Press Release

Results for the First Quarter ended 31 March 2021

Athens, Greece, 20 May 2021 – Frigoglass S.A.I.C. announces unaudited financial results for the quarter ended 31 March 2021

First quarter 2021 highlights

- Sales -29.4% following the continuing impact from COVID-19 related restrictions and adverse FX impact, cycling high comparatives in last year's pre-pandemic quarter
- FX-neutral Glass Operations' sales +22% due to sustained volume recovery in glass containers business
- Strong sales growth in Asia as a result of market share gains, whereas Europe and Africa continued to be impacted by lower cooler spending due to the pandemic related disruptions
- EBITDA margin broadly in-line with last year's quarter, despite sales decline; Glass business margin expanded on successful pricing, while fixed cost under-absorption and material cost increase impacted Commercial Refrigeration margin
- Adequate liquidity with €62 million cash and €13 million undrawn lines to meet 2021 financing costs and working capital requirements
- Successful expansion of Frigoserve in Switzerland late in the quarter
- Furnace rebuild project in Nigeria initiated in March, with expected completion in June 2021
- Sales expected to return to y-o-y growth in Q2; April's sales were up 31%

Financial Results

€ 000's	**Q1 2021**	Q1 2020	Change, %
Sales	95,884	135,897	-29.4%
EBITDA[1]	14,441	20,538	-29.7%
EBITDA Margin, %[1]	15.1%	15.1%	-0.1pp
Operating Profit (EBIT)	9,903	14,890	-33.5%
Net Profit	1,208	4,445	-72.8%
Capital Expenditure[1]	1,393	4,535	-69.3%

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

Nikos Mamoulis, Chief Executive Officer of Frigoglass, commented:

"As expected, first-quarter results demonstrate the continued impact of the pandemic albeit with underlying trends improving sequentially. We are particularly pleased with the sound volume recovery in our Glass business in West Africa and the successful execution of our commercial strategy that resulted in market share gains in Asia and new contract wins for Frigoserve.

Despite the great uncertainty around the length of the pandemic and the pace and scale of the economic recovery, we are confident of reaching sales growth and EBITDA margin improvement in 2021."

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

Financial Overview

In the first quarter of 2021, our performance continued to demonstrate the impact of government-imposed extended restrictions on our customers' commercial refrigeration equipment investments. Nonetheless, we saw a sequential improvement in orders, driven by the easing of COVID-19 related measures and vaccination rates in different markets that resulted in improved beverage consumption trends in the on-trade channels. As anticipated, first quarter results also faced a tough comparative base following strong orders in the first two months of 2020, whereas in March this year we started to lap the first round of government imposed severe lockdowns last year. Our Glass business performance showed continuing strong momentum, with sales growing in double digits, on a currency neutral basis. Overall, Group's sales declined by 29.4% to €95.9 million, driven by both segments.

Gross profit (excluding depreciation) declined by 26% to €22.9 million. The gross profit margin improved by 110 basis points to 23.9%. The gross profit margin expansion predominantly reflects price initiatives, improved fixed manufacturing cost absorption and energy cost savings in Glass Operations, as well as, lower discounts in the Commercial Refrigeration business. These factors more than offset the volume-driven under-absorption of fixed costs, higher input costs and the impact from a less favourable sales mix in Commercial Refrigeration, as well as, the impact from the devaluation of Naira.

Strict cost-out measures implemented last year resulted in a 19.5% decline in operating expenses (excluding depreciation) to €8.8 million. We continue to benefit from measures adopted to step change our fixed base, primarily through layoffs executed at the beginning of the pandemic. Operating expenses also benefited from lower warranty, travelling and other non-essential expenses, as well as, from the weakening of certain currencies on local currencies denominated expenses.

Consequently, EBITDA declined by 29.7% to €14.4 million, implying an EBITDA margin of 15.1%, down 5 basis points year-on-year. Operating Profit (EBIT) amounted to €9.9 million, 33.5% lower year-on-year, supported by lower depreciation charges following tight capital expenditure in 2020. Financing costs amounted to €3.4 million, compared to €0.6 million in Q1 2020, predominantly driven by lower foreign exchange gains primarily caused by the significant devaluation of Naira in Q1 2020. Income tax expense amounted to €3.4 million, compared to €6.5 million in the prior year period, driven by the lower pre-tax profits and last year's higher deferred taxes related to unrealised foreign exchange gains. As a result, we reported a net profit of €1.2 million, compared to €4.4 million in the prior year's first quarter.

