

Third Quarter 2022 Trading Update

Athens, Greece, 15 December 2022 – In response to the letter of the Hellenic Capital Market Commission (with protocol number 2707/09.11.2022), Frigoglass SAIC publishes its key financial figures, on a consolidated basis, for the quarter and the nine months ended 30 September 2022.

Third quarter 2022 highlights

- Sales +39% y-o-y, led by strong demand in Glass and increased cooler orders in Asia, Africa and W. Europe
- Commercial Refrigeration continued to be impacted by significant lower orders in Russia and Ukraine
- Increased raw materials and transportation costs and ongoing production disruptions in Romania and Russia impacted Adjusted EBITDA
- Romanian facility re-construction plan on track; Expected to be operational in Q1 2023

Key Financial Results

€ 000's	Q3 2022	Q3 2021	Change, %	9M 2022	9M 2021	Change, %
Sales	126,967	91,644	38.5%	375,189	293,240	27.9%
Adjusted EBITDA	6,890	12,532	-45.0%	41,640	41,924	-0.7%
Adjusted EBITDA Margin, %	5.4%	13.7%	-8.2pp	11.1%	14.3%	-3.2pp
Operating Profit (EBIT)	2,216	8,074	-72.5%	27,674	28,426	-2.6%

Group's Financial Overview

Sales in the Commercial Refrigeration business grew by 24.3% y-o-y in the quarter, driven by pricing initiatives earlier in the year and increased demand in Asia, Africa and West Europe. This performance was achieved despite the significantly lower orders in Russia and Ukraine due to the ongoing conflict. Sales growth momentum remained strong in the Glass business, led by increased demand for glass containers and plastic crates as well as price adjustments. Overall, the group's sales were up 38.5% y-o-y to €127 million.

Adjusted EBITDA declined by 45% y-o-y to €6.9 million. Adjusted EBITDA margin tightened by 8.2 percentage points to 5.4%, following increased raw materials cost, higher logistic costs due to supply chain constraints, worsened productivity in Romanian and Russian plants and a less favorable energy sourcing mix in Nigeria. These factors outpaced the benefits of volume leverage, price adjustments and lower discounts. EBIT decreased by 72.5% y-o-y to €2.2 million, led by the lower Adjusted EBITDA.

Adjusted net debt was €294.2 million as of September 30, 2022, compared to €256.8 million as of December 31, 2021. As of September 30, 2022, our cash position was €62.9 million, compared to €79.2 million as of December 31, 2021. As of October 31, 2022, our cash position was €54.7 million, of which €42.4 million was held in Nigeria and €1.3 million in Russia. As of October 31, 2022, our subsidiary in Russia had €30.6 million gross debt which is primarily on-demand.

In December 2022, the Group secured interim financing of up to €35 million (with the ability to increase by €20 million) and certain entities of the Group have entered into a lock-up agreement providing for a recapitalization transaction with their major financial creditors. We have currently drawn down €23.2 million (net of issuance fees) of the interim financing, with the remainder in escrow subject to the achievement of certain milestones. The interim financing supports the Group's short-term liquidity needs and ensures that the Group has sufficient funding to secure smooth operation. Additional information on the lock-up agreement and the recapitalization transaction is described in the press release issued on 5 December 2022.



Segmental Review

Commercial Refrigeration Operations

€ 000's	Q3 2022	Q3 2021	Change, %	9M 2022	9M 2021	Change, %
Sales	78,623	63,256	24.3%	255,555	221,550	15.3%
Adjusted EBITDA	-3,018	4,518	n.m.	14,029	21,826	-35.7%
Adjusted EBITDA Margin, %	-3.8%	7.1%	-11.0%	5.5%	9.9%	-4.4pp

Eastern European sales declined by 13.8% y-o-y, reflecting significantly lower orders in Russia and Ukraine. Sales in Russia and Ukraine declined jointly by 34% y-o-y (reaching €8.4 million in Q3 2022), whereas excluding those two countries sales grew by 4% y-o-y. For the period ended September 30, 2022, the Russian and Ukrainian markets accounted for 8.6% and 0.7% of Group's sales. We saw a good sales recovery in **West Europe**, driven by increased beverage consumption in the on-trade channels following summer market-related activations by key customers and higher levels of tourism. Growth momentum continued in **Africa**, with sales growing by 55.2% y-o-y following increased orders in South Africa and Nigeria as well as pricing. Sales in **Asia** were up 97.6% y-o-y, driven by strong demand in India and market share gains in central Asia.

