



# Sarantis Group

Investor & Analyst Conference  
Call Presentation

H1 2020 – Sep 3<sup>rd</sup> 2020

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# Consolidated Financial Highlights

P&L (€ mil.)	H1 '20	%	H1 '19
<b>Turnover</b>	<b>183.69</b>	6.68%	<b>172.19</b>
<b>Gross Profit</b>	<b>68.01</b>	6.34%	<b>63.96</b>
<b>Gross Profit Margin</b>	37.03%		37.14%
<b>EBITDA</b>	<b>28.44</b>	35.18%	<b>21.04</b>
<b>EBITDA Margin</b>	15.48%		12.22%
<b>EBIT</b>	<b>22.26</b>	42.11%	<b>15.66</b>
<b>EBIT Margin</b>	12.12%		9.10%
<b>EBT</b>	<b>19.63</b>	18.69%	<b>16.54</b>
<b>EBT Margin</b>	10.69%		9.61%
<b>Tax</b>	<b>3.64</b>	41.95%	<b>2.56</b>
<b>Profit After Tax</b>	<b>15.99</b>	14.42%	<b>13.98</b>
<b>Profit After Tax Margin</b>	8.70%		8.12%
<b>Minorities</b>	<b>0.37</b>	15.66%	<b>0.32</b>
<b>Net Profit</b>	<b>15.62</b>	14.39%	<b>13.65</b>
<b>Net Profit Margin</b>	8.50%		7.93%

- A remarkable performance, powered by the strength and the quality of the Group's brands, reflecting the Group's agility and ability to respond to unpredictable consumption trends and deal with unprecedented challenges posed by the COVID-19 crisis.
- Amidst the pandemic, the management's clear priorities have been to ensure the protection and safety of its employees and the society, the uninterrupted business continuity across all functions, particularly the supply of products in high demand, and preserving a solid financial position.
- Group sales growth of 6.7% driven by continued strong demand, across the 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.
- Impressive EBITDA growth by 35.2% and significant EBIT growth by 42.11%, 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.
- The healthy balance sheet and cashflow generation support the Group's investment plan that fuels further expansion.

# Balance Sheet & Cash flow



ASSETS	H1 '20	%	FY '19
Tangible fixed assets	68.63	2.10%	67.22
Right of use	12.23	2.25%	11.96
Investments in property	1.03	-0.07%	1.03
Intangible Assets	61.35	18.69%	51.69
Goodwill	7.75	-1.85%	7.90
Participations in subsidiaries, associates	20.51	-4.44%	21.46
Other Long Term Assets	0.48	-20.35%	0.60
Deffered Tax	1.01	503.63%	0.17
<b>Total Non Current Assets</b>	<b>172.98</b>	<b>6.76%</b>	<b>162.02</b>
Inventories	107.94	14.16%	94.55
Trade Receivables	99.98	-2.44%	102.49
Other Receivables	6.75	141.66%	2.79
Financial assets available at fair value through P&L	3.96	57.67%	2.51
Cash & Banks	34.48	-37.13%	54.85
Prepayments and accrued income	2.01	-13.87%	2.33
<b>Total Current Assets</b>	<b>255.14</b>	<b>-1.69%</b>	<b>259.53</b>
<b>Total Assets</b>	<b>428.12</b>	<b>1.56%</b>	<b>421.55</b>
<b>EQUITY &amp; LIABILITIES</b>			
L-T Bank Loans	57.00	62.86%	35.00
Lease liabilities	8.68	-0.98%	8.77
Deferred Tax Liabilities	4.96	-17.71%	6.03
Provisions	3.87	32.39%	2.92
Long-term Liabilities	<b>74.51</b>	<b>41.34%</b>	<b>52.72</b>
Suppliers	61.23	-6.84%	65.73
Other Liabilities	7.90	34.90%	5.85
Income Taxes and other Taxes Payable	10.79	121.53%	4.87
S-T Bank Loans	10.61	-65.58%	30.81
Lease liabilities	4.20	10.88%	3.78
Liabilities transitional accounts	5.24	26.37%	4.15
<b>Total Current Liabilities</b>	<b>99.96</b>	<b>-13.22%</b>	<b>115.19</b>
Share Capital	54.50	0.00%	54.50
Share Premium	40.68	0.00%	40.68
Other Reserves	17.67	28.47%	13.75
Minority Interest	2.50	5.83%	2.36
Retained Earnings	138.29	-2.84%	142.34
Shareholders Equity	<b>253.64</b>	<b>0.00%</b>	<b>253.64</b>
<b>Total Liabilities &amp; Equity</b>	<b>428.12</b>	<b>1.56%</b>	<b>421.55</b>
<b>CASH FLOWS (€ mil.)</b>	<b>H1 '20</b>		<b>H1' 19</b>
Operating Activities	<b>6.72</b>		<b>-9.88</b>
Investment Activities	<b>-15.67</b>		<b>-4.42</b>
Financial Activities	<b>-10.73</b>		<b>9.24</b>
Cash generated	<b>-19.69</b>		<b>-5.06</b>
Cash & Cash equivalents. beginning	<b>54.85</b>		<b>32.78</b>
Effect of foreign exchange differences on Cash	<b>-0.68</b>		<b>-0.45</b>
<b>Cash &amp; Cash equivalents. end</b>	<b>34.48</b>		<b>27.28</b>

