

FRIGOGLASS S.A.I.C.

Interim Condensed Financial Information *1 January – 30 June 2019*

*This document has been translated from the original version in Greek.
In the event that differences exist between this translation and the original Greek text ,
the document in the Greek language will prevail over this document.*



FRIGOGLASS S.A.I.C.
Commercial Refrigerators
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FRIGOGLASS S.A.I.C.
Commercial Refrigerators

The Interim Condensed Financial Information is the ones approved by the Board of Directors of “Frigoglass S.A.I.C.” on the **6th August 2019**.

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The Chairman of the Board of Directors

The Managing Director

Haralambos David

Nikolaos Mamoulis

The Group Chief Financial Officer

**The Head of Financial
Controlling**

Charalampos Gkoritsas

Vasileios Stergiou

**Board of Directors Statement
(according article 5, Law 3556/2007)**

According to the Law 3556/2007, we state and we assert that to our knowledge:

1. The Interim Condensed Financial Information of the Company and the Group of "Frigoglass S.A.I.C." for the year **01.01 - 30.06.2019**, which were compiled according to the standing accounting standards, describe in a truthful way the assets and the liabilities, the equity and the results of the Group and the Company, as well as the subsidiary companies which are included in the consolidation as a total, according to what is stated in article 5 paragraph 3 to 5 of Law 3556/2007.
2. The Report of the Board of Directors for the same above period presents in a truthful way the information that is required according with article 5 paragraph 6 of Law 3556/2007.

Kifissia, August 6, 2019

The Chairman of the Board

Haralambos David

The Managing Director

Nikolaos Mamoulis

The Member of the Board of Directors

Loukas Komis

BOARD OF DIRECTORS REPORT
for the period 01.01.2019 – 30.06.2019

Kifissia, 6th August 2019

Financial Review

Six Months Ended June 30, 2019

Group sales increased by 16.2% year-on-year to €288.3 million, driven by higher year-on-year commercial refrigeration (ICM) sales in Europe and Asia, as well as, increased glass containers demand and pricing in the Glass business.

Commercial refrigeration sales increased by 16.5% in the six months ended 30 June 2019. Eastern Europe performed well, with sales increasing by 20.8% year-on-year. This good performance was driven by incremental cooler placements from key soft-drink customers and market share gains with breweries in the region, as well as, Frigoserve's recent expansion in Hungary. Sales in Western Europe grew 20.2%, primarily led by strong demand in France and Germany. In Africa and Middle East, sales were marginally lower year-on-year in the six months ended 30 June 2019, cycling strong orders in the prior year period. Sales in our Asia business increased by 12.0%, primarily driven by higher demand from key soft-drink customers and breweries in India.

Glass business reported a strong performance in the six months ended 30 June 2019. Solid volume growth, continued price increases and a favorable currency translation resulted in sales growth of 14.9%. Sales in our glass containers business increased by double digit in the period, driven by strong demand from key breweries and the wine & spirits segment. Metal crowns business also reported an improved performance, with sales increasing by a double digit rate, driven by higher year-on-year demand and customer base expansion.

Cost of goods sold increased by 14.1% to €229.0 million in the six months ended 30 June 2019, as a result of higher year-on-year volume growth. Cost of goods sold as a percentage of the group's sales improved to 79.4% in the six months ended 30 June 2019, from 80.9% a year earlier, aided by the improved fixed cost absorption, input cost related savings and the benefits from our ongoing productivity improvement initiatives across our commercial refrigeration plants. The gross margin was also supported by Glass business' sales growth and pricing initiatives.

Administrative expenses decreased by 1.3% to €10.4 million in the six months ended 30 June 2019, mainly due to lower year-on-year third party fees and employees related expenses. Administrative expenses as a percentage of sales improved to 3.6% in the six months ended 30 June 2019, from 4.3% last year.

Selling, distribution and marketing expenses increased by 14.4% to €12.4 million in the six months ended 30 June 2019, driven by higher miscellaneous expenses and warranty related expenses due to increased sales. As a percentage of sales, selling, distribution and marketing expenses improved to 4.3% in the six months ended 30 June 2019, from 4.4% a year ago.

Research and development expenses increased by 16.1% to €2.0 million in the six months ended 30 June 2019, reflecting higher year-on-year miscellaneous expenses. As a percentage of sales, research and development expenses were unchanged at 0.7% in the six months ended 30 June 2019.

Other income increased by 5.0% to €2.2 million in the six months ended 30 June 2019. Finance cost was €8.7 million, compared to €12.1 million last year, reflecting lower year-on-year foreign exchange losses due to Naira's lower appreciation on Euro denominated receivables.

Frigoglass incurred restructuring costs of €3.8 million in the six months ended 30 June 2019 related to the discontinuation of its Greek-based plant.

Income tax expense was €9.9 million in the six months ended 30 June 2019, compared to €8.5 million last year, driven by higher year-on-year pre-tax profits in Nigeria and Russia.

Frigoglass reported net profits of €10.8 million, compared to net losses of €4.5 million, reflecting the improved operating profit and the net losses from discontinued operations that impacted the prior year's period.

Cash Flow

Net cash from/(used in) operating activities

Net cash from operating activities amounted to €29.1 million in the six months ended 30 June 2019, compared to net cash from operating activities of €21.0 million in the six months ended 30 June 2018, reflecting higher year-on-year EBITDA and lower taxes paid.

Net cash from/(used in) investing activities

Net cash used in investing activities amounted to €7.5 million in the six months ended 30 June 2019, compared to €6.4 million in the six months ended 30 June 2018, reflecting higher capital expenditure in ICM and Glass operations.

Net cash from/(used in) financing activities

Net cash used in financing activities amounted to €6.6 million in the six months ended 30 June 2019, compared to net cash from financing activities of €0.7 million in the six months ended 30 June 2018. This decrease reflects lower net proceeds of bank loans and higher interest paid.

Net trade working capital

Net trade working capital as of 30 June 2019 amounted to €128.9 million, compared to €126.7 million as of 30 June 2018. This increase reflects inventory build-up anticipating strong demand in the next couple of months and increased trade receivables due to the sales growth in the second quarter of the year.

| <i>(in €m)</i> | 30 June 2019 | 30 June 2018 |
|----------------------------------|--------------|--------------|
| Trade debtors | 124.2 | 114.5 |
| Inventories | 98.3 | 85.7 |
| Trade creditors | 93.7 | 73.5 |
| Net Trade Working Capital | 128.9 | 126.7 |

Capital Expenditures

Capital expenditures amounted to €8.3 million in the six months ended 30 June 2019, of which €6.4 million related to the purchase of property, plant and equipment and €1.9 million related to the purchase of intangible assets, compared to €7.4 million in the six months ended 30 June 2018, of which €6.4 million related to the purchase of property, plant and equipment and €1.0 million related to the purchase of intangible assets.

Business Outlook

We are pleased with our year-to-date performance, which is in-line with our plans. Results highlight our strong focus on delivering sales and EBITDA growth, alongside EBITDA margin enhancement and free cash flow generation. As we have entered the second half of the year, sales growth is expected to moderate reflecting the acceleration and shift of a part of our customers' capital spending for coolers in the first half of the year. In this context, we confirm our confidence on delivering top-line growth and comparable profit margin improvement for the full-year.

Our focus to strengthen the relationship with key accounts and expand our customer base, as well as, realizing further cost efficiencies to assist the profit margin expansion in 2019 remains intact. In this respect, the production discontinuation of the Kato Achaia plant will also support the margin expansion through operating cost reduction, as well as, better capacity utilization.

To secure our future growth, we are currently focusing on the timely execution of our materials procurement schedule, related to the upcoming furnace rebuild at the Beta Glass Guinea plant, in Nigeria. We are on track for a planned shutdown in the first quarter of 2020, expecting the furnace to be up and running within the second quarter of 2020.

Finally, we reiterate our 2019 capital expenditure estimate in the range of €25-30 million.

Main Risks and Uncertainties

This Interim Condensed Financial Information for the period **01.01 - 30.06.2019** has been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union and specifically in terms of IAS 34, ‘Interim financial reporting’.

The Interim Condensed Financial Information should be read in conjunction with the annual financial statements for the year ended **31 December 2018** that are available on the company’s web page www.frigoglass.com.

These financial statements have been prepared by management in accordance with International Financial Reporting Standards (IFRS) and IFRIC interpretations as adopted by the European Union, and International Financial Reporting Standards issued by the IASB.

The financial statements have been prepared according to the going concern basis of accounting. The use of this basis of accounting takes into consideration the Group’s current and forecasted financing position.

The Group reported Profit after income tax expenses **€14,2m** compared to Loss after income tax expenses **€1,6m** for the previous period.

The total consolidated current liabilities of the group amounted to **€225,7m** and the total consolidated current assets amounted to **€318,7m**.

Frigoglass S.A.I.C has an equity position of €28,1 m. at 30.06.2019, therefore is lower than half (1/2) of the share capital. As a consequence, the requirements of article 119 of the Companies Act 4548/2018 are applicable.

The 1st Repetitive General Meeting of shareholders, as at 05.07.2019, decided the nominal decrease of the Company’s share capital by the amount of €92,413,815.26 to €35,543,775.10, through decrease of the nominal value of the Company’s 355,437,751 shares from €0.36 to € 0.10 each, according to article 31 of Law 4548/2018, for the purpose of forming a special reserve of equal amount for offsetting losses by deletion of losses from the Company’s account “Retained earnings” and the amendment of article 3 of the Company’s Articles of Association.

Within the framework of the Group's business policy, management is targeting to reduce costs, improve long-term profitability and generate cash flows, coupled with maintaining and improving product quality and increasing customer value. Management has undertaken specific actions to achieve the above, including (a) cost reduction through the simplification of the product portfolio; (b) managing inventories at right levels; (c) Lean manufacturing alongside improvements in product quality; and (d) creating value from recent strategic investments.

The Group’s financial projections for the upcoming 12 months indicate that it will be able to meet its obligations as they fall due, however, this assessment is subject to a

number of risks as described in the "Risks and uncertainties" section of the Directors' Report and in Note 3 to the Group's annual financial statements, particularly if such risks were to materialize in combination.

Taking into consideration the above, the Directors have a reasonable expectation that the Group will be able to successfully navigate the present uncertainties and continue its operation. Therefore, the financial statements have been prepared on a going concern basis.

Risks and uncertainties

The Group is exposed to a number of risks. The risks and uncertainties are described in detail in the Annual Financial Report and relate specifically to the Group or the ICM and Glass Operations.

Events after balance sheet date and other information

The 1st Repetitive General Meeting of shareholders, as at 05.07.2019, decided the nominal decrease of the Company's share capital by the amount of €92,413,815.26 to €35,543,775.10, through decrease of the nominal value of the Company's 355,437,751 shares from €0.36 to € 0.10 each, according to article 31 of Law 4548/2018, for the purpose of forming a special reserve of equal amount for offsetting losses by deletion of losses from the Company's account "Retained earnings" and the amendment of article 3 of the Company's Articles of Association.

There are no other post-balance events which are likely to affect the financial statements or the operations of the Group and the Parent company apart from the one mentioned above.

Important Transactions with Related Parties

Related Party Transactions:

The most important related parties' transactions of the Company, in the sense used in IAS 24, are listed in the following table:

| in € 000's | | Six months ended 30.06.2019 | | | | | | | | | |
|-----------------------------------|-------------------------------|-----------------------------|-----------------------------------|------------------------|-----------------------------|-------------------------------|--------------------------------|----------|---------------|------------------|--|
| Consolidated: | Sales of Goods | | | | | | 113,531 Coca-Cola HBC AG Group | | | | |
| | Purchases of Goods & Services | | | | | | 611 Coca-Cola HBC AG Group | | | | |
| | Receivables | | | | | | 49,046 Coca-Cola HBC AG Group | | | | |
| Parent Company: | Sales of Goods | Income from Other Services | Income from Commission s on Sales | Management Fees Income | Expenses from Services fees | Purchases of Goods & Services | Receivables | Payables | Loans Payable | Interest expense | |
| Frigoglass Cyprus Limited | 2 | - | - | - | - | - | 2 | - | 1.369 | 36 | |
| Frigoglass South Africa Ltd | - | - | - | 456 | - | - | 1.804 | 5 | - | - | |
| Frigoglass (Guangzhou) I.C.E. Co. | - | - | - | - | 1.688 | - | - | 1.323 | - | - | |
| Frigoglass Indonesia PT | - | - | - | 150 | - | 828 | 63 | 240 | - | - | |
| Frigoglass East Africa Ltd. | 4 | - | - | - | - | - | 4 | 9 | - | - | |
| Frigoglass Romania SRL | 62 | 117 | 40 | 5,644 | - | 16,561 | 4,481 | 22,658 | - | - | |
| Frigoglass Eurasia LLC | 6 | 86 | - | 3,074 | - | 1,535 | 3,075 | 942 | - | - | |
| Frigoglass India PVT.Ltd. | - | - | 12 | 466 | 205 | 11 | 5,465 | 113 | - | - | |
| Frigoglass Hungary Kft | 1 | - | - | - | - | - | 1 | - | - | - | |
| Scandinavian Appliances A.S | 3,508 | - | - | - | - | - | 1,587 | 16 | - | - | |
| 3P Frigoglass Romania SRL | - | - | - | 25 | - | 33 | 75 | 10 | - | - | |
| Frigoglass Global Ltd. | - | - | - | 790 | - | - | 4 | - | - | - | |
| Frigoglass West Africa Ltd. | 98 | 29 | - | - | - | - | 342 | - | - | - | |
| Frigoglass GmbH | - | - | - | - | - | - | - | 3 | - | - | |
| Frigoglass Industries (Nig.) Ltd | - | - | - | - | - | 1 | - | - | - | - | |
| Beta Glass Plc. | - | 60 | - | - | - | - | 107 | - | - | - | |
| Frigoinvest Holdings B.V. | - | - | - | - | - | - | - | - | 23,029 | 746 | |
| Total | 3,681 | 292 | 52 | 10,605 | 1,893 | 18,969 | 17,010 | 25,319 | 24,398 | 782 | |
| Coca-Cola HBC AG Group | 14,353 | - | - | - | - | 42 | 4,582 | - | - | - | |
| Grand Total | 18,034 | 292 | 52 | 10,605 | 1,893 | 19,011 | 21,592 | 25,319 | 24,398 | 782 | |

| Consolidated | Parent Company | |
|--------------------------------------|----------------|-------|
| 30.06.2019 | 30.06.2019 | |
| Fees of member of Board of Directors | 193 | 193 |
| Management compensation | 1,737 | 1,265 |

Parent Company Financial Data

The Parent Company's Net Sales reached the amount of **€28,6m** compared to **€29,5m** for the previous period.

Gross Profit reached the amount of **€1,7m** compared to **€1,7m** for the previous period.

Net Profit after tax reached the amount of **€5,5m** compared to **€0,3m** for the previous period.

Yours Faithfully,

The Board of Directors



[Translation from the original text in Greek]

Report on Review of Interim Financial Information

To the Board of directors of Frigoglass SAIC

Introduction

We have reviewed the accompanying condensed company and consolidated statement of financial position of Frigoglass SAIC (the "Company"), as of 30 June 2019 and the related condensed company and consolidated statements profit or loss, comprehensive income, changes in equity and cash flow statements for the six-month period then ended, and the selected explanatory notes that comprise the interim condensed financial information and which form an integral part of the six-month financial report as required by L.3556/2007.

Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Financial Reporting Standards as they have been adopted by the European Union and applied to interim financial reporting (International Accounting Standard "IAS 34"). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, as they have been transposed into Greek Law and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Report on other legal and regulatory requirements

Our review has not revealed any material inconsistency or misstatement in the statements of the members of the Board of Directors and the information of the six-month Board of Directors Report, as defined in articles 5 and 5a of Law 3556/2007, in relation to the accompanying condensed interim financial information.

Athens, 7 August 2019

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The Certified Auditor Accountant

Despina Marinou
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FRIGOGLASS S.A.I.C.
Commercial Refrigerators
Interim Condensed Financial Statements
1 January – 30 June 2019

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FRIGOGLASS S.A.I.C.
Interim Condensed Statement of Profit & Loss
in € 000's


| | Note | Consolidated | | Parent Company | |
|--|-------------------|------------------|-----------------|------------------|---------------|
| | | Six months ended | | Six months ended | |
| | | 30.06.2019 | 30.06.2018 | 30.06.2019 | 30.06.2018 |
| Continuing operations: | | | | | |
| Revenue from contracts with customers | 5 & 23 | 288.262 | 248.113 | 28.587 | 29.538 |
| Cost of goods sold | | (228.963) | (200.732) | (26.912) | (27.841) |
| Gross profit | | 59.299 | 47.381 | 1.675 | 1.697 |
| Administrative expenses | | (10.448) | (10.584) | (9.153) | (8.139) |
| Selling, distribution & marketing expenses | | (12.435) | (10.872) | (2.122) | (2.248) |
| Research & development expenses | 20 | (2.037) | (1.755) | - | (1.302) |
| Other operating income | 26 | 2.189 | 2.084 | 9.489 | 11.745 |
| Other gains/<losses> - net | 26 | 23 | 196 | 10.121 | (21) |
| Impairment of fixed assets | 6 | - | (2.085) | - | - |
| Operating Profit / <Loss> | | 36.591 | 24.365 | 10.010 | 1.732 |
| Finance costs | 17 | (10.556) | (13.339) | (808) | (985) |
| Finance income | 17 | 1.813 | 1.232 | 1 | - |
| Finance costs - net | | (8.743) | (12.107) | (807) | (985) |
| Profit / <Loss> before income tax & restructuring costs | | 27.848 | 12.258 | 9.203 | 747 |
| Restructuring gains/<losses> | 28 | (3.792) | (294) | (3.592) | - |
| Profit / <Loss> before income tax | | 24.056 | 11.964 | 5.611 | 747 |
| Income tax expense | 18 | (9.863) | (8.473) | (75) | (474) |
| Profit / <Loss> after income tax expenses from continuing operations | | 14.193 | 3.491 | 5.536 | 273 |
| Discontinued operations: | | | | | |
| Profit / <Loss> after income tax expenses from discontinued operations attributable to the shareholders of the company | 29 | - | (5.083) | - | - |
| Profit / <Loss> for the period | | 14.193 | (1.592) | 5.536 | 273 |
| Attributable to: | | | | | |
| Non-controlling interests | | 3.387 | 2.914 | - | - |
| Shareholders | | 10.806 | (4.506) | 5.536 | 273 |
| Depreciation | | 11.925 | 9.965 | 983 | 1.750 |
| EBITDA | 27 | 48.516 | 36.415 | 10.993 | 3.482 |
| Amounts in € | | | | | |
| Basic Earnings / <Loss> per share, after taxes attributable to the shareholders | | | | | |
| - Continuing operations | 21 | 0,0304 | 0,0016 | 0,0156 | 0,0008 |
| - Discontinued operations | 21 | - | (0,0143) | - | - |
| Total | | 0,0304 | (0,0127) | 0,0156 | 0,0008 |
| Diluted Earnings / <Loss> per share, after taxes attributable to the shareholders | | | | | |
| - Continuing operations | 21 | 0,0304 | 0,0016 | 0,0156 | 0,0008 |
| - Discontinued operations | 21 | - | (0,0143) | - | - |
| Total | | 0,0304 | (0,0127) | 0,0156 | 0,0008 |

The primary financial statements should be read in conjunction with the accompanying notes.



| | Note | Consolidated | | Parent Company | |
|--|------|--------------------|------------|--------------------|------------|
| | | Three months ended | | Three months ended | |
| | | 30.06.2019 | 30.06.2018 | 30.06.2019 | 30.06.2018 |
| Continuing operations: | | | | | |
| Revenue from contracts with customers | | 162.697 | 142.449 | 14.807 | 17.466 |
| Cost of goods sold | | (128.385) | (114.125) | (13.987) | (16.522) |
| Gross profit | | 34.312 | 28.324 | 820 | 944 |
| Administrative expenses | | (4.660) | (5.070) | (5.241) | (4.085) |
| Selling, distribution & marketing expenses | | (6.554) | (5.789) | (1.106) | (1.107) |
| Research & development expenses | | (1.158) | (869) | - | (640) |
| Other operating income | | 1.570 | 1.434 | 6.805 | 7.264 |
| Other gains/<losses> - net | | 88 | 165 | 29 | (20) |
| Impairment of fixed assets | | - | (2.085) | - | - |
| Operating Profit / <Loss> | | 23.598 | 16.110 | 1.307 | 2.356 |
| Finance costs | | (3.818) | (7.894) | (381) | (357) |
| Finance income | | 943 | 720 | - | - |
| Finance costs - net | | (2.875) | (7.174) | (381) | (357) |
| costs | | 20.723 | 8.936 | 926 | 1.999 |
| Restructuring gains/<losses> | | (3.792) | (20) | (3.592) | - |
| Profit / <Loss> before income tax | | 16.931 | 8.916 | (2.666) | 1.999 |
| Income tax expense | | (6.159) | (4.765) | 29 | (330) |
| Profit / <Loss> after income tax expenses from continuing operations | | 10.772 | 4.151 | (2.637) | 1.669 |
| Discontinued operations: | | | | | |
| Profit / <Loss> after income tax expenses from discontinued operations attributable to the shareholders of the company | | - | (3.658) | - | - |
| Profit / <Loss> for the period | | 10.772 | 493 | (2.637) | 1.669 |
| Attributable to: | | | | | |
| Non-controlling interests | | 1.997 | 1.329 | - | - |
| Shareholders | | 8.775 | (836) | (2.637) | 1.669 |
| Depreciation | | 6.030 | 5.091 | 446 | 866 |
| EBITDA | 27 | 29.628 | 23.286 | 1.753 | 3.222 |
| Amounts in € | | | | | |
| Basic Earnings / <Loss> per share, after taxes attributable to the shareholders | | | | | |
| - Continuing operations | 21 | 0,0247 | 0,0079 | (0,0074) | 0,0047 |
| - Discontinued operations | 21 | - | (0,0103) | - | - |
| Total | | 0,0247 | (0,0024) | (0,0074) | 0,0047 |
| Diluted Earnings / <Loss> per share, after taxes attributable to the shareholders | | | | | |
| - Continuing operations | 21 | 0,0247 | 0,0079 | (0,0074) | 0,0047 |
| - Discontinued operations | 21 | - | (0,0103) | - | - |
| Total | | 0,0247 | (0,0024) | (0,0074) | 0,0047 |

The primary financial statements should be read in conjunction with the accompanying notes.

FRIGOGLASS S.A.I.C.

Interim Condensed Statement of Comprehensive Income
in € 000's

| | Consolidated | | | |
|---|------------------|----------------|--------------------|--------------|
| | Six months ended | | Three months ended | |
| | 30.06.2019 | 30.06.2018 | 30.06.2019 | 30.06.2018 |
| Profit / <Loss> after income tax expenses | 14.193 | (1.592) | 10.772 | 493 |
| Other Comprehensive Income: | | | | |
| Items that will be reclassified to Profit & Loss in subsequent periods: | | | | |
| Currency translation differences | 831 | 5.644 | (1.885) | 8.572 |
| Items that will be reclassified to Profit & Loss in subsequent periods | 831 | 5.644 | (1.885) | 8.572 |
| Items that will not be reclassified to Profit & Loss in subsequent periods | - | - | - | - |
| Other comprehensive income / <expenses> net of tax | 831 | 5.644 | (1.885) | 8.572 |
| Total comprehensive income / <expenses> net of tax | 15.024 | 4.052 | 8.887 | 9.065 |
| Attributable to: | | | | |
| - Non-controlling interests | 3.671 | 4.491 | 1.331 | 3.965 |
| - Shareholders | 11.353 | (439) | 7.556 | 5.100 |
| | 15.024 | 4.052 | 8.887 | 9.065 |
| Total comprehensive income / <expenses> net of tax attributable to the shareholders of the company from: | | | | |
| - Continuing operations | 11.353 | 3.023 | 7.557 | 7.428 |
| - Discontinued operations | - | (3.462) | - | (2.327) |
| | 11.353 | (439) | 7.557 | 5.101 |
| | Parent Company | | | |
| | Six months ended | | Three months ended | |
| | 30.06.2019 | 30.06.2018 | 30.06.2019 | 30.06.2018 |
| Profit / <Loss> after income tax expenses | 5.536 | 273 | (2.637) | 1.669 |
| Total comprehensive income / <expenses> net of tax | 5.536 | 273 | (2.637) | 1.669 |

The primary financial statements should be read in conjunction with the accompanying notes.

FRIGOGLASS S.A.I.C.
Interim Condensed Statement of Financial Position
in € 000's


| | Note | Consolidated | | Parent Company | |
|--|------|-----------------|-----------------|----------------|---------------|
| | | 30.06.2019 | 31.12.2018 | 30.06.2019 | 31.12.2018 |
| Assets: | | | | | |
| Property, plant & equipment | 6 | 118.886 | 121.235 | 2.891 | 3.908 |
| Right-of-use assets | 19 | 6.006 | - | 1.094 | - |
| Intangible assets | 7 | 11.144 | 11.133 | 2.189 | 7.369 |
| Investments in subsidiaries | 14 | - | - | 60.005 | 60.005 |
| Deferred tax assets | | - | 400 | - | - |
| Other long term assets | | 3.304 | 3.323 | 80 | 78 |
| Total non current assets | | 139.340 | 136.091 | 66.259 | 71.360 |
| Inventories | 8 | 98.299 | 101.739 | 1.537 | 2.232 |
| Trade receivables | 9 | 124.244 | 77.606 | 9.576 | 3.952 |
| Other receivables | 10 | 29.592 | 27.441 | 743 | 1.005 |
| Current tax assets | | 2.336 | 4.163 | - | - |
| Intergroup receivables | 20 | - | - | 17.010 | 13.087 |
| Cash & cash equivalents | 11 | 64.255 | 49.057 | 3.597 | 2.352 |
| Total current assets | | 318.726 | 260.006 | 32.463 | 22.628 |
| Total Assets | | 458.066 | 396.097 | 98.722 | 93.988 |
| Liabilities: | | | | | |
| Non current borrowings | 13 | 231.535 | 227.998 | - | - |
| Lease Liabilities | 19 | 4.292 | - | 831 | - |
| Deferred tax liabilities | | 16.310 | 16.698 | - | - |
| Retirement benefit obligations | | 3.783 | 6.582 | 2.537 | 5.480 |
| Intergroup bond loans | 13 | - | - | 24.398 | 26.480 |
| Provisions | | 4.407 | 3.468 | - | - |
| Total non current liabilities | | 260.327 | 254.746 | 27.766 | 31.960 |
| Trade payables | | 93.664 | 77.643 | 3.718 | 6.052 |
| Other payables | 12 | 74.807 | 53.539 | 13.552 | 5.067 |
| Current tax liabilities | | 10.320 | 5.867 | - | - |
| Intergroup payables | 20 | - | - | 25.319 | 28.355 |
| Current borrowings | 13 | 45.084 | 47.261 | - | - |
| Lease Liabilities | 19 | 1.799 | - | 277 | - |
| Total current liabilities | | 225.674 | 184.310 | 42.866 | 39.474 |
| Total Liabilities | | 486.001 | 439.056 | 70.632 | 71.434 |
| Equity: | | | | | |
| Share capital | 15 | 127.958 | 127.958 | 127.958 | 127.958 |
| Share premium | 15 | (33.801) | (33.801) | (33.801) | (33.801) |
| Other reserves | 16 | (11.401) | (11.948) | 25.463 | 25.463 |
| Retained earnings | | (163.388) | (174.194) | (91.530) | (97.066) |
| Equity attributable to equity holders of the parent | | (80.632) | (91.985) | 28.090 | 22.554 |
| Non-controlling interests | | 52.697 | 49.026 | - | - |
| Total Equity | | (27.935) | (42.959) | 28.090 | 22.554 |
| Total Liabilities & Equity | | 458.066 | 396.097 | 98.722 | 93.988 |

The primary financial statements should be read in conjunction with the accompanying notes.



| | Consolidated | | | | | | Non - Controlling Interests | Total Equity |
|---|----------------|-----------------|-----------------|-------------------|-----------------|---------------|-----------------------------------|-----------------|
| | Share Capital | Share premium | Other reserves | Retained earnings | Total | | | |
| Balance at 01.01.2018 | 127.958 | (33.801) | (12.232) | (165.073) | (83.148) | 40.883 | | (42.265) |
| Profit / <Loss> for the period | - | - | - | (4.506) | (4.506) | 2.914 | | (1.592) |
| Other Comprehensive income / <expenses> net of tax | - | - | 4.067 | - | 4.067 | 1.577 | | 5.644 |
| Total comprehensive income / <expenses> net of taxes | - | - | 4.067 | (4.506) | (439) | 4.491 | | 4.052 |
| Total Transactions with owners in their capacity as owners | - | - | - | - | - | - | | - |
| Balance at 30.06.2018 | 127.958 | (33.801) | (8.165) | (169.579) | (83.587) | 45.374 | | (38.213) |
| Balance at 01.07.2018 | 127.958 | (33.801) | (8.165) | (169.579) | (83.587) | 45.374 | | (38.213) |
| Profit / <Loss> for the period | - | - | - | (4.202) | (4.202) | 3.730 | | (472) |
| Other Comprehensive income / <expenses> net of tax | - | - | (3.783) | (413) | (4.196) | 370 | | (3.826) |
| Total comprehensive income / <expense> net of taxes | - | - | (3.783) | (4.615) | (8.398) | 4.100 | | (4.298) |
| Dividends to non controlling interest | - | - | - | - | - | (448) | | (448) |
| Total Transactions with owners in their capacity as owners | - | - | - | - | - | (448) | | (448) |
| Balance at 31.12.2018 | 127.958 | (33.801) | (11.948) | (174.194) | (91.985) | 49.026 | | (42.959) |
| Balance at 01.01.2019 | 127.958 | (33.801) | (11.948) | (174.194) | (91.985) | 49.026 | | (42.959) |
| Profit / <Loss> for the period | - | - | - | 10.806 | 10.806 | 3.387 | | 14.193 |
| Other Comprehensive income / <expenses> net of tax | - | - | 547 | - | 547 | 284 | | 831 |
| Total comprehensive income / <expenses> net of taxes | - | - | 547 | 10.806 | 11.353 | 3.671 | | 15.024 |
| Total Transactions with owners in their capacity as owners | - | - | - | - | - | - | | - |
| Balance at 30.06.2019 | 127.958 | (33.801) | (11.401) | (163.388) | (80.632) | 52.697 | | (27.935) |

The primary financial statements should be read in conjunction with the accompanying notes.

