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**ANNUAL REPORT 2019  
OF  
FRIGOGLASS FINANCE B.V.  
SEATED IN  
LONDON**

**Table of contents**

	<b>Page</b>
<b>1. Auditor's report</b>	
1.1 Scope of engagement	2
1.2 General	3
1.3 Fiscal position	4
<b>2. Financial statements</b>	
2.1 Balance sheet as at 31 December 2019	6
2.2 Profit and loss account for the year 2019	8
2.3 Notes to the financial statements	9
2.4 Notes to the balance sheet	11
2.5 Notes to the profit and loss account	15
<b>3. Other information</b>	
3.1 Independent auditor's report	18

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**1. AUDITOR'S REPORT**

To the board of directors and shareholders of  
Frigoglass Finance B.V.  
West Africa House  
Hanger Lane, Ealing  
London W5 3QP

Capelle aan den IJssel, 18 May 2020

Ref.nr.: 13147/MO/DS/AA/0089.20

Dear board of directors and shareholders,

### **1.1 SCOPE OF ENGAGEMENT**

With reference to our examination of the financial statements, we bring the following to your attention. We have audited the financial statements 2019 based upon the data provided by you. The company's board of directors is responsible for the content of the annual report. Our responsibility is to issue an audit report on these financial statements based upon our proceedings. Our report is included in the financial statements under the 'Other Information'. Our findings led to the accompanying report.

## **1.2 GENERAL**

### ***Incorporation company***

The company Frigoglass Finance B.V. was incorporated on 8 April 2013 and was registered at the Chamber of Commerce under number 57674558 until March 2017, when Frigoglass Finance B.V. moved its registered office and sole place of business from the Netherlands to the United Kingdom. This was noticed to the Dutch and UK tax authorities in March 2017 in order to commence the mutual agreement procedure between the Dutch and UK tax authorities to determine Frigoglass Finance B.V.'s sole tax residence.

### ***Share capital and shareholders***

The share capital amounts to EUR 100, divided in 10,000 shares each worth nominally EUR 0.01. All shares in the share capital have been issued to FrigoInvest Holdings B.V.

### ***Adoption of the annual accounts***

The Annual General Meeting of Shareholders has adopted the 2018 annual report on February 11, 2019. The net result after taxation for the year 2018 was EUR -690.005.

### ***Board of directors***

In February 2019 Mrs. L. Chanaki resigned and was replaced by Mr. I. Stamatakos. In March 2020 Mr. S.W.P. Norton resigned and was replaced by Ms. N.R. Savjani.

The current BoD members are:

Mr. C. Gkoritsas, Mr. I. Stamatakos, Mr. V. Cheshire and Ms. N.R. Savjani.

### ***Financial year***

The financial year equals the calendar year.

**1.3 FISCAL POSITION**

2019

EUR

**Calculation taxable amount**

Taxable amount

210.197

2019

EUR

**Calculation corporate tax**


The payable corporate income tax for the current financial year has been calculated as follows:

19,00% of EUR 210.197

39.937

Yours sincerely,

Daamen & van Sluis Accountants Belastingadviseurs



P.P.J.M. Otten RA

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## **2. FINANCIAL STATEMENTS**

**2.1 BALANCE SHEET AS AT 31 DECEMBER 2019**

(After proposal distribution of profit)

	<b>31-12-2019</b>		<b>31-12-2018</b>	
	EUR	EUR	EUR	EUR
<b>Assets</b>				
<b>Fixed assets</b>				
<i>Financial assets</i>	<b>1</b>	4.421.000		4.421.000
<b>Current assets</b>				
<i>Receivables</i>	<b>2</b>	216.835.727		221.034.822
<i>Cash and cash equivalents</i>	<b>3</b>	1.621.622		113.180
<b>Total assets</b>		<u>222.878.349</u>		<u>225.569.002</u>



		<b>31-12-2019</b>		<b>31-12-2018</b>	
		EUR	EUR	EUR	EUR
<b>Liabilities</b>					
<b>Equity</b>					
	<b>4</b>				
Issued share capital	<b>5</b>	100		100	
Share premium		4.421.000		4.421.000	
Other reserves	<b>6</b>	<u>-1.525.127</u>		<u>-329.738</u>	
			2.895.973		4.091.362
<b>Long-term liabilities</b>					
Subordinated loans	<b>7</b>		172.347.964		174.984.491
<b>Current liabilities, accruals and deferred income</b>					
Payables to banks	<b>8</b>	42.640.563		41.387.903	
Trade payables	<b>9</b>	36.662		45.425	
Taxes and social security contributions	<b>10</b>	39.937		33.341	
Other liabilities and accrued expenses	<b>11</b>	<u>4.917.250</u>		<u>5.026.480</u>	
			47.634.412		46.493.149
<b>Total liabilities</b>			<u>222.878.349</u>		<u>225.569.002</u>

