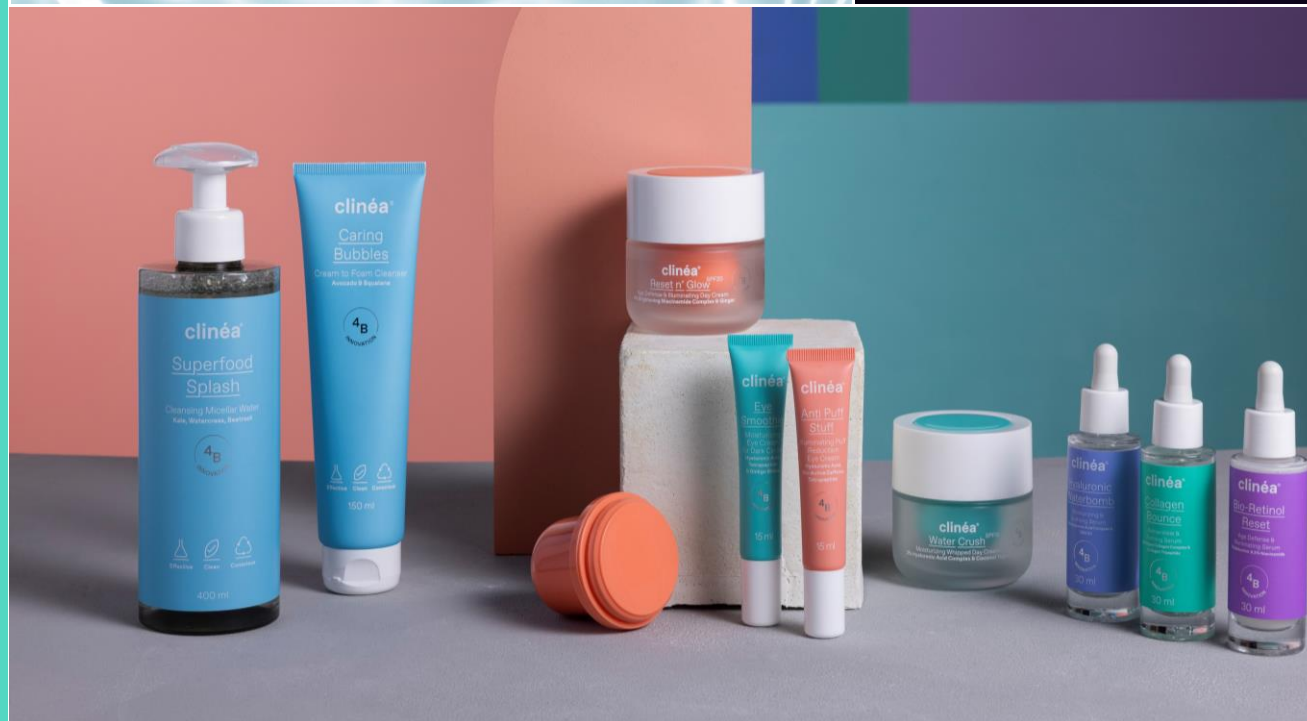


# Sarantis Group H1 2023 Financial Results

September 12<sup>th</sup> 2023



# Disclaimer

This document contains certain “forward-looking” statements. These statements are based on management’s current expectations and are naturally subject to uncertainty and changes in circumstances, which could affect materially the expected results, because current expectations and assumptions as to future events and circumstances may not prove accurate. Our actual results and events could differ materially from those anticipated in the forward-looking statements for many reasons, including the risks described in the 2022 Annual Financial Report of GR. Sarantis S.A. and its subsidiaries. This document serves only informative purposes and does not form or can either be referred to as a buy, sell or hold encouragement for shares or any other fixed income instruments. Investors must decide upon their investment actions based on their own investing preferences, financial status and advice from those registered investment advisors who consider appropriate.

# With you today



**Giannis Bouras**  
Deputy CEO



**Christos Varsos**  
Group Chief Financial Officer



**Konstantinos Rozakeas**  
Group Strategic Advisor



**Eleni Moustakidou**  
IR Manager

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# Our Story



We are a long-standing reputable company built on excellence, ownership, humbleness and trust, committed to bringing sustainable growth and achieving a positive impact on people's everyday lives.



We consist of a team of passionate and dedicated people we are proud of, who are committed to maximizing company's heritage.



