional items is set out in the "Supplemental Management's Discussion and Analysis" section.

Sales, general and administration expenses

Sales, general and administration expenses in the three months ended September 30, 2021 increased by $236 million, or 254%, to $329 million, compared with $93 million in the three months ended September 30, 2020. Excluding exceptional items, sales, general and administration expenses increased by $4 million. Exceptional sales, general and administration expenses increased by $232 million due to the service for the listing of the shares in AMP of $205 million, higher cyber security incident and transaction-related costs.

Intangible amortization

Intangible amortization of $58 million in the three months ended September 30, 2021 decreased by $1 million, or 2%, compared with $59 million in the three months ended September 30, 2020.

Operating (loss)/profit

Operating loss of $95 million in the three months ended September 30, 2021 decreased by $241 million, or 165%, compared with an operating profit of $146 million in the three months ended September 30, 2020, due to higher sales, general and administration expenses, lower gross profit and partly offset by lower intangible amortization.

Net finance expense

Net finance expense for the three months ended September 30, 2021 increased by $28 million, or 36%, to $106 million compared with $78 million for the three months ended September 30, 2020. Net finance expense for the three months ended September 30, 2021 and 2020 comprised the following:

	Unaudited	
	(in $ millions)	
	Three months ended September 30,	
	2021	**2020**
Interest expense	94	81
Net pension interest costs	3	3
Foreign currency translation gain	(1)	(6)
(Gain)/loss on derivative financial instruments	(18)	1
Other finance income	(1)	(1)
Net finance expense before exceptional items	**77**	**78**
Exceptional finance expense	29	–
Net finance expense	**106**	**78**

Interest expense increased by $13 million to $94 million in the three months ended September 30, 2021 compared with $81 million in the three months ended September 30, 2020. The increase primarily relates to higher interest expense on the Group's Senior Secured Notes and Senior Notes as a result of the AMP Notes Issuance.

Foreign currency translation gain of $1 million was incurred in the three months ended September 30, 2021, compared with a gain of $6 million in the three months ended September 30, 2020. This movement was driven by foreign exchange rate fluctuations, primarily the U.S. dollar and British pound.

Gains on derivative financial instruments of $18 million in the three months ended September 30, 2021 increased by $19 million, compared to a loss of $1 million in the three months ended September 30, 2020. The gain is related to the Group's CCIRS and primarily on the close out of the CCIRS in the three months ended September 30, 2021. Please refer to note 10 – Financial assets and liabilities of these unaudited consolidated interim financial statements.

Exceptional finance expense for the three months ended September 30, 2021 of $29 million primarily reflects the costs associated with the early redemption of the $800 million 6.000% Senior Notes, principally comprising early redemption premiums and accelerated interest charges to the date of redemption, the fair value movement on the warrants, and the foreign currency exchange loss recognised on the special cash dividend.

Share of post–tax loss in equity accounted joint venture

The Group recognized a $10 million share of post-tax loss in its equity accounted joint venture, relating to its 42% investment in Trivium. Please refer to note 8 – Investment in material joint venture of these unaudited consolidated interim financial statements.

Income tax charge

Income tax charge in the three months ended September 30, 2021 of $20 million decreased by $3 million from an income tax charge of $23 million in the three months ended September 30, 2020. The decrease of $3 million in the income tax charge is primarily due to an increase in exceptional tax credits of $1 million in the three months ended September 30, 2021, in addition to a decrease in the pre-exceptional income tax charge of $2 million in the three months ended September 30, 2021, which was attributable to a decrease in profit before exceptional items and share of post-tax loss in equity accounted joint venture, compared to the three months ended September 30, 2020.

The effective income tax rate (ETR) on profit before exceptional items and share of post-tax loss in equity accounted joint venture for the three months ended September 30, 2021 is 30%, consistent with the three months ended September 30, 2020.

(Loss)/ profit for the period

As a result of the items described above, the Group recognized a loss from continuing operations of $231 million for the three months ended September 30, 2021, compared with a profit of $43 million in the three months ended September 30, 2020.

Nine months ended September 30, 2021 compared with nine months ended September 30, 2020:

	Unaudited (in $ millions) Nine months ended September 30,	
	2021	**2020**
Revenue	5,590	5,028
Cost of sales	(4,743)	(4,235)
Gross profit	**847**	**793**
Sales, general and administration expenses	(541)	(272)
Intangible amortization	(179)	(175)
Operating profit	**127**	**346**
Net finance expense	(287)	(257)
Share of post-tax loss in equity accounted joint venture	(47)	(22)
(Loss)/profit before tax	**(207)**	**67**
Income tax charge	(46)	(27)
(Loss)/profit from continuing operations	**(253)**	**40**
Profit from discontinued operation	–	22
(Loss)/profit for the period	**(253)**	**62**

Revenue

Revenue in the nine months ended September 30, 2021 increased by $562 million, or 11%, to $5,590 million, compared with $5,028 million in the nine months ended September 30, 2020. The increase in revenue is primarily driven by favorable volume/mix effects, which includes an impact of the Group's growth investment program, the pass through to customers of higher input costs and favorable foreign currency translation effects of $172 million.