**2.2 PROFIT AND LOSS ACCOUNT FOR THE YEAR 2019**

		<b>2019</b>	<b>2018</b>
		EUR	EUR
Other operating expenses	<b>12</b>	<u>508.354</u>	<u>807.855</u>
<b>Operating result</b>		<b>-508.354</b>	<b>-807.855</b>
Other interest and similar income	<b>13</b>	11.614.613	12.564.537
Interest and similar expenses	<b>14</b>	<u>-12.261.711</u>	<u>-12.413.346</u>
		<b>-647.098</b>	<b>151.191</b>
<b>Result before taxation</b>		<b>-1.155.452</b>	<b>-656.664</b>
Taxation		<u>-39.937</u>	<u>-33.341</u>
<b>Net result after taxation</b>		<b><u>-1.195.389</u></b>	<b><u>-690.005</u></b>

## 2.3 NOTES TO THE FINANCIAL STATEMENTS

### Entity information

#### Registered address and registration number trade register

The actual address of Frigoglass Finance B.V. is Hanger Lane West Africa House, W5 3QP in London, the registered place of business is Rotterdam. Frigoglass Finance B.V. is registered at the Chamber of Commerce under number 57674558.

### General notes

#### The most important activities of the entity

The object of Frigoglass Finance B.V. (the company) shall be to take holdings and other interest in, finance and have financed the debts and commitments of group companies and third parties as well as to provide those businesses with capital, frequently by subscribing for shares in those businesses.

### General accounting principles

#### The accounting standards used to prepare the financial statements

These financial statements have been prepared by management in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.

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 company's current and forecasted financing position.

Assets and liabilities are generally valued at historical cost, production cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost.

#### Conversion of amounts denominated in foreign currency

Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at year-end exchange rates, of monetary assets and liabilities denominated in foreign currencies, are recognised in the income statement.

### Accounting principles

#### Financial assets

The company accounts for investments in subsidiaries at historic cost less impairment losses. Impairment losses are recognised in the income statement.

#### Receivables

Receivables are initially valued at the fair value of the consideration to be received, including transaction costs if material. Receivables are subsequently valued at the amortised cost price. If there is no premium or discount and there are no transaction costs, the amortised cost price equals the nominal value of the accounts receivable. Provisions for bad debts are deducted from the carrying amount of the receivable.

#### Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term, highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are included within borrowings in current liabilities on the balance sheet.

**Equity**

When the company purchases treasury shares, the consideration paid is deducted from equity (other reserves or any other reserve if the articles of association allow so) until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received is included in equity (other reserves or any other reserve). The consideration received will be added to the reserve from which earlier the purchase price has been deducted.

Incremental costs directly attributable to the purchase, sale and/or issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

**Non-current liabilities**

On initial recognition long-term debts are recognised at fair value. Transaction costs which can be directly attributed to the acquisition of the long-term debts are included in the initial recognition. After initial recognition long-term debts are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. If there is no premium/discount or if there are no transaction costs, the amortised cost price is the same as the nominal value of the debt.

The difference between stated book value and the mature redemption value is accounted for as interest cost in the profit and loss account on the basis of the effective interest rate during the estimated term of the long-term debts.

**Current liabilities**

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal value.

**Accounting principles for determining the result**

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

**Income tax expense**

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

**2.4 NOTES TO THE BALANCE SHEET**

	<u>31-12-2019</u>	<u>31-12-2018</u>
	EUR	EUR
<b>1 Financial assets</b>		
Participations in group companies	<u>4.421.000</u>	<u>4.421.000</u>
<b>Participations in group companies</b>		
3P Frigoglass S.R.L. (100%)	<u>4.421.000</u>	<u>4.421.000</u>
<b>2 Receivables</b>		
Receivables from group companies	216.833.670	220.947.212
Accruals and prepaid expenses	2.057	87.610
	<u>216.835.727</u>	<u>221.034.822</u>
<b>Receivables from group companies</b>		
FrigoInvest Holdings B.V.	<u>216.833.670</u>	<u>220.947.212</u>
The interest rate for intergroup loans is 5,7374% (2018: 5,7374%).		
<b>3 Cash and cash equivalents</b>		
HSBC Bank Plc	1.602.194	92.837
Citibank International Plc	11.949	12.602
Eurobank Ergasias	7.479	7.741
	<u>1.621.622</u>	<u>113.180</u>

