



# Q4 and FY 2019 Results

Refresco Group B.V.



Press release

# Refresco reports solid Q4 and FY 2019 results

**Rotterdam, the Netherlands – March 12, 2020.** Refresco publishes the fourth quarter and full year 2019 results of Refresco Group B.V.<sup>1</sup>

## Q4 2019 Highlights

- Total volume was 2,557 million liters (Q4 2018: 2,556 million liters).
- Gross profit margin was €412 million (Q4 2018: €367 million).
- Adjusted EBITDA increased and amounted to €106 million (Q4 2018: €83 million).
- Cooperation with PepsiCo in Spain, including acquisition of two plants, took effect on November 1, 2019.
- Announced the placement of a \$150 million add-on to existing Term Loan B on November 15, 2019.
- Completed acquisition of Coca-Cola European Partners plant in the UK on December 31, 2019.

## FY 2019 Highlights

- Total volume was 11,046 million liters (FY 2018: 10,888 million liters).
- Gross profit margin was €1,731 million (FY 2018: €1,530 million).
- Adjusted EBITDA increased and amounted to €448 million (FY 2018: €323 million).
- Net debt excluding shareholder funding amounted to €2,791 million at year-end (December 31, 2018: €2,273 million).

## Key figures<sup>2,3,4,5</sup>

| In millions of €, unless stated otherwise (unaudited) | Q4 2019 | Q4 2018 | YTD 2019 | YTD 2018 |
|---|---------|---------|----------|----------|
| Volume (millions of liters)                           | 2,557   | 2,556   | 11,046   | 10,888   |
| Gross profit margin                                   | 412     | 367     | 1,731    | 1,530    |
| Gross profit margin per liter (euro cents)            | 16.1    | 14.4    | 15.7     | 14.0     |
| Adjusted EBITDA                                       | 106     | 83      | 448      | 323      |
| Net profit / (loss)                                   | (28)    | (52)    | (16)     | (107)    |
| Adjusted net profit / (loss)                          | (19)    | (19)    | (1)      | 16       |
| Net debt  |         |         | 2,791    | 2,373    |

## CEO Refresco, Hans Roelofs commented:

"I am pleased to report a solid performance over the full year 2019, with a strong finish in the final quarter in which we saw excellent bottom line results. Throughout the year we consistently reported a higher gross profit margin, which we achieved through a shift towards higher margin products, realized synergies from our acquisitions, and some favorable input costs.

In 2019, we continued the integration of the former Cott Beverages and outperformed each of the synergy targets. This demonstrates our capability to successfully integrate companies into our business model, leveraging our size, scale and leading customer base. It also emphasizes our role as serial integrator in the market and we further accelerated our buy & build strategy. We acquired Cott's concentrate manufacturing business in the US as well as Coca-Cola European Partners' manufacturing site in the UK. We entered into cooperation with PepsiCo in Spain and announced the acquisition of AZPACK in the US. Lastly, we

<sup>1</sup> On October 2, 2019, the company name was changed from Sunshine Top B.V. to Refresco Group B.V.

<sup>2</sup> All values are rounded to the nearest million unless otherwise stated. YTD 2018 figures relate to Refresco Group N.V. for the period January 1, 2018 to March 31, 2018 and to Sunshine Top B.V. for the period April 1, 2018 to December 31, 2018.

<sup>3</sup> Cott's bottling business in North America and the UK was consolidated in Refresco's financial information as of January 30, 2018.

<sup>4</sup> Q4 2019 and FY 2019 figures include IFRS 16 effect. IFRS 16 related EBITDA improvement was €74 million for the full year 2019.

<sup>5</sup> Net debt in Q4 2019 includes €108 million shareholder funding. IFRS 16 impact Leases is €385 million as at 31 December 2019.

announced the proposed acquisition of three Britvic bottling facilities in France in November 2019, which we expect to close in the course of this year. By expanding our business, we strengthen our capabilities in key markets and broaden our contract manufacturing portfolio.

The industry is changing more rapidly than ever before. Customers continue to require more complex solutions, with less time to market. In addition, the demand for transparency and sustainability across the entire value chain continues to increase. And we have an important role to play. You can read more about this in our Annual Report, which we publish today.

