

2018 Results

March 15th, 2019



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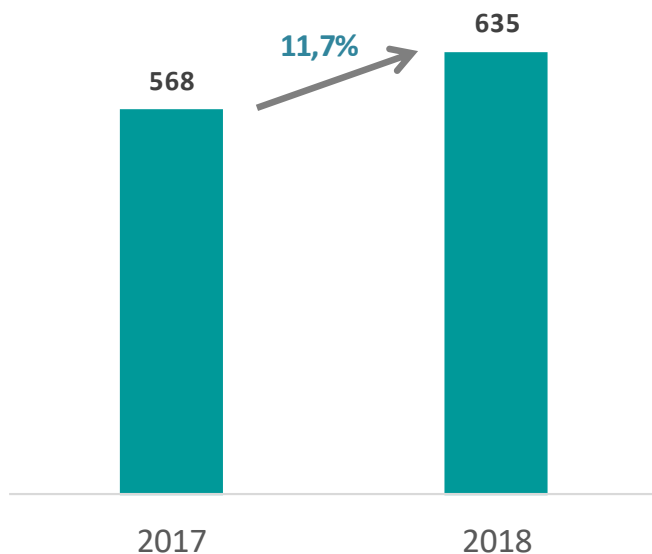
4Q18 Highlights

Reais million	4Q18	4Q17	% var.	2018	2017	% var.
Revenues	323.2	258.5	25.1	1,196.9	985.7	21.4
Gross Profit	54.6	50.4	8.4	200.4	163.0	23.0
Operational Profit	25.5	30.1	(15.1)	85.2	73.2	16.5
Adjusted EBITDA	34.3	38.5	(11.0)	120.8	104.5	15.6
Net Profit	16.6	(21.0)	n/a	(5.4)	(19.9)	(72.8)

- ❄ 4Q18 net revenues up 25.1% to R\$323.2 million, versus prior year period; full year revenues up 21.4% to a historical high of R\$1,196.9 million
- ❄ Operating profit of R\$25.5 million in 4Q18 was 15.1% lower vs 4Q17; full year operating profit increased by 16.5% to R\$85.2 million
- ❄ Adjusted EBITDA of R\$34.3 million in 4Q18 was 11% lower vs 4Q17; record full year adjusted EBITDA of R\$120.8 million, 15.6% higher than prior year;
- ❄ Profit before tax of R\$22.0 million, compared to loss of R\$ 20.2 million in 4Q17; full year Profit before tax of R\$16.1 million versus loss of R\$16.8 million in 2017
- ❄ Net Profit of R\$16.6 million, compared to loss of R\$21.0 million in 4Q17; full year loss of R\$5.1 million, improved versus loss of R\$19.9 million in 2017.
- ❄ Net Debt to Adjusted EBITDA ratio of 2.77x (versus 3.08x end 2017), with Net debt of R\$334.2 million at year end 2018, versus prior year R\$321.4 million

Americas Operations

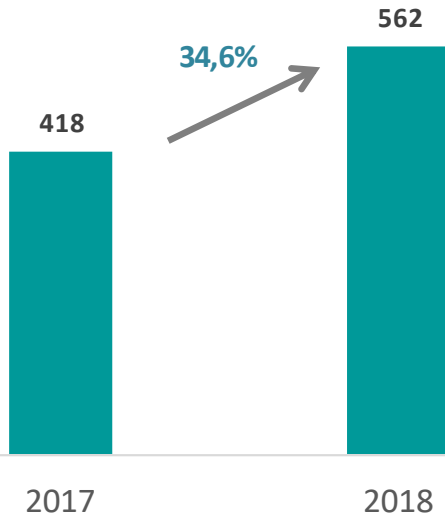
2018 sales (R\$634.8 million):



Americas highlights:

- ❄ Revenues increased by 11.7% vs. 2017 led by Brazil as a result of higher sales to distributor channel and higher market share in Key-Accounts
- ❄ **Revenues in Brazil increased 14.6% vs. 2017**
 - ❄ Higher Exports to soft-drink customers;
 - ❄ Growth in Lifecycle-our after-sales activity;
- ❄ **Revenues in Mexico increased 0.2% vs. 2017**
 - ❄ Positive FX impact in the period;
 - ❄ Tough first semester due to Presidential elections in July followed by a good second semester which was impacted by a new key account contract together with the recovery from the domestic market.

