Press Release

Results for the First Quarter ended 31 March 2020

Athens, Greece, 28 May 2020 – Frigoglass SAIC announces unaudited results for the quarter 31 March 2020

COVID-19 pandemic update

- Safeguarding the health and safety of employees and ensuring business continuity our top priorities
- Strong performance in the first two months of the year, with sales and EBITDA up double-digit
- Social-distancing measures and government lockdowns in several of our markets resulted in a significant reduction of customers' orders for the upcoming months
- Q2 is expected to be severely impacted by the sharp decline in demand; April's sales were down by approximately 54% y-o-y
- Actions taken to adjust cost base to the reduced business activity and reprioritise capital expenditure
- Sufficient cash balance of €66 million at April-end to meet future financial commitments; Debt maturities recently extended to 2025
- Liquidity assisted by increasing the existing credit lines

First quarter 2020 highlights

- Group sales increased by 8% y-o-y, driven by demand growth in Commercial Refrigeration
- Commercial Refrigeration sales up 15% y-o-y following strong demand in Russia, India and Africa in January and February
- Glass business primarily impacted by soft demand for plastic crates
- EBITDA increased by 9% y-o-y, with EBITDA margin improvement in both segments
- Adjusted Net Debt to LTM EBITDA at 3.3x, improved from 4.0x in 1Q19

Financial Results

€ 000's	**1Q20**	1Q19	Change, %
Sales	135,897	125,565	8.2%
EBITDA[1]	20,538	18,887	8.7%
EBITDA Margin, %[1]	15.1%	15.0%	0.1pp
Operating Profit (EBIT)	14,890	12,992	14.6%
Net Profit	4,445	2,031	>100%
Capital Expenditure[1]	4,535	2,739	65.6%

1. *For details refer to Alternative Performance Measures (APMs) section in this report*

Nikos Mamoulis, Chief Executive Officer of Frigoglass, commented:

"The COVID-19 pandemic has created unprecedented challenges for our business. Throughout the pandemic, our top priority is to safeguard the health and safety of our employees and continue serving our customers. I am particularly delighted and thankful with the efforts of our employees on the ground to ensure business continuity during this challenging period.

The good momentum of the first quarter, together with our proactively developed precautionary measures, will support our efforts to manage the rest of 2020 and enable our business to ramp-up when the recovery phase begins."

Frigoglass management will host an analysts and investors conference call today. See dial-in details on page 6.

Financial Overview

We reported a good set of Q1 results with growth momentum continuing in January and February 2020. Following the rapid evolution of COVID-19 and the subsequent governments' interventions in several of our markets, demand for our commercial refrigeration products slowed down in March. Demand for our glass container and complementary products in Nigeria was also impacted by mounting macroeconomic concerns in the country. Overall, Group sales increased by 8.2% to €135.9 million, demonstrating a resilient performance in the first two months of the year across all our Commercial Refrigeration geographies.

Gross profit (excluding depreciation) increased by 5.0% to €30.9 million in the quarter. The gross margin declined by 70 basis points year-on-year to 22.8% due to a less favourable sales mix, higher transportation costs and increased idle costs in some of our Commercial Refrigeration plants, more than offsetting volume growth and productivity gains.

Operating expenses (excluding depreciation) declined by 1.2% at €11.0 million. Consequently, operating expenses as a percentage of sales improved by 80 basis points to 8.1%.

As a result, EBITDA increased by 8.7% to €20.5 million in the quarter. EBITDA margin improved by 10 basis points, at 15.1%. Net finance cost was €0.6 million., compared to €5.9 million in Q1 2019, supported by foreign exchange gains primarily caused by the impact from Naira's devaluation on hard currency denominated monetary assets. Frigoglass reported a net profit of €4.4 million, compared to €2.0 million last year.

We generated adjusted free cash flow of €2.1 million in Q1 2020, compared to an outflow of €13.2 million in Q1 2019. This improvement was achieved through higher year-on-year EBITDA and better working capital management. Adjusted net debt was €247.4 million, compared to €250.6 million last year. Importantly, we successfully issued €260 million senior secured notes in February 2020, extending the maturity of the bulk of our gross debt to 2025.

