Wednesday, September 11th 2019

GR. SARANTIS S.A.

Consolidated Financial Results First Half of 2019

NET INCOME GROWTH OF 15%

SUSTAINABLE SALES GROWTH

DELIVERING ON THE IMPLEMENTATION OF THE GROUP'S STRATEGIC GROWTH PLAN

During the first half of 2019 the Group delivered significant net income growth, while Group sales remained strong overall, benefiting from the Group's growing product portfolio, an efficient commercial performance and balanced operating expenses.

The Group is focused on targeted investments behind product development, balanced activation across the distribution channels and optimizing production and supply chain systems, initiatives that continue to enhance the Group's footprint across the region and are necessary in order to accelerate and sustain faster top-line growth.

The Group's total turnover during the first half of 2019 reached € 172.19 million from € 160.27 million in H1 2018, up by 7.43%.

Sales growth is based on the one hand on successful new product launches and new businesses added, which are supported by an efficiently executed and well balanced communication plan, and on the other hand on the Group's successful commercial approach across all distribution channels in the Group's countries.

As anticipated, Greek sales recovered significantly from the slow start of the year during the second quarter, reaching € 59.50 million during H1 2019 from € 59.99 million in H1 2018, down by 0.82%.
However, it is noted that the increasing trend on sales is continued within July and August, on the back of seasonal sales, therefore a further improvement in sales is anticipated.
The foreign countries, which represent 65.45% of the Group's total turnover, increased by 12.37% to €112.69 million in H1 2019 from € 100.28 million in last year's first half.

The Group's commitment behind continued productivity improvement and balanced costs, combined with the sales growth, resulted in significant profitability growth.

More specifically:

- EBITDA* was up by 17.67% to € 21.04 mil. from €17.88 mil. in H1 2018, with an EBITDA margin of 12.22% from 11.15% in H1 2018.
- Earnings Before Interest and Tax (EBIT) reached € 15.66 mil. increased by 5.57% versus €14.84 mil. and EBIT margin stood at 9.10% from 9.26% in H1 2018.
- Earnings Before Tax (EBT) settled at €16.54 mil. from €14.39 mil., increased by 14.90%, with the EBT margin reaching 9.61% from 8.98% same period last year.
- Net Profit reached €13.65 mil. from €11.84 mil. in the previous year's first half, up by 15.33%, while Net Profit margin settled at 7.93% from 7.39% in H1 2018.

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

The financial results of H1 2019 will be presented in a conference call on September 12th 2019 at **17.00,** local time (GMT+2). Telephone number: +30 213 009 6000.

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** Details on the impact of the IFRS 16 can be found in the Group's 2019 Half Year Financial Report.*

**Alternative Performance Measures, as defined within the relevant paragraph of the Group's 2019 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. The strong cash generated by the business is invested behind initiatives to accelerate growth, either organically or through acquisitions, and to return value to its shareholders.

Within 2019, the Group paid a dividend for FY 2018 of approximately €10 mil. (0.14311 euros per share).

As of the end of the first half of 2019 the Group maintains a net debt position of €26.28 mil. vs a net debt position of €11.53 mil. at the end of 2018. This is partly due to an increase in the total debt position of the Group by c. €11 mil. and partly due to cash outflow driven by the Group's investment plan.

Working capital requirements over sales stood at 39.91% during H1 2019 vs 37.70% in H1 2018.
The increased level of working capital requirements during the first half of the year is typical and is related to the Group's seasonal business.
In addition to the increase in receivables which is related to seasonality, inventory level is higher during 2019 because of new businesses added and product relaunches, as well as increased product storage needs in preparation of the production plant expansion at Oinofoita.

The Group's H1 2019 financial results were marked by significant progress backed by the Group's deep product and market know-how, new product development initiatives supported by an efficiently executed and well balanced commercial execution plan, as well as new businesses added.
This reflects the management's capability in staying ahead of a very competitive operating landscape and growing the business while implementing its investment plan.

New product development, product quality, geographical expansion and commercial excellence across all distribution channels and geographies remain amongst the management's top priorities, while the balanced allocation of resources and management of expenses are key to the Group's profitable growth.
Key elements of the Group's strategy remain the identification of acquisitions that can provide additional value to the business, which together with the positive operating leverage can support the Group's profitability and provide the fuel for further investments behind growth.
Part of the Group's investment plan is the optimization and modernization of the supply chain and production processes. This is of strategic importance for the scale of the business and a key driver of the Group's future expansion.

In alignment with its strategic plan the Group signed two new deals recently, the acquisition of the Polish cosmetics brand LUKSJA and a new agreement for the representation and distribution of Coty Luxury Cosmetics brands in the Greek selective market, starting from 1st September 2019.

The management is looking to the second half of 2019 with optimism, well positioned to reach the estimates published in the 2019 Guidance. At the same time, the Group's investment plan serves the management's long-term strategy that involves increasing further the Group's footprint in its existing region as well as the new territory where the Group has recently penetrated, which, in turn, will bring accelerated top line growth, further improvement on profit margins and added value to the shareholders.

Information
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Sarantis Group

SARANTIS GROUP headquarters is based in Athens, Greece. Boasting a history of over 50 years our Group is one of the leading consumer product companies offering well recognized brand names in the categories of Fragrances & Cosmetics, Personal Care, Household Products and Health & Care Products.

The Group operates in twelve European countries through subsidiaries, namely Poland, Romania, Bulgaria, Serbia, Czech Republic, Slovakia, Hungary, North Macedonia., Bosnia, Portugal, Ukraine and Russia, and maintain a powerful distribution network in more than 40 countries, via direct exports, supplying the regions of Eastern and Central Europe, the Balkans, Middle East and North Africa.

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

Sarantis Group aims at being a leader in the manufacturing and distributing of consumer products.
Our ambition is to present high-value, high quality everyday products and continue to grow in a socially responsible manner offering added value to our consumers, customers, suppliers, shareholders and employees.

For more information please visit our corporate website at: www.sarantisgroup.com