2018 sales (R\$562.1 million):



Europe highlights:

- ❄ **Revenues increased 34.6% to R\$562.1 million**, driven by the continued growth in the soft drink and beer segments and also further gains in the distributor channel;
- ❄ Our recently investments in capacity allowed us to meet our clients demand across more than 70 countries.

Initiatives

- ❄️ Active engagement with our customer base



- ❄️ Manufacturing Throughput and Productivity gains through Lean Management



- ❄️ Driving Lifecycle differentiator (Asset Management Services)

Life|Cycle

- ❄️ Innovation



Million reais	2018	2017	% var.
Adjusted EBITDA	120.8	104.5	15.6
Working Capital	35.5	30.0	18.2
Op. Cash Flow	222.7	151.2	47.3
Capex	46.2	45.8	0.8

- ❄ Adjusted EBITDA increased 15.6% vs 2017, achieving a record year with R\$ 120.8 million;
- ❄ Higher sales led to a increase in our working capital requirements;
- ❄ Capex is mainly related to conclusion of the capacity expansion program in Europe.

Cash cycle days	4Q18	4Q17	Var.
Days of receivables	38	33	4
Days of inventory	75	89	-15
Days of suppliers	93	115	-23
Cash cycle	19	7	12
Current Liquidity	1,1x	1x	n/a

Liquidity/ Net debt

LIQUIDITY INDICATORS (R\$ mn)	4Q17	1Q18	2Q18	3Q18	4Q18	Chg. 4Q18/ 4Q17
Cash and equivalents, bonds and securities	507.4	386.6	362.3	411.2	544.7	37.3
Short term debt (ST)	511.2	574.5	390.3	388.5	496.1	-15.1
Long term debt (LT)	317.6	286.6	493.1	536.9	382.8	65.2
USD denominated debt	507.8	484.2	223.2	164.9	132.2	-375.6
BRL denominated debt	28.2	27.5	279.0	369.1	354.4	326.2
Euro denominated debt	292.8	349.4	381.3	391.3	392.3	99.5
Gross debt	828.8	861.0	883.5	925.3	878.9	50.1
Net cash / (Net debt)	-321.4	-474.4	-521.1	-514.1	-334.2	-12.8
Shareholders' equity (Equity)	97.9	84.8	70.6	64.5	87.4	-10.4
Cash and equiv. / ST debt	1x	0.7x	0.9x	1.1x	1.1x	n/a
ST debt / (ST + LT)	61.7%	66.7%	44.2%	42.0%	56.4%	n/a
Net cash (Net debt) / Equity	-3.3x	-5.6x	-7.4x	-8x	-3.8x	n/a
Net debt / (Net debt + Equity)	76.7%	84.8%	88.1%	88.9%	79.3%	n/a

❄️ 2019 outlook

❄️ We remain vigilant of external challenges such as the currency volatility and inflationary pressures particularly in Turkey which are likely to continue in the near term, as well as ongoing global trade tensions and mixed macroeconomic developments causing market uncertainty.

❄️ Prioritisation of Customer Value-Creation, ensuring to provide Innovative, market-leading solutions

❄️ Further growth in Lifecycle

❄️ Strong financial discipline to drive continued cash flow improvement and further improve liquidity and balance sheet

❄️ Continue improving the Net Debt to EBITDA ratio aiming at 2.5x in the near future.

Strategic Priorities

Metalfrío is committed to delivering long-term shareholder value through its key strategic priorities:

- ❄ Sustainable and profitable sales growth
 - ❄ Actively engaging customers and delivering incremental value
- ❄ Innovative Product range and Lifecycle advantage
- ❄ Deleverage
 - ❄ Financial discipline – working capital and capital allocation
 - ❄ Improvement in operational performance
- ❄ Margin Expansion
 - ❄ Cost Optimization
 - ❄ Higher value added products and services
 - ❄ Operating leverage
- ❄ New Platforms for Future Growth
 - ❄ Geographic expansion
 - ❄ New Technologies

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