



Sarantis Group

Investor & Analyst Conference Call Presentation

FY 2020 – Apr 8th 2021

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Consolidated Financial Highlights

P&L (€ mil.)	FY '20	%	FY '19
Turnover	393.38	6.30%	370.07
Gross Profit	148.47	7.91%	137.59
Gross Profit Margin	37.74%		37.18%
EBITDA	62.70	14.52%	54.75
EBITDA Margin	15.94%		14.79%
EBIT	50.06	14.19%	43.84
EBIT Margin	12.73%		11.85%
EBT	47.43	4.34%	45.46
EBT Margin	12.06%		12.28%
Tax	7.92	19.22%	6.64
Profit After Tax	39.51	1.80%	38.82
Profit After Tax Margin	10.04%		10.49%
Minorities	0.79	-2.30%	0.81
Net Profit	38.73	1.89%	38.01
Net Profit Margin	9.84%		10.27%

- A remarkable performance, powered by the strength and the quality of the Group's brands, as well as its product and geographical diversification, reflecting the Group's agility and ability to respond to unpredictable consumption trends and deal with unprecedented challenges posed by the COVID-19 crisis.
- From the beginning of the COVID-19 pandemic outbreak, the Group's priority has been to ensure the protection and safety of its employees, the uninterrupted business continuity across all functions and particularly the supply of products in high demand, while it intensified its support to the communities where it operates.
- Group sales growth of 6.3% was driven by product categories related to home care, personal hygiene and health care, underpinned by the Group's ability to address different consumption patterns and channel dynamics in each country.
- The Group delivered another 10yr record in EBITDA margin, that reached 15.94%. EBITDA significantly increased by 14.52% settling at €62.70 mil. and EBIT posted growth of 14.19% reaching € 50.06 mil. The Group's profitability benefited by the optimization of operating costs and lower advertising and promotion expenses across its geographical region, although a part of the marketing investment, that was controlled during the first half of the year, was reactivated during the second half of the year in order to support selected strategic initiatives.
- The healthy balance sheet and cashflow generation support the Group's investment plan that fuels further expansion.

Balance Sheet & Cash flow



ASSETS	FY '20	%	FY '19
Tangible fixed assets	73.34	9.12%	67.22
Right of use	14.62	22.26%	11.96
Investments in property	1.03	0.04%	1.03
Intangible Assets	60.38	16.82%	51.69
Goodwill	7.68	-2.81%	7.90
Investments in subsidiaries, associates	25.65	19.53%	21.46
Other long-term receivables	0.41	-32.11%	0.60
Deffered Tax assets	0.29	72.32%	0.17
Non-current assets	183.40	13.19%	162.02
Inventories	108.60	14.85%	94.55
Trade Receivables	90.95	-11.25%	102.49
Other Receivables	6.92	35.07%	5.12
Financial assets available at fair value through P&L	4.91	95.25%	2.51
Cash & cash equivalents	40.60	-25.98%	54.85
Current assets	251.97	-2.91%	259.53
Total Assets	435.37	3.28%	421.55
EQUITY & LIABILITIES			
L-T Bank Loans	48.61	38.88%	35.00
Lease liabilities	10.60	20.84%	8.77
Deferred Tax Liabilities	5.64	-6.35%	6.03
Provisions for post employment employee benefits	2.95	32.42%	2.23
Provisions - Other Long-term Liabilities	2.84	308.55%	0.69
Long-term Liabilities	70.64	33.99%	52.72
Suppliers	64.80	-1.41%	65.73
Other short-term liabilities	9.22	-7.78%	10.00
Income tax - other taxes payable	5.75	17.95%	4.87
S-T Bank Loans	7.81	-74.67%	30.81
Lease liabilities	4.65	22.76%	3.78
Short-term liabilities	92.22	-19.94%	115.19
Share Capital	54.50	0.00%	54.50
Share Premium	40.68	0.00%	40.68
Other Reserves	17.46	27.00%	13.75
Minority Interest	2.64	11.60%	2.36
Retained Earnings	157.24	10.47%	142.34
Shareholders Equity	272.52	7.45%	253.64
Total Liabilities & Equity	435.37	3.28%	421.55
CASH FLOWS (€ mil.)			
	FY '20		FY' 19
Operating Activities	32.22		19.87
Investment Activities	-21.57		-3.96
Financial Activities	-24.60		6.03
Cash generated	-13.95		21.94
Cash & Cash equivalents. beginning	54.85		32.78
Effect of foreign exchange differences on Cash	-0.31		0.13
Cash & Cash equivalents. end	40.60		54.85

