Wednesday September 11th 2019

SARANTIS GROUP

CONSOLIDATED FINANCIAL RESULTS H1 2019

15% net income growth, sustainable sales growth, delivering on the implementation of the Group's strategic growth plan.

Highlights: H1 2019

- The total Group turnover was up by 7.43% compared to the previous year's first half supported predominantly by the Foreign Countries growth.
- EBITDA was up by 17.67% at €21.04 mil. in H1 2019 from € 17.88 mil. in H1 2018 and EBITDA margin stood at 12.22% from 11.15% in H1 2018.
- The Group's foreign countries maintain their high participation in the consolidated Group sales. Their participation stands at 65.45% in H1 2019 vs 62.57% in H1 2018.
- The participation of own brands to the Group's turnover stands at 73.5%.
- Healthy balance sheet, the cashflow generation supports the Group's investment plan.

***P&L** (€ mil.)*	***H1 '19****	*%*	***H1 '18***
Turnover	**172.19**	7.43%	**160.27**
Gross Profit	**63.96**	1.72%	**62.87**
Gross Profit Margin	37.14%		39.23%
EBITDA **	**21.04**	17.67%	**17.88**
EBITDA Margin	12.22%		11.15%
EBIT	**15.66**	5.57%	**14.84**
EBIT Margin	9.10%		9.26%
EBT	**16.54**	14.90%	**14.39**
EBT Margin	9.61%		8.98%
Tax	**2.56**	11.86%	**2.29**
Profit After Tax	**13.98**	15.48%	**12.10**
Profit After Tax Margin	8.12%		7.55%
Minorities	**0.32**	22.16%	**0.26**
Net Profit	**13.65**	15.33%	**11.84**
Net Profit Margin	7.93%		7.39%

** Incl. IFRS16 impact.*
***Alternative Performance Measures as defined within the relevant paragraph of the Group's 2019 Half-Year Financial Report.*

H1 ’19 CONSOLIDATED FINANCIAL RESULTS

Turnover

The consolidated turnover amounted to €172.19 mil. from €160.27 mil. in H1 2018, up by 7.43%, supported on the one hand by successful new product launches and new businesses added, which are combined with an efficiently executed and well balanced communication plan, and on the other hand by the Group’s successful commercial approach across all distribution channels across the Group’s countries. The foreign markets exhibited an increase of 12.37% and the Greek market, as anticipated, recovered from the slow start of the year, posting a 0.82% drop in the first half of 2019 compared to the previous year’s first half.

Gross Profit

The Group’s Gross Profit stood at €63.96 mil. during H1 2019 from €62.87 mil. in last year’s first half, up by 1.72%. The Group’s Gross Profit margin during H1 2019 stood at 37.14% from 39.23% in the previous 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.

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.
- **EBIT** reached € 15.66 mil. during H1 2019, increased by 5.57% versus €14.84 mil. and EBIT margin stood at 9.10% from 9.26% in H1 2018.
- **EBT** settled at €16.54 mil. from €14.39 mil., up by 14.90%, with the EBT margin reaching 9.61% from 8.98% in last year’s first half.
- **Net Profit** reached €13.65 mil. from €11.84 mil. in the previous year up by 15.33%, while Net Profit margin settled at 7.93% from 7.39% in H1 2018.

Note

**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.*

H1 ’19 CONSOLIDATED BALANCE SHEET / CASHFLOW

Sarantis 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.

Operating 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.

ASSETS	**H1 '19**	**%**	**FY '18**
Tangible fixed assets	60.35	6.71%	56.55
Right of use	13.19		0.00
Investments in property	1.10	-1.25%	1.11
Intangible Assets	52.29	-1.37%	53.02
Goodwill	7.92	-0.08%	7.93
Investments	19.24	-6.37%	20.55
Other Long Term Receivables	0.64	44.79%	0.44
Deffered Tax	0.84	14.75%	0.73
Total Non Current Assets	**155.57**	**10.85%**	**140.34**
Inventories	93.20	16.87%	79.75
Trade Receivables	104.16	10.06%	94.64
Other Receivables	5.56	46.85%	3.79
Financial assets availabe at fair value through P&L	3.25	129.60%	1.42
Cash & Banks	27.28	-16.79%	32.78
Prepayments and accrued income	1.91	-3.94%	1.99
Total Current Assets	**235.36**	**9.80%**	**214.36**
Total Assets	**390.93**	**10.21%**	**354.70**
SHAREHOLDER'S EQUITY & LIABILITIES			
L-T Bank Loans	40.50	6.58%	38.00
Lease liabilities	9.93		0.00
Deferred Tax Liabilities	5.78	0.15%	5.77
Retirement Benefit Obligations & Other Provisions	2.65	9.67%	2.42
Total Non Current Liabilities	**58.86**	**27.43%**	**46.19**
Trade Creditors	55.32	-11.65%	62.61
Other Liabilities	16.99	166.95%	6.37
Income Taxes and other Taxes Payable	6.36	39.52%	4.56
S-T Bank Loans	16.30	111.18%	7.72
Lease liabilities	3.75		0.00
Accruals and deferred expenses	5.07	93.46%	2.62
Total Current Liabilities	**103.81**	**23.75%**	**83.88**
Share Capital	54.50	0.00%	54.50
Share Premium	40.68	0.00%	40.68
Other Reserves	11.50	5.10%	10.94
Minority Interest	2.82	4.44%	2.70
Retained Earnings	118.76	2.55%	115.80
Shareholders Equity	**228.27**	**1.62%**	**224.63**
Total Liabilities & Equity	**390.93**	**10.21%**	**354.70**

