

**ΚΡΙ-ΚΡΙ ΒΙΟΜΗΧΑΝΙΑ ΓΑΛΑΚΤΟΣ ΑΒΕΕ**3<sup>ο</sup> χλμ. Σερρών – Δράμας, 62125, Σέρρες

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Serres, 13th May 2020

**Press release**

KRI-KRI SA Milk Industry has released its annual financial statements for the fiscal year 2019. Turnover amounted €112.90m against €94.23m of 2018 (an increase of +19.8%). Basic profitability measures were as follows:

- EBITDA amounted €21.12m against €17.29m of 2018,
- Profit before tax amounted €17.57m against €14.24m of 2018,
- Net profit after tax amounted €15.02m against €10.12m of 2018.

In the domestic ice cream market, Kri Kri strengthened its position, achieving sales increase of +4.8%. This growth came from the addition of more than 1,000 new points of sale to our network and the success of new ice creams launches. Sales could have been higher if the weather conditions during the 2<sup>nd</sup> quarter of the year were not that adverse. Overall, our market share reached 14.9% (NIELSEN data in volume, Dec. 2019).

In the yogurt market of Greece, sales increased by +13.4%. We continue to focus on the large category of strained yogurt, with intense advertising communication and targeted in-store promotions. In addition, we are expanding our product portfolio to appeal to a larger consumer base. On that respect, we recently entered to the infant yogurt category. Besides, we strengthened our position at the most dynamic product segments of cow yogurts, functional yogurts and kids yogurts. Overall, Kri-Kri's branded yogurts market share reached 15.7%, from 15.2% last year, maintaining the 2<sup>nd</sup> position (IRI data in volume, Dec. 2019).

Finally, our exports reached 41.2% of total turnover, increased by +36.2% year-on-year. This is, mainly, a result of effective utilization of the Greek yogurt dynamics in the markets of Western Europe.

For the upgrading of the yogurt factory and ice-cream production lines, we implement investment projects. Investment projects with a total budget of €26.6m have been included in the Development Law 4399/2016. In current year, total CAPEX exceeded €15.6m.

The current health crisis of COVID-19 exacerbates uncertainty about the macroeconomic impact of the variations in external environment. The Company's Management has taken several measures to manage the health crisis and minimize the negative effects on its activities.

At this juncture, the yogurt segment seems to be particularly resilient, as it is considered basic food. From the data so far, our yogurt sales do not appear to have been adversely affected. On the other hand, the ice cream segment appears more vulnerable. This is because it is associated with spontaneous consumption, while it is also affected by tourism. However, the emerging trend of increased ice-cream consumption through the supermarket channel and “take away” canteens, is expected to mitigate the effects of the COVID-19 pandemic. Current ice-cream sales figures are not indicative of the development because they relate to a period of low demand.

In general, the financial impact associated with the COVID-19 pandemic cannot, at present, be reliably and reasonably assessed.

Finally, regarding dividend policy for the fiscal year 2019, the Board of Directors decided to propose to the Annual General Meeting the distribution of gross dividend of €0.18 per share (2018: €0.15 per share). This distribution is subject to approval by the Annual General Meeting.