We generated adjusted free cash flow of €0.2 million in Q1 2021, compared to €2.1 million in the prior year's first quarter, impacted by the lower operating profitability and higher taxes. Free cash flow was supported by a lower year-on-year working capital outflow following sales decline as well as our continued focus on liquidity improvement by strictly prioritising capital expenditure primarily for maintenance related projects. Adjusted net debt amounted to €260.7 million in March 2021, compared to €249.9 million last year. This increase primarily reflects interest payments following the issuance of the €260 million Senior Secured Notes in February 2020. At March-end 2021, our cash position was €62.2 million, compared to €63.9 million in March 2020. Our cash balance and the undrawn credit lines are more than sufficient to cover our financing costs and working capital needs this year.

Segmental Review

Commercial Refrigeration Operations

€ 000's	Q1 2021	Q1 2020	Change, %
Sales	73,824	111,170	-33.6%
EBITDA	7,567	13,723	-44.9%
EBITDA Margin, %	10.2%	12.3%	-2.1pp
Operating Profit (EBIT)	4,525	10,357	-56.3%
Net Profit[1]	-1,780	-1,385	n.m.
Capital Expenditure	597	1,939	-69.2%

[1.] *Net Profit after minority interest*

Europe

Extended lockdowns and restrictions throughout most of the quarter across several European countries continued to put pressure on beverage consumption in the on-trade channels. Despite the uncertainty in the market and largely closed outlets, customers' cooler investments improved in the quarter, compared to the previous quarter and the severely impacted third and second quarters of last year where the COVID-19 impact was more profound. Sales in East Europe were down 34%, cycling high comparatives as orders in January and February last year were strong with the initial impact of the pandemic starting in March 2020 following government-imposed restrictions. Similarly, sales in West Europe declined by 43.9%, predominately driven by lower orders in France, Germany and Italy.

Africa and Middle East

In Africa and Middle East, sales were down 58.7% following lower customers' cooler investments in Kenya, South Africa and Nigeria as well as a tough comparative base. The soft performance also reflects a different orders' phasing. Sales in South Africa and Kenya were impacted by alcohol bans during the quarter, resulting in lower cooler investments from customers. Frigoserve's recent expansion in South Africa continued to perform in-line with our plan, supporting the top-line development in the quarter.

Asia

Our business in Asia had a strong start to the year, with sales soaring up by 66% in the quarter. This strong performance primarily reflects market share gains in India following the strong execution of the commercial strategy to enhance our customer base and distributors' network. Increased orders in central Asia also supported sales growth in the region.

EBITDA declined by 44.9% to €7.6 million. EBITDA margin contracted by 210 basis points to 10.2%, driven by lower year-on-year volume, under-absorption of fixed costs, less favourable sales mix and increased material cost. These factors outpaced lower discounts and savings realised from last year's cost-out initiatives. EBIT was €4.5 million, compared to €10.4 million in the prior year's first quarter, driven by lower EBITDA. We reported a net loss of €1.8 million, compared to a loss of €1.4 million in Q1 2020, supported by foreign exchange gains versus losses last year and a lower tax charge.

Glass Operations

€ 000's	**Q1 2021**	Q1 2020	Change, %
Sales	22,060	24,727	-10.8%
EBITDA	6,874	6,816	0.9%
EBITDA Margin, %	31.2%	27.6%	3.6pp
Operating Profit (EBIT)	5,377	4,533	18.6%
Net Profit[1]	2,989	5,831	-48.7%
Capital Expenditure	796	2,596	-69.3%

[1.] *Net Profit after minority interest*

Beverage consumption in the on-trade channels continued to recover, resulting in mid-to-high single-digit glass containers volume growth in the quarter. Key breweries, pharmaceutical customers and distillers drove demand for glass containers in Nigeria. Export activity also improved in the quarter, led by orders from breweries in Ghana and Cameroon. Demand for plastic crates was significantly higher year-on-year, supported by strong orders for crated bottles. Orders for our complementary metal crowns business were unchanged versus the prior year's first quarter, held back by temporary production constraints following shortages of main imported raw materials. Overall, Glass business' sales declined by 10.8% to €22.1 million, impacted by the weakening of Naira. On a currency neutral basis, sales were up 22.4% year-on-year, aided by volume growth and price initiatives in both glass containers and plastic crates.

EBITDA increased by 0.9% to €6.9 million in the quarter, with the respective margin improving by 360 basis points to 31.2%. The margin expansion primarily reflects successful implementation of price initiatives, improved fixed manufacturing cost absorption due to volume growth in glass containers and plastic crates, higher year-on-year furnace efficiency rates and energy cost related savings. These factors outpaced the impact from Naira's devaluation and production cost increase. EBIT increased by 18.6% to €5.4 million, with EBIT margin expanding by 600 basis points to 24.4% following lower depreciation charges. Net Profit was €3.0 million, compared to €5.8 million in Q1 2020, reflecting lower foreign exchange gains, while supported by a lower tax charge.