Cost of sales

Cost of sales in the nine months ended September 30, 2021 increased by $508 million, or 12%, to $4,743 million, compared with $4,235 million in the nine months ended September 30, 2020. The increase in cost of sales is principally due to unfavorable foreign currency translation effects, increased sales as noted above, higher input costs and higher exceptional cost of sales, which increased by $15 million. Further analysis of the movements in exceptional items is set out in the "Supplemental Management's Discussion and Analysis" section.

Gross profit

Gross profit in the nine months ended September 30, 2021 increased by $54 million, or 7%, to $847 million, compared with $793 million in the nine months ended September 30, 2020. Gross profit percentage in the nine months ended September 30, 2021 decreased by 60 basis points to 15.2%, compared with 15.8% in the nine months ended September 30, 2020. Excluding exceptional cost of sales, gross profit percentage in the nine months ended September 30, 2021 decreased by 40 basis points to 15.5%, compared with 15.9% in the nine months ended September 30, 2020. Further analysis of the movements in exceptional items is set out in the "Supplemental Management's Discussion and Analysis" section.

Sales, general and administration expenses

Sales, general and administration expenses in the nine months ended September 30, 2021 increased by $269 million, or 99%, to $541 million, compared with $272 million in the nine months ended September 30, 2020. Excluding exceptional items, sales, general and administration expenses increased by $17 million. Exceptional sales, general and administration expenses increased by $252 million, primarily due to the service for the listing of the shares in AMP of $205 million, higher cyber security incident and transaction-related costs.

Intangible amortization

Intangible amortization of $179 million in the nine months ended September 30, 2021 increased by $4 million, or 2%, compared with $175 million in the nine months ended September 30, 2020, primarily driven by unfavourable foreign exchange.

Operating profit

Operating profit of $127 million in the nine months ended September 30, 2021 decreased by $219 million, or 63%, compared with the nine months ended September 30, 2020, due to higher sales, general and administration expenses and higher intangible amortization charges, partly offset by higher gross profit, as outlined above.

Net finance expense

Net finance expense for the nine months ended September 30, 2021 increased by $30 million, or 12%, to $287 million compared with $257 million for the nine months ended September 30, 2020. Net finance expense for the nine months ended September 30, 2021 and 2020 comprised the following:

	Unaudited (in $ millions) Nine months ended September 30,	
	2021	**2020**
Interest expense	263	222
Net pension interest costs	8	11
Foreign currency translation gain	(1)	(38)
Gains on derivative financial instruments	(22)	(8)
Other finance income	(3)	(4)
Finance expense before exceptional items	**245**	**183**
Exceptional finance expense	42	74
Net finance expense	**287**	**257**

Interest expense increased by $41 million to $263 million in the nine months ended September 30, 2021 compared with $222 million in the nine months ended September 30, 2020. The increase primarily relates to higher interest expense on the Group's Senior Secured Notes and Senior Notes as a result of the AMP Notes Issuance and the 2020 financing activities, partly offset by a reduction in other interest expense.

Foreign currency translation gain in the nine months ended September 30, 2020 of $1 million was driven by foreign exchange rate fluctuations, primarily the U.S. dollar and British pound.

Gains on derivative financial instruments of $22 million in the nine months ended September 30, 2021 increased by $14 million, compared to a gain of $8 million in the nine months ended September 30, 2020. The gain is related to the Group's CCIRS and primarily on the close out of the CCIRS in the nine months ended September 30, 2021. Please refer to note 10 – Financial assets and liabilities of these unaudited consolidated interim financial statements.

Exceptional finance expense for the nine months ended September 30, 2021 of $42 million primarily related to the costs associated with the early redemption of the $800 million 6.000% Senior Notes, principally comprising early redemption premiums, accelerated interest charges net of the related CCIRS, incurred on the $800 million 6.000% Senior Notes from the AMP transfer date, the fair value movement on the warrants and the foreign currency exchange loss recognised on the special cash dividend. Exceptional finance expense for the nine months ended September 30, 2020 of $74 million primarily related to costs associated with the debt refinancing's and related redemption activities in the period, principally comprising early redemption premiums, accelerated amortization of deferred financing costs, and interest charges from the call date to date of redemption.

Share of post–tax loss in equity accounted joint venture

The Group recognized a $47 million share of post-tax loss in its equity accounted joint venture, relating to its 42% investment in Trivium. Please refer to note 8 – Investment in material joint venture of these unaudited consolidated interim financial statements.

Income tax charge

Income tax charge in the nine months ended September 30, 2021 of $46 million increased by $19 million from an income tax charge of $27 million in the nine months ended September 30, 2020. The increase of $19 million in the income tax charge is primarily due to a decrease in exceptional income tax credits of $24 million, relating to tax credits arising from U.S. tax reform (Coronavirus Aid, Relief and Economic Security ("CARES") Act) and exceptional finance expense in the nine months ended September, 30 2021. This increase was partially offset by a decrease in the pre-exceptional income tax charge of $5 million in the nine months ended September 30, 2021, which is attributable to a decrease in profit before exceptional items and share of post-tax loss in equity accounted joint venture in the nine months ended September 30, 2021 compared to the nine months ended September 30, 2020.

