



the art of authentic greek flavor



Kri-Kri Milk Industry S.A.

September 2018





- 1 **KRI KRI at a glance**
- 2 **Segments Strategic Choices**
- 3 **Facilities, CapEx, Location**
- 4 **Financials**
- 5 **Share Information**

Basic Figures FY 2017

Turnover	EBITDA
€79m	€13m
Total Assets	No. of Employees
€82m	350
Exports	Revenue generated abroad
€24m	31%

Investment

- ✓ One of the few listed companies globally with clear **exposure to the Greek Yogurt investment theme**.
- ✓ **High returns and dividend payments to shareholders.**

Management

- ✓ An **experienced and loyal management team** that has led KRI KRI from a local company to a major player in Greece and a reliable business partner in Europe and Emerging Markets.

Strategy

- ✓ **Well positioned** to take advantage of the enormous growth potential in Yogurt and Ice Cream markets.
- ✓ A **brand new, highly effective and automated yogurt production line** that has easy access to considerable supplies of raw milk.

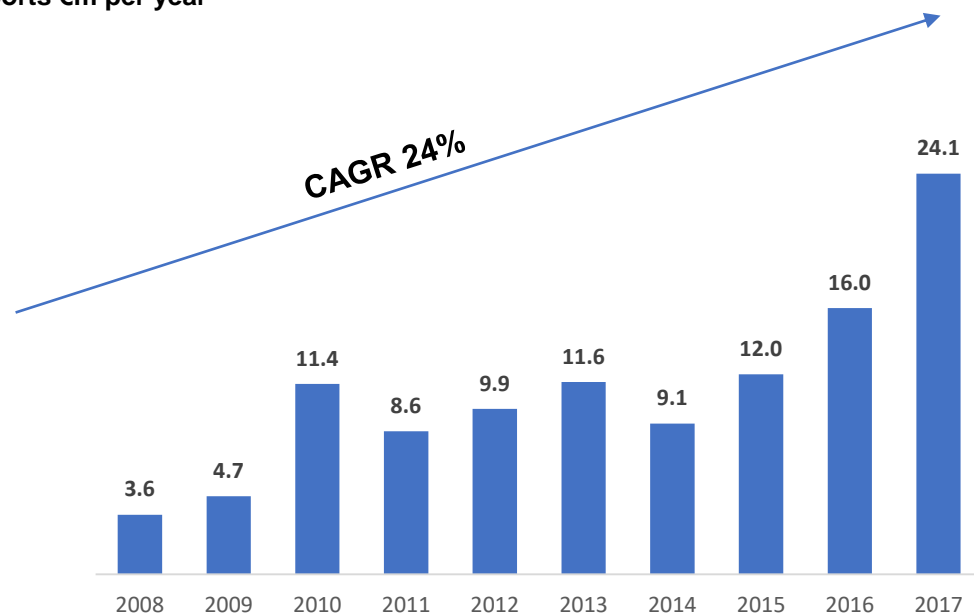
Performance

- ✓ **Profitable growth**, even during the Greek crisis and recession, supported by a sound financial position.