FRIGOGLASS S.A.I.C.
Interim Condensed Statement of Changes in Equity
in € 000's


| | Parent Company | | | | Total Equity |
|---|----------------|-----------------|----------------|-------------------|----------------|
| | Share Capital | Share premium | Other reserves | Retained earnings | |
| Balance at 01.01.2018 | 127.958 | (33.801) | 25.463 | (95.382) | 24.238 |
| Profit / <Loss> for the period | - | - | - | 273 | 273 |
| Other Comprehensive income / <expenses> net of tax | - | - | - | - | - |
| Total comprehensive income / <expenses> net of taxes | - | - | - | 273 | 273 |
| Total Transactions with owners in their capacity as owners | - | - | - | - | - |
| Balance at 30.06.2018 | 127.958 | (33.801) | 25.463 | (95.109) | 24.511 |
| Balance at 01.07.2018 | 127.958 | (33.801) | 25.463 | (95.109) | 24.511 |
| Profit / <Loss> for the period | - | - | - | (1.544) | (1.544) |
| Other Comprehensive income / <expenses> net of tax | - | - | - | (413) | (413) |
| Total comprehensive income / <expense> net of taxes | - | - | - | (1.957) | (1.957) |
| Total Transactions with owners in their capacity as owners | - | - | - | - | - |
| Balance at 31.12.2018 | 127.958 | (33.801) | 25.463 | (97.066) | 22.554 |
| Balance at 01.01.2019 | 127.958 | (33.801) | 25.463 | (97.066) | 22.554 |
| Profit / <Loss> for the period | - | - | - | 5.536 | 5.536 |
| Other Comprehensive income / <expenses> net of tax | - | - | - | - | - |
| Total comprehensive income / <expenses> net of taxes | - | - | - | 5.536 | 5.536 |
| Total Transactions with owners in their capacity as owners | - | - | - | - | - |
| Balance at 30.06.2019 | 127.958 | (33.801) | 25.463 | (91.530) | 28.090 |

The primary financial statements should be read in conjunction with the accompanying notes.

FRIGOGLASS S.A.I.C.
Interim Condensed Statement of Cash Flows
in € 000's



| | Note | Consolidated | | Parent Company | |
|---|-----------|----------------|----------------|----------------|----------------|
| | | Period ended | | Period ended | |
| | | 30.06.2019 | 30.06.2018 | 30.06.2019 | 30.06.2018 |
| Profit / <Loss> for the period | | 14.193 | (1.592) | 5.536 | 273 |
| Adjustments for: | | | | | |
| Income tax expense | 18 | 9.863 | 8.473 | 75 | 474 |
| Depreciation | | 11.925 | 10.039 | 983 | 1.750 |
| Provisions | | 2.715 | 3.997 | 303 | 263 |
| Restructuring gains/<losses> | | 3.287 | | 3.337 | |
| Impairment of fixed assets | 6 | - | 2.085 | - | - |
| Finance costs, net | 17 | 8.743 | 12.443 | 807 | 985 |
| Loss/<Profit> from disposal of property, plant & equipment | 26 | (42) | (193) | (10.121) | 21 |
| Changes in working capital: | | | | | |
| Decrease / (increase) of inventories | | 2.491 | 6.818 | 516 | (161) |
| Decrease / (increase) of trade receivables | | (46.111) | (34.274) | (5.874) | (9.713) |
| Decrease / (increase) of intergroup receivables | 20 | - | - | (3.924) | 2.192 |
| Decrease / (increase) of other receivables | | (2.805) | 425 | 186 | 938 |
| Decrease / (increase) of other long term receivables | | 20 | 38 | (1) | 36 |
| (Decrease) / increase of trade payables | | 15.657 | 13.042 | (2.334) | 512 |
| (Decrease) / increase of intergroup payables | 20 | - | - | 12.331 | 8.304 |
| (Decrease) / increase of other liabilities | | 12.827 | 6.380 | 2.971 | 2.555 |
| Less: | | | | | |
| Income taxes paid | | (3.660) | (6.687) | - | - |
| (a) Cash flows from /(used in) operating activities | | 29.103 | 20.994 | 4.791 | 8.429 |
| Cash flows from investing activities | | | | | |
| Purchase of property, plant and equipment | 6 | (6.364) | (6.396) | (75) | (27) |
| Purchase of intangible assets | 7 | (1.976) | (987) | (367) | (730) |
| Proceeds from disposal of property, plant & equipment | | 77 | 1.037 | - | - |
| Proceeds from disposal of subsidiary | | 795 | - | - | - |
| (b) Net cash flows(used in) /from investing activities | | (7.468) | (6.346) | (442) | (757) |
| Net cash generated from operating and investing activities (a) + (b) | | 21.635 | 14.648 | 4.349 | 7.672 |
| Cash flows from financing activities | | | | | |
| Proceeds from borrowings | | 59.038 | 60.232 | - | - |
| <Repayments> of borrowings | | (57.769) | (55.600) | - | - |
| Proceeds from intergroup loans | | - | - | 3.000 | 8.000 |
| <Repayments> of intergroup loans | | - | - | (4.439) | (13.850) |
| Interest paid | | (7.075) | (3.937) | (1.421) | (1.178) |
| Payment of Lease Liabilities | | (816) | - | (244) | - |
| (c) Net cash flows from/(used in) financing activities | | (6.622) | 695 | (3.104) | (7.028) |
| Net increase/(decrease) in cash and cash equivalents (a) + (b) + (c) | | 15.013 | 15.343 | 1.245 | 644 |
| Cash & cash equivalents at the beginning of the period | | | | | |
| - Continuing operations | | 49.057 | 53.130 | - | - |
| Cash & cash equivalents at the beginning of the period | | | | | |
| - Discontinued operations | | - | 415 | - | - |
| Cash and cash equivalents at the beginning of the period | | 49.057 | 53.545 | 2.352 | 998 |
| Effects of changes in exchange rate | | 185 | 1.295 | - | - |
| Cash and cash equivalents from discontinued operations | | - | (1.594) | - | - |
| Cash and cash equivalents at the end of the period | 11 | 64.255 | 68.589 | 3.597 | 1.642 |

The primary financial statements should be read in conjunction with the accompanying notes.

FRIGOGLASS S.A.I.C.
Commercial Refrigerators
General Commercial Registry: 1351401000

Notes to the Interim Condensed Financial Statements

Note 1 - General Information

These Interim Condensed Financial Statements (the “**Financial Statements**”) include the financial statements of the Parent Company FRIGOGLASS S.A.I.C. (the “Company”) and the Consolidated Financial Statements of the Company and its subsidiaries (the “Group”). The names of the subsidiaries are presented in **Note 14** of the financial statements.

FRIGOGLASS S.A.I.C. and its subsidiaries are engaged in the manufacturing, trade and distribution of commercial refrigeration units and packaging materials for the beverage industry. The Group has manufacturing plants and sales offices in Europe, Asia and Africa.

The Company is incorporated and based in Kifissia, Attica.

The Company’s shares are listed on the Athens Stock Exchange.

The address of its registered office is:

15, A. Metaxa Street
GR 145 64, Kifissia
Athens, Hellas

The company’s web page is: www.frigoglass.com

The interim condensed financial statements have been approved by the Board of Directors of the Company on **6th August 2019**.

Note 2 – Basis of Preparation

This Interim Condensed Financial Information for the period **01.01 - 30.06.2019** has been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union and specifically in terms of IAS 34, ‘Interim financial reporting’.

The Interim Condensed Financial Information should be read in conjunction with the annual financial statements for the year ended **31 December 2018** that are available on the company’s web page www.frigoglass.com.

The financial statements have been prepared on a historical cost basis, except for assets held for sale which are measured at fair value less cost of disposal.

Differences that may exist between the figures of the financial statement and those of the notes are due to rounding. Wherever it was necessary, the comparative figures have been reclassified in order to be comparable with the current year’s presentation.

The financial statements have been prepared in accordance with the going concern basis of accounting. The use of this basis of accounting takes into consideration the Group’s current and forecasted financing position.

The Group reported Profit after income tax expenses **€14,2m** compared to Loss after income tax expenses **€1,6m** for the previous period.

The total consolidated current liabilities of the group amounted to **€225,7m** and the total consolidated current assets amounted to **€318,7m**.

Frigoglass S.A.I.C has an equity position of €28,1 m. at 30.06.2019, therefore is lower than half (1/2) of the share capital. As a consequence, the requirements of article 119 of the Companies Act 4548/2018 are applicable.

The 1st Repetitive General Meeting of shareholders, as at 05.07.2019, decided the nominal decrease of the Company’s share capital by the amount of €92,413,815.26 to €35,543,775.10, through decrease of the nominal value of the Company’s 355,437,751 shares from €0.36 to € 0.10 each, according to article 31 of Law 4548/2018, for the purpose of forming a special reserve of equal amount for offsetting losses by deletion of losses from the Company’s account “Retained earnings” and the amendment of article 3 of the Company’s Articles of Association.

Within the framework of the Group's business policy, management is targeting to reduce costs, improve long-term profitability and generate cash flows, coupled with maintaining and improving product quality and increasing customer value. Management of the Company has undertaken specific actions to achieve the above, including (a) cost reduction through the simplification of the product portfolio; (b) managing inventories at right levels; (c) Lean manufacturing alongside improvements in product quality; and (d) creating value from recent strategic investments.

The Group's financial projections for the upcoming 12 months indicate that it will be able to meet its obligations as they fall due, however, this assessment is subject to a number of risks as described in the "Risks and uncertainties" section of the Directors' Report and in Note 3 to the Group's Annual Financial Report for the prior year, particularly if such risks were to materialize in combination.

Taking into consideration the above, the Directors of the Group have a reasonable expectation that the Group will be able to successfully navigate the present uncertainties and continue its operation. Therefore, the financial statements have been prepared on a going concern basis.

Note 3 – Principal accounting policies

The accounting policies adopted in preparing this Interim Condensed Financial Information are consistent with those described in the annual financial statements of the Company and the Group for the year ended **31 December 2018**.

With the exception of the new standard, IFRS 16 for Leases, there have been no changes in the accounting policies that were used for the preparation of the annual financial statements prepared by the Company and the Group for the year ended **31 December 2018**.

The financial statements have been prepared on a historical cost basis, except for assets held for sale which are measured at fair value less cost of disposal.

The preparation of these Interim Condensed Financial Information in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

New standards, amendments to standards and interpretations:

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning on or after **01.01.2019**.

None of the standards and interpretations issued is expected to have a significant effect on the Consolidated or the Parent Company financial statements with the exception of IFRS 16 “Leases” effective after 1 January 2019.

Standards and Interpretations effective for the current financial year

IFRS 16 “Leases” (effective for annual periods beginning on or after 1 January 2019)

IFRS 16 has been issued in January 2016 and supersedes IAS 17. The objective of the standard is to ensure the lessees and lessors provide relevant information in a manner that faithfully represents those transactions. IFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

The Group applies IFRS 16 from its mandatory adoption date of 1 January 2019. The Group applies the simplified transition approach and will not restate comparative amounts for the year prior to first adoption. The standard will affect primarily the accounting for the Group and Parent Company operating leases. The Group applies the practical expedients for short-term leases and low value leases. It also applies the transition expedient and exclude leases

for which the lease term ends within 2019. Right-of-use assets are measured at an amount equal to the lease liability.

The Lease liability is the present value of the remaining lease payments, discounted using lessee's incremental borrowing rate at the date of initial application.

Right-of-use asset is the amount of lease liability (adjusted by the amount of any previously recognised prepaid or accrued lease payments relating to that lease) less Impairment provision calculated under IAS 36 (or onerous provision under IAS 37 using the practical expedient on first adoption). For more details refer to Note 19.

IFRS 9 (Amendments) "Prepayment Features with Negative Compensation"

The amendments allow companies to measure particular prepayable financial assets with so-called negative compensation at amortised cost or at fair value through other comprehensive income if a specified condition is met—instead of at fair value through profit or loss.

IAS 28 (Amendments) "Long term interests in associates and joint ventures"

The amendments clarify that companies account for long-term interests in an associate or joint venture—to which the equity method is not applied—using IFRS 9.

IFRIC 23 "Uncertainty over income tax treatments"

The interpretation explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. IFRIC 23 applies to all aspects of income tax accounting where there is such uncertainty, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates.

IAS 19 (Amendments) "Plan amendment, curtailment or settlement"

The amendments specify how companies determine pension expenses when changes to a defined benefit pension plan occur.

Annual Improvements to IFRS (2015 – 2017 Cycle)

The amendments set out below include changes to four IFRSs.

IFRS 3 "Business combinations"

The amendments clarify that a company remeasures its previously held interest in a joint operation when it obtains control of the business.

IFRS 11 "Joint arrangements"

The amendments clarify that a company does not remeasure its previously held interest in a joint operation when it obtains joint control of the business.

IAS 12 "Income taxes"

The amendments clarify that a company accounts for all income tax consequences of dividend payments in the same way.

IAS 23 "Borrowing costs"

The amendments clarify that a company treats as part of general borrowings any borrowing originally made to develop an asset when the asset is ready for its intended use or sale.

Standards and Interpretations effective for subsequent periods

IFRS 17 “Insurance contracts” (effective for annual periods beginning on or after 1 January 2021)

IFRS 17 has been issued in May 2017 and supersedes IFRS 4. IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the Standard and its objective is to ensure that an entity provides relevant information that faithfully represents those contracts. The new standard solves the comparison problems created by IFRS 4 by requiring all insurance contracts to be accounted for in a consistent manner. Insurance obligations will be accounted for using current values instead of historical cost. The standard has not yet been endorsed by the EU.

IFRS 3 (Amendments) “Definition of a business” (effective for annual periods beginning on or after 1 January 2020)

The amended definition emphasises that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others. The amendments have not yet been endorsed by the EU.

IAS 1 and IAS 8 (Amendments) “Definition of a material” (effective for annual periods beginning on or after 1 January 2020)

The amendments clarify the definition of material and how it should be applied by including in the definition guidance which until now was featured elsewhere in IFRS. In addition, the explanations accompanying the definition have been improved. Finally, the amendments ensure that the definition of material is consistent across all IFRS. The amendments have not yet been endorsed by the EU.

Note 4 - Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under current circumstances.

4.1. Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows.

4.1.1. Income Taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required by the Group Management in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. If the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax.

4.1.2. Estimated impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2.6.1. of the annual financial statements. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates.