The effective income tax rate (ETR) on profit before exceptional items and share of post-tax loss in equity accounted joint venture for the nine months ended September 30, 2021 is 30%, compared with a tax rate of 31% for the nine months ended September 30, 2020. The decrease in ETR primarily relates to changes in profitability mix.

(Loss)/ profit from continuing operations

As a result of the items described above, the Group recognized a loss from continuing operations of $253 million for the nine months ended September 30, 2021, compared with a profit of $40 million in the nine months ended September 30, 2020.

Supplemental Management's Discussion and Analysis

Key operating measures

Adjusted EBITDA consists of profit/(loss) for the year before income tax charge/(credit), net finance expense, depreciation and amortization, exceptional operating items and share of profit or loss in equity accounted joint venture. We use Adjusted EBITDA to evaluate and assess our segment performance. Adjusted EBITDA is presented because we believe that it is frequently used by securities analysts, investors and other interested parties in evaluating companies in the packaging industry. However, other companies may calculate Adjusted EBITDA in a manner different from ours. Adjusted EBITDA is not a measure 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.

For a reconciliation of the loss for the period to Adjusted EBITDA see note 4 – Segment analysis of the unaudited consolidated interim financial statements.

Adjusted EBITDA in the three months ended September 30, 2021 increased by $6 million, or 2%, to $336 million, compared with $330 million in the three months ended September 30, 2020.

Adjusted EBITDA in the nine months ended September 30, 2021 increased by $87 million, or 10%, to $961 million, compared with $874 million in the nine months ended September 30, 2020.

Net debt to Adjusted EBITDA ratio at September 30, 2021 of 4.2x, is based on net debt at September 30, 2021 of $5,184 million and reported LTM Adjusted EBITDA for the twelve months ended September 30, 2021 of $1,242 million. Net debt to Adjusted EBITDA ratio at December 31, 2020 of 4.9x, is based on net debt at December 31, 2020 of $5,699 million and LTM Adjusted EBITDA for the twelve months ended December 31, 2020 of $1,155 million. Net debt is comprised of net borrowings, net of cash and cash equivalents. Net borrowings is comprised of non-current and current borrowings including lease obligations and derivative financial instruments used to hedge foreign currency and interest rate risk.

Exceptional items

The following table provides detail on exceptional items from continuing operations included in cost of sales and sales, general and administration expenses:

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
	$'m	$'m	$'m	$'m
Cyber security incident, net of insurance recoverable	(3)	–	3	–
Start-up related costs	9	2	17	4
Restructuring and other costs	–	1	–	1
Exceptional items – cost of sales	**6**	**3**	**20**	**5**
Transaction-related and other costs	233	5	249	11
Restructuring and other costs	3	3	3	3
Cyber security incident, net of insurance recoverable	4	–	14	–
Exceptional items – SGA expenses	**240**	**8**	**266**	**14**
Debt refinancing and settlement costs	23	–	23	74
Interest expense	4	–	17	–
Other	2	–	2	–
Exceptional items – finance expense	**29**	**–**	**42**	**74**
Share of exceptional items in material joint venture	10	4	28	12
Exceptional items from continuing operations	**285**	**15**	**356**	**105**
Exceptional income tax credit	(2)	(1)	(5)	(29)
Exceptional items from continuing operations, net of tax	**283**	**14**	**351**	**76**
Exceptional items from discontinued operation, net of tax	–	–	–	(22)
Total exceptional items, net of tax	**283**	**14**	**351**	**54**

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

2021

Exceptional items of $351 million have been recognized in the nine months ended September 30, 2021, primarily comprising:

- $17 million net costs resulting from the cyber security incident, including $34 million of professional support fees and direct incremental costs offset by $17 million of insurance recoverable recorded in the period ended September 30, 2021. See note 20 – Other information cyber security incident and insurance recoverable.
- $17 million start-up related costs primarily in Ardagh Metal Packaging Americas ($11 million) and Ardagh Metal Packaging Europe ($5 million), relating to the Group's investment programs.
- $249 million transaction-related and other costs, primarily comprised of an expense of $205 million relating to the service for the listing of the shares in AMP upon the completion of the Business Combination on August 4, 2021, as further detailed in note 14 – Non-controlling interests, and $44 million of costs relating to acquisition, business combination and other transaction costs, including professional advisory fees, and other costs.
- $3 million restructuring and other costs in Ardagh Glass Packaging North America.
- $23 million debt refinancing, and settlement costs related to the redemption of the Group's 6.000% Senior Notes in August 2021 as described in note 10 – Financial assets and liabilities, including premium payable on the early redemption of the notes and accelerated amortization of deferred finance costs and bond premium.
- $5 million, primarily related to interest payable on AMP Notes Issuance in March 2021 related to the period prior to completion of the AMP transfer on April 1, 2021 and $12 million related to interest charges on the Group's

6.000% Senior Notes from the AMP transfer date, related to the combination of Ardagh Metal Packaging with Gores Holdings V as outlined in note 1 – General information, to the date of redemption.