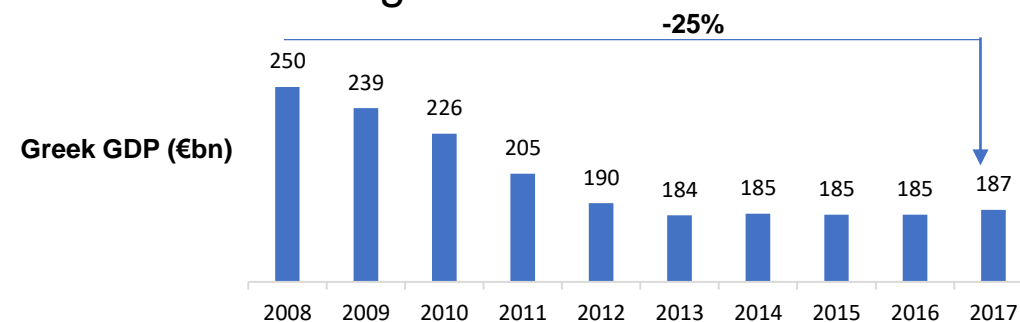
Achievements

✓ Exports Increase

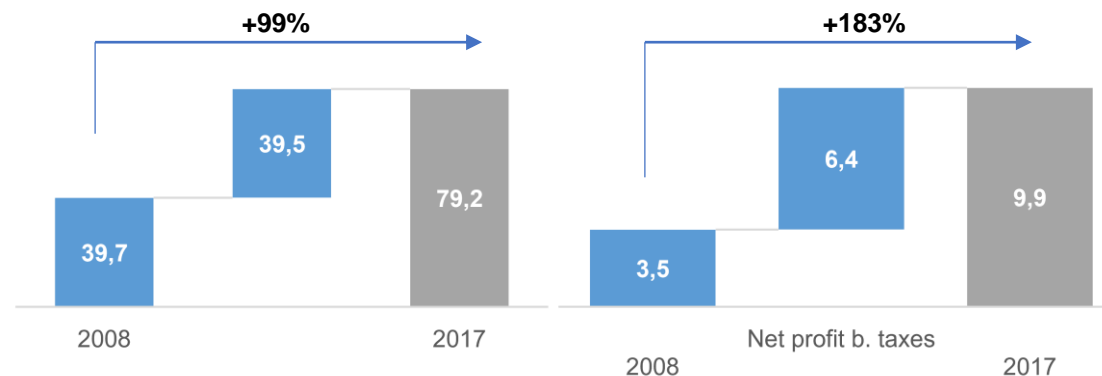
Exports €m per year



✓ Performance during Greek crisis



Kri Kri Sales & Profit before Taxes Performance (€m)



Source: Company data (IFRS), Bank of Greece

| Sep 2018 |

Awards



Βραβεία
ΕΛΛΗΝΙΚΗ ΑΕΙΑ
Βορείου Ελλάδος
2017

«**Employment Growth**»



Innovative product **Super Spoon**
(ice cream) - ANUGA 2017



Gold & Silver award 2017 for
innovative packaging of ice cream
«**Mamas Deserts**» and «**Super
Spoon**»



Best Company's award for
MID – SMALL CAP 2017



2016 **True
Leaders**
by ICAP Group

- One of the most profitable companies
- Staff Growth
- Leading Position in the Industry
- High Credit Standing

Human Resources

- An **experienced** and **effective** management team
- **350** Employees
- **3.000** training hours for the year 2017

Employee Satisfaction Survey 2017

- **94%** «I feel proud of all we have succeeded»
- **95%** «I feel like I offer to the company»
- **91%** «I would like to continue to work here for a long time»
- **95%** «I feel that the Administration is capable of running the company»

Basic Segments

(Sales in € m)



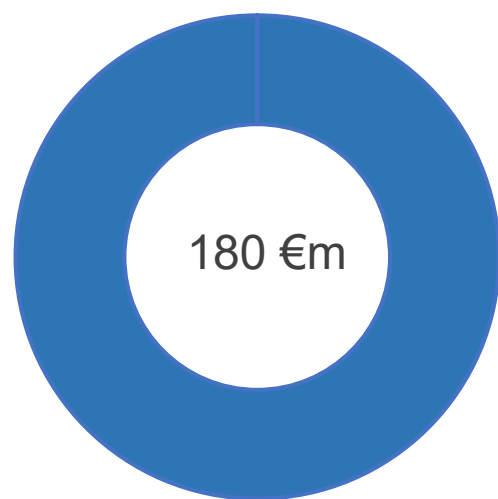
Yogurt Greece				Ice Cream Greece			
FY17:	36.1	1H18:	20.3	FY17:	18.9	1H18:	13.6
Δ:	+8.4%	Δ:	+16.3%	Δ:	+8.2%	Δ:	+15.2%
Yogurt Exports				Ice Cream Exports			
FY17:	21.4	1H18:	14.1	FY17:	2.7	1H18:	2.9
Δ:	+60.4%	Δ:	+37.2%	Δ:	+15.3%	Δ:	+109.8%

Source: Company data (IFRS)