Adjusted EBITDA was negative €3.0 million, driven by increased raw materials cost and higher transportation costs mainly from finished goods transfers from Russia. Lower productivity in Romania and Russia following production disruptions and lower cost absorption in Romania due to limitations of the assembly line also weighed on EBITDA.

Glass Operations

€ 000's	Q3 2022	Q3 2021	Change, %	9M 2022	9M 2021	Change, %
Sales	48,344	28,387	70.3%	119,634	71,689	66.9%
Adjusted EBITDA	9,908	8,014	23.6%	27,611	20,097	37.4%
Adjusted EBITDA Margin, %	20.5%	28.2%	-7.7pp	23.1%	28.0%	-5.0pp

We delivered another quarter of strong performance driven by increased orders for glass containers and plastic crates as well as the successful implementation of price initiatives across all our operations. Sales were also supported by a favorable currency translation effect following the appreciation of Naira. On a currency neutral basis, sales grew by 53.3% y-o-y.

Adjusted EBITDA increased by 23.6% y-o-y to €9.9 million. Adjusted EBITDA margin declined by 7.7 percentage points to 20.5%, impacted by increased production cost and a less favorable energy sourcing mix due to continuing gas outages in one of our plants, outpacing the benefits of volume leverage and pricing.

Business Outlook

Following the new EU economic sanctions introduced in October 2022, our Russian subsidiary will not be able to export coolers to the European market in 2023. Through efficient production planning during Q4 2022 as well as the planned production resumption of our Romanian plant in March 2023, we aim to limit the impact on our results in 2023. We also expect supply chain constraints and inflationary pressures on our cost base to continue, and impact Q4 2022 and 2023. In this environment, we have implemented price increases and several cost-reduction initiatives to limit the impact on profitability. See "Important note regarding forward-looking statements."



Supplementary Information

Commercial Refrigeration Operations Sales by Geography

(€ 000's)	Q3 2022	Q3 2021	Change, %	9M 2022	9M 2021	Change, %
East Europe	23,782	27,590	-13.8%	95,200	110,457	-13.8%
West Europe	22,906	17,470	31.1%	67,070	52,792	27.0%
Africa & Middle East	14,686	9,465	55.2%	40,341	26,628	51.5%
Asia	17,249	8,731	97.6%	52,944	31,674	67.2%
Total	78,623	63,256	24.3%	255,555	221,550	15.3%

Adjusted Consolidated EBITDA

(€ 000's)	Q3 2022	Q3 2021	Change, %	9M 2022	9M 2021	Change, %
Profit/(loss) before tax	-6,623	11,301	n.m.	5,803	9,207	-37.0%
Depreciation	4,674	4,457	4.9%	13,966	13,498	3.5%
Fire cost /(income)	-2,440	-11,364	n.m.	-13,040	2,469	n.m.
Net finance costs	11,279	8,137	38.6%	34,911	16,750	>100%
Adjusted EBITDA	6,890	12,532	-45.0%	41,640	41,924	-0.7%
Adjusted EBITDA margin, %	5.4%	13.7%	-8.2pp	11.1%	14.3%	-3.2pp

Adjusted Consolidated Net Debt

(€ 000's)	September 2022	December 2021
Borrowings ¹	348,097	325,222
Lease Liabilities	4,536	5,019
Cash and cash equivalents	62,867	79,207
Net Debt	289,766	251,034
Unamortized issuance costs ²	4,470	5,763
Adjusted Net Debt	294,236	256,797

¹ Including accrued interest

² Unamortized costs related to the €260 million Senior Secured Notes issued on February 12, 2020



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>.

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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).

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 (including related to the lock-up agreement and the ongoing recapitalization transaction), 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.