- $28 million from the share of exceptional items in the Trivium joint venture.
- $5 million from tax credits relating to the above exceptional items.

2020

Exceptional items of $54 million have been recognized in the nine months ended September 30, 2020 primarily comprising:

- $4 million start-up related costs.
- $4 million restructuring and other costs.
- $11 million transaction-related and other costs.
- $74 million debt refinancing and settlement costs related to the redemption of notes in May and June 2020 as described in note 10, including premium payable on the early redemption of the notes of $61 million, accelerated amortisation of deferred finance costs and interest charges from the call date to date of redemption.
- $12 million from the share of exceptional items in the Trivium joint venture.
- $29 million from tax credits primarily relating to U.S. tax reform and debt refinancing and settlement costs incurred in the period.
- $22 million credit in relation to the disposal of Food & Specialty including the finalization of the completion accounts process.

Segment Information

Three months ended September 30, 2021 compared with three months ended September 30, 2020

Segment results for the three months ended September 30, 2021 and 2020 are:

	Revenue		Adjusted EBITDA	
	2021	2020	2021	2020
	$'m	$'m	$'m	$'m
Ardagh Metal Packaging Europe	483	421	76	73
Ardagh Metal Packaging Americas	555	478	100	78
Ardagh Glass Packaging Europe	460	472	104	112
Ardagh Glass Packaging North America	444	429	58	67
Total Reportable segments	**1,942**	**1,800**	**338**	**330**
AMP indemnification net of insurance recoverable*	–	–	(2)	–
Group	**1,942**	**1,800**	**336**	**330**

* AMP indemnification represents costs net of insurance, borne by the Company pursuant to a letter of agreement between the Company and Ardagh Metal Packaging, whereby the Company agreed to indemnify, defend and hold harmless Ardagh Metal Packaging and its subsidiaries and their respective successors from and against any and all losses incurred prior to December 31, 2021, resulting from the cyber security incident as outlined in note 20 - Other information. The corresponding income is included within Adjusted EBITDA of the Ardagh Metal Packaging Europe ($15 million) and Ardagh Metal Packaging Americas ($11 million) segments. The Group has recorded $12 million of insurance recoveries (of which $9 million has been included within AMP indemnification net of insurance recoverable noted above) during the third quarter in respect of this incident. See note 20 – Other information.

Bridge of 2020 to 2021 revenue for the three months ended September 30, 2021 is as follows:

Revenue	**Ardagh Metal Packaging Europe**	**Ardagh Metal Packaging Americas**	**Ardagh Glass Packaging Europe**	**Ardagh Glass Packaging North America**	**Group**
	$'m	**$'m**	**$'m**	**$'m**	**$'m**
Revenue 2020	**421**	**478**	**472**	**429**	**1,800**
Organic	48	77	(28)	15	112
FX translation	14	—	16	—	30
Revenue 2021	**483**	**555**	**460**	**444**	**1,942**

Bridge of 2020 to 2021 Adjusted EBITDA for the three months ended September 30, 2021 is as follows:

Adjusted EBITDA	Ardagh Metal Packaging Europe	Ardagh Metal Packaging Americas	Ardagh Glass Packaging Europe	Ardagh Glass Packaging North America	Group
	$'m	$'m	$'m	$'m	$'m
Adjusted EBITDA 2020	**73**	**78**	**112**	**67**	**330**
Organic	1	22	(12)	(9)	2
FX translation	2	—	4	—	6
Adjusted EBITDA 2021	**76**	**100**	**104**	**58**	**338**
AMP indemnification net of insurance recoverable					(2)
Adjusted EBITDA 2021					**336**
2021 margin %	**15.7%**	**18.0%**	**22.6%**	**13.0%**	**17.3%**
2020 margin %	**17.3%**	**16.3%**	**23.7%**	**15.6%**	**18.3%**

Revenue

Ardagh Metal Packaging Europe. Revenue increased by $62 million, or 15%, to $483 million in the three months ended September 30, 2021, compared with $421 million in the three months ended September 30, 2020. Excluding favorable foreign currency translation effects of $14 million, revenue increased by $48 million, mainly due to favorable volume/mix effects and the pass through of higher metal costs.

Ardagh Metal Packaging Americas. Revenue increased by $77 million, or 16%, to $555 million in the three months ended September 30, 2021, compared with $478 million in the three months ended September 30, 2020. The increase in revenue principally reflected the pass through of higher metal costs and favorable volume/mix effects.

Ardagh Glass Packaging Europe. Revenue decreased by $12 million, or 3%, to $460 million in the three months ended September 30, 2021, compared with $472 million in the three months ended September 30, 2020. Excluding favorable foreign currency translation effects of $16 million, revenue decreased by $28 million, principally due to unfavorable volume/mix effects.

Ardagh Glass Packaging North America. Revenue increased by $15 million, or 3%, to $444 million in the three months ended September 30, 2021, compared with $429 million in the three months ended September 30, 2020. The increase in revenue reflected favorable volume/mix effects and the pass through of higher input costs.