| Sep 2018 |

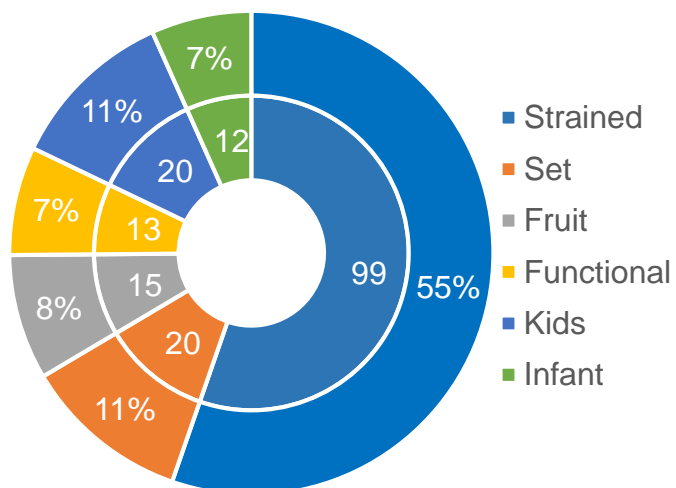
Market Outlook

- Market size in retail prices {FY 2017}



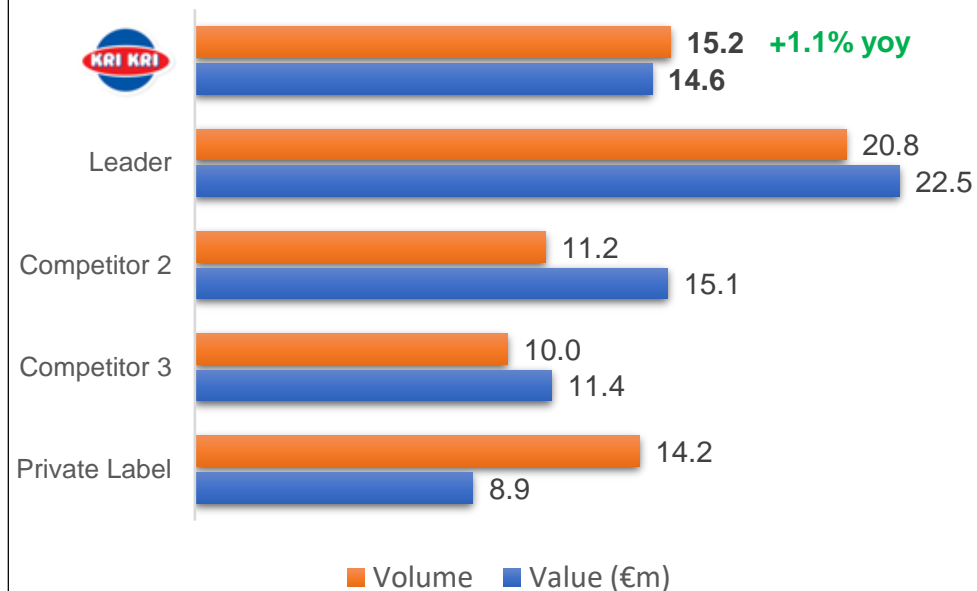
Market trend +3.4% 

- Market share per Category (% ,€m) {FY 2017}



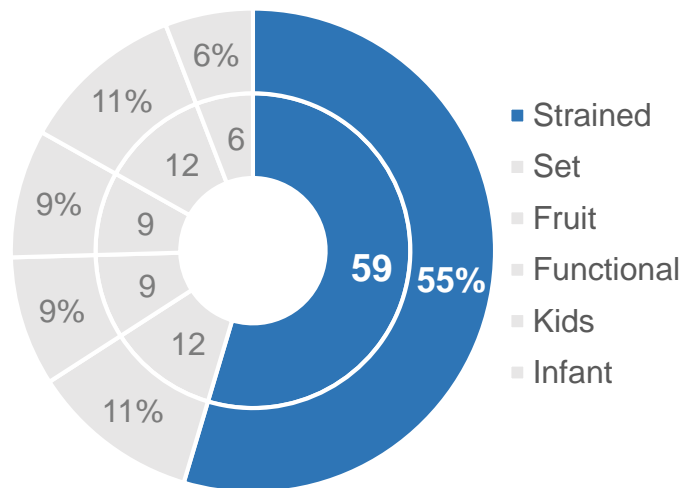
* 1 in 4 Greeks consume yogurt produced by Kri Kri

- Market Share per Supplier, (Share >10%) {YTD Jul 2018}



Branded products strategy

- 2nd place in the Greek Yogurt market
- Focus on Strained Category

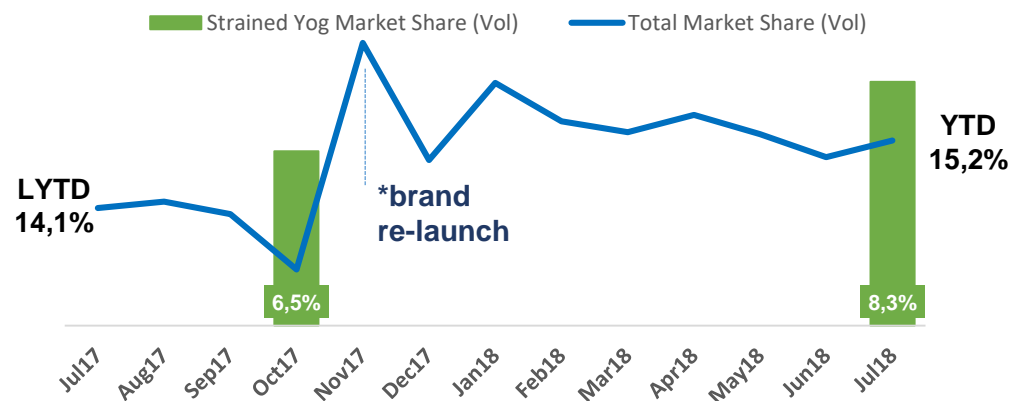


Improving the quality of products with continuous investments

Brand re-launch in strained yogurt category
“my authentic Greek yogurt”



