Wednesday, September 12th 2018

GR. SARANTIS S.A.

Consolidated Financial Results First Half of 2018

STRONG SALES GROWTH AT 10%
EBITDA UP BY 12%

Sarantis Group first half of 2018 financial results exhibit strong growth across the Group's basic business categories and geographies on the back of successful new launches, market share gains and new businesses added.

The Group succeeds in staying ahead of a very competitive operating landscape thanks to its consumer oriented, product-centric business model which focuses on product quality, cost and commercial excellence in all its distribution channels.

Having established a great momentum and following the completion of two new acquisitions within 2018, namely INDULONA and ERGOPACK, the Group is preparing operationally for the next day, in order to exploit all possible opportunities that can be offered by the Group's growing presence and the new acquisitions. This involves amongst others the integration of ERGOPACK and the optimization of systems and processes within the Group's supply chain.

The Group's total turnover during the first half of 2018 reached € 160.27 million from € 145.96 million in H1 2017*, up by 9.81%.

Greece, exhibited growth of 2.01%, in line with the market and settled at € 59.99 million from € 58.81 million*, which corresponds to 37.43% of the total Group's turnover.
The foreign countries, which represent 62.57% of the Group's total turnover, increased by 15.06% to €100.28 million from € 87.15 million* in last year's first half.

Like-for-like, i.e. excluding sales from INDULONA and ERGOPACK which were added within the first half of 2018, the Foreign Countries sales amounted to €93.76 million in H1 2018 up by 7.58%.
Like–for-like Group sales amounted to €153.75 million in H1 2018, up by 5.34%.

The Group's commitment behind continued productivity improvement, increasing operating leverage and exploiting synergies behind acquisitions resulted in significant EBITDA growth.

<u>More specifically:</u>

- EBITDA ** was up by 12.09% to € 17.88 mil. from €15.95 mil. in H1 2017, with an EBITDA margin of 11.15% from 10.93% in H1 2017.
- Earnings Before Interest and Tax (EBIT) reached € 14.84 mil. increased by 9.35% versus €13.57 mil. and EBIT margin stood at 9.26% from 9.30% in H1 2017.
- Earnings Before Tax (EBT) settled at €14.39 mil. from €15.37 mil., down by 6.34%, with the EBT margin reaching 8.98% from 10.53% in the respective period last year.
- Net Profit reached €11.84 mil. from €13.37 mil. in the previous year's first half, while Net Profit margin settled at 7.39% from 9.16% in H1 2017.

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Further information at: http://ir.sarantis.gr/

The financial results of H1 2018 will be presented in a conference call on September 13th 2018 at **17.00,** local time (GMT+2). Telephone number: 211 – 180 2000.

** According to International Financial Reporting Standards (IFRS), and since January 1st of 2018, the Group has adopted the new standard IFRS 15 "Revenue from Contracts with Customers".*

More specifically, trade expenses related to the Group's agreements with its clients, starting from January 1st 2018, are not included within selling & distribution expenses, but are subtracted from the turnover. This will also impact the gross profit as well as the profitability margins, without affecting however the net profit.

Please refer to the Group's IR site ("Analyst Reporting" file) for the comparable figures https://ir.sarantis.gr/en/analystcorner/financial-results-release.

***Alternative Performance Measures, as defined within the relevant paragraph of the Group's Financial Report.*

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On the balance sheet front, exhibiting its healthy financial position, Sarantis Group is able to invest behind initiatives to accelerate growth and return value to its shareholders.
Within 2018, the Group paid a dividend for FY 2017 of approximately €9.4 mil. (0.28 euros per share).

As of the end of the first half of 2018 the Group maintains a net debt position of €24.32 mil. vs a net cash position of €16 mil. at the end of 2017. This is partly due to an increase in the total debt position of the Group by c. €15 mil. and partly due to cash outflow driven by the new acquisitions and the FY 2017 dividend payment. It is estimated that the generated cashflow that the business will create during the second half of the year will offset the increased net debt position.

Working capital requirements over sales stood at 34.87% during H1 2018 vs 35.28% in H1 2017.
The increased level of working capital requirements during the first half of the year is typical and is related to the Group's seasonal business. Moreover, inventory is higher driven by new businesses added. The ratio is expected to normalize at the level of 30% (i.e. close to FY 2017 level) at the end of the year.

The Group's H1 2018 financial results were marked by significant progress backed by the Group's deep product and market know-how, new product development initiatives supported by an efficiently executed and well balanced communication plan, as well as new businesses added. At the same time the balanced allocation of resources and management of expenses, the positive operating leverage and synergies from acquisitions support the Group's profitability and provide the fuel for further investments behind growth.

The Group's strategic priorities for 2018 and the near future are as always focus on new product development, further geographical expansion, increasing scale, improving costs, and identifying brand acquisitions that can provide additional value to the business.
Additionally the integration of the new companies and the optimization of the supply chain operation are significant targets which will drive the Group's future expansion.

This is expected to bring accelerated top line growth and further improvement on profit margins, ultimately increasing further the Group's footprint in the existing region as well as the new territory where the Group gained access.

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Information

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Sarantis Group

SARANTIS GROUP headquarters is based in Athens, Greece. Boasting a history of over 50 years our Group is one of the leading consumer product companies offering well recognized brand names in the categories of Fragrances & Cosmetics, Personal Care, Household Products and Health & Care Products.

We operate subsidiaries in twelve European countries, namely Poland, Romania, Bulgaria, Serbia, Czech Republic, Slovakia, Hungary, F.Y.R.O.M., Bosnia, Portugal, Ukraine and Russia, and maintain a powerful distribution network in more than 35 countries, via direct exports, supplying the regions of Eastern and Central Europe, the Balkans, Middle East and North Africa.

The parent company GR. SARANTIS S.A. has been listed in the Athens Stock Exchange since 1994. Additionally, the company has established a joint venture with ESTEE LAUDER COMPANIES for the exclusive distribution of ESTEE LAUDER products in Greece, Romania, Bulgaria and Cyprus.

Sarantis Group aims at being a leader in the manufacturing and distributing of consumer products.
Our ambition is to present high-value, high quality everyday products and continue to grow in a socially responsible manner offering added value to our consumers, customers, suppliers, shareholders and employees.

For more information please visit our corporate website at: www.sarantisgroup.com