4.1.3. Estimated impairment of investments

The Group's investments in subsidiaries are tested for impairment when indications exist that its carrying value may not be recoverable. The recoverable amount of the investments in subsidiaries is determined on value in use calculations, which requires the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a one year period and cash projections for four additional years. The Company has an investment in Frigoinvest Holdings B.V. (Note 14), which holds the Group's subsidiaries in the ICM and Glass segments which represent the two identifiable, separate cash generating units. Based on the assessment performed by management no impairment charge was recognized with respect to the Company's investment in subsidiary.

4.1.4. Estimation of useful lives of fixed assets

The Group assesses on an annual basis, the useful lives of its property, plant and equipment and intangible assets. These estimates take into account the relevant operational facts and circumstances, the future plans of Management and the market conditions that exist as at the date of the assessment.

4.1.5. Provision for doubtful debts

The provision for doubtful debts has been based on the outstanding balances of specific debtors after taking into account their ageing and the agreed credit terms. This process has excluded receivables from subsidiaries as Management is of the view that these receivables are not likely to require an impairment provision.

4.1.6. Staff retirement benefit obligations

The present value of the retirement benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the relevant obligation comprises the discount rate, the expected return on plan assets, the rate of compensation increase, the rate of inflation and future estimated pension increases. Any changes in these assumptions will impact the carrying amount of the retirement benefit obligations. The Group determines the amount of the retirement benefit obligations using suitably qualified independent actuaries at each year-end's balance sheet date.

4.1.7. Estimated impairment of property, plant & equipment

The Group's property, plant & equipment is tested for impairment when indications exist that its carrying value may not be recoverable. The recoverable amount of the property, plant & equipment is determined under IAS 36 at the higher of its value in use and fair value less costs of disposal. When the recoverable amount is determined on a value in use basis, the use of assumptions is required.

4.2. Critical judgements in applying the entity's accounting policies

There are no areas that Management required to make critical judgements in applying accounting policies except the below.

The Group proceeded with the restructuring of its indebtedness, with its key stakeholders, including its largest shareholder, Boval, holders of the Existing Notes, and the Group's core lending banks. The Noteholders, the Participating Lenders and Boval negotiated together the terms of the Restructuring. Therefore, the different steps were linked and accounted for as one transaction to reflect the substance of the Restructuring rather than its legal form.

4.3. Financial risk management

The group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements they should be read in conjunction with the group's annual financial statements as at **31 December 2018**. There have been no changes in the risk management department or in any risk management policies since the year end of the previous year.

Note 5 - Segment Information

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments.

The operating segment information presented below is based on the information that the Management Committee uses to assess the performance of the Group's operating segments.

Taking into account the above, the categorization of the Group's operations in business segments is the following:

- Ice Cold Merchandise (ICM) Operations
- Glass Operations

See Note 19 on the effect on the segment information of changes in accounting policy.

The consolidated Statement of Financial Position and Statement of Profit & Loss per business segment are presented below:

| Continuing operations: | | | | | | | |
|---|----------------------------------|--------------------------------|---------------------|----------------|--------------------------------|---------------------|-----------------|
| a) Analysis per business segment i) Statement of Profit & Loss | Six months ended 30.06.2018 | Six months ended 30.06.2019 | | | Six months ended 30.06.2018 | | |
| | Discontinued Glass Operations | ICM Operations | Glass Operations | Total | ICM Operations | Glass Operations | Total |
| Revenue from contracts with customers | | | | | | | |
| At a point in time | 13.717 | 202.872 | 58.097 | 260.969 | 172.254 | 50.543 | 222.797 |
| Over time | - | 27.293 | - | 27.293 | 25.316 | - | 25.316 |
| Total Revenue from contracts with customers | 13.717 | 230.165 | 58.097 | 288.262 | 197.570 | 50.543 | 248.113 |
| Operating Profit / <Loss> | (4.747) | 24.612 | 11.979 | 36.591 | 13.975 | 10.390 | 24.365 |
| Finance costs - net | (336) | (12.648) | 3.905 | (8.743) | (12.505) | 398 | (12.107) |
| Profit / <Loss> before income tax & restructuring costs | (5.083) | 11.964 | 15.884 | 27.848 | 1.470 | 10.788 | 12.258 |
| Restructuring gains/<losses> | - | (3.792) | - | (3.792) | (294) | - | (294) |
| Profit / <Loss> before income tax | (5.083) | 8.172 | 15.884 | 24.056 | 1.176 | 10.788 | 11.964 |
| Income tax expense | - | (4.809) | (5.054) | (9.863) | (4.540) | (3.933) | (8.473) |
| Profit / <Loss> after income tax expenses | (5.083) | 3.363 | 10.830 | 14.193 | (3.364) | 6.855 | 3.491 |
| Profit / <Loss> attributable to the shareholders of the company | (5.083) | 4.086 | 6.720 | 10.806 | (3.113) | 3.690 | 577 |
| Depreciation | 74 | 7.750 | 4.175 | 11.925 | 6.726 | 3.239 | 9.965 |
| Impairment of fixed assets | - | - | - | - | (2.085) | - | (2.085) |
| EBITDA | (4.673) | 32.362 | 16.154 | 48.516 | 22.786 | 13.629 | 36.415 |

There are no sales between the two segments.

| Y-o-Y % | | | |
|---|-------------------|---------------------|--------------|
| 30.06.2019 vs 30.06.2018 | | | |
| | ICM Operations | Glass Operations | Total |
| Total Revenue from contracts with customers | 16,5% | 14,9% | 16,2% |
| Operating Profit / <Loss> | 76,1% | 15,3% | 50,2% |
| EBITDA | 42,0% | 18,5% | 33,2% |

Note 5 - Segment Information (continued)**ii) Statement of Financial Position**

| | Six months ended 30.06.2019 | | | Year ended 31.12.2018 | | |
|---------------------|--------------------------------|---------------------|----------------|--------------------------|---------------------|----------------|
| | ICM Operations | Glass Operations | Total | ICM Operations | Glass Operations | Total |
| Total assets | 310.407 | 147.659 | 458.066 | 247.816 | 148.281 | 396.097 |
| Total liabilities | 487.929 | (1.928) | 486.001 | 427.778 | 11.278 | 439.056 |
| Capital expenditure | 3.518 | 4.822 | 8.340 | 11.402 | 24.464 | 35.866 |

Reference Note 6 & 7

Segment liabilities are measured in the same way as in the financial statements.

These liabilities are allocated based on the operations of each segment.

b) Net sales revenue analysis per geographical area (based on customer location)

| | Consolidated | | Discontinued Glass Operations | |
|---------------------------|--------------------------------|--------------------------------|----------------------------------|--------------------------------|
| | Six months ended 30.06.2019 | Six months ended 30.06.2018 | Six months ended 30.06.2019 | Six months ended 30.06.2018 |
| ICM Operations : | | | | |
| East Europe | 116.782 | 96.688 | | |
| West Europe | 63.895 | 53.144 | | |
| Africa / Middle East | 31.357 | 31.553 | | |
| Asia | 18.131 | 16.185 | | |
| Total | 230.165 | 197.570 | | |
| Glass Operations : | | | | |
| Africa | 58.097 | 50.543 | | |
| Total | 58.097 | 50.543 | | |
| Total Sales : | | | | |
| East Europe | 116.782 | 96.688 | - | - |
| West Europe | 63.895 | 53.144 | - | - |
| Africa / Middle East | 89.454 | 82.096 | - | 5.391 |
| Asia | 18.131 | 16.185 | - | 8.326 |
| Consolidated | 288.262 | 248.113 | - | 13.717 |

Note 5 - Segment information (continued)

Net sales revenue analysis per geographical area (based on customer location)

| | Parent Company | |
|-------------------------------|------------------|---------------|
| | Six months ended | |
| | 30.06.2019 | 30.06.2018 |
| ICM Operations : | | |
| East Europe | 1.148 | 876 |
| West Europe | 17.450 | 18.714 |
| Africa / Middle East | 6.016 | 6.513 |
| Asia | - | - |
| Sales to third parties | 24.614 | 26.103 |
| Intercompany sales (Note 20) | 3.973 | 3.435 |
| Total Sales | 28.587 | 29.538 |

c) Capital expenditure per geographical area

| | Consolidated | | |
|--------------------------------|--------------|---------------|--------------|
| | Period ended | | |
| | 30.06.2019 | 31.12.2018 | 30.06.2018 |
| ICM Operations : | | | |
| East Europe | 1.202 | 6.464 | 2.127 |
| West Europe | 2.020 | 4.226 | 757 |
| Africa | 220 | 304 | 119 |
| Asia | 76 | 408 | 162 |
| Total | 3.518 | 11.402 | 3.165 |
| Glass Operations: | | | |
| Africa | 4.822 | 24.464 | 3.971 |
| Total | 4.822 | 24.464 | 3.971 |
| Consolidated | 8.340 | 35.866 | 7.136 |
| Discontinued operations | - | 359 | 248 |

Note 6 - Property, plant & equipment

| | Consolidated | | | | | |
|---|--------------|----------------------------|----------------------------------|----------------|----------------------|---------|
| | Land | Building & technical works | Machinery technical installation | Motor vehicles | Furniture & fixtures | Total |
| Cost | | | | | | |
| Balance at 01.01.2019 | 4.856 | 58.870 | 231.445 | 6.177 | 11.714 | 313.062 |
| Additions | - | 266 | 3.001 | 418 | 497 | 4.182 |
| Construction in progress & advances | - | 127 | 1.998 | - | 57 | 2.182 |
| Disposals | - | - | (577) | (174) | (8) | (759) |
| Transfer to / from & reclassification (Note 7) | - | 265 | (236) | - | (159) | (130) |
| Tangible Assets Write off | - | - | (19) | - | (259) | (278) |
| Exchange differences | 43 | 79 | 955 | 49 | 48 | 1.174 |
| Balance at 30.06.2019 | 4.899 | 59.607 | 236.567 | 6.470 | 11.890 | 319.433 |
| Accumulated Depreciation | | | | | | |
| Balance at 01.01.2019 | - | 27.769 | 150.485 | 4.122 | 9.451 | 191.827 |
| Additions | - | 865 | 6.658 | 415 | 412 | 8.350 |
| Disposals | - | - | (577) | (139) | (8) | (724) |
| Impairment charge from restructuring activities (Note 28) | - | 223 | 401 | 5 | 8 | 637 |
| Tangible Assets Write off | - | (4) | - | - | (235) | (239) |
| Exchange differences | - | 20 | 616 | 17 | 43 | 696 |
| Balance at 30.06.2019 | - | 28.873 | 157.583 | 4.420 | 9.671 | 200.547 |
| Net book value at 30.06.2019 | 4.899 | 30.734 | 78.984 | 2.050 | 2.219 | 118.886 |
| Net book value at 31.12.2018 | 4.856 | 31.101 | 80.960 | 2.055 | 2.263 | 121.235 |

Pledged assets are described in detail in Note 13 - Non current and current borrowings.

Frigoglass S.A.I.C announced on June 7, 2019 that following its ongoing manufacturing footprint restructuring related initiatives, aiming to improve its cost structure and enhance its long-term competitiveness for the entire Group, discontinues production in Kato Achaia plant in Greece.

As part of the restructuring, impairment costs of tangible assets of € 0.6 million were recognized.

Costs related to Construction in progress and advances are capitalised until the end of the forthcoming year.

Exchange differences: Negative foreign exchange differences arise from currency devaluation against the Euro and positive exchange differences from currencies appreciation against the Euro.

Note 6 - Property, plant & equipment (continued)

| | Consolidated | | | | | Total |
|--|--------------|----------------------------|----------------------------------|----------------|----------------------|----------------|
| | Land | Building & technical works | Machinery technical installation | Motor vehicles | Furniture & fixtures | |
| Cost | | | | | | |
| Balance at 01.01.2018 | 5.097 | 60.013 | 202.320 | 5.751 | 11.445 | 284.626 |
| Additions | - | 105 | 3.270 | 478 | 390 | 4.243 |
| Construction in progress & advances | - | 4 | 1.841 | - | 60 | 1.905 |
| Disposals | (252) | (2.191) | (182) | (273) | (344) | (3.242) |
| Transfer to / from & reclassification (Note 7) | - | (44) | 40 | (2) | 6 | - |
| Tangible Assets Write off | - | - | (548) | - | - | (548) |
| Exchange differences | (22) | 102 | 2.906 | 108 | 38 | 3.132 |
| Balance at 30.6.2018 | 4.823 | 57.989 | 209.647 | 6.062 | 11.595 | 290.116 |
| Accumulated Depreciation | | | | | | |
| Balance at 01.01.2018 | - | 27.585 | 136.469 | 4.275 | 9.542 | 177.871 |
| Additions | - | 998 | 5.906 | 332 | 389 | 7.625 |
| Disposals | - | (1.700) | (143) | (223) | (332) | (2.398) |
| Impairment charge | - | - | 2.085 | - | - | 2.085 |
| Tangible Assets Write off | - | - | (527) | - | - | (527) |
| Transfer to / from & reclassification (Note 7) | - | 5 | - | - | (5) | - |
| Exchange differences | - | 91 | 1.919 | 67 | 30 | 2.107 |
| Balance at 30.6.2018 | - | 26.979 | 145.709 | 4.451 | 9.624 | 186.763 |
| Net book value at 30.06.2018 | 4.823 | 31.010 | 63.938 | 1.611 | 1.971 | 103.353 |

Year ended 31.12.2018

Impairment assessment has been performed for those cash-generating units (CGUs) with an indication that their carrying amount exceeds their recoverable amount.

The recoverable amount of each cash-generating unit was determined through a value-in-use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a one-year period and cash projections for four additional years.

Subjective estimates and judgements by management about the future results of the CGU were included in the above calculation. These estimates and judgements include assumptions surrounding revenue growth rates, direct costs, and discount rates.

The following table sets out the key assumptions for the calculation of the Value in Use:

ICM segment: Frigoglass India

| | |
|--------------------------------|---------------------|
| After - Tax discount rate: | 12,6% |
| Gross margin pre Depreciation: | 8,4% - 11,0% |
| Growth rate in perpetuity: | 4,0% |

Due to adverse operating results impairment assessment at **31.12.2018**, was carried out, using the assumptions stated above, which resulted to impairment loss of **€ 2,1 m.** for the Frigoglass India PVT Ltd..

ICM segment: Frigoglass India PVT Ltd.

As at **31.12.2018**, the recoverable amount of the CGU of the ICM manufacturing Frigoglass India was **€ 6,9 m..**

If the growth rate used in the value-in-use calculation had been 1% lower than management's estimates as at **31.12.2018** (3,0% instead of 4,0%), the Group would not have to recognise an additional impairment against the carrying amount of property, plant and equipment. If the after-tax discount rate applied to the cash flow projections of this CGU had been 1% higher than management's estimates (13,6% instead of 12,6%), the Group would have had to recognise an additional impairment against property, plant and equipment of € 0,54 m..