We are always nearby to our stakeholders, as an indispensable partner, working with them, creating value through the unique impact of our brands and our operational excellence.



We embrace local communities we operate in and empower them through initiatives that help build a better today while caring for tomorrow.

# We care for the future the same way we care about the present

## OUR SCOPE

- CEE and selected international markets on beauty
- Home Care solutions
- Personal Care & Beauty
- Bold on value accretive acquisitions
- Strategic distribution partnerships in Beauty Care

## OUR COMPETITIVE ADVANTAGE

- We design for the CEE region with deep local consumer understanding
- We are the revitalisers of local “jewel” brands
- We invest in infrastructure in the region
- Household supply chain – cost competitiveness
- Long-term approach – family culture
- Frontline leadership – fast decision-making – Big Start-Up mindset

# Pillars of our strategy



# Growth drivers

## Sarantis Group Growth Drivers

Beauty & Skin Care



Carroten

biotén  
elmiplant

clinéa®

Astrid  
sun

elmiplant  
sun

KOLASTYNA

Personal Care



Noxzema®  
ΔΕΡΜΑΤΟΛΟΓΙΚΑ  
ΕΛΕΓΜΕΝΟ

STR8

Luksja

INDULONA®

Home Care Solutions



SANITAS

FINO

JAN  
Niezbędny

poli  
pak  
Member of Sarantis Group

Strategic Partnerships



CHURCH & DWIGHT  
CO., INC.

K kenvue

SODALIS  
group

la prairie  
SWITZERLAND

PUIG

COTY  
SINCE 1904

Acquisitions in key priority categories maximizing incremental value



# Strong growth

## Beauty & Skin Care

### Disproportionate growth

- **High Gross Margin category improving portfolio mix**
- **Selective geographic expansion** of winning innovations
- **Superior consumer proposition:** product and communication
- **Increased consumer investment to build trial**

## Personal Care

### Core Profit Generator

- **Distribution expansion** – meet customers in all channels
- Reach **younger consumers** via innovation and brand building
- Revitalise **local “jewel” brands** as a competitive advantage
- Best-in-class mass market **fragrance** propositions

## Home Care Solutions

### Significant growth driver

- **Leading position across the region** – category growth obsession: penetration, usage, value
- **Mega brand approach** – maximise megabrand to win in each of the core segments
- **In store excellence** – with focus on Perfect Store
- **Superior quality** – innovate on product superiority and sustainability
- **Communication** – invest in communication that drives superiority in an engaging way
- **Private Label**

## Strategic Partnerships

### Market leverage

- **Fewer** partnerships for the long term
- **Complementary** to own portfolio to drive synergies and add value

## Acquisitions

### Complementary acquisitions on top

- Stella pack on the way (pending local regulatory authorities approval)
- Exploring new acquisition opportunities in high growth strategic priorities

Our prioritised capabilities underpin our growth ambitions



# Well-placed for future growth

	VOLUME (units)	NET SALES	CONTRIBUTION TO TOTAL SALES
Beauty & Skin Care	<b>+22.98%</b>	<b>+19.25%</b> € 32.36m	13.93%
Personal Care	<b>+1.94%</b>	<b>+20.13%</b> € 43.38m	18.67%
Home Care Solutions	<b>-5.20%</b>	<b>+6.95%</b> € 78.39m	33.74%
Private Label	<b>+5.00%</b>	<b>+4.48%</b> € 15.93m	6.85%
Strategic Partnerships	<b>-6.30%*</b>	<b>+1.62%</b> € 60.39m	25.99%
Other Sales	+61.92%	€ 1.91m	0.82%
<b>Sarantis Group</b>	<b>-1.90%</b>	<b>+9.23%</b> € 232.35m	<b>100.00%</b>

\* Like-for-like excluding Wella and Johnson & Johnson: -1.24%

- Strong growth ahead of market in high margin Beauty & Skin Care category
- Personal Care – Strong momentum
- Home Care Solutions – unit sales drop due post Covid impact and strong competition from PL
- Private label – mainly Garbage Bags – small contribution – support supply chain recent investments
- Strategic Partnerships moderate growth focus on winning product and brand propositions