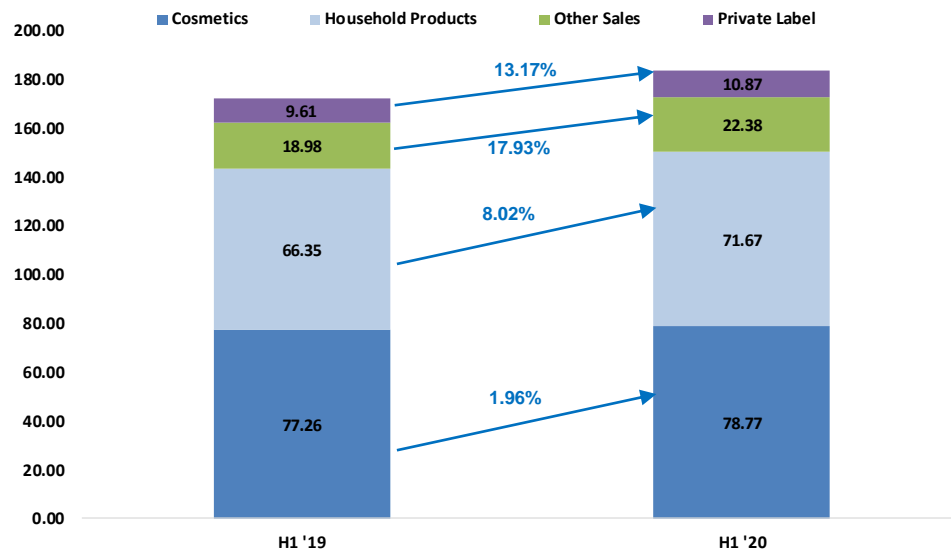
*Healthy financial position able to finance the Group's expansionary plan and create value.*

