

**GR. SARANTIS S.A.**

**Consolidated Financial Results First Half of 2020**

**SOLID PERFORMANCE**

**EBIT GROWTH OF 42%**

**GROUP SALES GROWTH OF 6.7%**

**COMMITTED TO THE EXECUTION OF THE STRATEGIC GROWTH PLAN**

Sarantis Group H1 2020 financial results demonstrate a robust performance, driven by solid sales growth, significant increase in earnings and strong cashflow generation.

This remarkable performance, powered by the strength and the quality of the Group's brands, reflects 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 and the society, the uninterrupted business continuity across all functions and particularly the supply of products in high demand. At the same time, the Group manages to maintain a solid financial position that enables navigating through the extraordinary environment, while executing its investment plan creating further value to all stakeholders.

The Group's total turnover during H1 2020 reached € 183.69 million from € 172.19 million in H1 2019, up by 6.7%. H1 2020 revenue growth was driven by a continued strong demand, across our region in categories related to personal hygiene, health care and home care, which was partly offset by weaker demand for other categories, as well as consumption disruptions caused by lockdowns and restrictions in specific retail channels.

Specifically, Greek sales, presented growth of 13.68%, amounting to €67.64 million in H1 2020 compared to €59.50 mil. in last year's first half.

The foreign countries, that contributed 63.18% in the Group's turnover, exhibited growth of 2.98% reaching €116.05 million in H1 2020 from €112.69 million in H1 2019.

Profitability during the first half of 2020 was boosted due to the optimization of operating costs and particularly lower advertising and promotion expenses across our geographical region, on the back of precautionary measures taken by the Group, as well as the adaptation of the business to the new consumption patterns and the operation status in the retail market.

More specifically:

- EBITDA\* was up by 35.18% to € 28.44 mil. in H1 2020 from €21.04 mil. in H1 2019, with an EBITDA margin of 15.48% from 12.22% in H1 2019.
- Earnings Before Interest and Tax (EBIT) reached € 22.26 mil. during H1 2020 versus € 15.66 mil. in last year's first half, increased by 42.11%, and EBIT margin stood at 12.12% from 9.10% in H1 2019.

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

The financial results of H1 2020 will be presented in a conference call on September 3<sup>rd</sup> 2020 at **17.00**, local time (GMT+2).  
Telephone number: +30 213 009 6000.

- Earnings Before Tax (EBT) settled at €19.63 mil. in H1 2020 from €16.54 mil. in H1 2019, increased by 18.69%, with the EBT margin reaching 10.69% from 9.61% in last year's first half.
- Net Profit reached €15.62 mil. in H1 2020 from €13.65 mil. in the previous year's first half, up by 14.39%, while Net Profit margin settled at 8.50% from 7.93% in H1 2019.

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*\*Alternative Performance Measures, as defined within the relevant paragraph of the Group's 2020 Half-Year Financial Report.*  
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On the balance sheet front, the Group exhibits a healthy financial position supported by the improving profitability of the business, and balanced capital expenditure.

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.

As part of its plan to invest behind the active portfolio management and new product development, within the first half of 2020, the Group made its entrance in the antibacterial hand cleansing category, a promising segment that offers further growth opportunities for the Group.

Moreover, at the end of February of 2020 and following the approval from the Antimonopoly Committee, the acquisition of the Polish cosmetics brand LUKSJA was finalized, strengthening further the Group's presence in the Polish personal care market.

Following the expansion of the Group's production plant at Oinofota, Greece, which involves the expansion of the manufacturing and packaging equipment and the improvement in the production processes, the Group has started the gradual absorption of the production of Indulona personal care products.

Furthermore, a new investment is under development in Polipak, the Group's garbage bags production plant, that will lead to products improved in terms of ecological profile, durability and functionality. The new plant will use automated production processes which will lead to higher capacity and increased efficiency.

Within the first half of 2020, the Group paid a dividend for FY 2019 of approximately €11.2 mil. (0.16701 euros per share).

As of the end of the first half of 2020 the Group maintains a low net debt over EBITDA ratio below 0.5x, with a net debt position reaching €29.16 mil.

Within the first half of 2020 the Group delivered remarkable profitable growth resulting from the Group's ability to grow the business and continue to implement its investment plan, while responding effectively to an exceptionally challenging operating landscape and changing consumption patterns.

Throughout this period, the management's actions have been guided by clear priorities concerning the health and safety of the Group's employees and the society, the uninterrupted business continuity and continuous supply of high-demand products to the market, and the maintenance of a strong financial position.

The Group's focus for the rest of 2020 will be on preserving a positive sales growth momentum, which will be supported by activation plans, new product development and business expansion across the region, as well as on maintaining profitable growth.

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At the same time, the management will continue to pursue its long-term goals in order to bring further top line growth, further improvement on profit margins and cashflow generation, supporting this way the business and returning value to its shareholders. The Group's strategy remains unchanged with the focus being, as always, on organic and acquisitive growth, new strategic partnerships, geographical expansion, cost efficiencies, economies of scale, benefits from synergies and operating leverage.

Given the continued uncertainty regarding the impact of the COVID-19, including macroeconomic and consumption impacts, as well as the uncertain evolution of the pandemic going forward across our geographical region, financial results cannot be accurately predicted at the time.

However, the management is confident that the Group's agility and resilient business model, together with our people's capabilities, will help us navigate through this unprecedented period and allow us to continue following the Group's strategic expansion plan, stimulating further profitable growth.

The Group's strong capital base, low net debt and strong cash flows, provide safety and the support necessary to mitigate any potential negative impact.

Sarantis Group management will hold a conference call to comment on the H1 2020 results on Thursday September 3<sup>rd</sup> 2020.

#### **Information**

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#### **Sarantis Group**

Headquartered in Athens and boasting a history of over 50 years, Sarantis Group is a multinational consumer products company with a continuously expanding geographical footprint and leading brands.

From Fragrances & Cosmetics to Personal Care, Health & Care as well as Household Products, the Group offers a wide range of high-quality brands that are top in consumers' preferences.

Operating in thirteen countries – Greece, Poland, Romania, Bulgaria, Serbia, Czech Republic, Slovakia, Hungary, North Macedonia, Bosnia, Portugal, Ukraine and Russia – the Group maintains its dynamic international presence and its remarkable distribution network of more than 50 countries worldwide.

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 THE ESTEE LAUDER COMPANIES INC. for the exclusive distribution of ESTEE LAUDER products in Greece, Romania, Bulgaria and Cyprus.

Guided by our vision we follow and invest on a clear strategy that is shaped throughout our successful history and creates sustainable profitable growth and value for all stakeholders. Our strive for excellence, makes a daily difference in consumers' lives. We believe that when guided by integrity and respect for the community and the environment, through all our operating activity we deliver improved financial performance, which supports our further growth in a highly competitive international business environment.

**For more information please visit our corporate website at: [www.sarantisgroup.com](http://www.sarantisgroup.com)**

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