# Innovation led growth

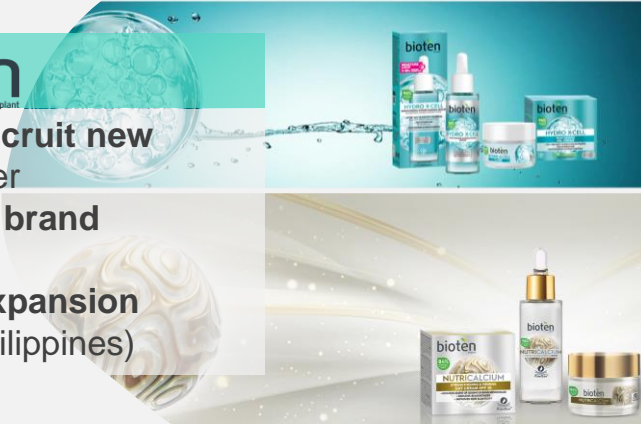
**clinéa®**

**Launch of the first to market sustainable clean refillable beauty brand in pharma channel in Greece**



**bioten**

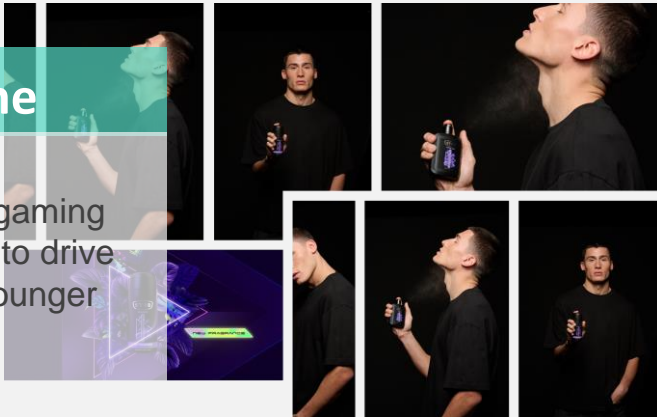
Meaningful innovation to **recruit new users**, both young and older  
**Significant investment in brand communication**  
**Selective geographical expansion** (e.g. successful entry in Philippines)



**STR8 Game**

**New Initiative 2023**

Capture the trend of gaming as a vehicle platform to drive penetration among younger consumers ("Gen Z")



**Garbage Bag Flex and strong**

**FLEX&STRONG** - superior textured technology with 3 layers, made from 100% recycled plastic, extra stretchy and leak proof.



**Perfect Store**

**In store excellence** – achieve household category and brand growth, with improved consumer path to purchase and emphasis on Hero Strategic Segments



# Our geographies

## 8 geographical clusters

 **Greece & International markets**

 **Poland**

 **Romania**

 **Ukraine**

 **Czech & Slovakia**

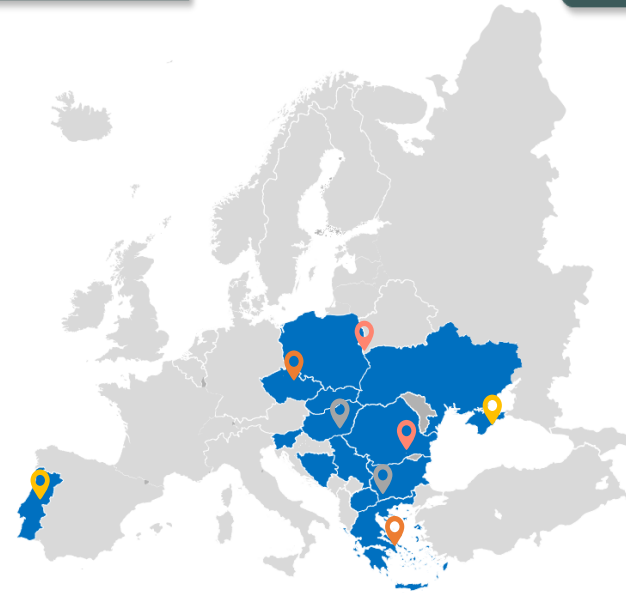
 **West Balkans**

 **Bulgaria**

 **Hungary**

Each cluster with a **unique role** to play in our growth agenda

**Tailor made solutions** but with **regional scale**



**Speed to market** – quick decision making, agility connected with local stakeholders

**Cross fertilization** of knowledge, capabilities and innovation

# Operational Review in our geographies

	NET SALES	CONTRIBUTION TO TOTAL SALES
Greece	€ 74.98m* - 2.85%	32.27%
Poland	€ 55.52m + 5.73%	23.89%
Romania	€ 37.20m + 16.67%	16.01%
Czech & Slovakia	€ 19.55m + 33.83%	8.41%
West Balkans	€ 17.66m + 24.69%	7.60%
Ukraine	€ 12.00m + 23.51%	5.16%
Bulgaria	€ 9.05m + 28.40%	3.90%
Hungary	€ 6.40m + 13.87%	2.76%
<b>Sarantis Group</b>	<b>€ 232.35m + 9.23%</b>	<b>100.00%</b>