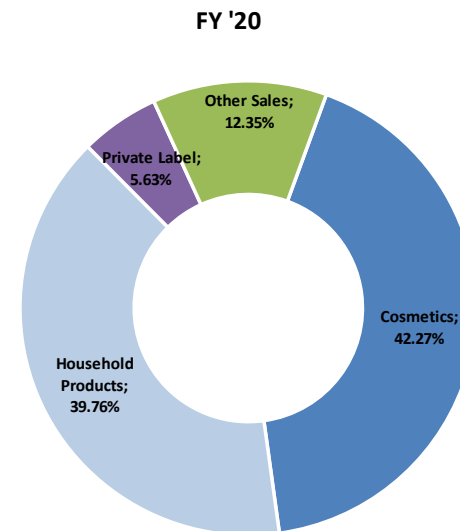
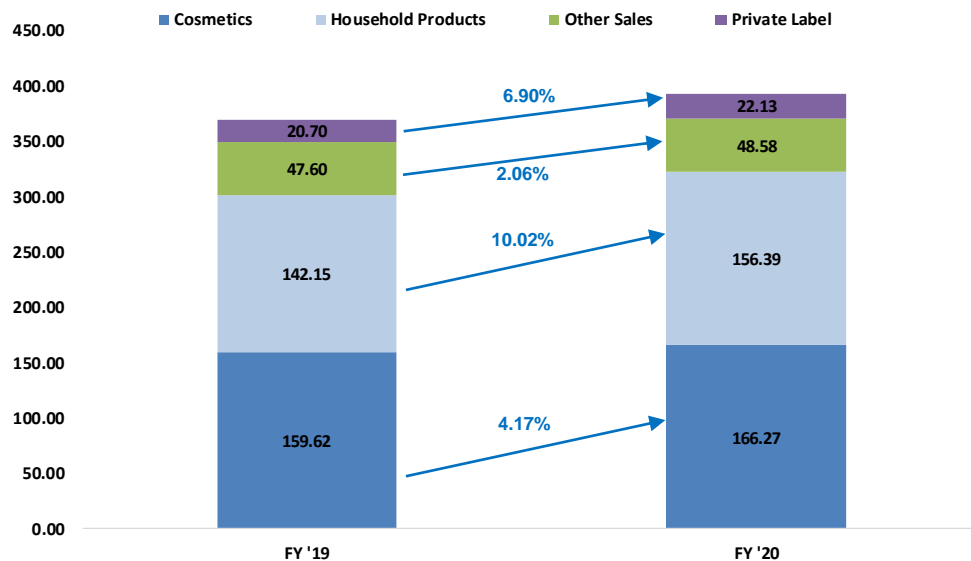
Healthy financial position able to finance the Group's expansionary plan and create value

Despite the challenges posed by the COVID-19 pandemic, the Group, committed to its strategy, invests the cash generated by the business behind initiatives to accelerate growth, either organically or through acquisitions, and to return value to its shareholders

- ✓ In the context of the active portfolio management and new product development, the Group made its entrance in the **antibacterial hand cleansing category**, building on the strong brand equity of its skin care brands across its region.
- ✓ Following the approval from the Antimonopoly Committee, the acquisition of the Polish cosmetics brand **LUKSJA** was finalized.
- ✓ The Group has finalized the gradual absorption of the production of **Indulona** personal care products, allowing for better control behind its production and cost efficiencies.
- ✓ **Polipak's** new investment, that will lead to to products improved in terms of ecological profile, durability and functionality, as well as higher capacity and increased efficiency is under development and expected to be complete by year end.
- ✓ **Dividend paid for FY 2019** amounted to €11.2 mil. (0.16701 euro per share).
- ✓ **Proposed Dividend payment for FY 2020** of 0.2146614 euro per share (15mil. euro)
- ✓ **Maintenance of the low net debt** position at € 10.91 mil. in FY 2020, i.e. 0.17x ntedebt/EBITDA) .