Segmental Review

ICM Operations

€ 000's	1Q20	1Q19	Change, %
Sales	111,170	97,004	14.6%
EBITDA	13,722	11,568	18.6%
EBITDA Margin, %	12.3%	11.9%	0.4pp
Operating Profit (EBIT)	10,357	7,712	34.3%
Net Profit[1]	-1,385	-181	n.m.
Capital Expenditure	1,939	1,535	26.3%

1. *Net Profit after minority interest*

Europe

Sales in East Europe grew by 19.8%, following sustained strong orders from key customers in Russia, Ukraine and Poland. This good performance was supported by market share gains with a customer in the brewery segment. Growth was tempered in March as lockdown measures affected our customers' cooler investments. In West Europe, although we saw growth in most of our markets, the significant lower year-on-year orders in Germany resulted in a mid-single digit decline in sales.

Africa and Middle East

In Africa and Middle East, sales were up 29.7% year-on-year in the quarter. This performance primarily reflects increased demand in East and South Africa, more than offsetting lower orders from breweries in Nigeria due to the challenging macro environment.

Asia

Growth momentum in Asia remained strong, with sales growing by 30.3%. This performance was driven by increased orders in the first two months of the year from soft drink customers in India, coupled with market share gains. Sales significantly slowed down in March, mainly following the lockdown measures in India that affected our customers' cooler capital spending.

EBITDA in the quarter increased by 18.6% to €13.7 million, with the respective margin improving by 40 basis points to 12.3%. Volume growth, productivity improvement initiatives and lower operating expenses, more than offset the less favourable sales mix. Operating Profit (EBIT) was €10.4 million, up 34.3% year-on-year, supported by lower depreciation charges. We reported a net loss of €1.4 million, compared to a net loss of €0.2 million last year, impacted by foreign exchange losses.

Glass Operations

€ 000’s	1Q20	1Q19	Change, %
Sales	24,727	28,561	-13.4%
EBITDA	6,816	7,319	-6.9%
EBITDA Margin, %	27.6%	25.6%	1.9pp
Operating Profit (EBIT)	4,533	5,280	-14.1%
Net Profit[1]	5,830	2,212	>100%
Capital Expenditure	2,596	1,204	>100%

[1.] *Net Profit after minority interest*

Sales declined by 13.4% in the quarter, primarily driven by lower demand for plastic crates. Lower year-on-year volume in the glass container business driven by key brewery customers was mostly offset by price initiatives. Metal crowns’ sales were also lower year-on-year, impacted by production disruptions due to raw material shortages. Demand for plastic crates remained soft, resulting in a double-digit top-line decline. Measures related to COVID-19 pandemic were taken in Nigeria late in March and early April and were varying from state to state. Demand in April materially impacted by the mandated lockdowns.

EBITDA declined by 6.9% to €6.8 million, with EBITDA margin improving by 190 basis points to 27.6% due to pricing. Operating Profit (EBIT) was €4.5 million, down 14.1% year-on-year, also impacted by higher depreciation charges. Net profit was €5.8 million, compared to €2.2 million last year, assisted by foreign exchange gains.

Business Outlook and COVID-19 Pandemic Update

Although we saw last year’s growth momentum continuing in January and February 2020 and were optimistic for the year, customers’ orders have been significantly reduced in March following the material impact in the Immediate Consumption channel caused by governments’ social-distancing measures and lockdowns in several of our markets. The impact was varying across all our markets, with Western Europe suffering the most.

The full impact of the COVID-19 pandemic on our 2020 results remains uncertain and will highly depend on the magnitude of the global economic impact after the lift of the governments’ restrictions. What is evident from April’s 2020 sales and the continuous trend in May is that the impact will be significant on our Q2 2020 results.

To limit the profitability and cash flow impact caused from the slow-down in demand, we are taking several actions to protect our business and adjust our cost base and capital spending. Currently, our focus is on improving our cost absorption ability by reducing our fixed production and operating expenses base and eliminating discretionary costs, such as travelling, third-party fees and marketing. We have also reprioritised capital expenditure, reducing spending at around €15 million in 2020. We remain firm on completing the furnace rebuild later in the year to protect the long-term future of our Glass business. In these market conditions, we have also currently put on hold the implementation of SAP platform. The aforementioned cash preservation initiatives do not affect our capacity to swiftly respond when demand returns to normal level.

We are entering the crisis from a position of strength, having extended the bulk of our debt maturities to 2025 and reaching a cash balance of €66 million in April, which is sufficient to meet our financing costs obligations. Over and above, we have increased our credit lines with banks in certain local jurisdictions by €10 million. We also continue our efforts to further increase our liquidity position over the upcoming months.

Frigoglass

Frigoglass is a strategic partner to beverage brands throughout the world. We are one of the global leaders in the Ice Cold Merchandisers (ICM) market and the principal supplier of glass packaging in the high growth markets of West Africa.