\*Like-for-like  
(excl. Wella)

NET SALES  
+ 2.11%

# Simplification and efficiency

## Already in progress

- Portfolio Optimisation (-40% of SKUs)
- Stock management – cash release
- New Polipak plan in full operation
- Innovation - Fewer and bigger initiatives
- More value through Revenue Growth Management and HERO SKUs focus

## Things to come

- Integrated Business Planning Process
- New SAP implementation
- Digitalization

Release value and energy in the organisation



# Organizational Capability

Embrace “Spiky” Capabilities of our People



- **Enhance the Awareness of our Values ,Vision and Mission**
- **“Take the Pulse” of our People** consistently via Engagement Surveys
- **Organizational Design** which promotes **agility** and **fast decision making**
- **Unleash the power** of frontline
- **Invest in “spiky” capabilities** development of tomorrow
- **Shift our Employee Value Proposition** towards more **meritocracy** and **diversity**

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Christos Varsos, Group Chief Financial Officer

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# Strong Financial Performance

## Organic revenue growth

€ 232.35m  
+ 9.23%

## EBITDA

€ 28.73m  
+ 27.26%

## EBIT

€ 21.58m  
+ 34.55%

## EBT

€ 23.47m  
+ 59.70%

## Margins

GP 37.11% +190bps  
EBITDA 12.36% +175 bps  
EBIT 9.29% +175 bps  
EBT 10.10% +319 bps

## Healthy Balance Sheet

Net Cash €5.17m  
Working Capital 11 days improvement

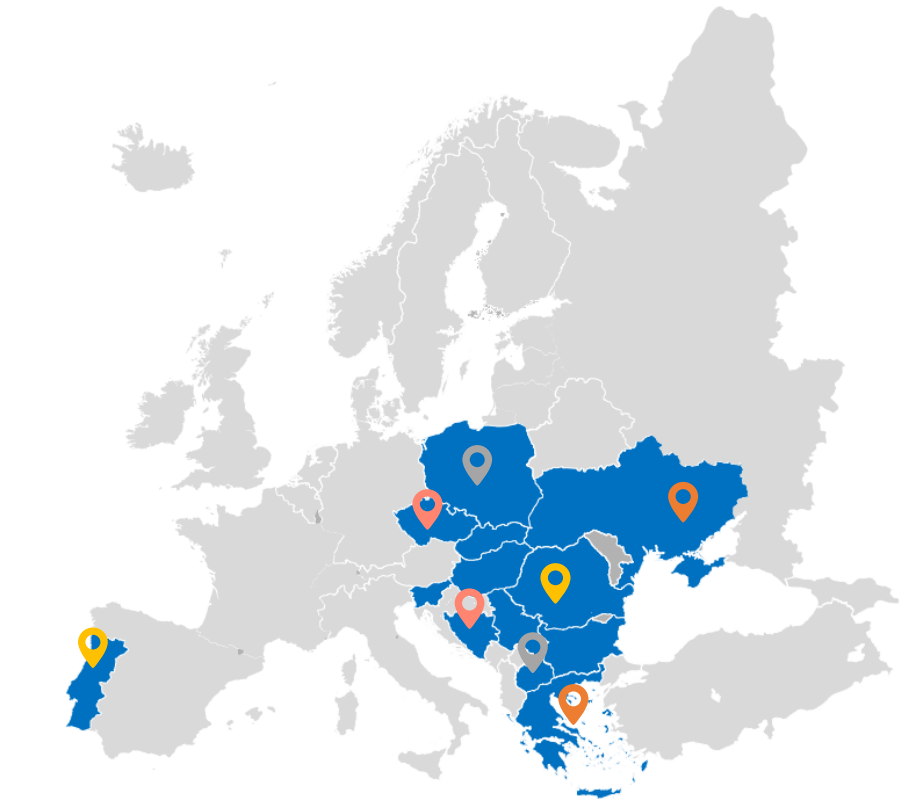
# Margin improvement led by price and mix, offsetting cost pressures