*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.*

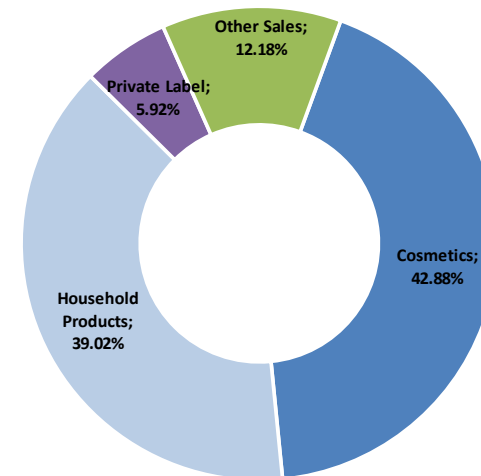
- ✓ In the context of the active portfolio management and new product development, the Group made its entrance in the **antibacterial hand cleansing category**.
- ✓ Following the approval from the Antimonopoly Committee, the acquisition of the Polish cosmetics brand **LUKSJA** was finalized.
- ✓ The Group has started the gradual absorption of the production of **Indulona** personal care products.
- ✓ **Polipak's** new investment, that will lead to to products improved in terms of ecological profile, durability and functionality, as well as higher capacity and increased efficiency is under development.
- ✓ **Dividend payment for FY 2019** of 0.16701 euro per share (11.2 mil. euro).
- ✓ **Low net debt** position at € 29.16 mil. in H1 2020, less than 0.5x over EBITDA.

# Business Units Analysis

# Turnover - SBU Split



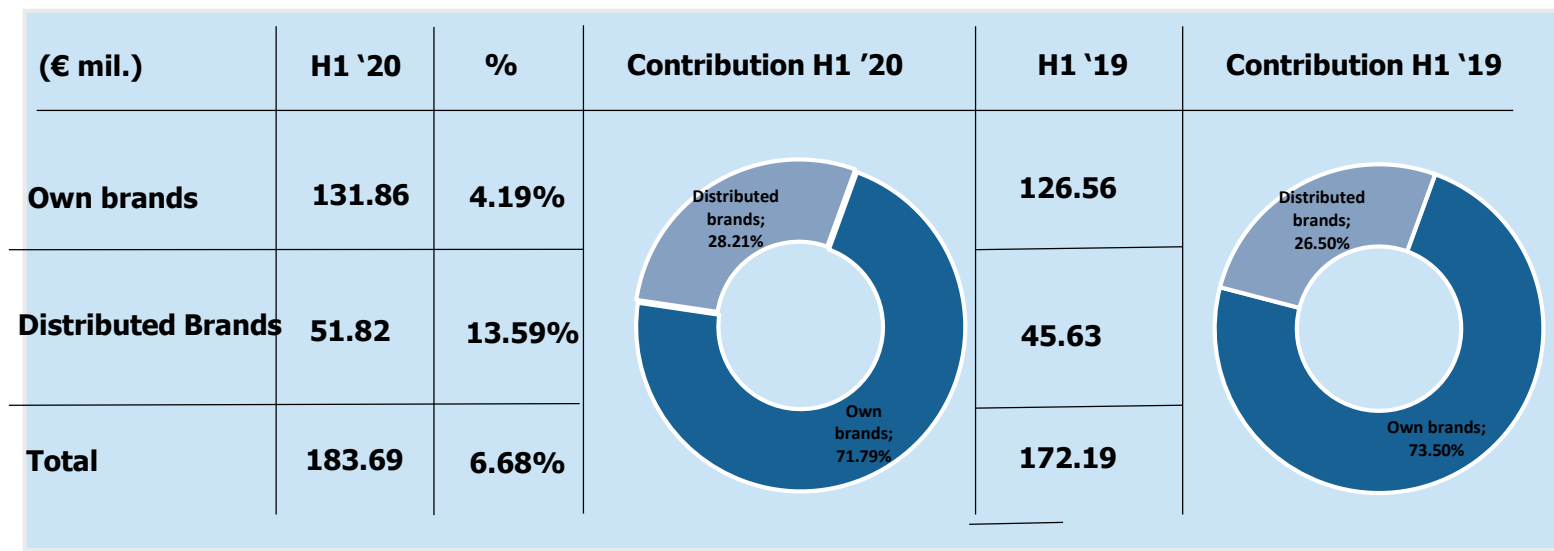
H1 '20



- ✓ **Cosmetics** sales were up by 1.96% yoy, supported by growth in the distributed brands portfolio. This performance reflects the continued strong demand in categories related to personal hygiene, which was partly offset by weaker demand for other categories, as well as consumption disruptions caused by lockdowns and restrictions in specific retail channels.
- ✓ Sales of **Household Products** increased by 8.02%, supported by growth in the own brands subcategory, across the territory, driven by strong demand for related to home care.
- ✓ The category of **Other Sales** was up in sales by 17.93%, driven by both the Selective category that increased by 20.60% and the Health & Care category that was boosted by strong demand behind health supplements.

