

## SARANTIS GROUP

### Nine months of 2022 trading update

#### SUSTAINING SIGNIFICANT SALES GROWTH

During the nine months of 2022, the Group maintained a significant sales growth momentum amidst a difficult operating environment and managed to improve its EBIT margin versus the previous quarter highlighting the Group's ability to mitigate inflationary pressures.

During the nine months of 2022 the Group's turnover increased by 9.95% reaching €327.27 million from €297.64 million in the respective period of 2021. Sales growth was driven by the suncare, face skincare, deodorants, haircare, garbage bags, food packaging and food supplements.

Greek sales presented a significant growth of 7.55%. Greek sales amounted to €113.76 million in the nine months of 2022 compared to €105.77 mil. in the respective period last year, benefiting from growth across the healthcare, exports and selective channels.

The foreign countries exhibited a substantial growth of 11.28% reaching €213.51 million in the nine months of 2022 from €191.87 million in the respective period of 2021. Excluding the fx currency impact, on a currency neutral basis, foreign countries sales presented a growth of 11.6%.

The Group's profitability, even though lower versus last year's nine months level, presented a mild improvement compared to the first half of 2022, on the back of sustained sales growth and a stabilization of input costs. At the same time the Group places emphasis behind close control of operating expenses and advertising and promotion expenses in an effort to offset the impact from the high levels in input costs on the Group's Gross Profit margin.

During 9M 2022 EBITDA\* was down by 8.32% to € 35.48 mil. from € 38.70 mil., with the EBITDA margin at 10.84% from 13.00% in the respective period of last year.

Earnings Before Interest and Tax (EBIT) reduced by 11.94% reaching € 25.59 mil. in the nine months of 2022 versus €29.06 mil. in the nine months of 2021 and EBIT margin reached 7.82% in 9M 2022 from 9.76% in the respective period of 2021.

#### Sarantis Group Continuing Activities

P&L (€ MIL.)	9M '22	%	9M '21 **
<b>GROUP TURNOVER</b>	<b>327.27</b>	9.95%	<b>297.64</b>
<b>GREECE</b>	<b>113.76</b>	7.55%	<b>105.77</b>
%	34.76%		35.54%
<b>FOREIGN COUNTRIES</b>	<b>213.51</b>	11.28%	<b>191.87</b>
%	65.24%		64.46%
<b>EBITDA *</b>	<b>35.48</b>	-8,32%	<b>38.70</b>
EBITDA MARGIN	10.84%		13.00%
<b>EBIT</b>	<b>25.59</b>	-11.94%	<b>29.06</b>
EBIT MARGIN	7.82%		9.76%

\*Alternative Performance Measures, Alternative Performance Measure, as defined within paragraph 2.9 of the Group's 2022 Semi-Annual Financial Report.

\*\* For comparability purposes, the financial figures for the nine months of 2021 in the table above present the Continuing activities of the Group excluding ELCA Cosmetics Ltd contribution, since the Group's participation was sold on June 15 2022, and excluding HOZTORG LLC since on September 2<sup>nd</sup> 2022 the Group decided to withdraw permanently from the Russian market.

## **Update on Ergopack**

Ergopack's operational status remains unchanged. It is reminded that following Russia's invasion in Ukraine on February 24<sup>th</sup> 2022, Ergopack's plant that is based in Kaniv was temporarily closed and the business was temporarily suspended for safety reasons.

Since April, we progressively restarted manufacturing in Ukraine and are currently distributing and selling, under a strict credit control policy, and therefore we manage to cover the majority of our channels in Ukraine as well as Ergopack's export network.

## **Prospects**

The management expects volatility to remain high for the remainder of the year 2022, with key challenges being the persisting inflation and energy crisis, the economic slowdown and the continuing supply chain disruptions.

Despite the challenges and uncertainties our priorities behind sustaining our growth momentum and competitiveness while also protecting our profitability margins remain intact, and we are confident in our ability to apply the right tactics that will enable us to navigate through this environment and mitigate any pressures.

At the same time, the Group is committed behind the its long term strategic objectives towards the Group's further expansion. Our focus is on organic and acquisitive growth, further market development and penetration, cost efficiencies, economies of scale, benefits from synergies and operating leverage.

## **Sarantis Group**

*Headquartered in Athens and boasting a history of over 50 years, Sarantis Group is a multinational consumer products company having leading presence in Eastern Europe and an expanding geographical footprint through own subsidiaries and strong export activity worldwide. Our mission is to uplift the mood of consumers, with beautiful simplicity that makes everyday life better, by being always nearby, working closely with our stakeholders to create value sustainably. From Personal Care, Home Care and Health Care Products as well as Luxury Cosmetics, we offer well recognized brands that have a positive impact on people's everyday lives. With strong activity in 13 countries, and in particular in Greece, Poland, Romania, Bulgaria, Serbia, Czech Republic, Slovakia, Hungary, Northern Macedonia, Bosnia-Herzegovina, Portugal, Slovenia and Ukraine, we maintain a dynamic international presence and a powerful distribution network of more than 50 countries around the world.*

## **Information**

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