



Frigoglass S.A.I.C. announces completion of the recapitalization and restructuring Transaction

Athens, Greece, 28 April 2023

Further to the announcements of 5 December 2022, 2 February 2023, 1 March 2023, 6 March 2023, 28 March 2023 and 6 April, Frigoglass S.A.I.C. announces the occurrence of the Restructuring Effective Date pursuant to the Lock-up Agreement (each defined below) and the completion of the consensual recapitalization and restructuring of Frigoglass S.A.I.C. and the group of companies formerly controlled by it (the “**Frigoglass Group**”) (the “**Transaction**”).

The Transaction was initiated with the support of a committee of holders of the €260 million senior secured notes due 2025 issued by Frigoglass Finance B.V. (“**FFBV**” and the “**2025 Notes**”), representing 56.9% of the aggregate principal amount of the 2025 Notes (the “**Noteholders**” and such committee, the “**Noteholder Committee**”). The Noteholder Committee and certain entities of the Frigoglass Group entered into a lock-up agreement (as amended and supplemented from time to time, the “**Lock-up Agreement**”) in support of the implementation of the Transaction. Ultimately, noteholders representing over 95% of the aggregate principal amount of the 2025 Notes supported the Transaction as well as Frigoglass S.A.I.C.’s major indirect shareholder, Truad Verwaltungs A.G. Noteholders representing approximately 69% of the aggregate principal amount of the 2025 Notes participated in the offering of the New Super Senior Notes (as defined below). The purchase of the New Super Senior Notes was fully backstopped by the Noteholder Committee.

Nikos Mamoulis, Chief Executive Officer of the New Frigoglass Group, commented: *“I would like to thank the Board of Directors of Frigoglass S.A.I.C., the management team and our financial stakeholders for their unwavering support and significant efforts throughout this recapitalization and restructuring process in what was a challenging period for the Group. Following the completion of the transaction, we have significantly enhanced financial strength and flexibility.*

Going forward, our recapitalized structure and the recent commencement of production at our facility in Romania indicates that we are well-positioned to deliver on our strategic priorities and capitalize on future opportunities.”

As of 27 April 2023 (such date being the “**Restructuring Effective Date**”), as a result of the completion of the Transaction:

- The new parent entity of the New Frigoglass Group (defined below) is Frigo DebtCo plc, a public limited company incorporated in England and Wales (“**New DebtCo**”), which owns 100% of the equity in FHBV (New DebtCo together with its subsidiaries is hereby referred to as the “**New Frigoglass Group**”)
- 85% of the share capital of New DebtCo and the New Frigoglass Group is owned by Frigo Newco 1 Limited, a private liability company incorporated in England and Wales (“**New TopCo**”). 95% of the share capital of New TopCo has been distributed *pro rata* to Noteholders or to Kroll Issuer Services Limited, acting as holding period trustee, on their behalf, with the remaining 5% of the share capital



of New TopCo distributed to Noteholders who elected to purchase the New Super Senior Notes (as defined below).

- Frigoglass S.A.I.C. will hold the remaining 15% of the equity of New DebtCo and has also entered into a shareholders' agreement with New TopCo setting out terms for the governance of New DebtCo and the New Frigoglass Group, including certain customary provisions with respect to minority shareholder rights and restrictions.
- New DebtCo has issued €75 million new first lien senior secured notes due 2026 to certain Noteholders (the "**New Super Senior Notes**") with a margin of 4% cash plus 8% PIYC (1.0% less if fully paid in cash) which is paid or accrued semi-annually. Proceeds of the New Super Senior Notes were used, *inter alia*, to repay in full and discharge any obligations under the 13% super senior secured notes due 2023 issued by Frigoinvest Holdings B.V. ("**FHBV**") and FFBV and to pay fees, costs and expenses as part of the Transaction.
- New DebtCo has issued €150 million senior secured second lien notes due 2028 to Noteholders (the "**Reinstated Notes**") with the following margin:
 - Prior to 31 December 2023: 2.0% cash plus 9.0% PIYC (1.0% less if fully paid in cash);
 - 1 January 2024 onwards: 3.0% cash plus 8.0% PIYC (1.0% less if fully paid in cash);
 - Paid or accrued semi-annually.
- The 2025 Notes have been cancelled in full as part of the Transaction.
- The shares of New DebtCo will be pledged in favor of the Security Agent for both the New Super Senior Notes and the Reinstated Notes, under a share charge governed by English law.
- Substantially all of the remaining assets and the liabilities of Frigoglass S.A.I.C. following the enforcement on the equity in FHBV have been transferred to Frigoglass Services Single Member S.A. ("**Greek NewCo**"), a *société anonyme* incorporated in Greece and wholly owned subsidiary of FHBV, while FHBV provided to Frigoglass S.A.I.C. a series of indemnities and cost covers to support its operations going forward.