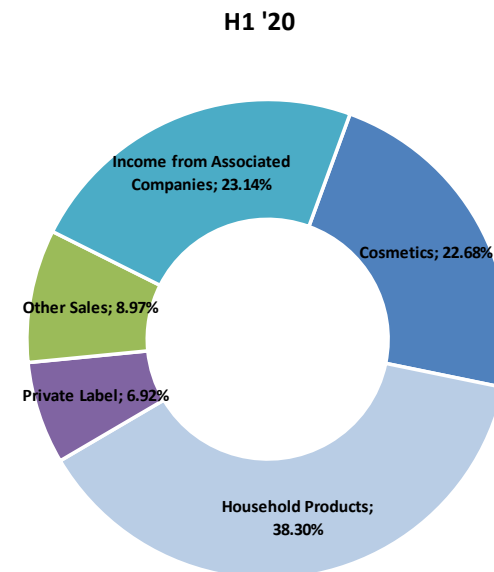
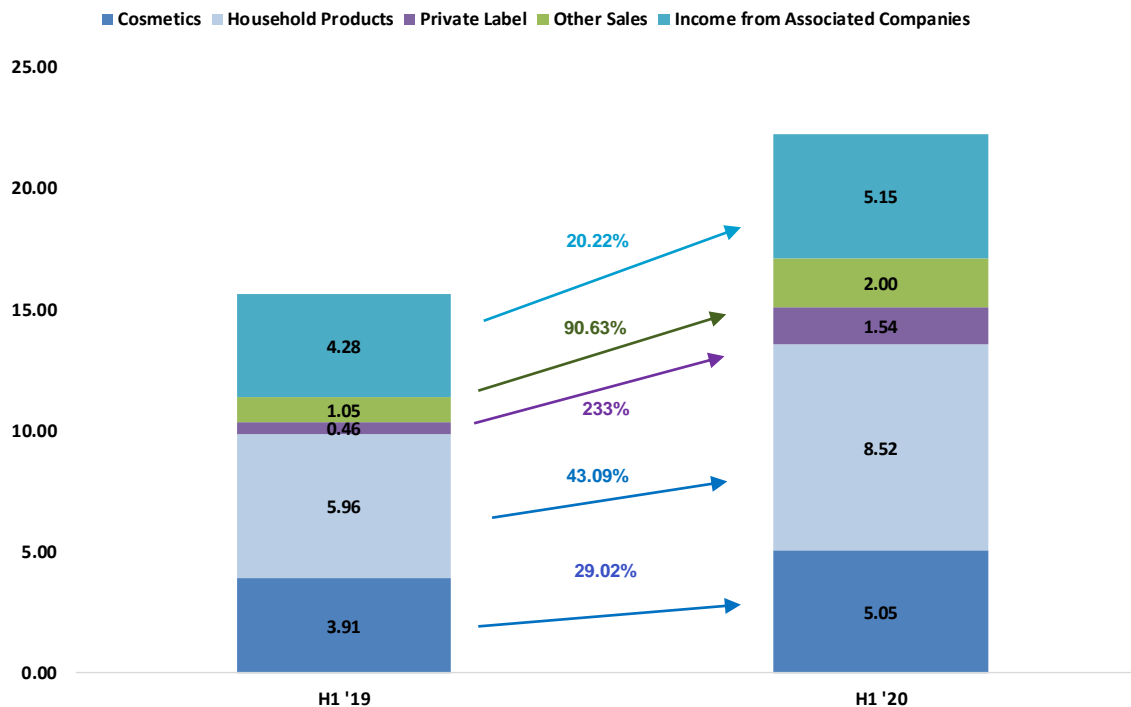
*The category of Other Sales includes the subcategories of Health & Care and Selective Products.*

# Turnover - Own vs Distributed Brands Overview



- ✓ Revenues from own brands rose by 4.19% compared to the previous year's first half.
- ✓ Own brands portfolio participation to total group turnover settled at 71.79%.