Business Outlook

Our performance continues to be impacted by the disruptions caused by the pandemic. There still remains great uncertainty on the length of the pandemic and the pace and scale of the economic recovery. We anticipate cooler orders to increase throughout the year, triggered by the improved beverage consumption trends in the on-trade channels, following the gradual lifting of restrictive measures and increased vaccination rates. Encouraged by the accelerated volume growth in our glass containers business in Nigeria, we anticipate growth momentum in our Glass operations to build up in the coming quarters. On current market conditions, we expect Group's sales to return to year-on-year growth in the second quarter of the year, driven by both segments, also reflecting a weak comparative base.

Ahead of easing COVID-19 related restrictions, we maintain our readiness to support our customers with market relevant coolers. In this context, we have commenced deliveries of Coca-Cola exclusive design ICOOL II in May. Our focus to expand our customer base and enhance our distributors' network has started bearing fruits in Asia, with India demonstrating a strong performance in the first quarter, owing to market share gains. The inauguration of Frigoserve's activity in Switzerland in March demonstrates our focus on unlocking new revenue streams this year, while enable us to consolidate our presence in West Europe in the upcoming years.

Through the strong focus on the execution of our commercial strategy, price initiatives, the annualized savings from last year's cost-out measures and further efficiency improvement initiatives, we expect to increase operating profit margin this year in our Commercial Refrigeration business, despite the impact from raw material price and logistic cost increases in 2021.

The temporary shutdown of one of our furnaces in Nigeria will result in a small revenue impact during the rebuild phase. This will be fully recovered in the second half of the year and we anticipate Glass business operating profit margin to increase in 2021. The furnace rebuild project has kicked-off in March, with completion expected in June 2021.

We reiterate our guidance for capital expenditure at approximately €15 million in 2021.

Managing our liquidity position remains among our priorities for yet another year. With €62.2 million cash and €13 million of undrawn facilities at the end of March, we have the liquidity buffer to meet our working capital requirements and financing commitments in 2021.

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 2021 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 18596069#.

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, 18 June 2021.

The first quarter results press release is available from 20 May 2021 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 20, 2021.

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 EBITDA and Adjusted Free Cash Flow 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, the impairment of property, plant and equipment, intangible assets and right-of-use assets, net finance cost/income and restructuring costs. 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)	**Q1 2021**	**Q1 2020**
Profit / (Loss) before income tax	**6,486**	**14,302**
Depreciation	4,538	5,648
Net finance costs	3,417	588
EBITDA	**14,441**	**20,538**
Sales from contracts with customers	95,884	135,897
EBITDA margin, %	**15.1%**	**15.1%**

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 2021**	**31 December 2020**	**31 March 2020**
Trade debtors	91,186	55,115	116,365
Inventories	84,066	81,164	97,581
Trade creditors	65,324	42,180	80,199
Net Trade Working Capital	**109,928**	**94,099**	**133,747**

Free Cash Flow

Free Cash Flow is used by the Group and defined as cash generated by operating activities after cash used in 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)	Q1 2021	Q1 2020
Net cash flow from operating activities	1,639	6,630
Net cash flow from investing activities	-1,310	-4,535
Free Cash Flow	**329**	**2,095**

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 payments, the proceeds from disposal of property, plant and equipment (PPE) and subsidiaries.

(in € 000's)	Q1 2021	Q1 2020
Free Cash Flow	**329**	**2,095**
Proceeds from disposal of subsidiary	-83	–
Adjusted Free Cash Flow	**246**	**2,095**

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 (including accrued interest) plus lese liabilities less cash and cash equivalents as illustrated below.

(in € 000's)	31 March 2021	31 December 2020	31 March 2020
Long-term borrowings	253,066	252,655	251,882
Short-term borrowings	56,936	59,702	48,798
Lease liabilities (long-term portion)	4,033	4,027	2,891
Lease liabilities (short-term portion)	1,862	2,095	2,043
Cash and cash equivalents	62,167	70,243	63,855
Net Debt	**253,730**	**248,236**	**241,759**

Adjusted Net Debt

Adjusted Net Debt includes the unamortized costs related to the €260 million Senior Secured Notes issued on February 12, 2020.

(in € 000's)	31 March 2021	31 December 2020	31 March 2020
Net Debt	**253,730**	**248,236**	**241,759**
Unamortised issuance costs	6,934	7,345	8,118
Adjusted Net Debt	**260,664**	**255,581**	**249,877**

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)	**Q1 2021**	**Q1 2020**
Purchase of PPE	-1,169	-3,181
Purchase of intangible assets	-224	-1,354
Capital expenditure	**-1,393**	**-4,535**

Appendix 2: ICM Operations Sales by Geography and Customer Group

ICM Operations Sales by Geography

(in € 000's)	Q1 2021	Q1 2020	Change, %
East Europe	35,480	53,795	-34.0%
West Europe	15,267	27,226	-43.9%
Africa & Middle East	8,924	21,621	-58.7%
Asia	14,153	8,528	66.0%
Total	**73,824**	**111,170**	**-33.6%**