<i>Amounts In € m. (unless otherwise stated)</i>	Consolidated Statement of Comprehensive income		
	H1 2023	H1 2022	Δ%
<b>Net Sales</b>	232.35	212.72	<b>9.23%</b>
<b>Gross Profit</b>	86.23	74.86	<b>15.18%</b>
Gross Profit margin	37.11%	35.19%	
<b>EBITDA</b>	28.73	22.57	<b>27.26%</b>
EBITDA margin	12.36%	10.61%	
<b>EBIT</b>	21.58	16.04	<b>34.55%</b>
EBIT margin	9.29%	7.54%	
<b>Financial Expenses</b>	1.95	-1.34	
<b>EBT</b>	23.47	14.69	<b>59.70%</b>
EBT margin	10.10%	6.91%	
<b>Taxes</b>	4.58	3.11	<b>47.26%</b>
Effective tax rate	19.52%	21.19%	
<b>Net Income</b>	19.18	11.53	<b>66.34%</b>
Net income margin	8.25%	5.42%	
<b>Earnings per share (in €)</b>	0.2866	0.1722	<b>66.43%</b>



# Balanced performance across our 8 BUs

	NET SALES	EBIT	EBIT%
Greece	€ 74.98m* - 2.85%	€ 7.04m* - 20.23%	9,39%* - 205bps
Poland	€ 55.52m + 5.73%	€ 3.21m + 104.96%	5.79% + 280bps
Romania	€ 37.20m + 16.67%	€ 5.53m + 50.74%	14.86% + 336bps
Czech & Slovakia	€ 19.55m + 33.83%	€ 2.18m + 59.18%	11.16% + 178bps
West Balkans	€ 17.66m + 24.69%	€ 1.42m + 101.63%	8.07% + 308bps
Ukraine	€ 12.00m + 23.51%	€ 0.75m + 611.77%	6.22% + 772bps
Bulgaria	€ 9.05m + 28.40%	€ 0.93m + 103.86%	10.23% + 379bps
Hungary	€ 6.40m + 13.87%	€ 0.52m + 224.59%	8.05% + 1,541bps
<b>Sarantis Group</b>	<b>€ 232.35m</b> <b>+ 9.23%</b>	<b>€ 21.58m</b> <b>+ 34.55%</b>	<b>9.29%</b> <b>+ 175bps</b>



\*Like-for-like (excl. Wella 2022 and Clinea launch 2023)

NET SALES	EBIT	EBIT%
+ 1.24%	+3.24%	+13bps

# Solid performance across our categories

	NET SALES y-o-y	EBIT y-o-y	EBIT % y-o-y
Beauty & Skin Care	€ 32.36m + 19.25%	€ 4.06m* - 15.92%	12.56%* - 525bps
Personal Care	€ 43.38m + 20.13%	€ 5.82m + 80.88%	13.42% + 451bps
Home Care Solutions	€ 78.39m + 6.95%	€ 9.26m + 66.79%	11.82% + 424bps
Private Label	€ 15.93m + 4.48%	€ 0.26m + 781.17%	1.62% + 187bps
Strategic Partnerships	€ 60.39m + 1.62%	€ 2.69m + 3.74%	4.45% + 9bps
Other Sales	€ 1.91m	-€ 0.52m	-27.05%
<b>Sarantis Group</b>	<b>€ 232.35m + 9.23%</b>	<b>21.58m + 34.55%</b>	<b>9.29% + 175bps</b>

\*affected by Clinea launch in May 2023

\*Like-for-like  
(excl. Clinea  
launch)