- Impact of re-launch to the market shares



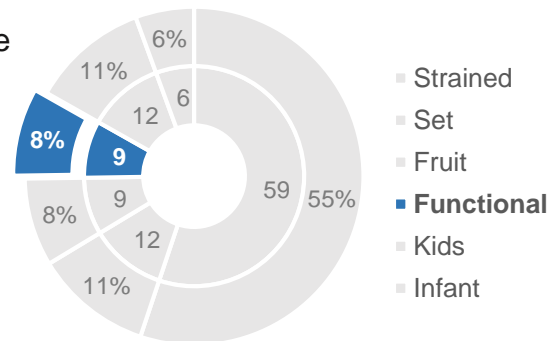
Source: IRI (July 2018)

| Sep 2018 |

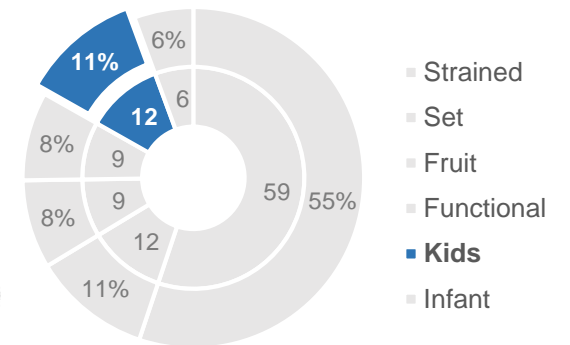
Branded products strategy

- Innovation

- ✓ Strained Yogurt 0%
- ✓ High Protein
- ✓ Super fruits & cereals
- ✓ Perfect snack for people who exercise
- ✓ Responding to international nutrition trends
- ✓ Distinction in SIAL & ANUGA

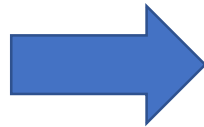


- Leader in kids yogurt (market share 39%)



Private label products strategy

- ✓ Maintaining around **70-80%** of total yogurt **private label Production**



Leading to considerable
Economies of Scale

Indicative **Customers** in Greece



KRI KRI

Strategic Choices – Yogurt Exports

Market Outlook

Basic European markets
size in retail prices

United Kingdom (£m)

Total Yogurt:	1,487	+2%
Greek/Greek style (strained):	324	+7%

Italy (€m)

Total Yogurt:	1,580	-3%
Greek/Greek style (strained):	173	-4%

Germany (€m)

Total Yogurt:	1,989	+4%
Greek/Greek style (strained):	153	+21%

Netherlands (€m) {2016}

Total Yogurt:	411	+4%
Greek/Greek style (strained):	65	+30%

Private label products strategy

- Private label for effective and efficient market penetration.
- It offers a strategic way to enter markets of interest with lower entry cost and build relationships

Indicative private label **Customers** in Europe



Strategy per Country

UK

- Placing branded products to existing customers
- Expanding PL products portfolio

H1 results: >35% Growth

Italy

- Differentiation to Branded products
- Further penetration to PL products

H1 results: >100% Rapid Growth from penetrating market with PL products



Central Europe

- Brand re-launch in strained yogurt category
- Maintaining position in Germany
- Increasing PL products sales in Belgium

H1 results: >10% Growth mainly by increasing PL sales in Belgium

New Markets

- Strengthen our position in Ireland
- Penetration in Scandinavian countries

H1 results: >60% Growth in Ireland

Market Outlook

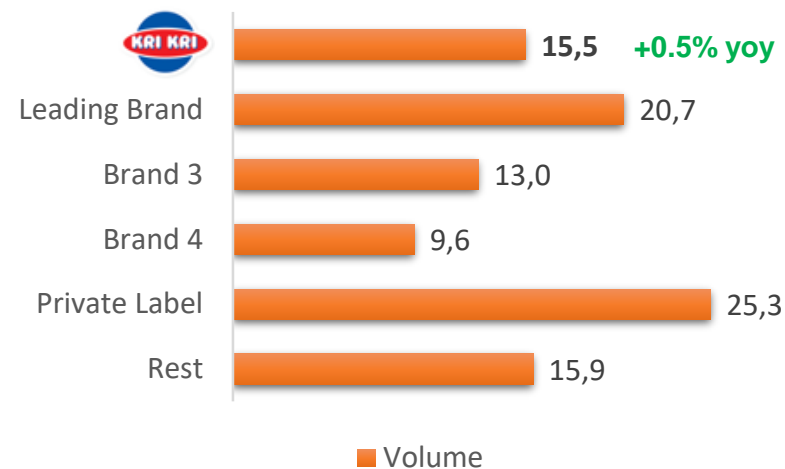
- Market size in retail prices {2017}



Market trend +5.3% ↑

*2nd brand in the Greek ice cream market

- Market Share per Brand



Branded products strategy



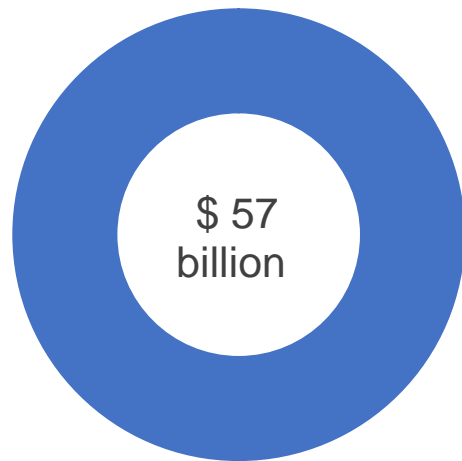
- ✓ Expand distribution network (currently 15,000 points of sale)
- ✓ Increase market share
- ✓ Maintain high profitability
- ✓ Private label products for Greek S/M
- ✓ KRI KRI SA represents Greece in the World Ice Cream Producers Organization IICC (14 members from all over the world)