# EBIT – SBU Split



The Group's operating profit increased driven by optimized operating costs and particularly due to lower advertising and promotion expenses, 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.

- ✓ **Cosmetics** EBIT up by 29.01% in H1 2020, driven by the own cosmetics subcategory. The EBIT margin improved to 6.41% from 5.06% in the previous year's first quarter.
- ✓ The EBIT of **Household Products** was significantly increased by 43.09% during H1 2020, driven by the own brands portfolio. The Household products margin settled at 11.89% improved versus 8.98% in last year's first half.
- ✓ The EBIT of the **Private Label** category was significantly improved on the back of better raw material prices.
- ✓ The income from **Associated Companies** represents the income from the Estee Lauder JV that stood at €5.15 mil. up by 20.22% vs last year's first half.

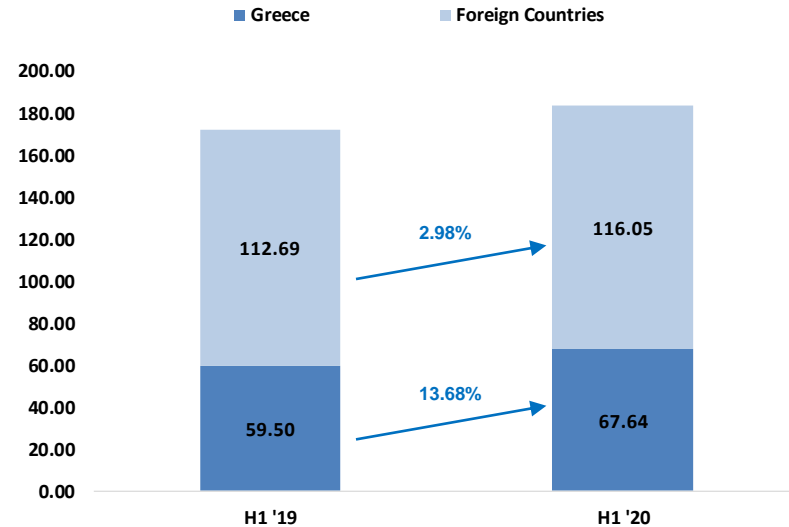
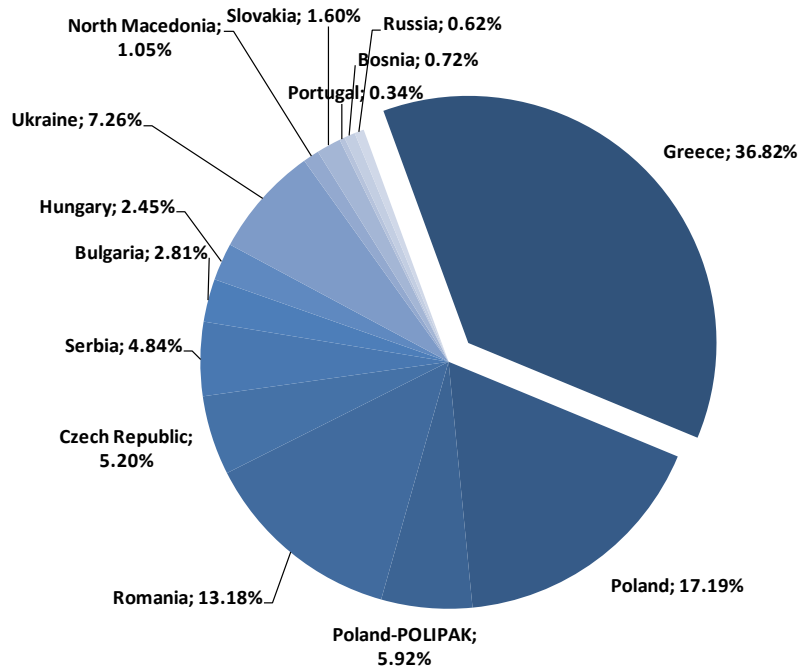
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## Geographical Analysis