Refresco has become stronger and more profitable. Our strategy and our capabilities have proven to be successful in 2019, and we will continue to pursue our 2025 ambitions going forward."

### Sustainability and future growth

Beyond our proven buy & build strategy, we are in a process of transition from being a bottler to becoming a full-service beverage solutions provider. We aim to service customers across the entire production chain, from R&D to procurement and transportation to the customer's warehouse. It is a way of adding value for customers and becoming an integral part of their business model in the long term.

While we are confident that we will be able to maintain our growth, the industry and the world at large are changing. Consumers are increasingly interested to know more about the products they buy. Issues such as water usage, plastics production and the importance of recycling as well as a new emphasis on healthier drinks are now headline news. In response to sustainability concerns like these, governments are set to introduce new regulations while investors are likely to refocus investment criteria. And a combination of geopolitics, globalization and scarcity of resources will have a significant impact on our supply chain. Whether environmental, social or ethical, the key is to be able to respond to sustainability themes adequately.

This changing landscape is redefining the way we do business already today. By embracing change as we have always done, investing in sustainable solutions, and by using our unique network and portfolio of competencies, we are in a good position to 'future-proof' the beverage solutions we provide to our customers. We are introducing clear and consistent performance metrics for sustainability for all of our locations and we aim to finalize our Group metrics for sustainability over the coming year.

In 2019, we maintained close control over our transport and logistics footprint by collecting and analyzing our transport-related carbon emissions data as part of the 'Lean & Green Europe' program. As a result, in January 2020 we were awarded the first-ever European Lean & Green Star for having transport emissions that are 20% lower than the industry benchmark.

### Volume and revenue by location of sales

In Q4 2019 total Group volume was 2,557 million liters, in line with last year's result (Q4 2018: 2,556 million liters). The cooperation with PepsiCo in Spain is delivering volumes in line with our plan. Volume growth in North America is driven by an increase in both contract manufacturing and retail business.

For the full year 2019, volume increased by 1.4% to 11,046 million liters compared to last year (2018: 10,888 million liters). This mainly is the result of including January volumes of Cott's former bottling business in North America and the UK, which were consolidated in Refresco's results as of January 30, 2018.

| Volume in million liters (unaudited) | Q4 2019      | Q4 2018      | YTD 2019      | YTD 2018      |
|--------------------------------------|--------------|--------------|---------------|---------------|
| Europe                               | 1,582        | 1,626        | 6,986         | 7,127         |
| North America                        | 975          | 930          | 4,060         | 3,761         |
| <b>Total Group</b>                   | <b>2,557</b> | <b>2,556</b> | <b>11,046</b> | <b>10,888</b> |

Retail brands volume in Q4 2019 was 1,775 million liters, a 1.9% decrease compared to Q4 2018, reflecting market developments and continued impact of letting go of some less profitable business in the UK and discontinuing sales of low margin water in the US. As a percentage of total volume, contract manufacturing for the quarter increased to 30.6% of total Group volume (Q4 2018: 29.2%).

For the full year 2019, contract manufacturing volume was 3,434 million liters, an increase of 2.5% compared to FY 2018. We continue to focus on growing the contract manufacturing business through strategic partnerships and acquisitions.

| Retailer brands and contract manufacturing as a % of total volume (unaudited) | Q4 2019     | Q4 2018     | YTD 2019    | YTD 2018    |
|---|-------------|-------------|-------------|-------------|
| Retailer brands   | 69.4%       | 70.8%       | 68.9%       | 69.2%       |
| Contract manufacturing  | 30.6%       | 29.2%       | 31.1%       | 30.8%       |
|   | <b>100%</b> | <b>100%</b> | <b>100%</b> | <b>100%</b> |

Revenue in Q4 2019 decreased slightly, by 1.0% to €892 million compared to €901 million in Q4 2018, reflecting lower volumes predominantly in the UK, largely offset by positive currency translation effects and the cooperation with PepsiCo in Spain. Revenues can fluctuate significantly due to changes in input costs and, as such, revenue is not a representative indicator for the development of our business.