H1 Results: New points of sale +1.000
Sales growth +15.2%

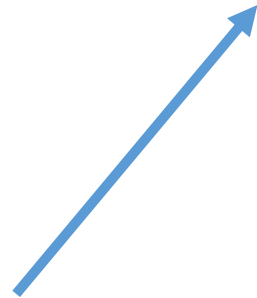


Strategic Choices – Ice cream Exports

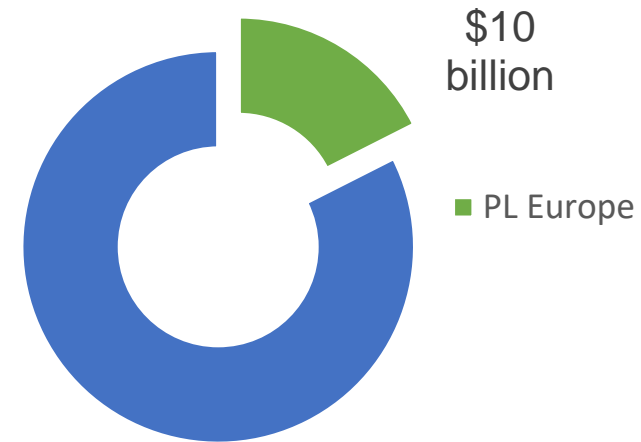
- Global Market size in 2017



Increasing trend reaching \$69b in 2022



- Europe is around 35% of Global market and PL products are around 50% of European market



Target Market



Private label products strategy

- Looking for opportunities for Private Label products in European Market



✓ Won a contract with ALDI-UK



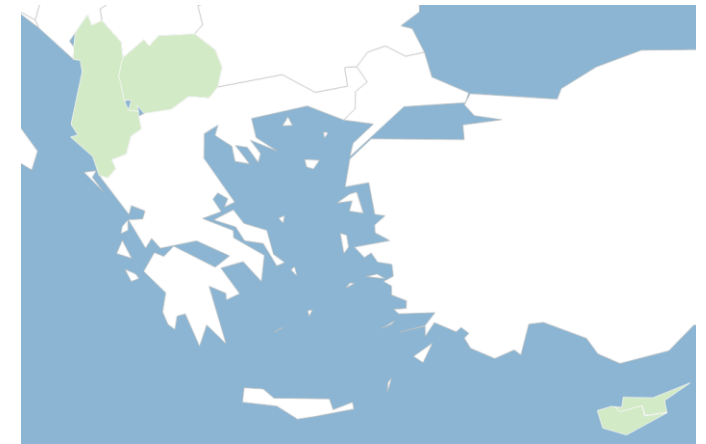
H1 Results: Doubling sales

Branded products strategy

- Distribution Network building in Countries with proximity:

- Cyprus
- Albania
- FYROM
- Iraq

Total point of sales ex.: 5,000



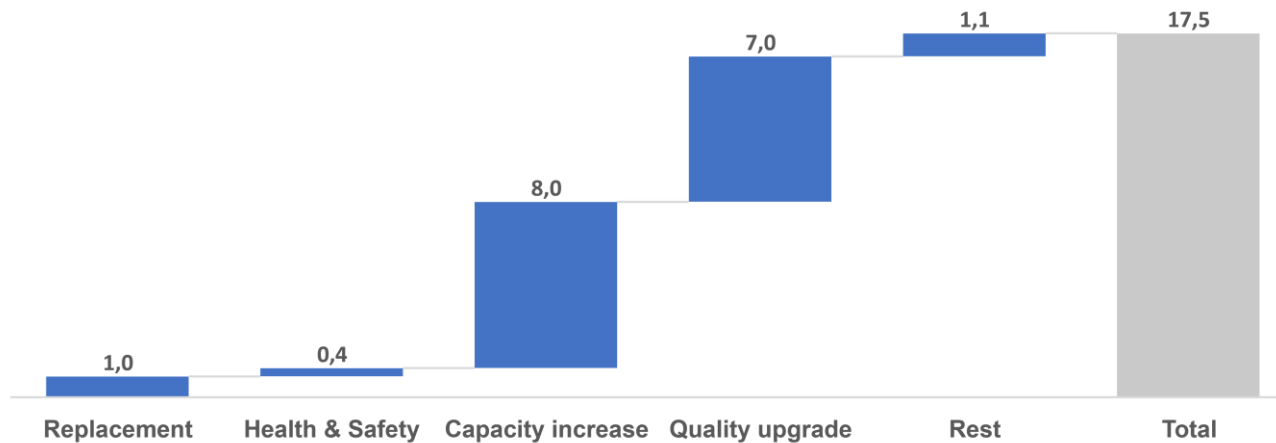
Facilities & CapEx

- Modern production facilities in buildings E=25.000m²
- Capability of further development in land E= 68.000 m²



The amount of planned CapEx is eligible for 35% state subsidy as income tax deduction.