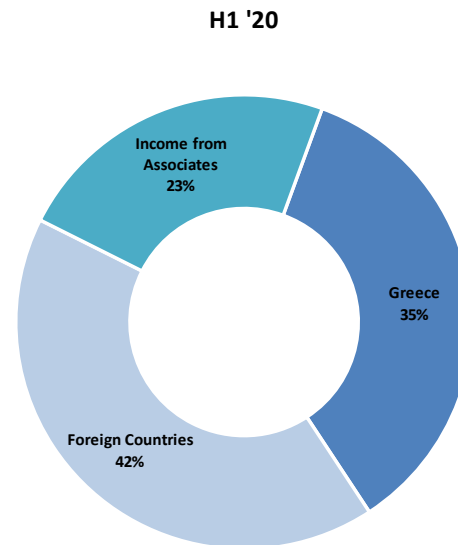
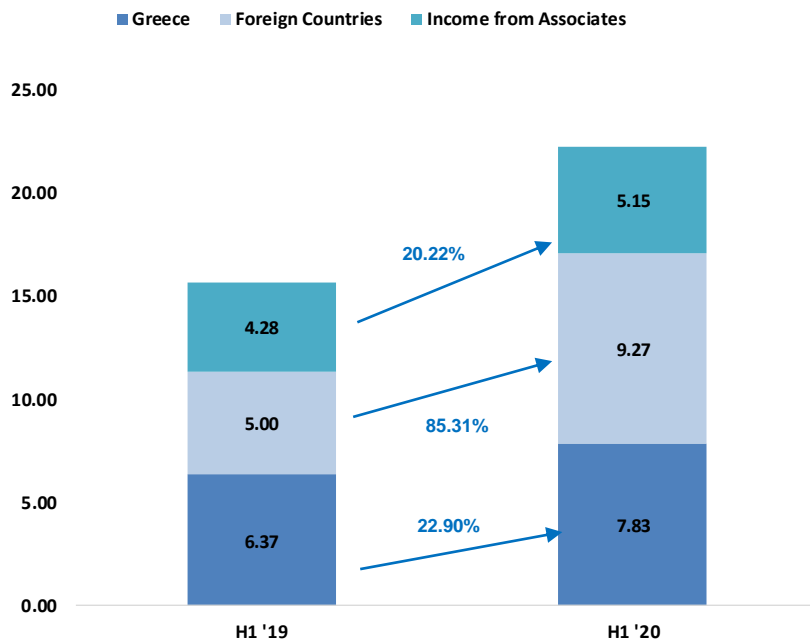
# Turnover - Country Split

H1 '20



- ✓ The Group's consolidated turnover was supported by Greece's strong sales growth and the positive performance of the Foreign Countries.
- ✓ The sales growth across the Group's region is driven by continued strong demand, albeit more normalized throughout the second quarter compared to the first quarter, in categories related to personal hygiene, health care and home care. This growth was offset, at a level corresponding to each country's sales distribution, by weaker demand for other categories, as well as consumption disruptions caused by lockdowns and restrictions in specific retail channels.
- ✓ Greek sales presented significant growth throughout the year reaching €67.64 mil. in H1 2020, posting an increase of 13.68%.
- ✓ The foreign countries exhibited growth of 2.98% reaching €116.05 mil. in H1 2020 from €112.69 million in H1 2019.
- ✓ On an fx neutral basis Foreign Countries sales were up by 4.21% in H1 2020.