Frigoglass has long-standing relationships with blue chip customers in the soft drinks and beverage industries. Our bespoke Ice Cold Merchandisers (beverage coolers) enhance our customers' beverage branding and facilitate immediate beverage consumption. At the same time, our leading innovations in the field of green refrigeration enable our customers to meet their sustainability and carbon emissions reduction targets.

With its footprint, Frigoglass is well established in the more mature European markets while it is evolving and establishing its position in emerging markets. We support our customers through manufacturing facilities in five countries and an extensive network of sales and after-sales representatives.

In our glass bottle business, we are focused on Africa, which is a prime region of investment for our customers. We aim to create value for our customers by building on our position as a leading supplier of glass bottles and complementary packaging solutions in West Africa.

For more information, please visit http://www.frigoglass.com.

Conference call details

Frigoglass will host an analysts and investors conference call to discuss its first quarter 2020 results today at 4:00 pm, Athens Time (2:00 pm London time). Callers should dial +30 211 211 1511 from Greece, +44 207 194 3759 from the UK (also other international callers) and +1 844 286 0643 from the US. The access code to the conference call is 28172940#.

The conference call, which will include management's remarks and a question and answer session, will last approximately one hour. A slide presentation will be available as of that time on the Frigoglass website: http://www.frigoglass.com.

Please dial in approximately 10 minutes ahead of the scheduled start time to ensure your participation. A replay of the conference call will be available until Friday, 26 June 2020.

The first quarter results press release is available from 28 May 2020 on the Frigoglass News section at www.frigoglass.com/press-releases and on the IR homepage at www.frigoglass.com/investors.

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This press release constitutes a public disclosure of inside information by Frigoglass S.A.I.C. under Regulation (EU) 596/2014 (16 April 2014). This notification was made by Mr. Nikos Mamoulis, Chief Executive Officer of Frigoglass S.A.I.C. at 8:30 am on May 28, 2020.

Important note regarding forward-looking statements

This announcement may contain forward-looking statements which are based on current expectations and assumptions about future events. All statements other than statements of historical fact included in this announcement, including, without limitation, statements regarding Frigoglass' future financial position, capital expenditures, projected sales, costs and costs savings, if any, may be forward-looking statements. These forward-looking statements are subject, among other things, to business, economic and competitive uncertainties and contingencies, which relate to factors that are beyond Frigoglass' ability to control or estimate precisely and that could cause actual results to differ materially from those expressed therein. In view of the above, you are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this document. Frigoglass does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this announcement. With respect to any estimates of future cost savings included herein, Frigoglass can provide no assurance that the full benefits it expects will be realized within the time periods specified or that implementation costs associated with such cost savings will not exceed its expectations. For a more detailed description of the main risks and uncertainties that could cause actual results to differ materially from those expressed or implied by forward-looking statements, please refer to Frigoglass' annual financial statements, which can be found on the company's website at www.frigoglass.com.

Appendices

1. Alternative Performance Measures ("APMs")
2. ICM Operations Sales by Geography and Customer Group
3. Consolidated Income Statement
4. Consolidated Statement of Financial Position
5. Consolidated Cash Flow Statement

The attached condensed financial statements should be read in conjunction with the relevant notes to the full financial statements for the period, which can be found on the company's website at www.frigoglass.com.

Appendix 1: Alternative Performance Measures ("APMs")

The Group uses certain Alternative Performance Measures ("APMs") in making financial, operating and planning decisions, as well as, in evaluating and reporting its performance. These APMs provide additional insights and understanding to the Group's operating and financial performance, financial condition and cash flow. The APMs should be read in conjunction with and do not replace by any means the directly reconcilable IFRS line items.

Definitions and reconciliations of Alternative Performance Measures ("APMs")

In discussing the performance of the Group, certain measures are used, which are calculated by deducting from the directly reconcilable amounts of the Financial Statements the impact of restructuring costs.

Restructuring Costs

Restructuring costs comprise costs arising from significant changes in the way the Group conducts business, such as the discontinuation of manufacturing operations. These costs are included in the Company's/Group's Income Statement, while the payment of these expenses are included in the Cash Flow Statement. However, they are excluded from the results in order for the user to obtain a better understanding of the Group's operating and financial performance achieved from ongoing activity.

EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization)

EBITDA is calculated by adding back to profit before income tax, the depreciation, restructuring costs, the impairment of property, plant and equipment and intangible assets and net finance cost/income. EBITDA margin (%) is defined as EBITDA divided by Sales from contracts with customers.