| Revenue in millions of € (unaudited) | Q4 2019    | Q4 2018    | YTD 2019     | YTD 2018     |
|--------------------------------------|------------|------------|--------------|--------------|
| Europe                               | 539        | 574        | 2,427        | 2,515        |
| North America                        | 353        | 328        | 1,469        | 1,222        |
| <b>Total Group</b>                   | <b>892</b> | <b>901</b> | <b>3,897</b> | <b>3,737</b> |

### Gross profit margin and gross profit margin per liter

We continue to add more value for our customers, by providing them with smaller packaging formats and more complex and innovative products and packaging solutions. Furthermore, we see added-value services, such as warehousing and procurement to third parties, steadily increasing. This is in line with our strategy to transform the company from bottler to beverage solutions provider.

Gross profit margin in Q4 2019 increased by 12.3% to €412 million, compared to €367 million in Q4 2018. For the full year, gross profit margin increased by 13.1% to €1,731 million (FY2018: €1,530 million). This significant increase was driven by continued synergies from the acquisition of Cott's bottling business, positive currency translation effects, product mix and price increases and the continued shift in our customer offering.

| Gross profit margin in millions of € (unaudited) | Q4 2019    | Q4 2018    | YTD 2019     | YTD 2018     |
|--|------------|------------|--------------|--------------|
| Europe   | 256        | 247        | 1,092        | 1,047        |
| North America                                    | 156        | 120        | 639          | 483          |
| <b>Total Group</b>                               | <b>412</b> | <b>367</b> | <b>1,731</b> | <b>1,530</b> |

### Reconciliation of operating profit to adjusted EBITDA

Operating profit in Q4 2019 was €12 million compared to operating loss of €26 million in Q4 2018. The increase in operating profit was mainly due to the higher margin per liter as a result of synergy benefits, the impact of IFRS 16 implementation and lower exceptional costs.

Adjusted EBITDA showed an increase to €106 million in Q4 2019 compared to €83 million in Q4 2018, with the increase mainly driven by synergies from the Cott acquisition.

One-off items of €12 million in the fourth quarter of 2019 include transaction and integration costs, compared to € 43 million in Q4 2018.

| In millions of € (unaudited)      | Q4 2019    | Q4 2018   | YTD 2019   | YTD 2018   |
|-----------------------------------|------------|-----------|------------|------------|
| Operating profit / (loss)         | 12         | (26)      | 140        | 28         |
| Depreciation and impairment       | 50         | 36        | 170        | 134        |
| Amortization of intangible assets | 13         | 30        | 50         | 40         |
| Depreciation - IFRS 16            | 19         | -         | 68         | -          |
| <b>EBITDA</b>                     | <b>94</b>  | <b>40</b> | <b>428</b> | <b>202</b> |
| One-off costs/(benefits)          | 12         | 43        | 20         | 121        |
| <b>Adjusted EBITDA</b>            | <b>106</b> | <b>83</b> | <b>448</b> | <b>323</b> |

### Finance expenses and tax

Net finance costs for the fourth quarter of 2019 were €42 million compared to €36 million in the same period last year. This increase was mainly due to implementation of IFRS 16 and an increase in existing Term Loan B. Excluding the effects of IFRS 16, the net finance costs would have been €39 million, slightly above Q4 2018.

Net finance costs for the full year 2019 amounted to €156 million (FY 2018: €160 million). Excluding IFRS 16 effects, net finance costs for the full year 2019 would have been €143 million.

Income tax benefit for the full year 2019 amounted to €0 million, compared to income tax benefit of €25 million in FY 2018.

| In millions of € (unaudited)           | Q4 2019     | Q4 2018     | YTD 2019     | YTD 2018     |
|--|-------------|-------------|--------------|--------------|
| Net finance costs                      | (42)        | (36)        | (156)        | (160)        |
| Finance expense - IFRS 16              | (3)         | -           | (13)         | -            |
| <b>Net finance costs excl. IFRS 16</b> | <b>(39)</b> | <b>(36)</b> | <b>(143)</b> | <b>(160)</b> |