Adjusted EBITDA

Ardagh Metal Packaging Europe. Adjusted EBITDA increased by $3 million, or 4%, to $76 million in the three months ended September 30, 2021, compared with $73 million in the three months ended September 30, 2020. Excluding favorable foreign currency translation effects of $2 million, Adjusted EBITDA increased by $1 million, principally reflecting favorable volume/mix effects, including a positive impact from the Group's growth investment program, partly offset by increased costs.

Ardagh Metal Packaging Americas. Adjusted EBITDA increased by $22 million, or 28%, to $100 million in the three months ended September 30, 2021, compared with $78 million in the three months ended September 30, 2020. The increase was mainly driven by favorable volume/mix effects, which includes an impact of the Group's growth investment program.

Ardagh Glass Packaging Europe. Adjusted EBITDA decreased by $8 million, or 7%, to $104 million in the three months ended September 30, 2021, compared with $112 million in the three months ended September 30, 2020. Excluding favorable foreign currency translation effects of $4 million, Adjusted EBITDA decreased by $12 million primarily due to increased input costs, including higher energy costs and unfavorable volume/mix effects, partly offset by operating cost savings.

Ardagh Glass Packaging North America. Adjusted EBITDA decreased by $9 million, or 13%, to $58 million in the three months ended September 30, 2021, compared with $67 million in the three months ended September 30, 2020. The decrease in Adjusted EBITDA was mainly driven by increased operating costs, principally due to freight, and unfavorable volume/mix effects.

Nine months ended September 30, 2021 compared with nine months ended September 30, 2020

Segment results for the nine months ended September 30, 2021 and 2020 are:

	Revenue		Adjusted EBITDA	
	2021	**2020**	**2021**	**2020**
	$'m	**$'m**	**$'m**	**$'m**
Ardagh Metal Packaging Europe	1,383	1,201	227	197
Ardagh Metal Packaging Americas	1,585	1,357	270	208
Ardagh Glass Packaging Europe	1,308	1,224	315	277
Ardagh Glass Packaging North America	1,314	1,246	166	192
Total Reportable segments	**5,590**	**5,028**	**978**	**874**
AMP indemnification net of insurance recoverable*	–	–	(17)	–
Group	**5,590**	**5,028**	**961**	**874**

* AMP indemnification represents costs net of insurance, borne by the Company pursuant to a letter of agreement between the Company and Ardagh Metal Packaging, whereby the Company agreed to indemnify, defend and hold harmless Ardagh Metal Packaging and its subsidiaries and their respective successors from and against any and all losses incurred prior to December 31, 2021, resulting from the cyber security incident as outlined in note 20 - Other information. The corresponding income is included within Adjusted EBITDA of the Ardagh Metal Packaging Europe ($15 million) and Ardagh Metal Packaging Americas ($11 million) segments. The Group has recorded $12 million of insurance recoveries (of which $9 million has been included within AMP indemnification net of insurance recoverable noted above) during the third quarter in respect of this incident. See note 20 – Other information.

Bridge of 2020 to 2021 revenue for the nine months ended September 30, 2021 is as follows:

Revenue	**Ardagh Metal Packaging Europe**	**Ardagh Metal Packaging Americas**	**Ardagh Glass Packaging Europe**	**Ardagh Glass Packaging North America**	**Group**
	$'m	**$'m**	**$'m**	**$'m**	**$'m**
Revenue 2020	**1,201**	**1,357**	**1,224**	**1,246**	**5,028**
Organic	97	228	(3)	68	390
FX translation	85	—	87	—	172
Revenue 2021	**1,383**	**1,585**	**1,308**	**1,314**	**5,590**

Bridge of 2020 to 2021 Adjusted EBITDA for the nine months ended September 30, 2021 is as follows:

Adjusted EBITDA	**Ardagh Metal Packaging Europe**	**Ardagh Metal Packaging Americas**	**Ardagh Glass Packaging Europe**	**Ardagh Glass Packaging North America**	**Group**
	$'m	**$'m**	**$'m**	**$'m**	**$'m**
Adjusted EBITDA 2020	**197**	**208**	**277**	**192**	**874**
Organic	16	62	19	(26)	71
FX translation	14	—	19	—	33
Adjusted EBITDA 2021	**227**	**270**	**315**	**166**	**978**
AMP indemnification net of insurance recoverable					(17)
Adjusted EBITDA 2021					**961**
2021 margin %	**16.4%**	**17.0%**	**24.1%**	**12.6%**	**17.2%**
2020 margin %	**16.4%**	**15.3%**	**22.6%**	**15.4%**	**17.4%**

Revenue

Ardagh Metal Packaging Europe. Revenue increased by $182 million, or 15%, to $1,383 million in the nine months ended September 30, 2021, compared with $1,201 million in the nine months ended September 30, 2020. Excluding favorable foreign currency translation effects of $85 million, revenue increased by $97 million, principally reflecting higher selling prices to recover increased input costs and favorable volume/mix effects of 3%, which includes an impact of the Group's growth investment program.

Ardagh Metal Packaging Americas. Revenue increased by $228 million, or 17%, to $1,585 million in the nine months ended September 30, 2021, compared with $1,357 million in the nine months ended September 30, 2020. The increase in revenue principally reflected the pass through of higher metal costs and volume/mix growth of 7%, which includes an impact of the Group's growth investment program.