Note 6 - Property, plant & equipment (continued)

| | Parent Company | | | | | |
|---|----------------|----------------------------|----------------------------------|----------------|----------------------|---------------|
| | Land | Building & technical works | Machinery technical installation | Motor vehicles | Furniture & fixtures | Total |
| Cost | | | | | | |
| Balance at 01.01.2019 | 303 | 9.046 | 13.928 | 362 | 2.561 | 26.200 |
| Additions | - | 3 | 9 | - | 63 | 75 |
| Transfer to / from & reclassification (Note 7) | - | (14) | 35 | - | (151) | (130) |
| Balance at 30.06.2019 | 303 | 9.035 | 13.972 | 362 | 2.473 | 26.145 |
| Accumulated Depreciation | | | | | | |
| Balance at 01.01.2019 | - | 6.633 | 13.145 | 260 | 2.254 | 22.292 |
| Additions | - | 122 | 124 | 3 | 76 | 325 |
| Impairment charge from restructuring activities (Note 28) | - | 223 | 401 | 5 | 8 | 637 |
| Balance at 30.06.2019 | - | 6.978 | 13.670 | 268 | 2.338 | 23.254 |
| Net book value at 30.06.2019 | 303 | 2.057 | 302 | 94 | 135 | 2.891 |
| Net book value at 31.12.2018 | 303 | 2.413 | 783 | 102 | 307 | 3.908 |

Frigoglass S.A.I.C announced on June 7, 2019 that following its ongoing manufacturing footprint restructuring related initiatives, aiming to improve its cost structure and enhance its long-term competitiveness for the entire Group, discontinues production in Kato Achaia plant in Greece.

As part of the restructuring, impairment costs of tangible assets of € 0.6 million were recognized.

Pledged assets are described in detail in Note 13 - Non current and current borrowings.

Costs related to Construction in progress and advances are capitalised until the end of the forthcoming year.

| | Parent Company | | | | | |
|-------------------------------------|----------------|----------------------------|----------------------------------|----------------|----------------------|---------------|
| | Land | Building & technical works | Machinery technical installation | Motor vehicles | Furniture & fixtures | Total |
| Cost | | | | | | |
| Balance at 01.01.2018 | 303 | 9.014 | 14.292 | 267 | 2.906 | 26.782 |
| Additions | - | - | 9 | 1 | 17 | 27 |
| Disposals | - | - | (33) | - | - | (33) |
| Tangible Assets Write off | - | - | (411) | - | - | (411) |
| Balance at 30.6.2018 | 303 | 9.014 | 13.857 | 268 | 2.923 | 26.365 |
| Accumulated Depreciation | | | | | | |
| Balance at 01.01.2018 | - | 6.333 | 13.308 | 255 | 2.471 | 22.367 |
| Additions | - | 174 | 140 | 2 | 72 | 388 |
| Disposals | - | - | (20) | - | - | (20) |
| Tangible Assets Write off | - | - | (381) | - | - | (381) |
| Balance at 30.6.2018 | - | 6.507 | 13.047 | 257 | 2.543 | 22.354 |
| Net book value at 30.06.2018 | 303 | 2.507 | 810 | 11 | 380 | 4.011 |

Note 7 - Intangible assets

| | Consolidated | | | |
|--|-------------------|----------------------|------------------------------------|---------------|
| | Development costs | Patents & trademarks | Software & other intangible assets | Total |
| Cost | | | | |
| Balance 01.01.2019 | 29.866 | 37 | 25.817 | 55.720 |
| Additions | 4 | - | 149 | 153 |
| Construction in progress & advances | 1.573 | - | 250 | 1.823 |
| Transfer to / from & reclassification (Note 6) | 1.805 | - | (1.675) | 130 |
| Write off of Intangible Assets | (14.039) | (35) | (3.237) | (17.311) |
| Exchange differences | 36 | - | 19 | 55 |
| Balance at 30.06.2019 | 19.245 | 2 | 21.323 | 40.570 |
| Accumulated Depreciation | | | | |
| Balance at 01.01.2019 | 23.034 | 37 | 21.516 | 44.587 |
| Additions | 1.356 | - | 763 | 2.119 |
| Transfer to /from and reclassification | 907 | - | (907) | - |
| Write off of Intangible Assets | (14.041) | (35) | (3.252) | (17.328) |
| Exchange differences | 30 | - | 18 | 48 |
| Balance at 30.06.2019 | 11.286 | 2 | 18.138 | 29.426 |
| Net book value at 30.06.2019 | 7.959 | - | 3.185 | 11.144 |
| Net book value at 31.12.2018 | 6.832 | - | 4.301 | 11.133 |

Costs related to Construction in progress and advances are capitalised until the end of the forthcoming year.

Pledged assets are described in detail in Note 13 - Non current and current borrowings.

| | Consolidated | | | |
|-------------------------------------|-------------------|----------------------|------------------------------------|---------------|
| | Development costs | Patents & trademarks | Software & other intangible assets | Total |
| Cost | | | | |
| Balance at 01.01.2018 | 28.833 | 212 | 24.088 | 53.133 |
| Additions | 43 | - | 316 | 359 |
| Construction in progress & advances | 530 | - | 98 | 628 |
| Disposals | - | - | (22) | (22) |
| Exchange differences | 83 | 5 | (6) | 82 |
| Balance at 30.6.2018 | 29.489 | 217 | 24.474 | 54.180 |
| Accumulated Depreciation | | | | |
| Balance at 01.01.2018 | 22.250 | 212 | 19.895 | 42.357 |
| Additions | 1.042 | - | 1.000 | 2.042 |
| Disposals | - | - | (22) | (22) |
| Exchange differences | 81 | 5 | (4) | 82 |
| Balance at 30.6.2018 | 23.373 | 217 | 20.869 | 44.459 |
| Net book value at 30.06.2018 | 6.116 | - | 3.605 | 9.721 |

FRIGOGLASS S.A.I.C.
Notes to the Interim Condensed Financial Statements
in € 000's

Note 7 - Intangible assets (continued)

| | Parent Company | | | |
|--|-------------------|----------------------|------------------------------------|---------------|
| | Development costs | Patents & trademarks | Software & other intangible assets | Total |
| Cost | | | | |
| Balance at 01.01.2019 | 22.567 | 35 | 18.758 | 41.360 |
| Additions | - | - | 367 | 367 |
| Disposals to subsidiaries of the group | (8.528) | - | (1.805) | (10.333) |
| Write off of Intangible Assets | (14.039) | (35) | (3.237) | (17.311) |
| Transfer to / from & reclassification (Note 6) | - | - | 130 | 130 |
| Balance at 30.06.2019 | - | - | 14.213 | 14.213 |
| Accumulated Depreciation | | | | |
| Balance at 01.01.2019 | 18.129 | 35 | 15.827 | 33.991 |
| Additions | - | - | 427 | 427 |
| Disposals to subsidiaries of the group | (4.159) | - | (907) | (5.066) |
| Write off of Intangible Assets | (14.041) | (35) | (3.252) | (17.328) |
| Balance at 30.06.2019 | (71) | - | 12.095 | 12.024 |
| Net book value at 30.06.2019 | 71 | - | 2.118 | 2.189 |
| Net book value at 31.12.2018 | 4.438 | - | 2.931 | 7.369 |

Costs related to Construction in progress and advances are capitalised until the end of the forthcoming year.

The disposal relates to the disposal of the Intellectual Property for Product Development to Frigoglass Romania S.R.L. for the amount of € 15,4 million which was netted off against liabilities to Frigoglass Romania S.R.L.

| | Parent Company | | | |
|-------------------------------------|-------------------|----------------------|------------------------------------|---------------|
| | Development costs | Patents & trademarks | Software & other intangible assets | Total |
| Cost | | | | |
| Balance at 01.01.2018 | 21.429 | 35 | 16.959 | 38.423 |
| Additions | 23 | - | 193 | 216 |
| Construction in progress & advances | 514 | - | - | 514 |
| Balance at 30.6.2018 | 21.966 | 35 | 17.152 | 39.153 |
| Accumulated Depreciation | | | | |
| Balance at 01.01.2018 | 16.617 | 35 | 14.482 | 31.134 |
| Additions | 702 | - | 653 | 1.355 |
| Balance at 30.6.2018 | 17.319 | 35 | 15.135 | 32.489 |
| Net book value at 30.06.2018 | 4.647 | - | 2.017 | 6.664 |

Note 8 - Inventories

| | Consolidated | | Parent Company | |
|------------------|---------------|----------------|----------------|--------------|
| | 30.06.2019 | 31.12.2018 | 30.06.2019 | 31.12.2018 |
| Raw materials | 68.667 | 66.597 | 2.685 | 3.046 |
| Work in progress | 2.544 | 2.533 | 24 | 28 |
| Finished goods | 36.544 | 42.023 | 905 | 1.056 |
| Less: Provision | (9.456) | (9.414) | (2.077) | (1.898) |
| Total | 98.299 | 101.739 | 1.537 | 2.232 |

Pledged assets are described in detail in Note 13 - Non current and current borrowings.

FRIGOGLASS S.A.I.C.**Notes to the Interim Condensed Financial Statements**

in € 000's

Note 9 - Trade receivables

| | Consolidated | | Parent Company | |
|-------------------|---------------------|-------------------|-----------------------|-------------------|
| | 30.06.2019 | 31.12.2018 | 30.06.2019 | 31.12.2018 |
| Trade receivables | 125.195 | 78.611 | 10.176 | 4.570 |
| Less: Provisions | (951) | (1.005) | (600) | (618) |
| Total | 124.244 | 77.606 | 9.576 | 3.952 |

The increase in the balance of the trade receivables is mainly attributable to the seasonality and sales growth. (Note 23).

The fair value of trade receivables closely approximates their carrying value. The Group and the Company have a significant concentration of credit risk with specific customers which comprise large international groups such as Coca - Cola HBC, other Coca - Cola bottlers, Diageo - Guinness and Heineken.

The Group does not require its customers to provide any pledges or collateral due to the general high calibre and international reputation of portfolio.

Management does not expect any losses from non-performance of trade receivables, other than as provided for as at **30.06.2019**.

Pledged assets are described in detail in Note 13 - Non current and current borrowings.

Note 10 - Other receivables

| | Consolidated | | Parent Company | |
|--|---------------|---------------|----------------|--------------|
| | 30.06.2019 | 31.12.2018 | 30.06.2019 | 31.12.2018 |
| V.A.T receivable | 11.975 | 9.846 | - | 329 |
| Grants for exports receivable | 8.747 | 8.714 | - | - |
| Insurance prepayments | 1.065 | 1.228 | 173 | 160 |
| Prepaid expenses | 1.078 | 1.287 | 166 | 57 |
| Receivable from the disposal of subsidiary | 1.491 | 2.286 | - | - |
| Other taxes receivable | 2.085 | 1.425 | - | - |
| Advances to employees | 501 | 550 | 75 | 23 |
| Other receivables | 2.650 | 2.105 | 329 | 436 |
| Total | 29.592 | 27.441 | 743 | 1.005 |

The amount of Grants for exports receivable of **€ 8.7m (2018 € 8.7m)** comprise of Export Expansion Grants (EEG) and Negotiable Duty Credit Certificate (NDCC). Export Expansion Grants (EEG) are granted by the Nigerian Government on exports of goods produced in the country, having met certain eligibility criteria. These are recognized at fair value, and Management does not expect any losses from the non-recoverability of these grants. Negotiable Duty Credit Certificates (NDCC) originate from export grants received from government and the instrument is useful for settlement of custom duties payable to government, with no expiry date, under the previous scheme.

A revised scheme has been proposed to be implemented as of **2017** whereby the Settlement of Claims for EEG by the Nigerian Government will be done through the issue of negotiable tax credit certificates to the beneficiaries. This instrument, known as Export Credit Certificate (ECC), will be used to settle all Federal Government taxes such as company income tax, VAT, WHT, etc. and the following:

a. purchase of Federal Government Bonds b. settlement of credit facilities by Bank of Industry, NEXIM Bank and Central Bank of Nigeria intervention Facilities c. settlement of AMCON liabilities. The Certificate shall be valid for two years and transferable once to final beneficiaries.

Existing EEG claims not yet settled continue to be eligible under the revised scheme.

It is proposed that the existing NDCCs with the Exporters will be swapped with promissory notes (under-written by the Federal Government). In January 2018 the NDCC was handed over to the government.

The V.A.T receivable is fully recoverable through the operating activity of the Group and the Company.

Other receivables comprise various prepayments. The fair value of other receivables closely approximates their carrying value.

Pledged assets are described in detail in Note 13 - Non current and current borrowings.

FRIGOGLASS S.A.I.C.**Notes to the Interim Condensed Financial Statements**

in € 000's

Note 11 - Cash & cash equivalents

| | Consolidated | | Parent Company | |
|--------------------------|---------------|---------------|----------------|--------------|
| | 30.06.2019 | 31.12.2018 | 30.06.2019 | 31.12.2018 |
| Cash on hand | 10 | 7 | 1 | 1 |
| Short term bank deposits | 64.245 | 49.050 | 3.596 | 2.351 |
| Total | 64.255 | 49.057 | 3.597 | 2.352 |

Cash and cash equivalents include an amount of **€11.8** million equivalent in Nigerian Naira held by the Group's subsidiaries: Beta Glass Plc., Frigoglass Industries Nigeria Ltd. and Frigoglass West Africa Ltd. .

Note 12 - Other payables

| | Consolidated | | Parent Company | |
|---|---------------|---------------|----------------|--------------|
| | 30.06.2019 | 31.12.2018 | 30.06.2019 | 31.12.2018 |
| Taxes and duties payable | 2.131 | 3.807 | 364 | 530 |
| VAT payable | 3.448 | 1.371 | 140 | - |
| Social security insurance | 1.523 | 1.506 | 245 | 473 |
| Customers' advances | 940 | 1.886 | 68 | 87 |
| Other taxes payable | 2.228 | 2.067 | - | - |
| Accrued discounts on sales | 24.394 | 13.957 | 2.539 | 374 |
| Accrued fees & costs payable to third parties | 6.279 | 5.494 | 1.103 | 555 |
| Accrued payroll expenses | 10.306 | 8.214 | 2.992 | 2.425 |
| Other accrued expenses | 2.273 | 2.697 | 34 | 64 |
| Accrued interest for bank loans | 5.000 | 5.096 | - | - |
| Expenses for restructuring activities | 5.578 | - | 5.431 | - |
| Accrual for warranty expenses | 5.410 | 3.332 | 374 | 297 |
| Other payables | 5.297 | 4.112 | 262 | 262 |
| Total | 74.807 | 53.539 | 13.552 | 5.067 |

The fair value of other creditors approximates their carrying value.

Accrued discount on sales: The increase in the balance is mainly attributable to the higher discounts, sales and seasonality.

Expenses for restructuring activities:

Frigoglass S.A.I.C announced on June 7, 2019 that following its ongoing manufacturing footprint restructuring related initiatives, aiming to improve its cost structure and enhance its long-term competitiveness for the entire Group, discontinues production in Kato Achaia plant in Greece.

The amount of € 5,6 million concerns: € 5,4 million for staff compensation and € 0,2 million for advisory fees.