The key benefits of the Transaction for the New Frigoglass Group are:

- **Deleveraging of the Balance Sheet:** The New Frigoglass Group's outstanding gross indebtedness reduced by €110 million (before the incurrence of the New Super Senior Notes);
- **Improved Liquidity:** The New Frigoglass Group received €75 million of additional liquidity to fund its business needs, as well as restructuring-related expenses and the refinancing of the €55 million Fixed Rate Super Senior Secured Notes due 2023;
- **Reduced Cash Interest Cost:** Debt servicing costs aligned with future cash generation, with a reduction in the *pro forma* cash interest expense; and
- **Extension of Maturity Profile:** 3-year maturity for the New Super Senior Notes and 5-year maturity for the Reinstated Notes provide the business with operational runway to deliver on its business plan.

Following the Transaction, the New Frigoglass Group is expected to seamlessly continue its ordinary course of operations. Under the new structure, the Greek NewCo will replace Frigoglass S.A.I.C. as the group head office and will provide certain management services to the New Frigoglass Group as well as Frigoglass S.A.I.C. Senior Frigoglass S.A.I.C. management, including CEO, Mr. Nikos Mamoulis, will continue to direct New Frigoglass Group policies and management by assuming their respective roles under Greek NewCo.



Mr. Gagik Apkarian has been appointed as Chairman of the Board of New DebtCo. He and his team from Tetrad Capital Partners will represent the Noteholders on the company's board. They will support Mr. Mamoulis and his senior leadership team in their drive for sustainable growth and success.

Gagik Apkarian, Chairman of the New Frigoglass Group, commented: *“Today marks a pivotal turning point for Frigoglass with a newly recapitalized balance sheet complemented with a brand-new, cutting-edge state-of-the-art production facility in Romania. In addition, Frigoglass boasts an exceptional glass bottle manufacturing platform in Nigeria that is the envy of its peers, situated within the largest and most dynamic economy in Africa. With a highly motivated management team, an outstanding customer base, and supportive shareholders, Frigoglass is primed to seize an exceptional opportunity for success. The company's commitment to innovation, excellence, and unparalleled customer service will remain the key tenets of its corporate strategy.”*

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).

Important note regarding forward-looking statements

This announcement contains forward-looking statements which are based on current expectations and assumptions about future events. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative, or other variations or comparable terminology. All statements other than statements of historical fact included in this announcement, including, without limitation, statements regarding Frigoglass S.A.I.C.'s or the New Frigoglass Group's future financial position, capital expenditures, projected sales, costs, and costs savings, if any, may be forward-looking statements. These forward-looking statements are subject, among other things, to business, economic and competitive uncertainties and contingencies, including actions of third parties, which relate to factors that are beyond Frigoglass S.A.I.C.'s 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 S.A.I.C. does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this announcement. With respect to any estimates of future cost savings included herein, Frigoglass S.A.I.C. can provide no assurance that the full benefits it expects will be realized within the time periods specified or that implementation costs associated with such cost savings will not exceed its expectations. For a more detailed description of the main risks and uncertainties that could cause actual results to differ materially from those expressed or implied by forward-looking statements, please refer to Frigoglass S.A.I.C.'s annual financial statements, which can be found on the company's website at www.frigoglass.com. This announcement does not constitute an offer to sell or a solicitation of an offer to buy or exchange or acquire securities in the United States or any other jurisdiction and no offer, tender offer,



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