### Reconciliation of net profit to adjusted net profit

Net loss in Q4 2019 amounted to €28 million compared to a net loss of €52 million in Q4 2018. Adjusted for the net effect of acquisition and integration costs, net loss stood at €19 million in Q4 2019 (Q4 2018: net loss of €19 million). Adjusted net loss for the full year 2019 amounted to €1 million, compared to net profit of €16 million in that same period 2018.

| In millions of € (unaudited)           | Q4 2019     | Q4 2018     | YTD 2019   | YTD 2018  |
|--|-------------|-------------|------------|-----------|
| <b>Profit / (Loss)</b>                 | (28)        | (52)        | (16)       | (107)     |
| Acquisition / Integration cost / Other | 12          | 43          | 20         | 121       |
| Financing cost                         | -           | -           | -          | 43        |
| Tax effect                             | (3)         | (11)        | (5)        | (41)      |
| <b>Adjusted net profit / (loss)</b>    | <b>(19)</b> | <b>(19)</b> | <b>(1)</b> | <b>16</b> |

## Balance sheet and financial position

Balance sheet total assets amounted to €4,972 million at December 31, 2019 (December 31, 2018: €4,580 million). This increase is mainly due to the implementation of IFRS 16, the increase in cash position, and the cooperation with PepsiCo in Spain. Total non-current assets amounted to €3,775 million compared to €3,380 million on December 31, 2018. Total intangible assets amounted to €2,211 million (FY 2018: €2,228 million).

Cash and cash equivalents for full year 2019 were €283 million (FY 2018: €226 million, excluding bank overdraft of €87 million).

Net debt at the end of Q4 2019 amounted to €2,791 million (FY 2018: €2,373 million) consisting of €2,618 million in loans and borrowings, €35 million capitalized finance costs, a €385 million impact of IFRS 16 Leases, €108 million shareholder funding and €283 million in cash and cash equivalents.

## Capex and working capital

Total capital expenditure spending was €174 million (FY 2018: €134 million). Year-to-date integration-related capex was €18 million and is part of the total expenditure.

At the end of Q4 2019 working capital was €69 million (Q4 2018: €39 million), which includes costs for building and starting up our new-build sustainable facility in Le Quesnoy, France. Although working capital is still slightly higher than we want it to be, we are moving in the right direction and expect to be able to continue the downward trend.

## Subsequent events

### Acquisition of AZPACK

Refresco has completed the acquisition of AZPACK (Arizona Production & Packaging LLC) in Tempe, Arizona, USA, as per January 2, 2020. AZPACK is known for its expertise in manufacturing complex niche products for branded beverage companies. The acquisition will strengthen our position to service customers in the Southwestern US and expand our contract manufacturing business in the important growth categories of energy drinks, sports drinks and value-added waters. The PPA adjustments are not yet determined and will follow in due course.

## Additional financing

On November 15, 2019, Refresco announced the placement of an additional USD 150 million add-on to the existing USD Term Loan B in Refresco Holding B.V. The funding was completed early January 2020.

### Bondholder call & webcast

Today at 10:00 am CET, Refresco will host a call and audio webcast for bondholders.

The dial-in numbers are as follows:

NL +31 (0)20 703 8211

UK +44 (0)330 336 9127

US +1 323-794-2093

Confirmation code: 2810125

You can access the audio webcast via <https://www.refresco.com/en/investors/reports-and-presentations>.

A replay of the call will be available by the end of the day.

### Financial calendar 2020

Publication Q1 2020 results: May 14, 2020

Publication Q2/H1 2020 results: August 13, 2020

Publication Q3 2020 results: November 12, 2020

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## About Refresco

Refresco is the world's largest independent bottler of beverages for retailers and A-brands with production in Europe and North America. The company has full year volumes and revenue of circa 11 billion liters and circa €3.9 billion, respectively. Refresco offers an extensive range of product and packaging combinations from 100% fruit juices to carbonated soft drinks and mineral waters in carton, PET, Aseptic PET, cans and glass. Focused on innovation, Refresco continuously searches for new and alternative ways to improve the quality of its products and packaging combinations in line with consumer and customer demand, environmental responsibilities and market demand. Refresco is headquartered in Rotterdam, the Netherlands and has more than 10,000 employees. [www.refresco.com](http://www.refresco.com)

## Notes to the press release

Unless otherwise stated, the consolidated financial information in this document comprise the consolidated financial information of Refresco Group B.V.