Ardagh Glass Packaging Europe. Revenue increased by $84 million, or 7%, to $1,308 million in the nine months ended September 30, 2021, compared with $1,224 million in the nine months ended September 30, 2020. Revenue increased principally due to favorable volume/mix effects of 1% and favorable foreign currency translation effects, partly offset by lower selling prices.

Ardagh Glass Packaging North America. Revenue increased by $68 million, or 5%, to $1,314 million in the nine months ended September 30, 2021, compared with $1,246 million in the nine months ended September 30, 2020. The increase in revenue principally reflected favorable volume/mix effects of 5%.

Adjusted EBITDA

Ardagh Metal Packaging Europe. Adjusted EBITDA increased by $30 million, or 15%, to $227 million in the nine months ended September 30, 2021, compared with $197 million in the nine months ended September 30, 2020. Excluding favorable foreign currency translation effects of $14 million, Adjusted EBITDA increased by $16 million, principally due to positive volume/mix effects, including a favorable impact from the Group's growth investment program, as well as cost efficiency initiatives.

Ardagh Metal Packaging Americas. Adjusted EBITDA increased by $62 million, or 30%, to $270 million in the nine months ended September 30, 2021, compared with $208 million in the nine-month period ended September 30, 2020. The increase was mainly driven by favorable volume/mix effects, which includes an impact of the Group's growth investment program, and lower operating costs.

Ardagh Glass Packaging Europe. Adjusted EBITDA increased by $38 million, or 14%, to $315 million in the nine months ended September 30, 2021, compared with $277 million in the nine months ended September 30, 2020. Excluding favorable foreign currency translation effects of $19 million, Adjusted EBITDA increased by $19 million, principally due to lower operating costs due to lower production downtime than in the same quarter of 2020, and favorable volume/mix effects, which includes an impact of the Group's growth investment program, partly offset by higher input costs, including higher energy costs.

Ardagh Glass Packaging North America. Adjusted EBITDA decreased by $26 million, or 14%, to $166 million in the nine months ended September 30, 2021, compared with $192 million in the nine months ended September 30, 2020. The decrease in Adjusted EBITDA was mainly driven by unfavorable volume/mix effects and increased input costs, principally due to higher freight and energy costs.

Liquidity and Capital Resources

Cash requirements related to operations

Our principal sources of cash are cash generated from operations and external financings, including borrowings and other credit facilities. Our principal funding arrangements include borrowings available under the Global Asset Based Loan Facilities.

The following table outlines our principal financing arrangements as at September 30, 2021:

Facility	Currency	Maximum amount drawable	Final maturity date	Facility type	Amount drawn		Undrawn amount
		Local currency m			Local currency m	$'m	$'m
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	439	508	–
2.125% Senior Secured Notes	EUR	790	15-Aug-26	Bullet	790	915	–
4.750% Senior Notes	GBP	400	15-Jul-27	Bullet	400	538	–
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	–
Global Asset Based Loan Facility	USD	467	07-Dec-22	Revolving	–	–	467
Lease obligations	Various	–		Amortizing	–	245	–
Other borrowings/credit lines	Various	–	Rolling	Amortizing	–	–	1
Restricted Group total borrowings / undrawn facilities						**5,921**	**468**
2.000% Senior Secured Notes	EUR	450	01-Sep-28	Bullet	450	521	–
3.250% Senior Secured Notes	USD	600	01-Sep-28	Bullet	600	600	–
3.000% Senior Notes	EUR	500	01-Sep-29	Bullet	500	579	–
4.000% Senior Notes	USD	1,050	01-Sep-29	Bullet	1,050	1,050	–
Global Asset Based Loan Facility	USD	325	06-Aug-26	Revolving	–	–	325
Lease obligations	Various	–		Amortizing	–	185	–
Other borrowings/credit lines	Various	–	Rolling	Amortizing	–	11	–
Unrestricted Group* total borrowings / undrawn facilities						**2,946**	**325**
Total borrowings / undrawn facilities						**8,867**	**793**
Deferred debt issue costs and bond discounts/bond premium						(133)	–
Net borrowings / undrawn facilities						**8,734**	**793**
Cash, cash equivalents and restricted cash						(3,550)	3,550
Derivative financial instruments used to hedge foreign currency and interest rate risk						–	–
Net debt / available liquidity						**5,184**	**4,343**

* Unrestricted group refers to Ardagh Metal Packaging S.A. and its subsidiaries as referred to in note 1 - General Information of the unaudited consolidated interim financial statements.

The following table outlines the minimum repayments the Group is obliged to make in the twelve months ending September 30, 2022, assuming that the other credit lines will be renewed or replaced with similar facilities as they mature.

Facility	Currency	Maximum Amount Drawable Local Currency	Final Maturity Date	Facility Type	Minimum net repayment for the twelve months ending September 30, 2022
		(in millions)			(in $ millions)
Lease obligations	Various	–	–	Amortizing	93
Other borrowings/credit lines	Various	–	Rolling	Amortizing	11
Minimum net repayment					**104**

The Group generates substantial cash flow from its operations and had $3,550 million in cash, cash equivalents and restricted cash as of September 30, 2021, as well as available but undrawn liquidity of $793 million under its credit facilities.

