Annual Financial Results Commentary

of the fiscal year ended as at 31 December 2024

Kalamata, 24 April 2025

The amounts are in thousands of Euros unless otherwise stated.

Consolidated Equity, on 31.12.2024, after non-controlling interests amounts to Euro 792 million, compared to Euro 713 million on 31.12.2023

Information about Consolidated Group Results

	31.12.2024	31.12.2023	Variation
Turnover (net of Excise Duty and VAT)	283,163	278,235	1.77%
Results from operating activities (EBIT)	104,677	97,370	7.50%
Net financial Result	24,786	18,885	31.25%
Depreciation & Amortization	7,605	7,547	0.77%
Profit before tax	143,709	110,116	30.51%
Profit after tax and non-controlling interests	112,814	86,845	29.90%

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When presenting the Group's performance, the following indicators are used, which relate to the financial structure and performance of the Group in accordance with the consolidated figures, included in the Interim Condensed Financial Statements of the Group, for the Period ended on 31.12.2024.

Financial Structure Ratios

	31.12.2024	31.12.2023
Current Assets / Total Assets	77.96%	77.10%
Total Liabilities / Total Equity and Liabilities	16.88%	17.31%
Equity after non-controlling Interests / Total Equity and Liabilities	83.12%	82.69%

Performance and Efficiency Ratios

	31.12.2024	31.12.2023	Variation
Operating & Net financial Result	129,463	116,255	11.36%
Profit before interest, Foreign currency results, taxes and depreciation (EBITDA)	112,282	104,917	7.02%

Operating & Net financial Result is an alternative performance indicator, calculated by adding Financial income / (expense) to Results from operating activities (EBIT).

Profit before interest, FX results, taxes, and depreciation (EBITDA) is an alternative performance indicator, calculated by subtracting Depreciation & Amortization from Results from operating activities (EBIT).

Business Development – Significant events of 2024

The Company's gross turnover increased by 8.5% (Group: +13.9% exceeding EUR 1.5 billion), while the increase in the same indicators excluding Excise Duty and VAT was, for the Company, +10.3%, and for the Group, +1.77%. During FY2024, the Group managed to increase its gross profit margin (on net turnover) from 44.8% in 2023 to 47% in 2024, while for the company the gross profit margin showed a decrease from 43.5% to 42.3%, a result of the ongoing appreciation in procurement prices of key raw materials, mainly tobacco, which we had analysed in previous reports.

At the same time, the Company's financial income performance is considered particularly satisfactory, increased by +30.8% (Group: +31.2%), mainly due to higher cash reserves and the relatively high interest rates that were in effect for most of 2024. Aided by extraordinary positive exchange rate differences versus negative exchange rate differences in 2023, the Company's final profits before tax reached EUR 138.9 million, showing an increase of +32.4% (Group: EUR 143.7 million, +30.5%),

A key factor for these remarkable results was the performance of our brands in our international markets, where the Company experienced an increase in sales volume by 6.3% in cigarettes and 4.65% in roll-your-own tobacco, exceeding 13.2 billion. cigarettes and 479 thousand kgs respectively. Our brands performed particularly well in the Balkan countries including Bulgaria, in the remaining E.U. and Western European markets, where cigarette volumes increased by 17.9%, 13.87% and 14.2% respectively, more than offsetting volume declines in our Eastern European and Egyptian markets.

In Bulgaria, we managed to accelerate the upward trend of previous years, presenting a 21% increase in cigarette volume and 0.5% in tobacco, achieving another year of significant market share growth. At the same time, during 2024 we recorded a 17% increase in sales volume in Spain, 9% in France, 6.7% in Portugal, while in Austria the 3% increase in cigarettes was accompanied by a 36% increase in tobacco. In Eastern Europe, the upward trend in Moldova failed to offset losses in Armenia and Georgia, leading to a 12.8% volume decline in the region.

Volumes in travel retail outlets in Turkey were slightly up compared to 2023, with significantly improved sales at the country's airport stores, reflecting both the increased awareness for our brands among both international tourists and Turkish travellers to and from the EU and Western Europe, as well as our careful pricing policy, particularly in light of the ongoing volatility of the Turkish lira.

In the Greek market, we increased both our volumes and market shares for another year despite intense competition from alternative nicotine delivery products. In 2024, cigarette sales volumes reached 3.4 billion cigarettes, up 10.6% (including travel retail stores), while tobacco volumes exceeded 713,000 kilos (up 2.5%). We are particularly pleased with the performance of the George Karelias and Sons, Karelia S and Omé brand families, all of which recorded double-digit growth rates compared to the previous year.

During the year, we invested EUR 1.2 million in our tobacco primary department, where we also initiated new investments worth EUR 1.5 million for 2025. Furthermore, orders for new production lines worth a total of EUR 5 million were placed in 2024 to increase our production capacity and further improve flexibility and speed in our production planning. The commissioning of these lines is expected to be completed in the summer of 2025.

Following the very positive performance of 2024, the Company's Board of Directors proposes a yearly dividend of EUR 14 per share, which is an increase of 12.9% compared to fiscal year 2023, achieving a dividend yield of 4.16% on the share price of 31.12.2024. In addition, at the end of 2024, the Company announced new extraordinary and regular bonuses to its employees which, on aggregate, are estimated to be 30% higher than those of 2023, since they also include a 5% increase in all salaries from the beginning of 2025.