YTD 2018 figures relate to Refresco Group N.V. for the period January 1, 2018 to March 31, 2018 and to Sunshine Top B.V. for the period April 1, 2018 to December 31, 2018.

FY 2018 figures are in accordance with the audited Annual Report 2018 of Sunshine Top B.V.

Cott's bottling business in North America and the UK was consolidated in Refresco's financial information as of January 30, 2018. In this document, where reference is made to 'like-for-like' volumes, the numbers for the former Cott bottling business and those of Refresco were combined and compared 'as if' they were one prior to this date.

This press release has not been audited.

The consolidated financial statements are presented in millions of euros and all values are rounded to the nearest million unless otherwise stated. As a consequence, rounded amounts may not add up to the rounded total in all cases. Change percentages and totals are calculated before rounding.

Refresco Group B.V. prepares its financial reports in accordance with the International Financial Reporting Standards as adopted by the European Union (EU-IFRS). For the principles of financial reporting reference is made to the 2019 financial statements of Refresco Group B.V.

This report was prepared in accordance with the indenture dated April 23, 2018 governing the Senior Notes.

The 2019 financial information included in the consolidated statements attached to this press release are derived from the Annual Report 2019. The external auditor has issued an unqualified auditor's opinion on the 2019 financial statements. The full Annual Report will be available on our website ([www.refresco.com](http://www.refresco.com)) from March 12, 2019. The Annual Report will be presented for adoption by the General Meeting of Shareholders.



## Tables section:

|   |           |
|---|-----------|
| <b>Consolidated income statement</b>                      | <b>10</b> |
| <b>Consolidated balance sheet</b>                         | <b>11</b> |
| <b>Consolidated cash flow statement</b>                   | <b>12</b> |
| <b>Information about Sunshine Mid B.V. ("the Issuer")</b> | <b>13</b> |

## Consolidated income statement

| In millions of €                          | Q4 2019<br>(unaudited) | Q4 2018<br>(unaudited) | YTD 2019<br>(audited) | YTD 2018<br>(audited) <sup>1</sup> |
|---|------------------------|------------------------|-----------------------|------------------------------------|
| <b>Revenue</b>                            | <b>892</b>             | <b>901</b>             | <b>3,897</b>          | <b>3,737</b>                       |
| Other income                              | 0                      | 25                     | 1                     | 26                                 |
| Raw materials and consumables used        | (480)                  | (559)                  | (2,167)               | (2,233)                            |
| <b>Gross Profit Margin</b>                | <b>412</b>             | <b>367</b>             | <b>1,731</b>          | <b>1,530</b>                       |
| Gross Profit Margin %                     | 46.2%                  | 40.7%                  | 44.4%                 | 40.9%                              |
| Gross Profit Margin per liter, euro cents | 16.1                   | 14.4                   | 15.7                  | 14.1                               |
| Employee benefits expenses                | (138)                  | (123)                  | (541)                 | (493)                              |
| Depreciation, amortization and impairment | (82)                   | (66)                   | (288)                 | (174)                              |
| Other operating expenses                  | (180)                  | (204)                  | (762)                 | (835)                              |
| <b>Operating costs</b>                    | <b>(400)</b>           | <b>(393)</b>           | <b>(1,591)</b>        | <b>(1,502)</b>                     |
| <b>Operating profit / (loss)</b>          | <b>12</b>              | <b>(26)</b>            | <b>140</b>            | <b>28</b>                          |
| Finance income                            | 0                      | 0                      | 1                     | 0                                  |
| Finance expense                           | (42)                   | (36)                   | (157)                 | (161)                              |
| <b>Net finance costs</b>                  | <b>(42)</b>            | <b>(36)</b>            | <b>(156)</b>          | <b>(160)</b>                       |
| <b>Profit / (loss) before income tax</b>  | <b>(30)</b>            | <b>(62)</b>            | <b>(16)</b>           | <b>(132)</b>                       |
| Income tax (expense) / benefit            | 2                      | 10                     | 0                     | 25                                 |
| <b>Profit / (loss)</b>                    | <b>(28)</b>            | <b>(52)</b>            | <b>(16)</b>           | <b>(107)</b>                       |
| <b>Profit / (loss) attributable to:</b>   |                        |                        |                       |                                    |
| Owners of the Company                     | (31)                   | (55)                   | (23)                  | (115)                              |
| Non-controlling interest                  | 3                      | 3                      | 7                     | 8                                  |
| <b>Profit / (loss)</b>                    | <b>(28)</b>            | <b>(52)</b>            | <b>(16)</b>           | <b>(107)</b>                       |