Planned CapEx for 2017-2018 (€m)

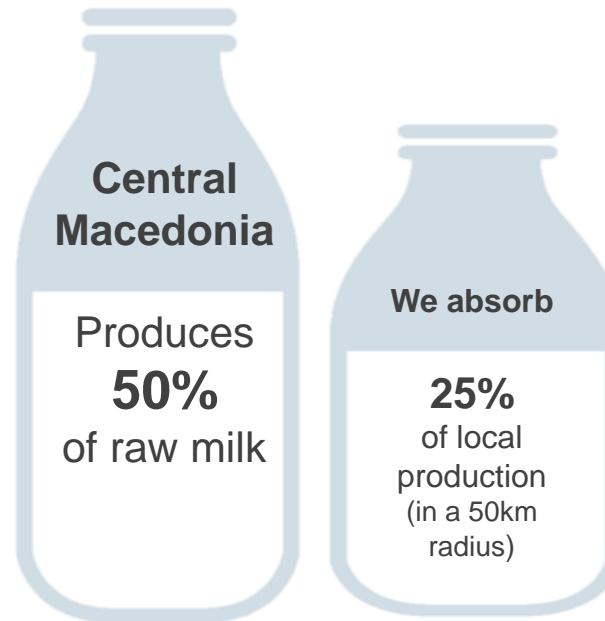


Capacity Utilization

	Before Investment	After Investment
Yogurt	70%	50%
Ice Cream	50%	50%

Raw milk production map

- ✓ Sufficiency in Milk supply
- ✓ Proximity to farms allows us to deliver products with daily fresh milk increasing their quality



- ✓ **2-year program** in collaboration with the Aristotle University of Thessaloniki
- ✓ Participation of more than **50 farmers**
- ✓ Includes **theoretical and practical education** of the farmers
- ✓ Includes **site inspection** for each farm
- ✓ Main objective → **Improve Milk Quality & Lowering production cost**

Risks	Strategies
Sudden changes in raw material prices	Examining ways of hedging
Competition threats	'Barrier to entry' investments Improving competitiveness
Lowering growth of Greek/Greek style yogurt in European markets	Exploring Diversification opportunities
Consolidation of retail sector in Greece	

H1 2018 – Financial Results

Financial Performance

IFRS - €m	H1 2018	H1 2017	YoY%
Sales	51.0	41.2	+24%
Gross Profit	21.4	16.3	+32%
EBITDA*	12.0	8.5	+43%
EBIT	10.3	6.9	+48%
Profit before taxes	10.2	6.8	+49%
Net Profit	7.4	4.9	+50%

Margins	H1 2018	H1 2017	Change
Gross Profit	42.0%	39.5%	+254bps
EBITDA*	23.5%	20.7%	+280bps
EBIT	20.2%	16.9%	+333bps
Profit before taxes	19.9%	16.5%	+341bps
Net Profit	14.4%	11.9%	+250bps

*figure does not include grants amortization

Source: Company data (IFRS)