EBITDA is intended to provide useful information to analyze the Group's operating performance.

(in € 000's)	1Q20	1Q19
Profit / (Loss) before income tax	**14,302**	**7,125**
Depreciation	5,648	5,895
Finance costs	588	5,867
EBITDA	**20,538**	**18,887**
Sales from contracts with customers	135,897	125,565
EBITDA margin, %	**15.1%**	**15.0%**

Net Trade Working Capital (NTWC)

Net Trade Working Capital is calculated by subtracting Trade Payables from the sum of Inventories and Trade Receivables. The Group presents Net Trade Working Capital because it believes the measure assists users of the financial statements to better understand its short term liquidity and efficiency.

(in € 000's)	31 March 2020	31 December 2019	31 March 2019
Trade debtors	116,365	97,523	116,823
Inventories	97,581	107,250	115,095
Trade creditors	80,199	81,450	95,834
Net Trade Working Capital	**133,747**	**123,323**	**136,084**

Free Cash Flow

Free cash flow is used by the Group and defined as cash generated by operating activities after cash generated from investing activities. Free cash flow is intended to measure the cash generation from the Group's business, based on operating activities, including the efficient use of working capital and taking into account the purchases of property, plant and equipment and intangible assets. The Group presents free cash flow because it believes the measure assists users of the financial statements in understanding the Group's cash generating performance as well as availability for debt service, dividend distribution and own retention.

(in € 000's)	**1Q20**	**1Q19**
Net cash flow from operating activities	6,630	(10,423)
Net cash flow from investing activities	(4,535)	(1,944)
Free Cash Flow	**2,095**	**(12,367)**

Adjusted Free Cash Flow

Adjusted Free Cash Flow facilitates comparability of Cash Flow generation with other companies, as well as enhances the comparability of information between reporting periods. Adjusted Free Cash Flow is calculated by excluding from the Free Cash Flow (defined above) the restructuring related cost, the proceeds from disposal of property, plant and equipment (PPE) and subsidiaries.

(in € 000's)	**1Q20**	**1Q19**
Free Cash Flow	**2,095**	**(12,367)**
Proceeds from disposal of subsidiary	–	(795)
Adjusted Free Cash Flow	**2,095**	**(13,162)**

Net Debt

Net debt is used by Management to evaluate the Group's capital structure and leverage. Net debt is defined as long-term borrowings plus short-term borrowings less cash and cash equivalents as illustrated below. Following the adoption of IFRS 16, financial liabilities related to leases are included in the calculation of net debt as from 2019 onwards.

(in € 000's)	**31 March 2020**	**31 December 2019**	**31 March 2019**
Long-term borrowings	251,882	223,458	236,654
Short-term borrowings	46,328	55,260	46,256
Lease liabilities (long-term portion)	2,891	3,419	4,777
Lease liabilities (short-term portion)	2,043	2,059	1,593
Cash and cash equivalents	63,855	54,170	38,720
Net Debt	**239,289**	**230,026**	**250,560**

Adjusted Net debt

Adjusted net debt includes the unamortised costs related to the €260 million senior secured notes issued on February 12, 2020.

(in € 000’s)	31 March 2020	31 December 2019	31 March 2019
Net Debt	**239,289**	**230,026**	**250,560**
Unamortised issuance costs	8,118	–	–
Adjusted Net Debt	**247,407**	**230,026**	**250,560**

Capital Expenditure (Capex)

Capital expenditure is defined as the purchases of property, plant and equipment and intangible assets. The Group uses capital expenditure as an APM to ensure that capital spending is in line with its overall strategy for the use of cash.

(in € 000’s)	1Q20	1Q19
Purchase of PPE	(3,181)	(1,519)
Purchase of intangible assets	(1,354)	(1,220)
Capital expenditure	**(4,535)**	**(2,739)**

Appendix 2: ICM Operations Sales by Geography and Customer Group

ICM Operations Sales by Geography

(in € 000's)	**1Q20**	1Q19	Change, %
East Europe	53,795	44,893	19.8%
West Europe	27,226	28,895	-5.8%
Africa & Middle East	21,621	16,670	29.7%
Asia	8,528	6,546	30.3%
Total	**111,170**	**97,004**	**14.6%**

ICM Operations Sales by Customer Group

(in € 000's)	**1Q20**	1Q19	Change, %
Coca-Cola Bottlers	75,577	69,496	8.8%
Breweries	21,139	15,258	38.5%
Other	14,454	12,250	18.0%
Total	**111,170**	**97,004**	**14.6%**