On April 1, 2021, the Group reduced the size of Global Asset Based Loan Facility from $700 million to $500 million in connection with the designation of the AMP entities as unrestricted subsidiaries.

On August 6, 2021, AMP and certain of its subsidiaries entered into a ABL Facility in the amount of $300 million, which was increased to $325 million on September 29, 2021.

We believe that our cash balances and future cash flow from operating activities, as well as our credit facilities, will provide sufficient liquidity to fund our purchases of property, plant and equipment, interest payments on our notes and other credit facilities, and dividend payments for at least the next twelve months. In addition, we believe that we will be able to fund certain additional investments, which we may choose to pursue, from our current cash balances, credit facilities, cash flow from operating activities, and where necessary, incremental debt.

The Group's long-term liquidity needs primarily relate to the service of our debt obligations. We expect to satisfy our future long-term liquidity needs through a combination of cash flow generated from operations and, where appropriate, to refinance our debt obligations in advance of their respective maturity dates, as we have successfully done in the past.

Cash flows

The following table sets forth a summary of our cash flow for the nine months ended September 30, 2021 and 2020:

	Unaudited (in $ millions) Nine months ended September 30,	
	2021	2020
Operating profit	**127**	**346**
Depreciation and amortization	548	509
Exceptional operating items	286	19
Movement in working capital (1)	(283)	(210)
Transaction-related, start-up and other exceptional costs paid	(68)	(76)
Exceptional restructuring paid	–	(3)
Cash generated from operations	**610**	**585**
Interest paid	(163)	(187)
Income tax paid	(35)	(34)
Cash flows from operating activities	**412**	**364**
Capital expenditure (2)	(684)	(352)
Other investing cash flows	(8)	–
Investing cash flow used in continuing operations	**(692)**	**(352)**
Proceeds from disposal of discontinued operation	–	32
Net cash used in investing activities	**(692)**	**(320)**
Proceeds from borrowings	2,766	4,068
Repayment of borrowings	(803)	(3,255)
Proceeds from issuance of non-controlling interest, net of costs	934	–
Early redemption premium paid	(24)	(61)
Lease payments	(85)	(68)
Deferred debt issue costs paid	(38)	(30)
Dividends paid	(71)	(69)
Consideration paid on maturity of derivative financial instruments	(72)	–
Net cash inflow from financing activities	**2,607**	**585**
Net increase in cash and cash equivalents	**2,327**	**629**
Cash and cash equivalents at beginning of period	1,267	614
Foreign exchange losses on cash and cash equivalents	(44)	(13)
Cash and cash equivalents at end of period	**3,550**	**1,230**

(1) Working capital comprises inventories, trade and other receivables, contract assets, trade and other payables, contract liabilities and current provisions.

(2) 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. Capital expenditure for the nine months ended September 30, 2021 includes $429 million related to the Group's growth investment program.

Cash flows generated from operating activities

Cash flows generated from operating activities for the nine months ended September 30, 2021, of $412 million represents an increase of $48 million, compared with a $364 million net cash from operating activities in the same period in 2020. The increase was due to lower interest payment of $24 million, higher Adjusted EBITDA as outlined in the "Supplemental Management's Discussion and Analysis – Key operating measures" section, an increase in depreciation and amortization of $39 million, a decrease in exceptional restructuring costs paid of $3 million, a decrease in transaction-related, start-up and other exceptional costs paid of $8 million and an increase in exceptional operating items of $267 million, partly offset by an increase in working capital outflows of $73 million and an increase in tax payment of $1 million.

Cash flows used in investing activities

Cash flows used in investing activities increased by $372 million to $692 million in the nine months ended September 30, 2021, compared with $320 million used in investing activities in the same period in 2020 mainly as a result of increased capital expenditure on the Group's growth investment program, the timing of projects and furnace rebuild and repair activity.

Net cash inflow from financing activities

Net cash from financing activities represents an inflow of $2,607 million in the nine months ended September 30, 2021 compared with a $585 million inflow in the same period in 2020.

Proceeds from borrowings of $2,766 million reflects the AMP Notes Issuance during the nine months ended September 30, 2020, as described in note 10 – Financial assets and liabilities of the unaudited consolidated interim financial statements.

Proceeds from issuance of non-controlling interest, net of costs of $934 million reflects the share issuance to PIPE investors, SPAC shareholders and SPAC sponsors, net of issuance costs during the nine months ended September 30, 2021.

Repayment from borrowings of $803 million predominately reflect the redemption in full of the remaining outstanding $800 million 6.000% Senior Notes due 2025 during the nine months ended September 30, 2021, as described in note 10 – Financial assets and liabilities of the unaudited consolidated interim financial statements. Total associated early redemption premium paid was $24 million.

Lease payments of $85 million in the nine months ended September 30, 2021, increased by $17 million compared to $68 million in the nine months ended September 30, 2020, reflecting increased principal repayments on the Group's lease obligations.