Note 13 - Non current & current borrowings

| | Consolidated | | Parent Company | |
|-------------------------------------|----------------|----------------|----------------|---------------|
| | 30.06.2019 | 31.12.2018 | 30.06.2019 | 31.12.2018 |
| Bank loans | 57.871 | 53.014 | - | - |
| Intergroup bond loans | - | - | 24.398 | 26.480 |
| Bond loans | 173.664 | 174.984 | - | - |
| Total Non current borrowings | 231.535 | 227.998 | 24.398 | 26.480 |
| | | | | |
| Bank overdrafts | 3.640 | 1.259 | - | - |
| Bank loans | 41.444 | 46.002 | - | - |
| Total current borrowings | 45.084 | 47.261 | - | - |
| | | | | |
| Total borrowings | 276.619 | 275.259 | 24.398 | 26.480 |

Maturity of non current borrowings

| | Consolidated | | Parent Company | |
|---------------------|----------------|----------------|----------------|---------------|
| | 30.06.2019 | 31.12.2018 | 30.06.2019 | 31.12.2018 |
| Between 1 & 2 years | - | - | - | - |
| Between 2 & 5 years | 231.535 | 227.998 | 24.398 | 26.480 |
| Over 5 years | - | - | - | - |
| Total | 231.535 | 227.998 | 24.398 | 26.480 |

Net debt / Total capital

| | Consolidated | | Parent Company | |
|---|----------------|----------------|----------------|---------------|
| | 30.06.2019 | 31.12.2018 | 30.06.2019 | 31.12.2018 |
| Total borrowings | 276.619 | 275.259 | 24.398 | 26.480 |
| Cash & cash equivalents | (64.255) | (49.057) | (3.597) | (2.352) |
| Net debt (A) | 212.364 | 226.202 | 20.801 | 24.128 |
| Total equity (B) | (27.935) | (42.959) | 28.090 | 22.554 |
| Total capital (C) = (A) + (B) | 184.429 | 183.243 | 48.891 | 46.682 |
| Net debt / Total capital (A) / (C) | 115,15% | 123,44% | 42,55% | 51,69% |

FRIGOGLASS S.A.I.C.**Notes to the Interim Condensed Financial Statements**

in € 000's

Note 13 - Non current & current borrowings (continued)

During the period January 1st, 2019 – June 30th, 2019, the Group proceeded to a debt repayment amounting to €1.5 million as part of its amortization schedule (paid every six months starting from March 2019) regarding first lien debt.

The analysis of the Group's non-current borrowings is as follows:

| Description | Rate | Maturity | 31.12.2018 Book Value | (Repayments)/ Drawdowns | 30.06.2019 Book Value |
|-------------------------------------|---------------------|------------|--------------------------|----------------------------|--------------------------|
| a) Bank Loans | | | | | |
| First Lien RCF | Euribor/Libor+4.25% | 31.12.2021 | 9,046 | 5,065 | 14,112 |
| First Lien Term Loan (Euro) | Euribor+4.25% | 31.12.2021 | 6,730 | -116 | 6,614 |
| First Lien Term Loan (US\$) | Libor+4.25% | 31.12.2021 | 8,215 | -92 | 8,123 |
| Second Lien RCF (Ancillary) | Euribor/Libor+3.25% | 31.03.2022 | 11,629 | | 11,629 |
| Second Lien Term Loan (Euro) | Euribor+3.25% | 31.03.2022 | 17,393 | | 17,393 |
| b) Bond Loans | | | | | |
| Senior Secured Guaranteed Notes | Euribor+4.25% | 31.12.2021 | 76,449 | -1,320 | 75,129 |
| Second Priority Secured Notes | 7% | 31.03.2022 | 98,535 | | 98,535 |
| Total Non current borrowings | | | 227,998 | 3,537 | 231,535 |

Committed unutilized Revolving Credit Facilities (RCFs): €9,994 (2018: €11,731)

Based on the First Lien Facilities Agreement, there are two financial covenants:

- (i) Minimum Liquidity Covenant which is tested weekly, and
- (ii) Leverage Covenant which is tested semi-annually.

Representations, covenants and events of default on Second Lien Facilities are substantially the same as those in the First Lien Facilities Agreement.

The First Lien Notes Subscription Agreement contains the same covenants and undertakings as the First Lien Facilities. The Second Lien Notes indenture contains a series of common restrictions and undertakings for the Group, including, among other, restrictions on financial indebtedness, distribution of dividends, the disposal of assets and mergers and acquisitions.

Interest on Senior Secured Guaranteed Notes (First Lien Notes) and Second Priority Secured Notes is paid on January 15 and July 15 each year, starting as of 15 January 2018. The First Lien Notes are listed on the official list of the International Stock Exchange and are private notes held in certificated form and settled through the Notes Agent/Issuer. The Second Lien Notes are listed on the official list of The International Stock Exchange. The notes are settled through the Clearstream/Euroclear.

Guarantees

The following companies have granted guarantees in respect of the First and Second Lien Debt:

1. Frigoglass S.A.I.C.
2. Frigoglass Finance B.V.
3. Frigoinvest Holdings B.V.
4. Frigoglass Romania S.R.L.
5. Frigoglass Eurasia LLC
6. Frigoglass West Africa Limited
7. Frigoglass Industries Nigeria Limited
8. Beta Glass Plc.
9. PT Frigoglass Indonesia
10. 3P Frigoglass S.R.L
11. Frigoglass Cyprus Limited
12. Frigoglass Global Limited
13. Frigoglass South Africa (Proprietary) Limited
14. Frigoglass East Africa Limited

Security

The security granted in favour of the creditors under the First Lien Facilities, First Lien Notes, Second Lien Facilities and Second Lien Notes include the following:

- (a) security over shares in the following Group companies: Frigoinvest Holdings B.V., Frigoglass Finance B.V., Frigoglass Industries Nigeria Limited, Beta Glass plc, Frigoglass West Africa Limited, Frigoglass Romania S.R.L., Frigoglass Eurasia LLC, PT Frigoglass Indonesia, Frigoglass South Africa (Proprietary) Limited, Frigoglass Cyprus Limited, Frigoglass Global Limited, Frigoglass East Africa Limited and 3P Frigoglass S.R.L.; and
- (b) security over assets of the Group in the value shown below:

| Asset | in € 000's as at 30.06.2019 |
|-----------------------------|--------------------------------|
| Tangible assets | 32.629 |
| Other long term assets | 42 |
| Inventories | 37.676 |
| Trade debtors | 52.692 |
| Intergroup receivables | 54.340 |
| Intergroup loan receivables | 267.749 |
| Other debtors | 3.779 |
| Cash & cash equivalents | 22.491 |
| Total | 471.398 |

Note 14 - Investments in subsidiaries

| | Parent Company | |
|--|----------------|----------------|
| | 30.06.2019 | 31.12.2018 |
| | Net book value | Net book value |
| Investment in Frigoinvest Holdings B.V. (The Netherlands) | | |
| Opening balance | 60.005 | 60.005 |
| Closing Balance | 60.005 | 60.005 |

In its separate financial statements, the Parent Company accounts for investments in subsidiaries at historic cost less any impairment losses.

The subsidiaries of the Group, the country of incorporation and their shareholding status as are described below:

| Company name & business segment | Country of incorporation | Consolidation method | % Shareholding |
|---|--------------------------|----------------------|----------------|
| ICM Operations | | | |
| Frigoglass S.A.I.C. | Greece | Parent Company | |
| SC. Frigoglass Romania SRL | Romania | Full | 100,00% |
| PT Frigoglass Indonesia | Indonesia | Full | 99,98% |
| Frigoglass South Africa Ltd. | South Africa | Full | 100,00% |
| Frigoglass Eurasia LLC | Russia | Full | 100,00% |
| Frigoglass (Guangzhou) Ice Cold Equipment Co. ,Ltd. | China | Full | 100,00% |
| Scandinavian Appliances A.S | Norway | Full | 100,00% |
| Frigoglass Spzoo | Poland | Full | 100,00% |
| Frigoglass India PVT.Ltd. | India | Full | 100,00% |
| Frigoglass East Africa Ltd. | Kenya | Full | 100,00% |
| Frigoglass GmbH | Germany | Full | 100,00% |
| Frigoglass Hungary Kft | Hungary | Full | 100,00% |
| Frigoglass Nordic AS | Norway | Full | 100,00% |
| Frigoglass West Africa Limited | Nigeria | Full | 76,03% |
| Frigoglass Cyprus Limited | Cyprus | Full | 100,00% |
| Norcool Holding A.S | Norway | Full | 100,00% |
| Frigoinvest Holdings B.V | The Netherlands | Full | 100,00% |
| Frigoglass Finance B.V | The Netherlands | Full | 100,00% |
| 3P Frigoglass Romania SRL | Romania | Full | 100,00% |
| Frigoglass Ltd. | Ireland | Full | 100,00% |
| Glass Operations | | | |
| Frigoglass Global Limited | Cyprus | Full | 100,00% |
| Beta Glass Plc. | Nigeria | Full | 55,21% |
| Frigoglass Industries (NIG.) Ltd. | Nigeria | Full | 76,03% |

The Parent Company does not have any shareholdings in the preference shares of subsidiary undertakings included in the Group.

Note 15 - Share capital

A) Share capital:**2019**

The share capital of the Group as at **30.06.2019** comprised of **355.437.751** fully paid up ordinary shares with an nominal value of € 0,36 each.

The 1st Repetitive General Meeting of shareholders, as at 05.07.2019, decided the nominal decrease of the Company's share capital by the amount of €92,413,815.26 to €35,543,775.10, through decrease of the nominal value of the Company's 355,437,751 shares from €0.36 to € 0.10 each, according to article 31 of Law 4548/2018, for the purpose of forming a special reserve of equal amount for offsetting losses by deletion of losses from the Company's account "Retained earnings" and the amendment of article 3 of the Company's Articles of Association.

2018

The share capital of the Group as at **31.12.2018** comprised of **355.437.751** fully paid up ordinary shares with an nominal value of € 0,36 each.

| | Number of shares | Share capital -000' Euro- | Share premium -000' Euro- |
|-----------------------|------------------|------------------------------|------------------------------|
| Balance at 01.01.2018 | 355.437.751 | 127.958 | (33.801) |
| Balance at 31.12.2018 | 355.437.751 | 127.958 | (33.801) |
| Balance at 30.06.2019 | 355.437.751 | 127.958 | (33.801) |

Note 16 - Other reserves

| | Consolidated | | | | | Total |
|---|--------------------|----------------------|------------------------|-------------------|------------------------------|-----------------|
| | Statutory reserves | Share option reserve | Extraordinary reserves | Tax free reserves | Currency translation reserve | |
| Balance at 01.01.2018 | 4.177 | 670 | 14.638 | 8.760 | (40.477) | (12.232) |
| Exchange differences | - | - | 73 | - | 3.994 | 4.067 |
| Balance at 30.06.2018 | 4.177 | 670 | 14.711 | 8.760 | (36.483) | (8.165) |
| Balance at 01.07.2018 | 4.177 | 670 | 14.711 | 8.760 | (36.483) | (8.165) |
| Exchange differences from discontinued operations recycled to P&L | - | - | - | - | (3.684) | (3.684) |
| Exchange differences from continuing operations | - | - | 18 | - | (117) | (99) |
| Balance at 31.12.2018 | 4.177 | 670 | 14.729 | 8.760 | (40.284) | (11.948) |
| Balance at 01.01.2019 | 4.177 | 670 | 14.729 | 8.760 | (40.284) | (11.948) |
| Exchange differences from continuing operations | - | - | 13 | - | 534 | 547 |
| Balance at 30.06.2019 | 4.177 | 670 | 14.742 | 8.760 | (39.750) | (11.401) |

| | Parent Company | | | | Total |
|------------------------------|--------------------|----------------------|------------------------|-------------------|---------------|
| | Statutory reserves | Share option reserve | Extraordinary reserves | Tax free reserves | |
| Balance at 01.01.2018 | 4.020 | 670 | 12.013 | 8.760 | 25.463 |
| Balance at 30.06.2018 | 4.020 | 670 | 12.013 | 8.760 | 25.463 |
| Balance at 01.07.2018 | 4.020 | 670 | 12.013 | 8.760 | 25.463 |
| Balance at 31.12.2018 | 4.020 | 670 | 12.013 | 8.760 | 25.463 |
| Balance at 01.01.2019 | 4.020 | 670 | 12.013 | 8.760 | 25.463 |
| Balance at 30.06.2019 | 4.020 | 670 | 12.013 | 8.760 | 25.463 |

A statutory reserve is created under the provisions of Hellenic law (Law 4548/2018) according to which, an amount of at least 5% of the profit (after tax) for the year must be transferred to this reserve until it reaches one third of the paid up share capital. The statutory reserve can not be distributed to the shareholders of the Company except for the case of liquidation.

The share option reserve refers to the established Stock Option Plan provided to senior managers and members of the Management Committee.

The Company has created tax free reserves, in accordance with several Hellenic tax laws, during the years, in order to achieve tax deductions, either:

- by postponing the settlement of tax liabilities until the distribution of the reserves to the shareholders, or
- by eliminating any future income tax payment related to the issuance of bonus shares to the shareholders.

Should the reserves be distributed to the shareholders as dividends, the distributed profits will be taxed with the applicable rate at the time of distribution.

No provision has been recognized for contingent income tax liabilities in the event of a future distribution of such reserves to the Company's shareholders since such liabilities are recognized at the same time as the dividend liability associated with such distributions.

Note 17 - Financial expenses

| | Consolidated | | Parent Company | |
|---|---------------|---------------|----------------|------------|
| | 30.06.2019 | 30.06.2018 | 30.06.2019 | 30.06.2018 |
| Finance income | | | | |
| Interest income | (1.813) | (1.232) | (1) | - |
| Finance cost | | | | |
| Interest Expense | 8.605 | 7.990 | 782 | 963 |
| Exchange loss / (gain) & | | | | |
| Other Financial costs | 1.763 | 5.349 | (6) | 22 |
| Finance cost for lease liabilities | 188 | - | 32 | - |
| Finance cost | 10.556 | 13.339 | 808 | 985 |
| Finance costs - net | 8.743 | 12.107 | 807 | 985 |
| Total finance cost / <income> from discontinued operations | - | 336 | | |

The Group's principal sources of finance consist of Bond Loans, local overdraft facilities, short- and long-term local bank borrowing facilities and Revolving Credit Facilities (RCFs).

The ratio of the fixed to floating interest rates of the Group's principal sources of finance as at **30.06.2019** amounts to **65% / 35%**.

Note 18 - Income tax

For 2019 in Greece tax rate is 28%, as from 2020 will be 27%, as from 2021 will be 26% and as from 2022 will be 25%.

The Group and the Company calculate the period income tax using the tax rate that would be applicable to the expected annual earnings.

The income tax rates in the countries where the Group operates are between **12,5% and 33%**.

A part of non deductible expenses, tax losses for which no deferred income tax asset was recognised, the different tax rates in the countries in which the Group operates, incomes not subject to tax and other taxes create the final effective tax rate for the Group.

Audit Tax Certificate

For the financial years **2011 to 2018**, all Hellenic Societe Anonyme and Limited Liability Companies that are required to prepare audited statutory financial statements must in addition obtain an "Annual Tax Certificate" as provided for by paragraph 5 of Article 82 of L.2238/1994 for the financial years **2011-2013** and the Article 65A of L.4174/2013 for the financial years **2014-2018**. This "Annual Tax Certificate" must be issued by the same statutory auditor or audit firm that issues the audit opinion on the statutory financial statements.