**4 Equity**

	Issued share capital	Share premium	Other reserves	Total
	EUR	EUR	EUR	EUR
Balance as at 1 January 2019	100	4.421.000	-329.738	4.091.362
Appropriation of result	-	-	-1.195.389	-1.195.389
Balance as at 31 December 2019	100	4.421.000	-1.525.127	2.895.973

**5 Issued share capital**

The share capital amounts to EUR 100, divided in 10,000 shares each worth nominally EUR 0.01. All shares in the share capital have been issued to Frigoinvest Holdings B.V.

	<b>2019</b>	<b>2018</b>
	EUR	EUR
<b>6 Other reserves</b>		
Balance as at 1 January	-329.738	35.060.267
Appropriation of result	-1.195.389	-690.005
Dividend chargeable to other reserves	-	-34.700.000
Balance as at 31 December	-1.525.127	-329.738

	<b>31-12-2019</b>	<b>31-12-2018</b>
	EUR	EUR
<b>7 Subordinated loans</b>		
2nd Lien Notes	98.535.239	98.535.239
1st Lien Notes	73.812.725	76.449.252
	<u>172.347.964</u>	<u>174.984.491</u>

	<u>31-12-2019</u>	<u>31-12-2018</u>
	EUR	EUR
<b>8 Payables to banks</b>		
Payables to banks	<u>42.640.563</u>	<u>41.387.903</u>
<b>Payables to banks</b>		
Eurobank Ergasias	14.059.493	13.644.227
HSBC Bank Plc	12.692.633	11.951.152
Citibank International Plc	9.565.177	9.950.314
Alphabank	6.323.260	5.842.210
	<u>42.640.563</u>	<u>41.387.903</u>
<b>9 Trade payables</b>		
Trade creditors	<u>36.662</u>	<u>45.425</u>
<b>10 Taxes and social security contributions</b>		
Company tax	<u>39.937</u>	<u>33.341</u>
<b>11 Other liabilities and accrued expenses</b>		
Accrual Interest 1st Lien Notes	3.161.339	3.161.339
Accrual Interest 2nd Lien Notes	1.433.302	1.488.820
Accrual interest loans Eurobank Ergasias	87.246	88.898
Accrual interest loans Citibank International Plc	80.788	87.015
Accrual interest loans HSBC Bank Plc	78.112	81.949
Accrual fees 1st Lien Facilities	18.753	54.981
Accrual audit fees	29.062	35.588
Accrual interest loans Alphabank	28.648	27.890
	<u>4.917.250</u>	<u>5.026.480</u>

### **Subsequent events**

On February 12, 2020, Frigoglass S.A.I.C. through its subsidiary Frigoglass Finance B.V. (the Issuer) issued €260.0 million in aggregate principal amount of 6.875% senior secured notes due 2025 (the "Notes"). The Notes were issued pursuant to an indenture dated February 12, 2020 (the Indenture). The Notes are guaranteed on a senior secured basis by Frigoglass S.A.I.C. and certain of our subsidiaries (the Guarantors) and secured by certain assets of the Issuer and the Guarantors. The Notes mature on February 12, 2025. The Notes pay interest semi-annually on February 1 and August 1 of each year, commencing on August 1, 2020. The Notes have been admitted to trading on the Euro MTF Market of the Official List of Luxemburg Stock Exchange.

The proceeds of the Notes were used to repay amounts outstanding under certain of the group's credit facilities and to redeem the entire outstanding amount of the Second Priority Secured Notes due 2022 and the entire outstanding amount of its Senior Secured Guaranteed Notes due 2021.

The Indenture limits, among other things, our ability to incur additional indebtedness, pay dividends on, redeem or repurchase our capital stock, make certain restricted payments and investments, create or permit to exist certain liens, transfer or sell assets, merge or consolidate with other entities and enters into transactions with affiliates. Each of the covenants is subject to a number of important exceptions and qualifications.

The emerging COVID-19 outbreak may have a negative impact on worldwide economic activity and the Group's business.

The rapid spread of COVID-19 outbreak on a global scale has resulted in increased travel restrictions and disruption and shutdown of businesses.

The Group may experience impact from quarantines, market downturns and changes in customer behavior related to pandemic fears and impact on the Group's workforce if the virus becomes widespread in any of the Group's markets.