In the nine months ended September 30, 2021, the Group paid dividends to shareholders of $71 million. On February 15, 2021, the Company approved a cash dividend of $0.15 per common share. The dividend of $35 million was paid on April 1, 2021, to shareholders of record on March 18, 2021. On April 28, 2021, the Company approved a cash dividend of $0.15 per common share. The dividend of $36 million was paid on June 16, 2021, to shareholders of record on June 2, 2021.

Working capital

For the nine months ended September 30, 2021, the working capital outflow during the period increased by $73 million to $283 million, from an outflow of $210 million for the nine months ended September 30, 2020. The increase is mainly due to unfavorable movements from inventory and trade and other receivables, partly offset by favorable movements in trade and other payables, compared with the same period in 2020.

Transaction-related, start-up and other exceptional costs paid

Transaction-related, start-up and other exceptional costs paid in the nine months ended September 30, 2021, decreased by $8 million to $68 million, compared with $76 million in the nine months ended September 30, 2020. In the nine months ended September 30, 2021, amounts paid of $68 million primarily related to transformation and other transaction-related costs, and costs related to the IT incident as described in note 20 – other information of the unaudited consolidated interim financial statements. In the nine months ended September 30, 2020 amounts paid primarily related to costs relating to the combination of Food & Specialty with the business of Exal to form Trivium.

Income tax paid

Income tax paid during the nine months ended September 30, 2021, was $35 million, which represents an increase of $1 million, compared with $34 million in the nine months period ended September 30, 2020. The increase is primarily attributable to the timing of tax payments and refunds received in certain jurisdictions.

Capital expenditure

	(in $ millions)	
	Nine months ended September 30,	
	2021	2020
Ardagh Metal Packaging Europe	104	65
Ardagh Metal Packaging Americas	324	112
Ardagh Glass Packaging Europe	133	81
Ardagh Glass Packaging North America	123	94
Net capital expenditure	**684**	**352**

Capital expenditure for the nine months ended September 30, 2021, increased by $332 million to $684 million, compared with $352 million for the nine months ended September 30, 2020. The increase was primarily attributable to the Group's growth investment program and also due to the timing of projects and furnace rebuild and repair activity. Capital expenditure for the nine months ended September 30, 2021 includes $429 million related to the Group's growth investment program.

In Ardagh Metal Packaging Europe, capital expenditure in the nine months ended September 30, 2021 was $104 million compared with $65 million in the same period in 2020. In Ardagh Metal Packaging Americas capital expenditure in the nine months ended September 30, 2021 was $324 million, compared with $112 million in the same period in 2020. In both cases, the increase in capital expenditure was primarily attributable to the Group's growth investment program. In Ardagh Glass Packaging Europe, capital expenditure was $133 million in the nine months ended September 30, 2021, compared with $81 million in the same period in 2020, while in Ardagh Glass Packaging North America, capital expenditure was $123 million in the nine months ended September 30, 2021, compared with $94 million in the same period in 2020. In both cases, the increase was mainly attributable to the timing of furnace rebuild and repair activity.

Receivables Factoring and Related Programs

The Group participates in several uncommitted accounts receivable factoring and related programs with various highly reputable financial institutions for certain receivables, accounted for as true sales of receivables, without recourse to the Group. Receivables of $502 million were sold under these programs at September 30, 2021 (December 31, 2020: $440 million).

Trade Payables Processing

Our suppliers have access to independent third party payable processors. The processors allow suppliers, if they choose, to sell their receivables to financial institutions at the sole discretion of both the supplier and the financial institution. We have no involvement in the sale of these receivables and the suppliers are at liberty to use these arrangements if they wish to receive early payment. As the original liability to our suppliers, including amounts due and scheduled payment dates, remains as agreed in our supply agreements and is neither legally extinguished nor substantially modified, the Group continues to present such obligations within trade payables.

Cautionary Statement Regarding Forward-Looking Statements

This report includes statements that are, or may be deemed to be, forward-looking statements. All statements other than statements of historical fact included in this report regarding our business, financial condition, results of operations and certain of our plans, objectives, assumptions, projections, expectations or beliefs with respect to these items and statements regarding other future events or prospects, are forward-looking statements. These statements include, without limitation, those concerning: our strategy and our ability to achieve it; expectations regarding sales, profitability and growth; our possible or assumed future results of operations; R&D, capital expenditures and investment plans; adequacy of capital; and financing plans. The words “aim”, “may”, “will”, “expect”, “is expected to”, “anticipate”, “believe”, “future”, “continue”, “help”, “estimate”, “plan”, “schedule”, “intend”, “should”, “would be”, “seeks”, “estimates”, “shall” or the negative or other variations thereof, as well as other statements regarding matters that are not historical fact, are or may constitute forward-looking statements.

Although we believe that the estimates reflected in the forward-looking statements are reasonable, such estimates may prove to be incorrect. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future.

All forward-looking statements included in this report are based on information available to us on the date of this report. We undertake no obligation to update publicly or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as may be required by applicable law. All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary Statements contained throughout this report.

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