<sup>1</sup> 2018 balances have been updated to align with pro-forma numbers included in audited 2018 annual report of Sunshine Top B.V.

## Consolidated balance sheet

| In millions of € <sup>1</sup>                               | 31 December<br>2019<br>(audited) | 31 December<br>2018 (audited) <sup>2</sup> |
|---|----------------------------------|--|
| <b>Non-current assets</b>                                   |                                  |  |
| Property, plant & equipment                                 | 1,180                            | 1,139                                      |
| Right-of-use asset  | 370                              | -  |
| Intangible assets   | 2,211                            | 2,228                                      |
| Non-current financial assets                                | 14                               | 13   |
| Deferred income tax   | 0                                | -  |
| <b>Total non-current assets</b>                             | <b>3,775</b>                     | <b>3,380</b>                               |
| <b>Current assets</b>                                       |                                  |  |
| Inventories   | 384                              | 397  |
| Derivative financial instruments                            | -                                | 3  |
| Current income tax receivable                               | 5                                | 26   |
| Trade and other receivables                                 | 525                              | 548  |
| Cash and cash equivalents                                   | 283                              | 226  |
| <b>Total current assets</b>                                 | <b>1,197</b>                     | <b>1,200</b>                               |
| <b>Asset classified as held for sale</b>                    | <b>0</b>                         | <b>-</b>                                   |
| <b>Total assets</b>   | <b>4,972</b>                     | <b>4,580</b>                               |
| <b>Equity attributable to equity holders of the Company</b> | <b>799</b>                       | <b>840</b>                                 |
| Non-controlling interests                                   | 6                                | 7  |
| <b>Total equity</b>   | <b>805</b>                       | <b>847</b>                                 |
| <b>Non-current liabilities</b>                              |                                  |  |
| Loans and borrowings  | 2,685                            | 2,509                                      |
| Lease liability   | 319                              | -  |
| Derivative financial instruments                            | 26                               | 11   |
| Provisions and deferred tax                                 | 196                              | 190  |
| <b>Total non-current liabilities</b>                        | <b>3,226</b>                     | <b>2,710</b>                               |
| <b>Current liabilities</b>                                  |                                  |  |
| Loans and borrowings  | 3                                | 90   |
| Lease liability   | 66                               | -  |
| Derivative financial instruments                            | 4                                | 2  |
| Trade and other payables                                    | 814                              | 897  |
| Deferred payments acquisition                               | 29                               | -  |
| Current income tax liabilities                              | 14                               | 26   |
| Provisions  | 11                               | 8  |
| <b>Total current liabilities</b>                            | <b>941</b>                       | <b>1,023</b>                               |
| <b>Total equity and liabilities</b>                         | <b>4,972</b>                     | <b>4,580</b>                               |

<sup>1</sup> Preliminary Purchase Price Allocation (PPA) included in the figures.

<sup>2</sup> 2018 balances have been updated to align with pro-forma numbers included in audited 2018 annual report of Sunshine Top B.V.

