



## Frigoglass Agrees Key Terms of its Capital Restructuring

**Athens, April 13, 2017** – Further to its announcement on 20 March 2017 (the “March Announcement”), Frigoglass S.A.I.C. (“Frigoglass” or the “Company” and, together with its consolidated subsidiaries, the “Group”) announces today that it has entered into a legally binding agreement (the “Lock-Up Agreement”) on the key terms of a restructuring of its indebtedness (the “Restructuring”) with an ad-hoc committee (the “Ad-Hoc Committee”) representing holders of approximately 39% of the 8.25% Senior Notes due 2018 (the “Senior Notes”) issued by the Company’s subsidiary Frigoglass Finance B.V., Frigoglass’s core lending banks (Citibank, HSBC, Alpha Bank and Eurobank (collectively, the “Core Banks”)) and its major shareholder, Boval S.A. (“Boval”). The Restructuring takes into account the interests of all stakeholders and is expected to provide the Group with a significantly strengthened capital structure to allow it to retain its market position in the currently challenging market environment.

The Lock-Up Agreement includes standard transfer restrictions in relation to exposures as at the date of March Announcement and standard automatic and voluntary termination provisions for transactions of this nature (including, without limitation, failure to comply with certain milestones in connection with the Restructuring or the occurrence of a material adverse change in relation to the Group).

The key transaction highlights are as follows:

**Significant Deleveraging:** Following the implementation of the Restructuring, the Group’s outstanding gross indebtedness will be reduced by €136 – 142 million (prior to the incurrence of the €40 million new first lien secured funding described below). The Restructuring will result in the equitisation of 100% of the €30 million term loan provided by Boval (the “Boval Loan”) and, depending on the participation of existing shareholders in a pre-emptive rights issue and the participation of Noteholders in the new first lien secured funding, the repayment (from the rights issue proceeds) or equitisation of up to 42% (€105 million) of the €250 million outstanding principal amount of Senior Notes and up to 13% (€11 million) of the €82 million bank debt provided by the Core Banks. The repayment or equitisation of Senior Notes and Core Bank debt will reflect a €45 million discount to be allocated on a pro rata basis (implementation details to be agreed among the parties to the Lock-Up Agreement).

The terms of the pre-emptive rights issue, which will allow the Company’s existing shareholders the opportunity to participate in the Restructuring, including any equitisation terms, will be announced in due course.

**Improved Liquidity:** The Group will benefit from €70 million of additional liquidity to fund its business needs, as well as Restructuring-related expenses. €30 million in new cash will be contributed by Boval as equity through the rights issue and €40 million will be provided in the form of new first lien secured funding by the Core Banks and the holders of the Senior Notes (the “Noteholders”) who elect to participate in this new first lien senior secured funding. The Core Banks and the Ad-Hoc Committee have agreed to participate in such new first lien secured funding *pro rata* to their exposure to the Group on the date of the March Announcement (c.32%) and have agreed to underwrite the full amount of the new first lien secured funding on behalf of Noteholders that do not elect to participate.

**Reduced Interest Cost:** Significant reduction of its annual interest cost to approximately €13 million (excluding any interest on the new first lien secured funding) through reduction of indebtedness and lower interest cost on the Group’s remaining indebtedness.



Subject to completion of the Restructuring, interest on the Senior Notes, the Core Banks' facilities and the Boval Loan will accrue as if the Restructuring had been completed as from March 15, 2017 and any accrued interest will be paid in cash on closing. No cash interest payments will be made until closing.

**Significant Extension of Maturity Profile:** The maturity profiles of almost all of the Group's indebtedness will be extended and committed for around 5 years.

Frigoglass's main shareholder Boval is supporting the Group's capital restructuring by contributing a total of €60 million in equity to the transaction, of which €30 million in new cash and €30 million through full equitisation of the Boval Loan. Following the implementation of the Restructuring, Boval is expected to remain the Company's largest shareholder.

The Group intends to implement the transaction through a UK Scheme of Arrangement ("UK Scheme") with respect to the Notes. In addition, Frigoglass Finance B.V. will solicit consents from the Noteholders to facilitate the implementation of the Restructuring through the UK Scheme. The Company will contact the relevant stakeholders with respect to the next steps and instructions for required approvals and consents in due course. The Restructuring is expected to close by the end of July 2017.

A total consent fee of 60bps will be payable on closing of the Restructuring to creditors who consent within applicable time periods.

The Restructuring transactions are inter-conditional and remain subject to certain conditions, including, but not limited to:

- the approvals of the requisite majorities of outstanding Senior Notes;
- approval of the relevant courts for the UK Scheme; and
- approval of the General Meeting of the Company and Greek authorities with respect to the issuance of the new shares.

Further information on the Restructuring can be found in a presentation titled Capital Restructuring Overview on the Company's website.

**Nikos Mamoulis, Chief Executive Officer of Frigoglass commented:**

*"I am pleased we reached a consensual agreement and defined the key terms and the roadmap for implementing this transaction over the next couple of months. When implemented, this transformational transaction will significantly reduce our outstanding debt and annual interest cost. The new capital structure and improved liquidity will allow us to focus on delivering our strategic priorities going forward."*

**Enquiries**

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This press release constitutes a public disclosure of inside information by Frigoglass S.A.I.C. under Regulation (EU) 596/2014 (16 April 2014). This notification was made by Mr. Nikos Mamoulis, Chief Executive Officer of Frigoglass S.A.I.C. at 9:45 on April 13, 2017.



### Important note regarding forward-looking statements

This announcement may contain forward-looking statements which are based on current expectations and assumptions about future events. All statements other than statements of historical fact included in this announcement, including, without limitation, statements regarding Frigoglass' capital structure review, the implementation of its proposed capital restructuring, future financial position, capital expenditures, projected sales, costs and costs savings, if any, may be forward-looking statements. These forward-looking statements are subject, among other things, to business, economic and competitive uncertainties and contingencies, which relate to factors that are beyond Frigoglass' ability to control or estimate precisely and that could cause actual results to differ materially from those expressed therein. In view of the above, you are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this document. Frigoglass does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this announcement.

With respect to the announced capital restructuring, there can be no assurance that this will be implemented as currently anticipated, or at all, and the anticipated reduction in Frigoglass' indebtedness and improvement in its liquidity set out in this announcement may not be realised. For a more detailed description of the main risks and uncertainties that could cause actual results to differ materially from those expressed or implied by forward-looking statements, please refer to Frigoglass' half-year and annual financial statements, which can be found on the company's website at [www.frigoglass.com](http://www.frigoglass.com).

### Frigoglass

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

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

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

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

For more information, please visit [www.frigoglass.com](http://www.frigoglass.com).