# EBIT – Country Overview

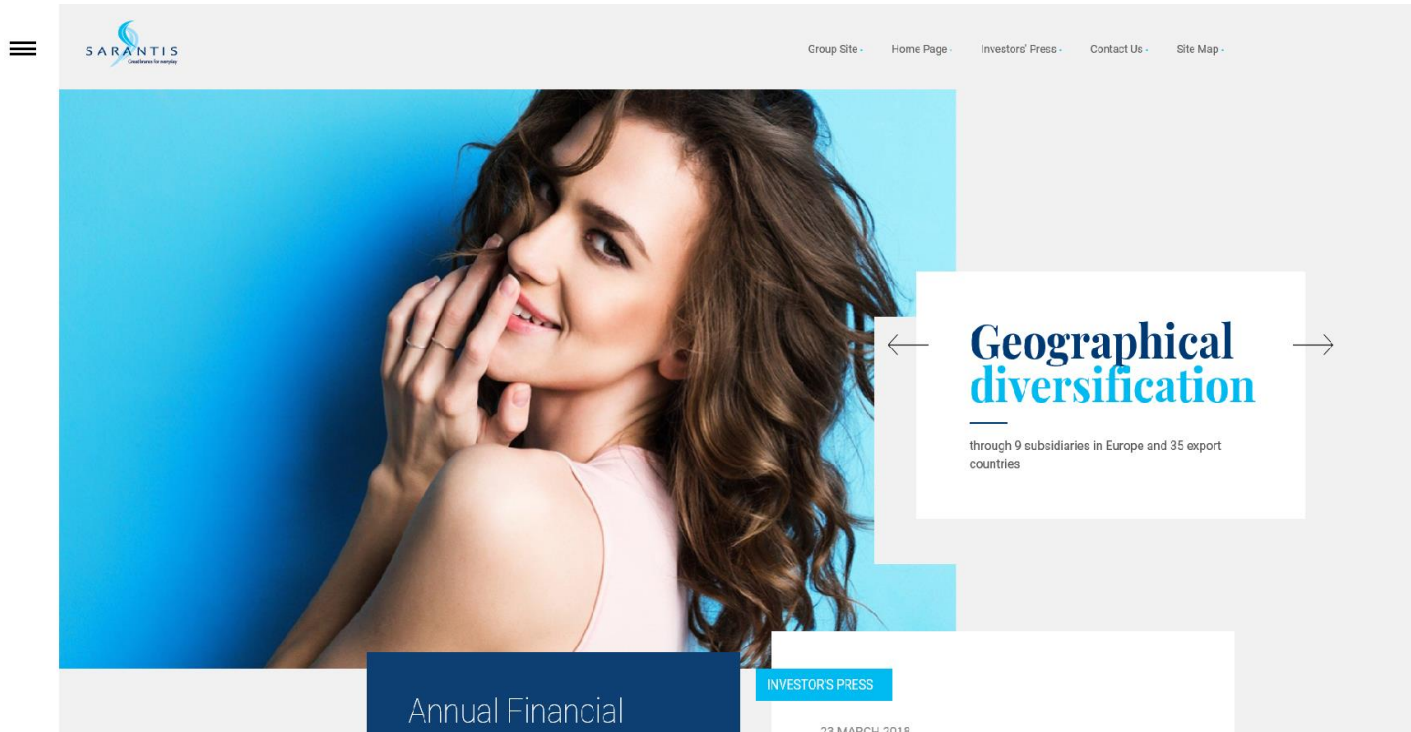


- ✓ Excluding the income from Associated companies, Greek EBIT during H1 2020 amounted to €7.83 mil. up by 22.90% compared to €6.37 mil. in last year's first half.
- ✓ Greek EBIT margin, excluding income from Associated Companies, stood at 11.58% during H1 2020 from 10.71% in H1 2019.
- ✓ The foreign countries EBIT was significantly up by 85.31% during H1 2020, amounting to €9.27 mil. from 5.00 mil. In last year's first half. The foreign countries EBIT margin settled at 8% from 4.44% in the first half of last year

# Our Investor Relation Web Page



For more information please visit our  
Investor Relation Web Site



<http://ir.sarantis.gr>