Business Units Analysis

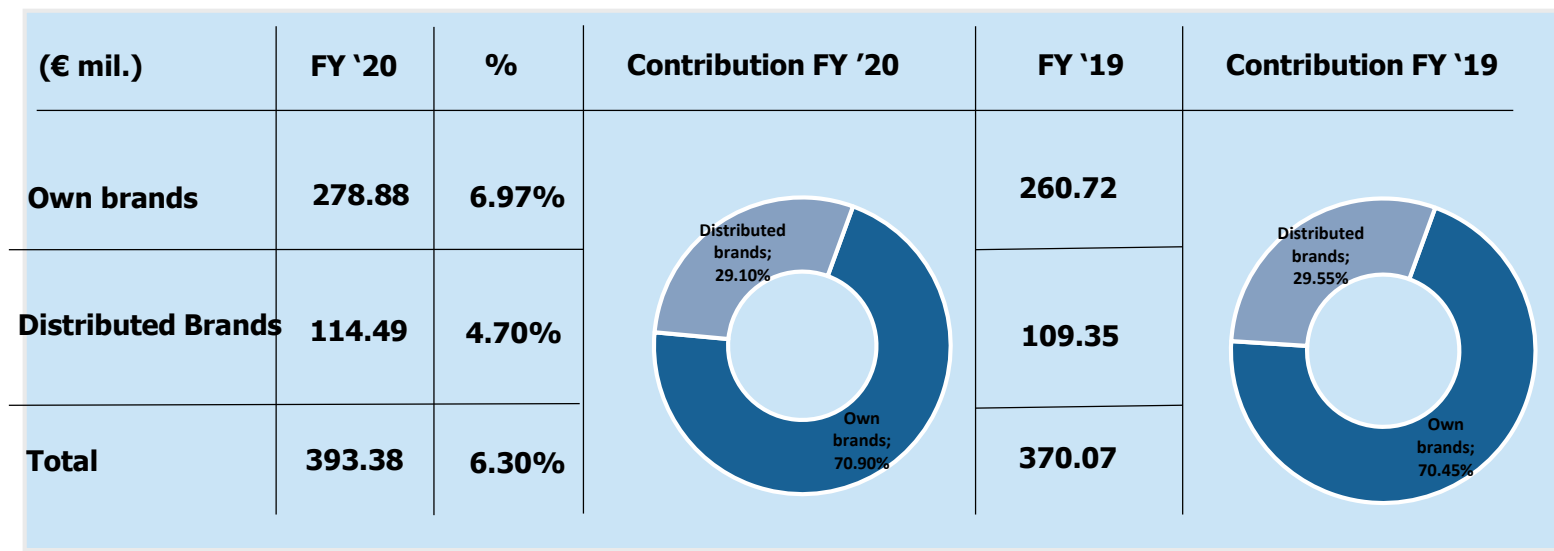
Turnover - SBU Split



- ✓ **Cosmetics** sales were up by 4.17% yoy, supported by growth in both the own brands and the distributed brands portfolio. This performance reflects the continued strong demand in categories related to personal hygiene, which was partly offset by weaker demand for other categories, as well as consumption disruptions caused by lockdowns and restrictions in specific retail channels.
- ✓ Sales of **Household Products** increased by 10.02%, supported by growth in the own brands subcategory, across the territory, driven by strong demand for products related to home care.
- ✓ The category of **Other Sales** was up in sales by 2.06%, driven by driven by the Health & Care category that was supported by strong demand behind health supplements.