NET SALES y-o-y	EBIT y-o-y	EBIT % y-o-y
+ 16.90%	+ 20.98%	+ 62bps



# Healthy balance sheet

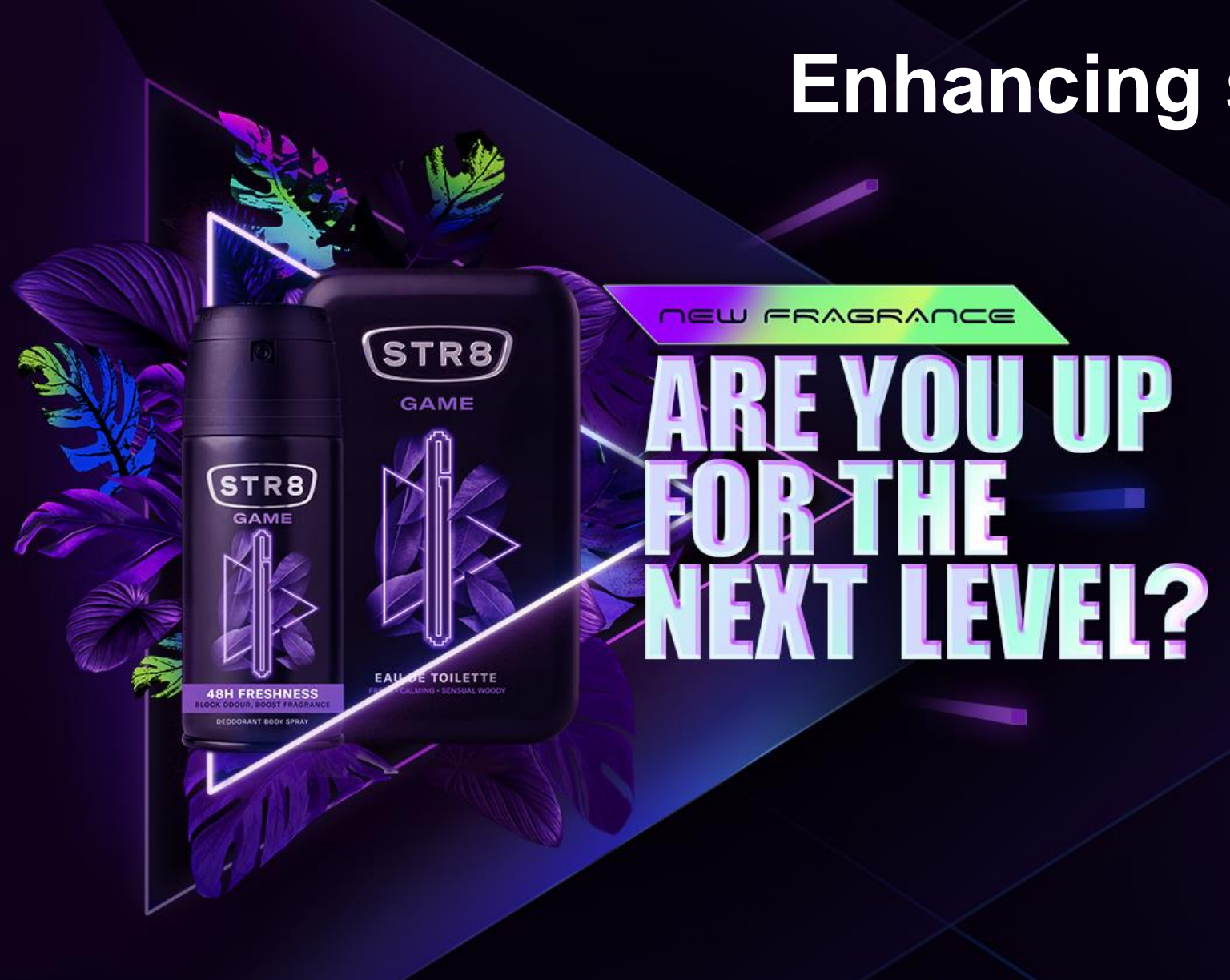
- **Balance sheet provides firepower & flexibility** to
  - invest organically
  - support the digital transformation of the Group
  - fuel M&A activity
- **Stable financial position** with net cash of € 5.17m

- Acquired 20% minority interest in **Polipak** for €5.0m
- Repaid in full bank debt of €20.5m – **Polipak plan is now in full operation**
- **Stella acquisition** to be funded by a combination of existing cash and new debt

- Operational **working capital improvement** by **11 days**, releasing cash to the business
- **Group strength** supports future financing in better terms



# Enhancing shareholders value



EPS 0.2866  
per share  
(+ 66.43%)

Dividend of €10.0m  
paid in May  
(38% payout ratio)

Share buy  
back program

Cancellation of  
Treasury Stock\*

\*As of 1<sup>st</sup> of August 2023

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**Updated FY 2023 outlook**  
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# Updated FY 2023 Outlook

(vs prior guidance)

**Net sales**  
in line with guidance

**Margins expansion**  
EBIT% 8.9% for 2023  
**+60bps** vs guidance  
**+166bps** vs 2022

**Organic EBIT growth**  
**+7.5%** vs guidance  
€43m for 2023  
**+33.37%** vs 2022





# Q & A



For further information on Sarantis Group please visit our website at <https://sarantisgroup.com/> or contact our Investor Relations team:

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