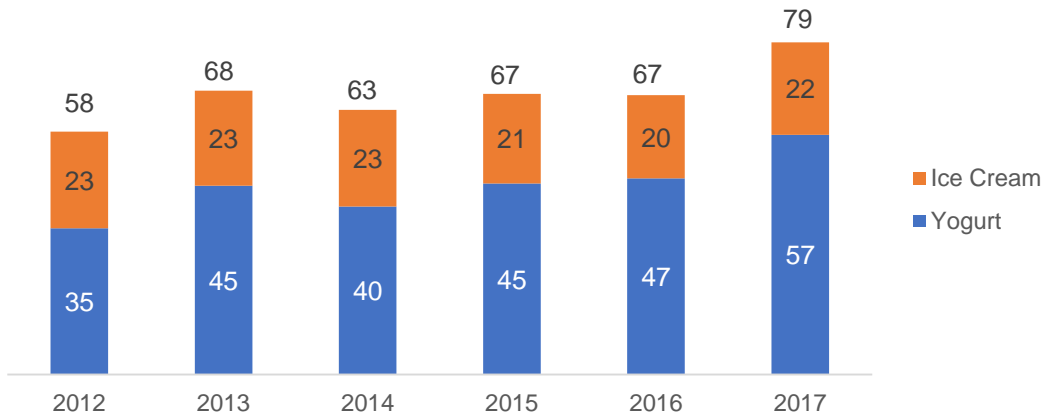
| Sep 2018 |

22

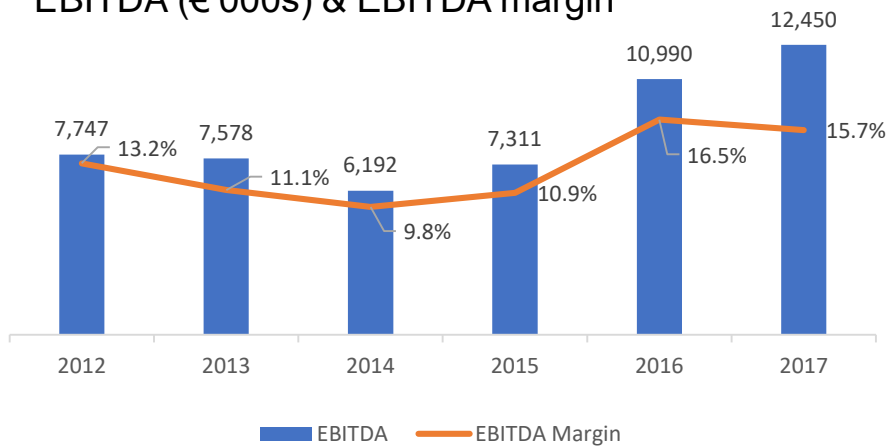


Key Financials per year

✓ Sales per business unit (€m)



✓ EBITDA (€'000s) & EBITDA margin



Financial Position Indicators

	Operating cash flows (€m)	Liquidity	Gearing	Net Debt (€m)
2017	8.0	2.3	17%	0.3
2016	8.5	2.8	17%	2.2
2015	7.9	1.8	21%	5.7
2014	1.6	1.5	16%	6.1
2013	5.6	3.0	16%	-4.3

Investments Summary

	Total Investments (€'000s)
2017-2018	17,500
2016	3,700
2015	2,740
2014	24,952
2013	7,885

Source: Company data (IFRS)

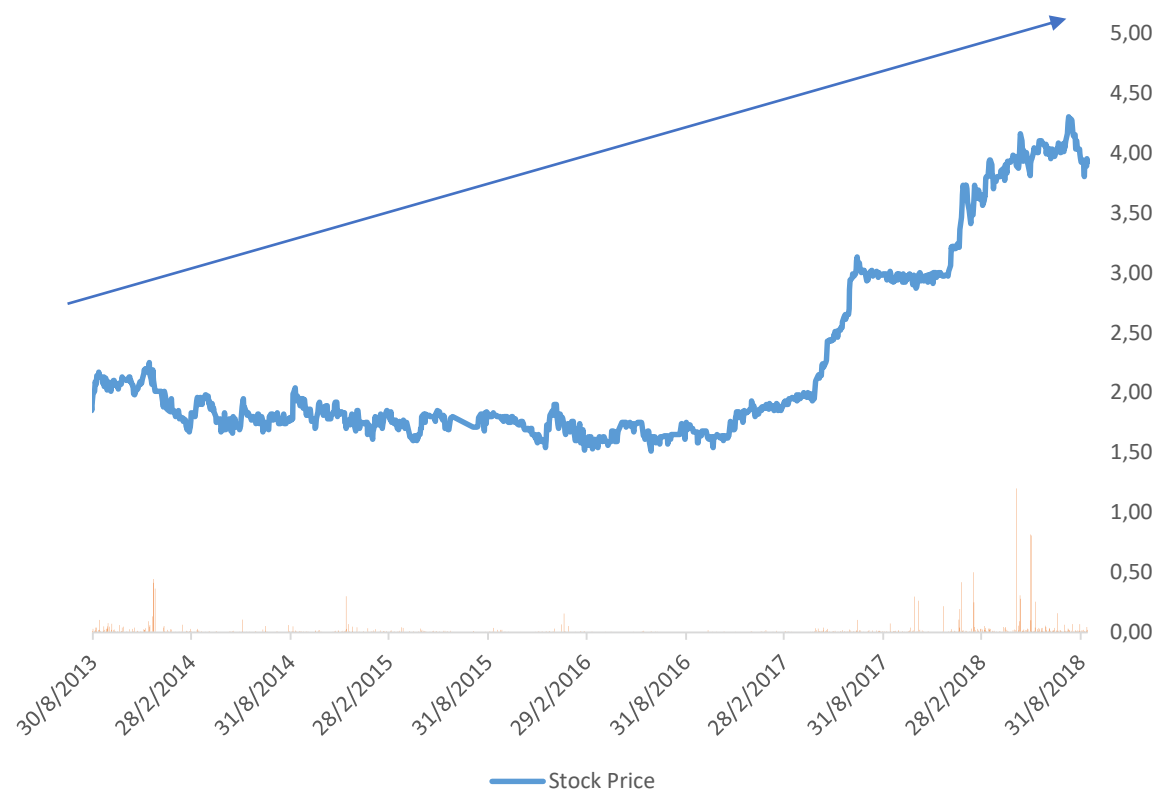
| Sep 2018 |

23



Share Performance

Stock price 5y Performance +95%
(as per 31/8/2018)