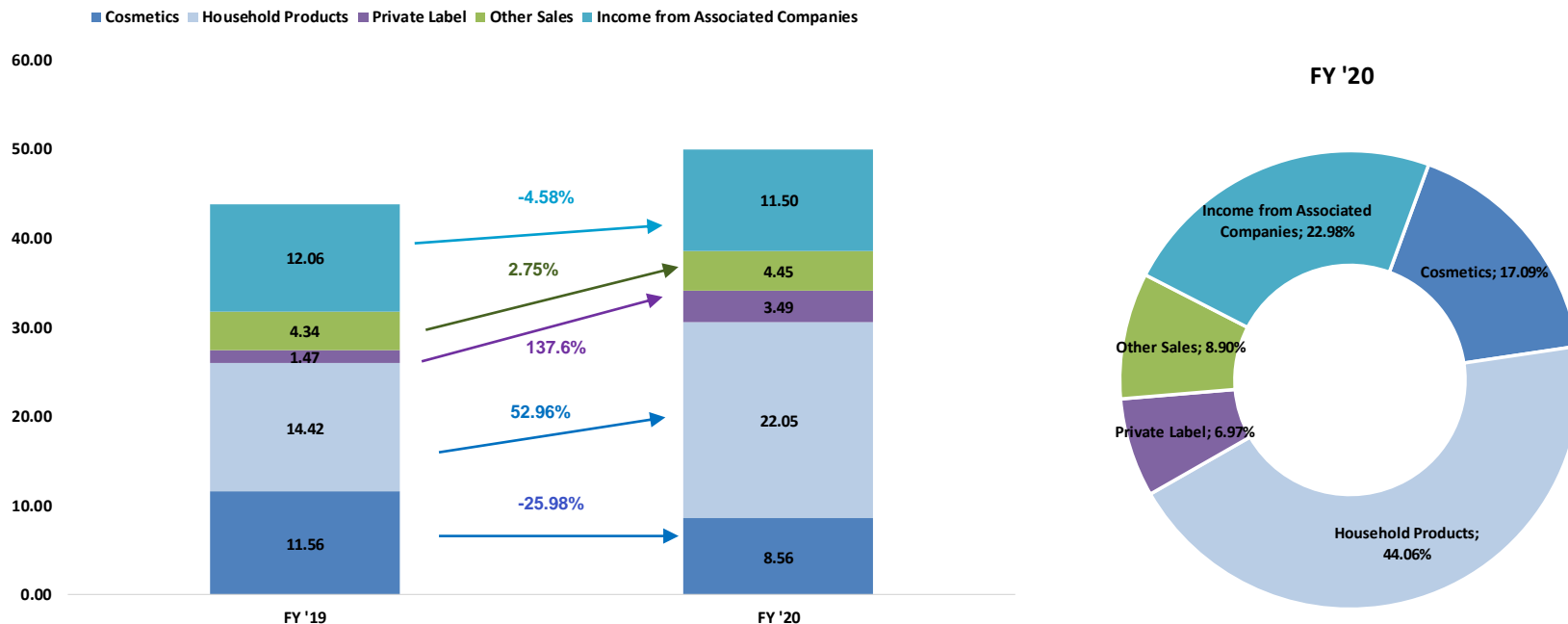
The category of Other Sales includes the subcategories of Health & Care and Selective Products.

Turnover - Own vs Distributed Brands Overview



- ✓ Revenues from own brands rose by 6.97% compared to the previous year.
- ✓ Own brands portfolio participation to total group turnover settled at 70.90%.

EBIT – SBU Split



The Group's operating profit increased driven by the optimization of operating costs and lower advertising and promotion expenses across the Group's geographical region, although a part of the marketing investment, that was controlled during the first half of the year, was reactivated during the second half of the year in order to support selected strategic initiatives.