In addition, the Group's customers, distribution partners, service providers or suppliers may experience financial distress, file for bankruptcy protection, go out of business, or suffer disruptions in their business due to the coronavirus outbreak.

At this point, the extent of the impact on the Group's results due to the coronavirus outbreak is uncertain. The impact of this outbreak is a non-adjusting post balance sheet event as of 31 December 2019.

The outbreak of COVID-19 is likely to have a further negative impact in 2020 on the global economy and, in the future, might impact the Group's operations or reduce demand for its products, any of which could have a significant negative impact on the Group's financial results in 2020 and beyond. Given the dynamic nature of this outbreak, however, the extent to which COVID-19 impact the Group's results will depend on future developments, which remain highly uncertain and cannot be predicted at this time. It is possible that the continued spread of COVID-19 could cause an economic slowdown or recession which could adversely affect the demand for the Group's products, or cause other unpredictable events, each of which could adversely affect the Group's business, results of operations or financial condition.

As regards the operations of the Company and its subsidiaries, management is monitoring the developments from the outbreak closely, and the Group follows guidance from the Greek and other relevant local health authorities and adheres to the requirements and actions as implemented by the Greek government and other local governments.

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.



**2.5 NOTES TO THE PROFIT AND LOSS ACCOUNT**

	<u>2019</u>	<u>2018</u>
	EUR	EUR
<b>12 Other operating expenses</b>		
Housing expenses	10.210	10.252
Selling expenses	4.456	5.363
Office expenses	1.044	625
General expenses	395.970	568.861
Credit rating expenses	96.674	222.754
	<u>508.354</u>	<u>807.855</u>
<b>General expenses</b>		
Audit costs, review of the annual accounts	29.770	65.252
Commitment fee banks	226.864	210.732
Legal fees/administration expenses	118.372	190.801
Supervisory director's fee	21.710	61.201
Audit costs, fiscal advisory services	7.299	64.176
Bank expenses	-	608
Other general expenses	-	1
Currency translation differences	-8.045	-23.910
	<u>395.970</u>	<u>568.861</u>
<b>13 Other interest and similar income</b>		
Interest of receivables from group companies	<u>11.614.613</u>	<u>12.564.537</u>

**14 Interest and similar expenses**

Interest loans contracted	10.086.247	10.271.719
Paid bank interest	2.175.464	2.141.627
	<u>12.261.711</u>	<u>12.413.346</u>
	<b>2019</b>	<b>2018</b>
	EUR	EUR
<b>Interest loans contracted</b>		
Interest 2nd Lien Notes	6.897.467	6.897.467
Interest 1st Lien Notes	3.188.780	3.374.252
	<u>10.086.247</u>	<u>10.271.719</u>
<b>Paid bank interest</b>		
Interest loans HSBC Bank Plc	819.087	743.106
Interest loans Eurobank Ergasias	523.131	571.348
Interest loans Citibank International Plc	480.144	476.453
Interest loans Alphabank	348.853	347.302
Financing interest	4.249	3.418
	<u>2.175.464</u>	<u>2.141.627</u>

London,

The board of directors

  
C. Gkoritsas

  
I. Stamatakos

  
V. Cheshire

  
N.R. Savjani

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### **3. OTHER INFORMATION**

We hereby present to you the report concerning the annual report 2019 for Frigoglass Finance B.V., London.

### **3.1 INDEPENDENT AUDITOR'S REPORT**

To: The shareholders of Frigoglass Finance B.V.

## **A. Report on the audit of the financial statements 2019**

### **Our opinion**

We have audited the financial statements 2019 of Frigoglass Finance B.V., based in Rotterdam.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Frigoglass Finance B.V. as at 31 December 2019, and of its result for 2019 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

1. the balance sheet as at 31 December 2019;
2. the profit and loss account for 2019; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

### **Basis for our opinion**

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Frigoglass Finance B.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (VIO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **B. Report on the other information included in the annual report**

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- The management board's report;
- Other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

## ***C. Description of responsibilities regarding the financial statements***

### ***Responsibilities of the board for the financial statements***

The board is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the board should prepare the financial statements using the going concern basis of accounting unless the board either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The board should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

**Our responsibilities for the audit of the financial statements**

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and Independence requirements. Our audit included among others:

- Identifying and assessing the risks of material misstatements of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatements resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board;
- Concluding on the appropriateness of the board's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- Evaluating whether the financial statements represents the underlying transactions and events free from material misstatements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Capelle aan den IJssel, 18 May 2020

Daamen & van Sluis Accountants Belastingadviseurs



P.P.J.M. Otten RA