	2012	2013	2014*	2015	2016	2017	08.2018
Total stockholder return	3.9%	34.4%	-8.0%	5.9%	6.2%	59.0%	33.2%
Dividend yield	3.9%	3.0%	0.0%	3.2%	4.7%	3.0%	2.9%
Share price increase (decrease)	0%	31.4%	-8.0%	2.7%	1.6%	56.0%	30.2%
P/E on net profit	9	13	17	16	10	14	

*In 2014 normal operations were disrupted by the fire of 24/12/2013

**Stock added to Athens Stock Exchange FTSE/Mid Cap Index on 18.6.2018*

Share information

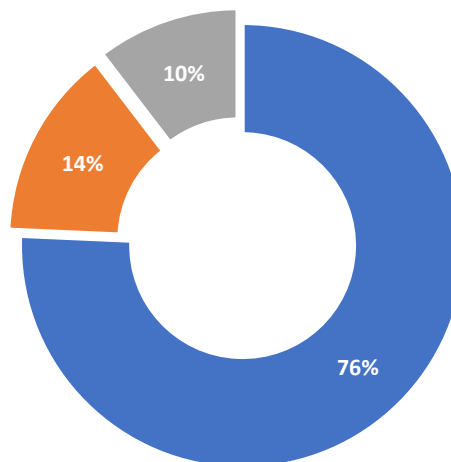
Market: Main market
Sector: Food & Beverage

Ticker symbols:
Athens Stock Exchange: KPI
Reuters: KRIR.AT
Bloomberg: KRI GA
ISIN code: GRS469003024

No of shares: 33,065,136

Shareholders' structure

Tsinavos Family : 75%
Legal Entities : 15%
Individuals : 10%



Contact information

KRI KRI S.A. MILK INDUSTRY
3rd km Serres-Drama
Serres
PC 62125
Greece

Tel.: +30 23210 68300
Fax: +30 23210 68311

Email: investors@krikri.gr
stentolouris@krikri.gr

Website: www.krikri.gr

IRO: Mr. Stefanos Tentolouris

FY 2017 – Financial Results

Key Financial figures

IFRS - €m	2017	2016	YoY%
Sales	79.2	66.6	+19.0%
Gross Profit	28.4	25.7	+10.4%
EBITDA	12.4	11.0	+13.3%
EBIT	9.9	8.9	+11.9%
Profit before taxes	9.9	8.2	+21.2%
Net Profit	7.3	6.2	+17.6%

Margins	2017	2016	Change
Gross Profit	35.9%	38.7%	-282bps
EBITDA	15.7%	16.5%	-80bps
EBIT	12.5%	13.3%	-80bps
Profit before taxes	12.5%	12.3%	+22bps
Net Profit	9.3%	9.4%	-11bps

Source: Company data (IFRS)

| Sep 2018 |

FY 2017 – Financial Results

Operating result per Segment

IFRS - €m	Sales	Operating Result	Margins	Change (bps)
Yogurt Total	57.4	9.8	17.0%	+60
Greece	36.1	6.1	17.0%	+273
Exports	21.4	3.6	17.0%	-474
Ice-Cream Total	21.6	2.7	12.3%	-191
Greece	18.9	2.6	14.0%	-38
Exports	2.7	0.1	1.0%	-1240
Rest	0.1	-0.4		
Company Total	79.2	12.0	15.1%	-41

Calculations – Reconciliation with P&L

IFRS - €m	2017
Operating Result	12.0
<i>Plus / (Minus)</i>	
Administration - R&D expenses	(2.8)
Other income and gains	0.8
EBIT	9.9

This presentation was prepared by KRI KRI S.A. The information contained herein has been obtained from company and external sources believed to be reliable, but not guaranteed as to its accuracy or completeness. The information contained herein also includes forward-looking statements which are based on current expectations and assumptions about future events. You should not place undue reliance on these forward looking statements. These forward-looking statements are subject to risks, uncertainties and assumptions about KRI KRI including, among other things, its future financial position and results, its financial outlook, budgets, projected levels of consumption and production, projected raw materials and other costs, future taxation, estimates of capital expenditure and plans and objectives of management for future operations. As a result, KRI KRI's actual results could differ materially from those anticipated in the forward looking statements. No one undertakes to publicly update or revise any forward-looking statement unless required by law. Past performance is no guarantee of future results. This presentation is for informational purposes and is not to be construed as an offer to sell or a solicitation to buy shares of KRI KRI. Unless otherwise specified, all financial information presented herein is based on KRI KRI's IFRS financial statements.