Upon completion of the tax audit, the statutory auditor or audit firm must issue a "Tax Compliance Report" which will subsequently be submitted electronically to the Ministry of Finance.

For the years **2011 up to 2017** a respective "Tax Certificate" has been issued by the statutory Certified Auditors in accordance with art 65A of Law 4174/2013, without any qualification or matter of emphasis as pertains to the tax compliance of the Company.

For the year 2018, the tax audit has been assigned to «PricewaterhouseCoopers S.A.», is in progress and Management does not expect any material changes to the tax liabilities as a result of the audit.

Unaudited Tax Years

The Parent Company has not been audited by tax authorities for the **2010** financial year.

Up to **30.06.2019** we have not been officially served with any audit mandate by the Greek tax authorities for the year **2010**.

Consequently, the State is not anymore entitled, due to the lapse of the statute of limitation, to issue assessment sheets and assessment acts for taxes, duties, contributions and surcharges for the years up to and including 2010, pursuant to the following provisions:

- (a) para. 1 art. 84 of Law 2238/1994 (unaudited cases of Income taxation),
- (b) para. 1 art. 57 of Law 2859/2000 (unaudited cases of Value Added Tax), and,
- (c) para. 5 art. 9 of Law 2523/1997 (imposition of penalties for income tax cases).

For the Parent Company, the "Tax Compliance Report" for the financial years **2011-2017** has been issued with no substantial adjustments with respect to the tax expense and corresponding tax provision as reflected in the annual financial statements of **2011 - 2017**.

The Parent company received an audit mandate for a tax re-examination for **2012**.

The tax returns of the Parent Company and the Group's subsidiaries have not been assessed by the tax authorities for different periods (see the table below).

Until such time the special tax audit of the companies in the below table is completed, the tax burden for the Group relating to those years cannot be accurately determined. The Group is raising provisions for any additional taxes that may result from future tax audits to the extent that the relevant liability is probable and may be reliably measured.

Note 18 - Income tax (continued)**Note:**

In some countries, the tax audit is not mandatory and may only be performed under certain conditions.

| Company | Country | Unaudited tax years | Line of Business |
|---|-------------|---------------------|---------------------------|
| Frigoglass S.A.I.C. - Parent Company | Greece | 2018 | Ice Cold Merchandisers |
| SC. Frigoglass Romania SRL | Romania | 2012-2018 | Ice Cold Merchandisers |
| PT Frigoglass Indonesia | Indonesia | 2015-2018 | Ice Cold Merchandisers |
| Frigoglass South Africa Ltd. | S. Africa | 2012-2018 | Ice Cold Merchandisers |
| Frigoglass Eurasia LLC | Russia | 2016-2018 | Ice Cold Merchandisers |
| Frigoglass (Guangzhou) Ice Cold Equipment Co., Ltd. | China | 2017-2018 | Sales Office |
| Scandinavian Appliances A.S | Norway | 2010-2018 | Sales Office |
| Frigoglass Spzoo | Poland | 2009-2018 | Service & Repair of ICM's |
| Frigoglass India PVT.Ltd. | India | 2016-2018 | Ice Cold Merchandisers |
| Frigoglass East Africa Ltd. | Kenya | 2014-2018 | Sales Office |
| Frigoglass GmbH | Germany | 2016-2018 | Sales Office |
| Frigoglass Hungary Kft | Hungary | 2017-2018 | Service & Repair of ICM's |
| Frigoglass Nordic AS | Norway | 2010-2018 | Sales Office |
| Frigoglass West Africa Limited | Nigeria | 2015-2018 | Ice Cold Merchandisers |
| Frigoglass Cyprus Limited | Cyprus | 2011-2018 | Holding Company |
| Norcool Holding A.S | Norway | 2010-2018 | Holding Company |
| Frigoinvest Holdings B.V | Netherlands | 2013-2018 | Holding Company |
| Frigoglass Finance B.V | Netherlands | 2013-2018 | Financial Services |
| 3P Frigoglass Romania SRL | Romania | 2017-2018 | Plastics |
| Frigoglass Global Limited | Cyprus | 2015-2018 | Holding Company |
| Beta Glass Plc. | Nigeria | 2014-2018 | Glass Operation |
| Frigoglass Industries (NIG.) Ltd. | Nigeria | 2016-2018 | Crowns & Plastics |

The Group Management is not expecting significant tax liabilities to arise from the specific tax audit of the open tax years of the Company as well as of other Group entities in addition to the ones already disclosed in the consolidated financial statements and estimates that the results of the tax audit of the unaudited tax years will not significantly affect the financial position, the asset structure, the profitability and the cash flows of the Company and the Group.

Note 19 - Right-of-use assets & Lease liabilities**Changes in accounting policies:**

This note explains the impact of the adoption of IFRS 16 Leases on the group's financial statements and discloses the new accounting policies that have been applied from 1 January 2019.

The group has adopted IFRS 16 Leases retrospectively from 1 January 2019, but has not restated comparatives for the 2018 reporting period, as permitted under the specific transition provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on 1 January 2019.

Adjustments recognized on adoption of IFRS 16

On adoption of IFRS 16, the group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019.

| | |
|---|--------------|
| Operating lease commitments disclosed as at 31 December 2018 | 3.114 |
| Weighted average incremental borrowing rate on 01.01.2019 | 6,4% |
| Discounted using the lessee's incremental borrowing rate of at the date of initial application | 2.883 |
| Add: finance lease liabilities recognised as at December 2018 | 1.204 |
| (Less): short-term leases recognised on a straight-line basis as expense | (135) |
| (Less): low-value leases recognised on a straight-line basis as expense | (33) |
| Add/(less): adjustments as a result of different treatment of extension and termination options | 1.687 |
| Add/<less>: Other Adjustments | 1.294 |
| Operating lease commitments as at 1st January 2019 | 6.900 |

of which are:

| | |
|------------------------------|--------------|
| Long-term lease liabilities | 4.862 |
| Short-term lease liabilities | 2.038 |
| Total | 6.900 |

Right-of use assets were measured at the amount equal to the lease liability.

The recognized right of use assets relate to the following types of assets:

| | Consolidated | | | | |
|-------------------------------------|----------------------|-----------|--------------|------------|--------------|
| | Warehouses & Offices | Machinery | Vehicles | Other | Total |
| Cost | | | | | |
| Balance at 01.01.2019 | - | - | - | - | - |
| Effect of the first time adoption | 5.650 | 40 | 1.054 | 156 | 6.900 |
| Additions | 107 | - | 71 | - | 178 |
| Balance at 30.06.2019 | 5.757 | 40 | 1.125 | 156 | 7.078 |
| Accumulated Depreciation | | | | | |
| Balance at 01.01.2019 | - | - | - | - | - |
| Additions | 875 | 8 | 169 | 20 | 1.072 |
| Balance at 30.06.2019 | 875 | 8 | 169 | 20 | 1.072 |
| Net book value at 30.06.2019 | 4.882 | 32 | 956 | 136 | 6.006 |
| | Parent Company | | | | |
| | Warehouses & Offices | Machinery | Vehicles | Other | Total |
| Cost | | | | | |
| Balance at 01.01.2019 | - | - | - | - | - |
| Effect of the first time adoption | 599 | - | 507 | 150 | 1.256 |
| Additions | - | - | 71 | - | 71 |
| Balance at 30.06.2019 | 599 | - | 578 | 150 | 1.327 |
| Accumulated Depreciation | | | | | |
| Balance at 01.01.2019 | - | - | - | - | - |
| Additions | 150 | - | 62 | 21 | 233 |
| Balance at 30.06.2019 | 150 | - | 62 | 21 | 233 |
| Net book value at 30.06.2019 | 449 | - | 516 | 129 | 1.094 |

Note 19 - Right-of-use assets & Lease liabilities (continued)

The change in accounting policy affected the following items in the balance sheet on

1 January 2019:

- right-of-use assets – increase by **€ 6.900**
- lease liabilities – increase by **€ 6.900**

Impact on segment disclosures and earnings per share:

Adjusted EBITDA, segment assets and segment liabilities for June 2019 all increased as a result of the change in accounting policy.

Lease liabilities are now included in segment liabilities.

The following segments were affected by the change in policy: ICM Operations **€ 5,8 m** & Glass Operations **€ 0,3m**.

Earnings per share decreased by **€ 0,003** per share for the **six months to 30 June 2019** as a result of the adoption of IFRS 16.

Practical expedients applied

In applying IFRS 16 for the first time, the group has used the following practical expedients permitted by the standard:

- accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases
- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the group relied on its assessment made applying IAS 17 and Interpretation 4 Determining whether an Arrangement contains a Lease.

The Group's leasing activities and how these are accounted for:

The group leases various offices, warehouses, equipment and vehicles. Rental contracts are typically made for fixed periods of 2 to 5 years, but may have extension options as described below.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Until the 2018 financial year, leases of property, plant and equipment were classified as either finance leases or operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight line basis over the period of the lease.

From 1 January 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right of use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate,
- amounts expected to be payable by the group under residual value guarantees
- the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Note 19 - Right-of-use assets & Lease liabilities (continued)

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Right-of-use assets are measured at cost comprising the following:

- a) the amount of the initial measurement of lease liability
- b) any lease payments made at or before the commencement date less any lease incentives received
- c) any initial direct costs, and
- d) restoration costs

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment.

Extension and termination options are included in a number of property and equipment leases across the group. These are used to maximise operational flexibility in terms of managing the assets used in the group's operations. The majority of extension and termination options held are exercisable only by the group and not by the respective lessor.

Note 20 - Related party transactions

Truad Verwaltungs A.G is the main shareholder of Frigoglass S.A.I.C with 48,55% shareholding.

Truad Verwaltungs A.G. has also a 23% stake in Coca-Cola HBC AG share capital.

Frigoglass is the major shareholder of Frigoglass Nigeria Industries Ltd. and Frigoglass West Africa Ltd. based in Nigeria, with shareholding of 76,0%, where Coca-Cola HBC AG also owns a 23,9% equity interest.

Coca-Cola HBC AG Agreement:

Based on a contract that has been renewed until 31.12.2020 the Coca-Cola HBC AG purchases ICM's from the Frigoglass Group at yearly negotiated prices.

A.G. Leventis Lease Agreement:

Truad Verwaltungs A.G. has also a **50,75%** stake in A.G. Leventis Nigeria Plc.

Frigoglass Industries (NIG) Ltd. has signed an office lease agreement with A.G. Leventis (Nigeria) Plc. for its offices in Lagos, Nigeria, and freight forwarding in Nigeria. Contracts are renewed annually.

The investments in subsidiaries are reported to Note 14.

a) The amounts of related party transactions and balances were:

| | Consolidated | | Parent Company | |
|---------------------------------|--------------|------------|----------------|------------|
| | 30.06.2019 | 30.06.2018 | 30.06.2019 | 30.06.2018 |
| Sales of goods and services | 113.531 | 111.341 | 14.353 | 16.122 |
| Purchases of goods and services | 611 | 110 | 42 | 8 |
| Receivables / <Payables> | 49.046 | 50.093 | 4.582 | 6.035 |

b) The intercompany transactions and balances of the **Parent** company with the Group's subsidiaries were:

| | | |
|--|--------|--------|
| Sales of goods & other services | 3.973 | 3.435 |
| Disposal of the Intellectual Property for Product Development to Frigoglass Romania S.R.L | 15.366 | - |
| Income from subsidiaries: Services fees and royalties on sales | 9.420 | 11.491 |
| Income from subsidiaries: recharge research & development expenses | 1.185 | - |
| Expenses from subsidiaries: Services fees | 1.893 | 750 |
| Income from subsidiaries: commissions on sales | 52 | 193 |
| Purchases of goods / Expenses from subsidiaries | 18.969 | 20.570 |
| Interest expense | 782 | 963 |
| Receivables | 17.010 | 12.120 |
| Payables | 25.319 | 32.200 |
| Loans payables (Note 13) | 24.398 | 27.634 |

c) The fees to members of the Board of Directors and Management compensation include wages, indemnities and other employee benefits and the amounts are:

| | Consolidated | | Parent Company | |
|-----------------------------|--------------|------------|----------------|------------|
| | 30.06.2019 | 30.06.2018 | 30.06.2019 | 30.06.2018 |
| Fees for Board of Directors | 193 | 173 | 193 | 173 |
| Management compensation | 1.737 | 1.568 | 1.265 | 1.334 |

Note 21 - Earnings per share**Basic & Diluted earnings per share**

Basic and Diluted earnings per share are calculated by dividing the profit attributable to shareholders, by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the company (treasury shares).

The diluted earnings per share are calculated adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares: share options. For the share options a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options. The difference is added to the denominator as an issue of ordinary shares for no consideration.

No adjustment is made to net profit (numerator).

Diluted earnings per share

Given that the average share price for the year is not in excess of the available stock options' exercise price, there is no dilutive effect.

| in 000's € (apart from earning per share and number of shares) | Consolidated | | Parent Company | |
|--|------------------|-----------------|------------------|---------------|
| | Six months ended | | Six months ended | |
| | 30.06.2019 | 30.06.2018 | 30.06.2019 | 30.06.2018 |
| Profit / <Loss> after income tax from Continuing operations attributable to the shareholders of the company | 10.806 | 577 | 5.536 | 273 |
| Profit / <Loss> after income tax from Discontinued operations attributable to the shareholders of the company | - | (5.083) | - | - |
| Profit / <Loss> after income tax for attributable to the shareholders of the company | 10.806 | (4.506) | 5.536 | 273 |
| Weighted average number of ordinary shares for the purposes of basic earnings per share | 355.437.751 | 355.437.751 | 355.437.751 | 355.437.751 |
| Weighted average number of ordinary shares for the purpose of diluted earnings per share | 355.437.751 | 355.437.751 | 355.437.751 | 355.437.751 |
| a) Basic: | | | | |
| Profit / <Loss> per share after taxes from Continuing operations attributable to the shareholders of the company | 0,0304 | 0,0016 | 0,0156 | 0,0008 |
| Profit / <Loss> per share after taxes from Discontinued operations attributable to shareholders of the company | - | (0,0143) | - | - |
| Basic earnings / <losses> per share | 0,0304 | (0,0127) | 0,0156 | 0,0008 |
| b) Diluted: | | | | |
| Profit / <Loss> per share after taxes from Continuing operations attributable to the shareholders of the company | 0,0304 | 0,0016 | 0,0156 | 0,0008 |
| Profit / <Loss> per share after taxes from Discontinued operations attributable to the shareholders of the company | - | (0,0143) | - | - |
| Diluted earnings / <losses> per share | 0,0304 | (0,0127) | 0,0156 | 0,0008 |

FRIGOGLASS S.A.I.C.
Notes to the Interim Condensed Financial Statements
in € 000's

Note 21 - Earnings per share (continued)

| in 000's € (apart from earning per share and number of shares) | Consolidated | | Parent Company | |
|--|--------------------|-----------------|--------------------|---------------|
| | Three months ended | | Three months ended | |
| | 30.06.2019 | 30.06.2018 | 30.06.2019 | 30.06.2018 |
| Profit / <Loss> after income tax from Continuing operations attributable to the shareholders of the company | 8.775 | 2.822 | (2.637) | 1.669 |
| Profit / <Loss> after income tax from Discontinued operations attributable to the shareholders of the company | - | (3.658) | - | - |
| Profit / <Loss> after income tax for attributable to the shareholders of the company | 8.775 | (836) | (2.637) | 1.669 |
| Weighted average number of ordinary shares for the purposes of basic earnings per share | 355.437.751 | 355.437.751 | 355.437.751 | 355.437.751 |
| Weighted average number of ordinary shares for the purpose of diluted earnings per share | 355.437.751 | 355.437.751 | 355.437.751 | 355.437.751 |
| a) Basic: | | | | |
| Profit / <Loss> per share after taxes from Continuing operations attributable to the shareholders of the company | 0,0247 | 0,0079 | (0,0074) | 0,0047 |
| Profit / <Loss> per share after taxes from Discontinued operations attributable to shareholders of the company | - | (0,0103) | - | - |
| Basic earnings / <losses> per share | 0,0247 | (0,0024) | (0,0074) | 0,0047 |
| b) Diluted: | | | | |
| Profit / <Loss> per share after taxes from Continuing operations attributable to the shareholders of the company | 0,0247 | 0,0079 | (0,0074) | 0,0047 |
| Profit / <Loss> per share after taxes from Discontinued operations attributable to the shareholders of the company | - | (0,0103) | - | - |
| Diluted earnings / <losses> per share | 0,0247 | (0,0024) | (0,0074) | 0,0047 |

Note 22 - Contingent liabilities & Commitments

The Parent company has contingent liabilities in respect of bank guarantees on behalf of its subsidiaries arising from the ordinary course of business.