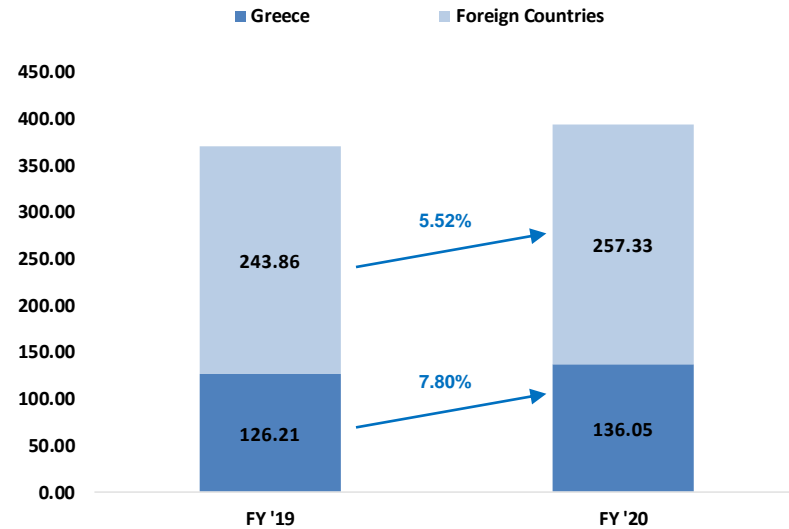
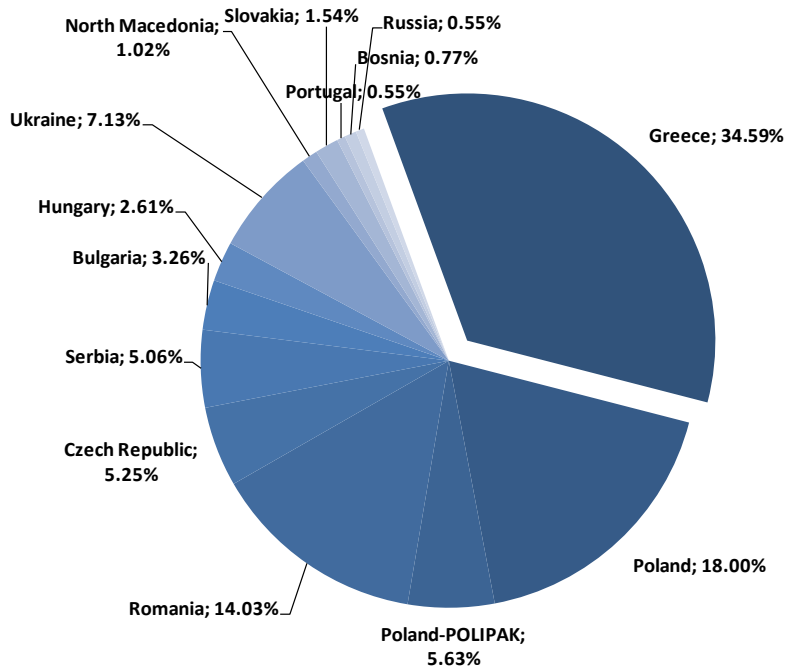
- ✓ **Cosmetics** EBIT settled at €8.56 mil. in FY 2020 from €11.56 mil. in FY 2019, driven by the own cosmetics subcategory that was influenced by higher promotion initiatives in this channel.
- ✓ The EBIT of **Household Products** was significantly increased by 52.96% during FY 2020, driven by the own brands portfolio. The Household products margin settled at 14.10% improved versus 10.14% last year.
- ✓ The EBIT of the **Private Label** category was significantly improved on the back of better raw material prices.
- ✓ The income from **Associated Companies** represents the income from the Estee Lauder JV that stood at €11.50 mil. down by 4.58% vs last year, as a result of the lockdowns and restrictions in this channel.

The category of Other Sales includes the subcategories of Health & Care and Selective Products.

Geographical Analysis

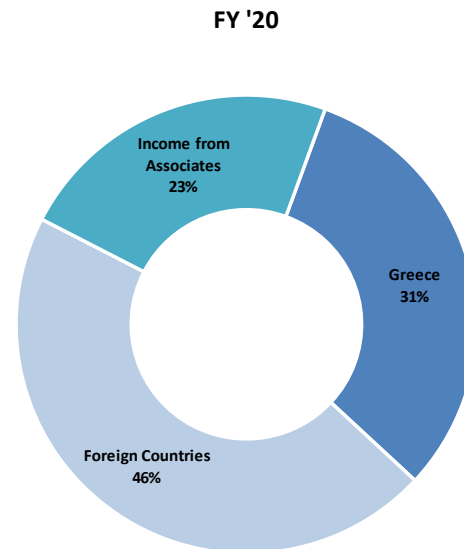
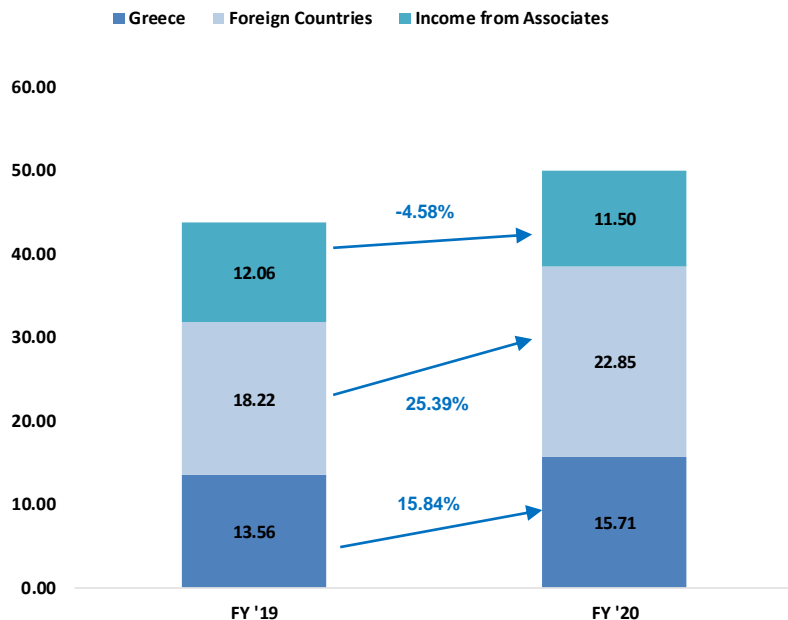
Turnover - Country Split