ICM Operations Sales by Customer Group

(in € 000's)	Q1 2021	Q1 2020	Change, %
Coca-Cola Bottlers	44,328	75,577	-41.3%
Breweries	16,261	21,139	-23.1%
Other	13,235	14,454	-8.4%
Total	**73,824**	**111,170**	**-33.6%**

Appendix 3: Consolidated Income Statement

(in € 000's, unless otherwise indicated)	**Q1 2021**	**Q1 2020**
Sales from contracts with customers	95,884	135,897
Cost of goods sold	-76,425	-109,360
Gross profit	**19,459**	**26,537**
Operating expenses	-9,954	-12,230
Other income/(loss)	398	583
Operating profit/(Loss)	**9,903**	**14,890**
Finance costs	-3,421	-1,125
Finance income	4	537
Net Finance (costs)/income	-3,417	-588
Profit before tax	**6,486**	**14,302**
Income tax expense	-3,405	-6,504
Profit/(Loss) for the period	**3,081**	**7,798**
Attributable to:		
Non-controlling Interests	1,873	3,353
Shareholders	1,208	4,445
Profit/(Loss) for the period	**3,081**	**7,798**
Depreciation	4,538	5,648
EBITDA	**14,441**	**20,538**
Basic EPS (€)	**0.00**	**0.01**
Diluted EPS (€)	**0.00**	**0.01**

Appendix 4: Consolidated Statement of Financial Position

(in € 000's)	**31 March 2021**	**31 December 2020**
Assets		
Property, plant and equipment	103,699	106,698
Right-of-use assets	3,865	4,178
Intangible assets	11,667	11,990
Deferred tax assets	254	240
Other long-term assets	358	366
Total non-current assets	**119,843**	**123,472**
Inventories	84,066	81,164
Trade receivables	91,186	55,115
Other receivables	24,164	21,814
Current tax assets	2,674	2,502
Cash and cash equivalents	62,167	70,243
Total current assets	**264,257**	**230,838**
Total Assets	**384,100**	**354,310**
Liabilities		
Non-current borrowings	253,066	252,655
Lease liabilities	4,033	4,027
Deferred tax liabilities	16,112	15,050
Retirement benefit obligations	5,298	5,145
Other long term liabilities	2,922	2,732
Provisions	4,236	3,975
Total non-current liabilities	**285,667**	**283,584**
Trade payables	65,324	42,180
Other payables	45,693	39,382
Current tax liabilities	10,694	9,559
Current borrowings	56,936	59,702
Lease liabilities	1,862	2,095
Total current liabilities	**180,509**	**152,918**
Total Liabilities	**466,176**	**436,502**
Equity		
Share capital	35,544	35,544
Share premium	-33,801	-33,801
Other reserves	-39,287	-37,465
Retained earnings	-91,764	-92,973
Attributable to equity holders	**-129,308**	**-128,695**
Non-controlling interest	47,232	46,503
Total equity	**-82,076**	**-82,192**
Total liabilities and equity	**384,100**	**354,310**

Appendix 5: Consolidated Cash Flow Statement

(in € 000's)	**Q1 2021**	**Q1 2020**
Operating activities		
Profit/(Loss) for the period	**3,081**	**7,798**
Adjustments for:		
Income tax expense	3,405	6,504
Depreciation	4,538	5,648
Provisions	179	185
Finance costs, net	3,417	588
Decrease/(increase) in inventories	-2,615	4,922
Decrease/(increase) in trade receivables	-35,918	-24,141
Decrease/(increase) in other receivables	-2,417	-3,097
Decrease/(increase) in other long-term receivables	8	-6
Decrease)/increase in trade payables	22,995	1,593
(Decrease)/increase in other liabilities	6,102	6,882
Less:		
Income tax paid	-1,136	-246
Net Cash flow from operating activities	**1,639**	**6,630**
Investing activities		
Purchase of property, plant and equipment	-1,169	-3,181
Purchase of intangible assets	-224	-1,354
Proceeds from disposal of subsidiary	83	–
Net cash flow used in investing activities	**-1,310**	**-4,535**
Cash flow from operating & investing activities	**329**	**2,095**
Proceeds from borrowings	27,212	289,481
(Repayments) of borrowings	-25,339	-260,347
Interest paid	-9,302	-7,417
Payment of lease liabilities	-526	-360
Bond issuance cost		-8,392
Net cash flow used in financing activities	**-7,955**	**12,965**
Net increase / (decrease) in cash and cash equivalents	**-7,626**	**15,060**
Cash and cash equivalents at the beginning of the period	**70,243**	**54,170**
Effects of changes in exchange rate	-450	-5,375
Cash and cash equivalents at the end of the period	**62,167**	**63,855**