## Consolidated cash flow statement

| In millions of €   | Q4 2019<br>(unaudited) | YTD 2019<br>(audited) | 2017-2018<br>(audited) <sup>1</sup> |
|--|------------------------|-----------------------|-------------------------------------|
| <b>Cash flows from operating activities</b>                                  |                        |                       |                                     |
| <b>Net profit / (loss)</b>   | <b>(28)</b>            | <b>(16)</b>           | <b>(55)</b>                         |
| Adjustments for:   |                        |                       |                                     |
| Depreciation, Amortization and impairments                                   | 82                     | 288                   | 143                                 |
| Net change in fair value derivative financial instruments                    | 1                      | (1)                   | (1)                                 |
| Other net finance costs  | 42                     | 157                   | 106                                 |
| (Gain) / loss on sale of property, plant and equipment                       | (1)                    | (1)                   | (26)                                |
| Income tax expense / (benefit)   | (2)                    | 0                     | (6)                                 |
| Movement in employee benefit provisions and other provisions                 | (2)                    | (6)                   | (16)                                |
| <b>Cash flow from operating activities before changes in working capital</b> | <b>92</b>              | <b>421</b>            | <b>145</b>                          |
| Changes in inventories   | 46                     | 37                    | 32                                  |
| Changes in trade and other receivables                                       | 50                     | 48                    | 16                                  |
| Changes in trade and other payables  | (70)                   | (87)                  | 128                                 |
| <b>Total change in working capital</b>                                       | <b>26</b>              | <b>(2)</b>            | <b>176</b>                          |
| Interest received  | 0                      | 1                     | 0                                   |
| Interest paid (including capitalized finance costs)                          | (38)                   | (126)                 | (81)                                |
| Payments interest portion leases   | (3)                    | (13)                  | -                                   |
| Income taxes paid  | 0                      | (8)                   | (24)                                |
| <b>Net cash generated from operating activities</b>                          | <b>77</b>              | <b>273</b>            | <b>216</b>                          |
| <b>Cash flows from investing and acquisition activities</b>                  |                        |                       |                                     |
| Purchase of property, plant and equipment                                    | (63)                   | (198)                 | (116)                               |
| Proceeds from disposals of property, plant and equipment                     | 1                      | 6                     | 44                                  |
| Purchase of intangible assets  | (3)                    | (4)                   | (2)                                 |
| Proceeds non-current financial assets  | 0                      | -                     | 16                                  |
| Acquisition of subsidiary, net of cash acquired                              | (1)                    | (44)                  | (1,513)                             |
| Disinvestment of branded activities Columbus                                 | -                      | 36                    | -                                   |
| <b>Net cash used in investing and acquisition activities</b>                 | <b>(66)</b>            | <b>(204)</b>          | <b>(1,572)</b>                      |
| <b>Cash flows from financing activities</b>                                  |                        |                       |                                     |
| Proceeds of new issued shares  | -                      | -                     | 882                                 |
| Dividend payment   | (2)                    | (8)                   | (21)                                |
| Proceeds from loans and borrowings   | -                      | 300                   | 3,030                               |
| Repayment of loans and borrowings  | (1)                    | (159)                 | (2,326)                             |
| Financing costs  | -                      | -                     | (44)                                |
| Payments principal portion leases  | (16)                   | (59)                  | -                                   |
| <b>Net cash (used in) / from financing activities</b>                        | <b>(19)</b>            | <b>74</b>             | <b>1,522</b>                        |
| <b>Movement in cash and cash equivalents</b>                                 | <b>(8)</b>             | <b>143</b>            | <b>166</b>                          |
| Translation adjustment   | (2)                    | 0                     | (26)                                |
| <b>Cash movement</b>   | <b>(10)</b>            | <b>143</b>            | <b>140</b>                          |
| Cash and cash equivalents beginning period                                   | 293                    | 226                   | -                                   |
| Bank overdraft at beginning  | -                      | (87)                  | -                                   |
| Cash and cash equivalents ending period                                      | 283                    | 283                   | 226                                 |
| <b>Bank overdraft at end</b>   | <b>-</b>               | <b>-</b>              | <b>(87)</b>                         |
| <b>Cash movement</b>   | <b>(10)</b>            | <b>143</b>            | <b>140</b>                          |

<sup>1</sup> 2018 balances have been updated to align with pro-forma numbers included in audited 2018 annual report of Sunshine Top B.V.

## Information about Sunshine Mid B.V. ("the Issuer")

Sunshine Mid B.V. was incorporated on October 20, 2017 and it is domiciled in Amsterdam, the Netherlands. For the acquisition of Refresco Group the Issuer has received the following funds:

- Share capital contribution of €882 million
- Shareholder loan was increased from €100 million to €108 million in Q2 2019.
- Bridge finance of €445 million which has been replaced by the Senior Notes on May 3, 2018