FY '20



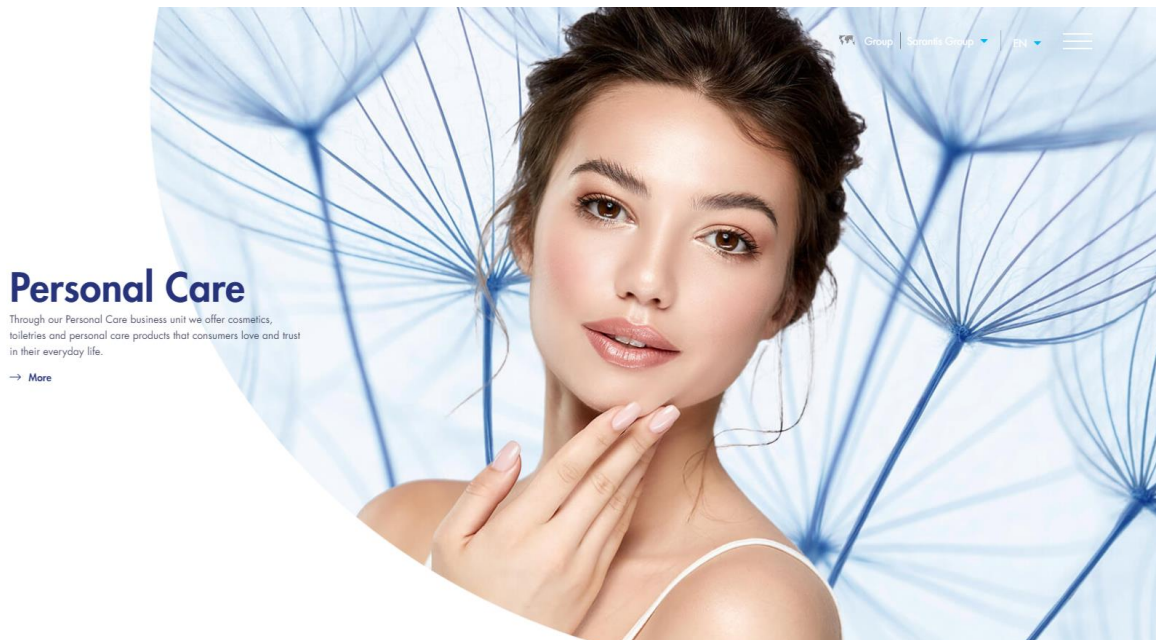
- ✓ The Group's consolidated turnover was supported by strong sales growth both in Greece and the Foreign Countries.
- ✓ The sales growth across the Group's region was driven by product categories related to home care, personal hygiene and health care, underpinned by the Group's ability to address different consumption patterns and channel dynamics in each country.
- ✓ Greek sales presented significant growth throughout the year reaching €136.05 mil. in FY 2020, posting an increase of 7.80%.
- ✓ The foreign countries exhibited growth of 5.52% reaching €257.33 mil. in FY 2020 from €243.86 million in FY 2019.
- ✓ On an fx neutral basis Foreign Countries sales were up by 8.7% in FY 2020.

EBIT – Country Overview



- ✓ Excluding the income from Associated companies, Greek EBIT during FY 2020 amounted to €15.71 mil. up by 15.84% compared to €13.56 mil. last year.
- ✓ Greek EBIT margin, excluding income from Associated Companies, stood at 11.54% during FY 2020 from 10.74% in FY 2019.
- ✓ The foreign countries EBIT was significantly up by 25.39% during FY 2020, amounting to €22.85 mil. from 18.22 mil. last year. The foreign countries EBIT margin settled at 8.88% from 7.47% in FY 2019.

Our New Corporate Website



For more information please visit the Group's Web Site

<https://sarantisgroup.com/>

or click below to visit the Investor Relations menu:

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