

**Report of the Board of Directors of FRIGOGLASS S.A.I.C (hereinafter the “Company”)
to the Annual General Meeting as of June 16th, 2017
according to the provisions of article 13 § 10 of C.L. 2190/1920**

The Board of Directors of the Company resolved during its meeting as of May 23rd, 2017 to recommend to the Annual General Meeting that will take place on June 16th 2017, day of the week Friday at 10 a.m. a.m. at the Company’s registered seat in Kifissia, Attica, in “PIRNA” Business Centre at 15 Andrea Metaxa Str. and to every adjourned General Meeting, amongst others, the amendment of the terms of the Bond Loan Programmes dated 20.5.2013 and 7.5.2014 issued by the Company pursuant to Law 3156/2003 by virtue of the resolutions of the Company’s Board of Directors as of 14.05.2013 and 6.05.2014 (the “**Bond Loans**”) in order, among other things, for the bonds issued by virtue of the Bond Loans to be amended into convertible bonds, in accordance with articles 3a of Codified Law 2190/1920, as in force and article 8 of Law 3156/2003, with the (option) right of conversion into common registered voting shares of the Company, exercisable by the relevant bondholder, and the abolition of the existing shareholders’ pre-emptive rights on the convertible bonds. More specifically, it is recommended to provide for the right of conversion of the bonds into shares of the Company according to the following conversion ratio:

Conversion Ratio: One (1) common registered voting share, of a nominal value of € 0.36 each, per one (1) bond.

The present report is drafted in accordance with article 13 para 10 of C.L. 2190/1920 and shall be posted on the Company’s website and submitted to the Annual General Meeting of 16.6.2017 or at any other adjourned meeting.

More specifically, the Board of Directors informs the Company’s shareholders about the following:

I. Reasons for waiving the existing shareholders’ pre-emptive rights

The Board of Directors recommends the amendment of the terms of the Bond Loans in order for them to become convertible bond programmes, in accordance with articles 3a of Codified Law 2190/1920, as in force and article 8 of Law 3156/2003, by the introduction in favor of the bondholders at the time of a right of conversion of the relevant bonds into newly issued common registered voting shares of the Company, exercisable by the bondholder, and the abolition of the existing shareholders’ pre-emptive rights on the convertible bonds for the following reasons:

According to the lock-up agreement entered into on 12.4.2017 between the Company and:

- a) the ad-hoc committee (the “**Ad-Hoc Committee**”), representing as of April 12, 2017 approximately 39% of the total outstanding principal amount of € 250 million of the 8.25% senior notes due 2018 (the “**Notes**”) issued by the Company’s subsidiary Frigoglass Finance B.V. (the “**Subsidiary**”);
- b) its core lending banks (Citibank, HSBC, Alpha Bank and Eurobank, collectively the “**Banks**”); and
- c) its major shareholder, Boval S.A. (“**Boval**” and, jointly with the Company, the Subsidiary, the Noteholders Committee and the Banks, the “**Parties**”)

the Parties agreed to negotiate for the purposes of reaching a final agreement, amongst others, on the equitisation of part of the Group’s indebtedness towards the holders of the Notes and the Banks (the “**Group’s Indebtedness**”) in case that any proceeds to arise from the proposed share capital increase of the Company will not suffice for its full repayment. For a detailed description of the terms of the lock-up agreement, please refer to the announcement of the Company as of 13.4.2017.

More specifically, as per the lock-up agreement there should be the equitisation of a percentage up to 42% of the Notes and up to 13% of the Banks’ total indebtedness, following a discount of a total €45m in case the aforementioned debt is not repaid (at the same discount) by the proceeds of the proposed share capital increase of the Company. According to the particular terms of the lock-up agreement, the

total amount of the Group's Indebtedness that may be equitised is possible to amount up to €67,4m, to the extent that this will not be repaid with the Company's forthcoming share capital increase's proceeds.

In view of the above, it is considered necessary to amend the Bond Loans by the introduction of a right of conversion of the bonds into common registered voting shares of the Company, exercisable by the relevant bondholder and thus constitute the mechanism for the equitisation of the Group's Indebtedness, as follows:

a) following the amendment of the Bond Loans into convertible bond programmes, the Subsidiary which will hold the convertible bonds at the time will transfer these to the holders of the Notes and the Banks for the purposes of discharging part of the Group's Indebtedness; and

b) the holders of the Notes and the Banks will proceed with their conversion into shares of the Company.

In view of the above, the abolition of the existing shareholders' pre-emptive rights is the only appropriate and necessary means to achieve the intended equitisation of the Group's Indebtedness in case its full repayment cannot be achieved through the Company's proposed share capital increase's proceeds.

The interest of the existing shareholders - whose pre-emptive rights' abolition is recommended – is not affected from the above procedure since by participating in the share capital increase of the Company they shall have the right to subscribe for newly issued shares, whilst the subscription funds will be applied for the purposes of repaying in cash the Group's Indebtedness. In any case, if they elect not to participate in the Company's share capital increase, they will benefit from the reduction of the Group's total Indebtedness to the extent they retain their shareholding in the Company.

In view of the above, the Company's Board of Directors, having evaluated the above advantages and given the market conditions, considers that the proposed amendment of the Bond Loans by the introduction of a right of conversion of the bonds into common registered voting shares of the Company, exercisable by the relevant bondholder and to constitute the mechanism for the equitisation of the Group's Indebtedness is the most appropriate solution and that the abolition of the existing shareholders' pre-emptive rights on the convertible bonds is the only appropriate and necessary means to achieve the above benefits for the Company.

II. Conversion ratio of bonds into new common voting shares

The Board of Directors suggests to the General Meeting that the conversion price be set at 0.36348 Euro per share and that the conversion ratio for the conversion of the bonds into shares of the Company be set at 1:1, namely that one (1) bond shall be convertible into one (1) common registered voting share of the Company of a nominal value equal to 0.36 Euro each.

The above conversion price was determined taking into account the terms of the agreement entered into by the Company as of 12.04.2017, the current market conditions, the Company's financial condition and the interests of the Company and its shareholders. In view of the above, it is considered reasonable and beneficial to the Company as well as to its shareholders according to (I) above.

Kifissia

THE BOARD OF DIRECTORS