Appendix 3: Consolidated Income Statement

(in € 000's, unless otherwise indicated)	**1Q20**	**1Q19**
Sales from contracts with customers	135,897	125,565
Cost of goods sold	-109,360	-100,579
Gross profit	**26,537**	**24,986**
Operating expenses	-12,230	-12,548
Other income/(losses)	583	554
Operating profit/(Loss)	**14,890**	**12,992**
Finance cost	-1,125	-6,737
Finance income	537	870
Net Finance (costs)/income	-588	-5,867
Profit before tax	**14,302**	**7,125**
Income tax expense	-6,504	-3,704
Profit/(Loss) for the period	**7,798**	**3,421**
Attributable to:		
Non-controlling Interests	3,353	1,390
Shareholders	4,445	2,031
Profit/(Loss) for the period	**7,798**	**3,421**
Depreciation	5,648	5,895
EBITDA	**20,538**	**18,887**
Basic EPS (€)	**0.01**	**0.01**
Diluted EPS (€)	**0.01**	**0.01**

Appendix 4: Consolidated Statement of Financial Position

(in € 000's)	**31 March 2020**	**31 December 2019**
Assets		
Property, plant and equipment	118,868	129,439
Right-to-use assets	4,667	5,312
Intangible assets	12,579	11,973
Deferred tax assets	2,584	2,984
Other long-term assets	2,068	2,067
Total non-current assets	**140,766**	**151,775**
Inventories	97,581	107,250
Trade receivables	116,365	97,523
Other receivables	29,721	28,791
Current tax assets	2,162	3,880
Cash and cash equivalents	63,855	54,170
Total current assets	**309,684**	**291,614**
Total Assets	**450,450**	**443,389**
Liabilities		
Non-current borrowings	251,882	223,458
Lease liabilities	2,891	3,419
Deferred tax liabilities	17,762	18,149
Retirement benefit obligation	4,557	4,462
Other long term liabilities	2,572	2,327
Provisions	3,594	4,326
Total non-current liabilities	**283,258**	**256,141**
Trade payables	80,199	81,450
Other payables	64,957	64,251
Current tax liabilities	13,790	11,666
Current borrowings	46,328	55,260
Lease liabilities	2,043	2,059
Total current liabilities	**207,317**	**214,686**
Total Liabilities	**490,575**	**470,827**
Equity		
Share capital	35,544	35,544
Share premium	-33,801	-33,801
Other reserves	-22,742	-10,319
Retained earning	-71,819	-76,264
Attributable to equity holders	**-92,818**	**-84,840**
Non-controlling interest	52,693	57,402
Total equity	**-40,125**	**-27,438**
Total liabilities and equity	**450,450**	**443,389**

Appendix 5: Consolidated Cash Flow Statement

(in € 000's)	31 March 2020	31 March 2019
Operating activities		
Profit/(Loss) for the period	**7,798**	**3,421**
Adjustments for:		
Income tax expense	6,504	3,704
Depreciation	5,648	5,895
Provisions	185	198
Finance costs, net	588	5,867
(Profit)/Loss from disposal of property, plant and equipment	-	3
Decrease/(increase) in inventories	4,922	-12,045
Decrease/(increase) in trade receivables	-24,141	-38,232
Decrease/(increase) in other receivables	-3,097	-4,058
Decrease/(increase) in other long-term receivables	-6	20
Decrease)/increase in trade payables	1,593	17,511
(Decrease)/increase in other liabilities	6,882	7,761
Less:		
Income tax paid	-246	-468
Net Cash flow from operating activities	**6,630**	**-10,423**
Investing activities		
Purchase of property, plant and equipment	-3,181	-1,519
Purchase of intangible assets	-1,354	-1,120
Proceeds from disposal of subsidiary	-	795
Net cash flow used in investing activities	**-4,535**	**-1,944**
Cash flow from operating & investing activities	**2,095**	**-12,367**
Proceeds from borrowings	289,481	16,031
(Repayments) of borrowings	-260,347	-8,458
Interest paid	-7,417	-5,698
Payment of lease liabilities	-360	-390
Bond issuance costs	-8,392	-
Net cash flow used in financing activities	**12,965**	**1,485**
Net increase / (decrease) in cash and cash equivalents	**15,060**	**-10,882**
Cash and cash equivalents at the beginning of the period	**54,170**	**49,057**
Effects of changes in exchange rate	-5,375	545
Cash and cash equivalents at the end of the period	**63,855**	**38,720**