Pledged assets are described in detail in Note 13 - Non current and current borrowings.

Based on the loan agreements each guarantor guarantees separately for the total amount of the loan up the amount of **€ 257 m.** See Note 13 for the guarantors.

| | Consolidated | | Parent Company | |
|-------------------|----------------|----------------|----------------|----------------|
| | 30.06.2019 | 31.12.2018 | 30.06.2019 | 31.12.2018 |
| Guarantees | 254.600 | 256.596 | 254.600 | 256.549 |

There are no significant litigations or arbitration disputes between judicial or administrative bodies that have a significant impact on the financial statements or the operation of the Company or the Group.

Capital commitments

The capital commitments contracted for but not yet incurred at the balance sheet date **30.06.2019** for the Group amounted to **€ 4,6 m. (31.12.2018: € 597 thousands)** and relate mainly to purchases of machinery and the SAP investment.

The capital commitments contracted for but not yet incurred at the balance sheet date **30.06.2019** for the Parent Company amounted to **€ 0 thousands (31.12.2018: € 0 thousands)**.

Note 23 - Seasonality of operations**Revenue from contracts with customers**

| Quarter | Consolidated | |
|-------------------|----------------|---------------------|
| | 2019 | 2018 |
| Q1 | 125.565 | 105.664 25% |
| Q2 | 162.697 | 142.449 34% |
| Q3 | - | 80.299 19% |
| Q4 | - | 88.885 21% |
| Total Year | 288.262 | 417.297 100% |

As shown above the Group's operations exhibit seasonality.

Note 24 - Post balance sheet events

The 1st Repetitive General Meeting of shareholders, as at 05.07.2019, decided the nominal decrease of the Company's share capital by the amount of €92,413,815.26 to €35,543,775.10, through decrease of the nominal value of the Company's 355,437,751 shares from €0.36 to € 0.10 each, according to article 31 of Law 4548/2018, for the purpose of forming a special reserve of equal amount for offsetting losses by deletion of losses from the Company's account "Retained earnings" and the amendment of article 3 of the Company's Articles of Association.

There are no other post-balance events which are likely to affect the financial statements or the operations of the Group and the Parent company.

Note 25 - Average number of personnel

The average number of personnel per operation for the Group & for the Parent company are listed below:

| Operations | Consolidated | |
|--------------------------------|----------------|--------------|
| | 30.06.2019 | 30.06.2018 |
| ICM Operations | 4.227 | 3.999 |
| Glass Operations | 1.415 | 1.412 |
| Total | 5.642 | 5.411 |
| Discontinued operations | - | 325 |
| | | |
| Average number of personnel | Parent Company | |
| | 30.06.2019 | 30.06.2018 |
| | 212 | 206 |

Notes to the Interim Condensed Financial Statements
in € 000's

Note 26 - Other operating income & Other gains/<losses> - net

| | Consolidated | | Parent Company | |
|---|--------------|--------------|----------------|---------------|
| | 30.06.2019 | 30.06.2018 | 30.06.2019 | 30.06.2018 |
| Other operating income | | | | |
| Income from subsidiaries: | | | | |
| Services fees & royalties on sales | - | - | 9.420 | 11.491 |
| Income from subsidiaries: | | | | |
| Commission on sales | - | - | 52 | 193 |
| Revenues from scraps sales | 455 | 434 | - | - |
| Other charges to customers | 487 | 1.233 | - | - |
| Other | 1.247 | 417 | 17 | 61 |
| Total: Other operating income | 2.189 | 2.084 | 9.489 | 11.745 |
| Other gains<losses> - net | | | | |
| Profit/<Loss> from disposal of property, plant & equipment and IP | 42 | 193 | 10.121 | (21) |
| Other | (19) | 3 | - | - |
| Total: Other gains/<losses> - net | 23 | 196 | 10.121 | (21) |

The profit of € 10,1 million for the Parent company relates to the Disposal of the Intellectual Property for Product Development to Frigoglass Romania S.R.L (Note 7 & 20).

Note 27 -Reconciliation of EBITDA

| Continuing operations | Consolidated | | | | Parent Company | | | |
|--|------------------|---------------|--------------------|---------------|------------------|--------------|--------------------|--------------|
| | Six months ended | | Three months ended | | Six months ended | | Three months ended | |
| | 30.06.2019 | 30.06.2018 | 30.06.2019 | 30.06.2018 | 30.06.2019 | 30.06.2018 | 30.06.2019 | 30.06.2018 |
| Profit / <Loss> before income tax | 24.056 | 11.964 | 16.931 | 8.916 | 5.611 | 747 | (2.666) | 1.999 |
| plus: Depreciation | 11.925 | 9.965 | 6.030 | 5.091 | 983 | 1.750 | 446 | 866 |
| plus: Impairment of tangible assets | - | 2.085 | - | 2.085 | - | - | - | - |
| plus: Restructuring costs | 3.792 | 294 | 3.792 | 20 | 3.592 | - | 3.592 | - |
| plus: Finance costs * | 8.743 | 12.107 | 2.875 | 7.174 | 807 | 985 | 381 | 357 |
| EBITDA | 48.516 | 36.415 | 29.628 | 23.286 | 10.993 | 3.482 | 1.753 | 3.222 |
| Revenue from contracts with customers | 288.262 | 248.113 | 162.697 | 142.449 | 28.587 | 29.538 | 14.807 | 17.466 |
| Margin EBITDA, % | 16,8% | 14,7% | 18,2% | 16,3% | 38,5% | 11,8% | 11,8% | 18,4% |

* Finance costs = Interest expense - Interest income +/- Exchange Gain/Loss - Other Financial costs (Note 17)

In 2019 for the parent company the EBITDA margin, without the profit from selling of the intellectual property (€ 10.1 million) for product development to Frigoglass Romania S.R.L (Note 26), would be 3.1%.

FRIGOGLASS S.A.I.C.**Notes to the Interim Condensed Financial Statements
in € 000's****Note 28 - Restructuring <losses>**

Frigoglass S.A.I.C announced on June 7, **2019** that following its ongoing manufacturing footprint restructuring related initiatives, aiming to improve its cost structure and enhance its long-term competitiveness for the entire Group, discontinues production in Kato Achaia plant in Greece.

| | Consolidated | Parent Company |
|---|-------------------|----------------|
| | 30.06.2019 | |
| Provision for staff leaving indemnities | (2.400) | (2.400) |
| Consulting fees | (250) | (50) |
| Provision for inventories | (250) | (250) |
| Impairment charge of Tangible Assets | (637) | (637) |
| Other plant expenses not productive | (255) | (255) |
| Restructuring <losses> | (3.792) | (3.592) |

The Group incurred during **2018** restructuring costs of € 0.3 mil. related to the termination of one production shift in Frigoglass Indonesia PT.

| | Consolidated | Parent Company |
|--|-------------------|----------------|
| | 30.06.2018 | |
| <Losses> from restructuring activities of ICM Operations | (294) | - |
| Restructuring <losses> | (294) | - |

FRIGOGLASS S.A.I.C.

Notes to the Interim Condensed Financial Statements

in € 000's

Note 29 - Discontinued operations

A) Description

The Company announced on 2 April 2018 that it has entered into an agreement to sell the entire share capital of its wholly owned glass container subsidiary Frigoglass Jebel Ali FZE to ATG Investments Limited.

The decision to sell this operation was taken at the Board of Directors meeting held on 2 March 2018.

In the context of this sale the Group will leave two geographical areas of Glass Industry (United Arab Emirates, Asia - Oceania) and for this reason it has been portrayed as discontinued operations.

On 12th December 2018 Frigoglass S.A.I.C announced that it has completed the divestment of its glass container subsidiary Frigoglass Jebel Ali FZE to ATG Investments Limited.

B) Statement of Profit & Loss

| | Six months ended | |
|---|------------------|----------------|
| | 30.06.2019 | 30.06.2018 |
| Revenue from contracts with customers | - | 13.717 |
| Cost of goods sold | - | (18.033) |
| Gross profit/<loss> | - | (4.316) |
| Administrative expenses | - | (94) |
| Selling, distribution & marketing expenses | - | (437) |
| Other operating income | - | 100 |
| Operating Profit / <Loss> | - | (4.747) |
| Finance <costs>/income | - | (336) |
| Profit / <Loss> before income tax & restructuring costs | - | (5.083) |
| Profit / <Loss> before income tax | - | (5.083) |
| Profit / <Loss> after income tax expenses from discontinued operations | - | (5.083) |
| Attributable to: | | |
| Non-controlling interests | - | - |
| Shareholders | - | (5.083) |
| Depreciation | - | 74 |
| EBITDA | - | (4.673) |

Note 29 Discontinued operations (continued)

C) Statement of comprehensive income

| | Six months ended | |
|--|------------------|------------|
| | 30.06.2019 | 30.06.2018 |
| Profit / <Loss> after income tax expenses (income statement) | - | (5.083) |
| Other Comprehensive Income: | | |
| Items that will be reclassified to Profit & Loss : | | |
| Currency translation differences | - | 1.621 |
| Other comprehensive income / <expenses> net of tax | - | 1.621 |
| Total comprehensive income / <expenses> net of tax | - | (3.462) |
| Attributable to: | | |
| - Non-controlling interests | - | - |
| - Shareholders | - | (3.462) |

D) Cash Flows Statement

| | Six months ended | |
|--|------------------|------------|
| | 30.06.2019 | 30.06.2018 |
| Profit / <Loss> after income tax | - | (5.083) |
| (a) Cash flows from /(used in) operating activities | - | (3.828) |
| (b) Net cash generated from investing activities | - | (248) |
| (c) Net cash flows from/(used in) financing activities | - | 5.203 |
| Net increase/(decrease) in cash and cash equivalents (a) + (b) + (c) | - | 1.127 |
| Cash and cash equivalents at the beginning of the year | - | 415 |
| Effects of changes in exchange rate | - | 52 |
| Cash and cash equivalents at the end of the period | - | 1.594 |

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. In this context, we are focusing on the APMs from Continuing Operations, while we also present Discontinued Operations for reconciliation purposes.

Restructuring Costs

Restructuring costs comprise costs arising from significant changes in the way the Group conducts business, such as the discontinuation of manufacturing operations, as well as, expenses related to the Group’s capital restructuring, debt write-off and gains from the conversion of the convertible bonds. 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, the impairment of property, plant and equipment and intangible assets and net finance cost/income. EBITDA margin (%) is defined as EBITDA divided by Net Sales Revenue.

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

| <i>(in € 000's)</i> | 2Q19 | 2Q18 | 1H19 | 1H18 |
|--|---------------|---------------|---------------|---------------|
| Profit / (Loss) before income tax | 16,931 | 8,916 | 24,056 | 11,964 |
| Depreciation | 6,030 | 5,091 | 11,925 | 9,965 |
| Restructuring costs | 3,792 | 20 | 3,792 | 294 |
| Impairment of fixed assets | – | 2,085 | – | 2,085 |
| Finance costs | 2,875 | 7,174 | 8,743 | 12,107 |
| EBITDA | 29,628 | 23,286 | 48,516 | 36,415 |
| Sales from contracts with customers | 162,697 | 142,449 | 288,262 | 248,113 |
| EBITDA margin, % | 18.2% | 16.3% | 16.8% | 14.7% |

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.

| <i>(in € 000's)</i> | 30 June 2019 | 31 December 2018 | 30 June 2018 |
|----------------------------------|-----------------|---------------------|-----------------|
| Trade debtors | 124,244 | 77,606 | 114,455 |
| Inventories | 98,299 | 101,739 | 85,732 |
| Trade creditors | 93,664 | 77,643 | 73,487 |
| Net Trade Working Capital | 128,879 | 101,702 | 126,700 |

Free Cash Flow

Free cash flow is an APM 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 interest payment, dividend distribution and own retention.

| <i>(in € 000's)</i> | 1H19 | 1H18 | | |
|------------------------------------|---------------|--------------------------|----------------------------|---------------|
| | | Continuing operations | Discontinued operations | Reported |
| Net cash from operating activities | 29,103 | 24,822 | (3,828) | 20,994 |
| Net cash from investing activities | (7,468) | (6,098) | (248) | (6,346) |
| Free Cash Flow | 21,635 | 18,724 | (4,076) | 14,648 |

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.

| <i>(in € 000's)</i> | 1H19 | 1H18 | | |
|--------------------------------------|---------------|--------------------------|----------------------------|---------------|
| | | Continuing operations | Discontinued operations | Reported |
| Free Cash Flow | 21,635 | 18,724 | (4,076) | 14,648 |
| Restructuring Costs | 247 | 835 | – | 835 |
| Proceeds from disposal of subsidiary | (795) | – | – | – |
| Proceeds from disposal of PPE | (77) | (1,037) | – | (1,037) |
| Adjusted Free Cash Flow | 21,010 | 18,522 | (4,076) | 14,446 |

Net debt

Net debt is an APM 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.

| | 30 June | 31 December |
|---------------------------|----------------|----------------|
| <i>(in € 000's)</i> | 2019 | 2018 |
| Long-term borrowings | 231,535 | 227,998 |
| Short-term borrowings | 45,084 | 47,261 |
| Cash and cash equivalents | 64,255 | 49,057 |
| Net Debt | 212,364 | 226,202 |

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.

| <i>(in € 000's)</i> | 1H19 | 1H18 | | |
|-------------------------------|----------------|-----------------------|-------------------------|----------------|
| | | Continuing operations | Discontinued operations | Reported |
| Purchase of PPE | (6,364) | (6,148) | (248) | (6,396) |
| Purchase of intangible assets | (1,976) | (987) | – | (987) |
| Capital expenditure | (8,340) | (7,135) | (248) | (7,383) |