CASH FLOWS (€ mil.)	**H1 '19**	**H1' 18**
Operating Activities	**-9.88**	**-9.99**
Investment Activities	**-4.42**	**-11.41**
Financial Activities	**9.24**	**-2.71**
Cash generated	**-5.06**	**-24.11**
Cash & Cash equivalents. beginning	**32.78**	**44.95**
Effect of foreign exchange differences on Cash	**-0.45**	**-0.08**
Cash & Cash equivalents. end	**27.28**	**20.76**

CONSOLIDATED SBU ANALYSIS

H1 ’19 Turnover Breakdown per Business Activity

SBU Turnover (€ mil)	*H1 '19*	*%*	*H1 '18*
Cosmetics	**77.26**	**4.21%**	**74.14**
% of Total	**44.87%**		**46.26%**
Own	50.85	-1.16%	51.45
% of SBU	65.82%		69.39%
Distributed	26.41	16.36%	22.69
% of SBU	34.18%		30.61%
Household Products	**66.35**	**14.95%**	**57.72**
% of Total	**38.53%**		**36.01%**
Own	65.95	15.45%	57.12
% of SBU	99.39%		98.96%
Distributed	0.40	-32.80%	0.60
% of SBU	0.61%		1.04%
Private Label	**9.61**	**7.68%**	**8.92**
% of Total	**5.58%**		**5.57%**
Other Sales	**18.98**	**-2.66%**	**19.49**
% of Total	**11.02%**		**12.16%**
Health Care Products	4.32	-9.39%	4.77
% of SBU	22.78%		24.47%
Selective	14.65	-0.47%	14.72
% of SBU	77.22%		75.53%
Total Turnover	**172.19**	**7.43%**	**160.27**

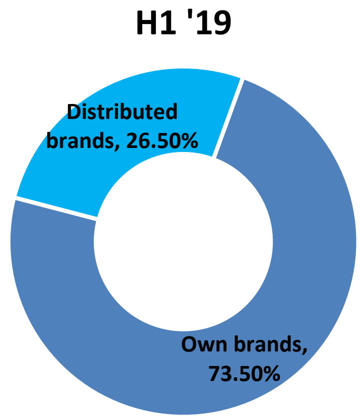
Cosmetics sales were up by 4.21% yoy to €77.26 mil. in H1 2019 from €74.14 mil. in H1 2018, supported by growth in the distributed brands portfolio, that contributes 34.18% within Cosmetics category and increased by 16.36%.
Cosmetics participation to total Group turnover stood at 44.87%.

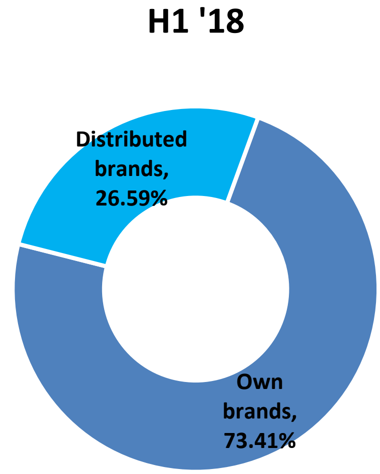
Sales of **Household Products** increased by 14.95% amounting to €66.35 million from €57.72 million in the previous year’s first half, supported by the own brands subcategory that increased by 15.45%. The category’s participation to total Group turnover amounted to 38.53%.

The category **“Private Label”** represents sales of Polipak, the Polish packaging products company, which specializes on the production of private label garbage bags. Sales of this category exhibited a 7.68% increase in H1 2019 amounting to €9.61 mil. from €8.92 mil. in H1 2018.

The category of **Other Sales** was down in sales by 2.66%, driven mostly by the sales in the Health & Care category that decreased by 9.39%.

Own versus Distributed Activity Turnover Breakdown





During H1 2019, consolidated revenues of **own** brands (cosmetics, household products and private label) amounted to €126.56 million compared to €117.66 million in the previous year's first half, up by 7.56%. Furthermore, their contribution to the total group turnover stood at 73.50% from 73.41% in the same period last year.

Consolidated revenues of **distributed** brands during H1 2019 amounted to €45.63 million, from €42.61 million in H1 '18, up by 7.08%. Their participation to the total group sales settled at 26.50% from 26.59%.

H1 ’19 EBIT SBU Breakdown per Business Activity

SBU EBIT (€ mil)		***H1 '19***	***%***	***H1 '18***
Cosmetics		**3.91**	-12.18%	**4.45**
	Margin	5.06%		6.01%
	% of EBIT	24.98%		30.02%
Own		3.08	-20.41%	3.87
	Margin	6.05%		7.51%
	% of EBIT	19.64%		26.05%
Distributed		0.84	41.87%	0.59
	Margin	3.16%		2.59%
	% of EBIT	5.33%		3.97%
Household Products		**5.96**	7.63%	**5.53**
	Margin	8.98%		9.59%
	% of EBIT	38.03%		37.30%
Own		6.02	8.62%	5.54
	Margin	9.13%		9.70%
	% of EBIT	38.43%		37.34%
Distributed		-0.06	-916.00%	-0.01
	Margin	-15.24%		-1.01%
	% of EBIT	-0.39%		-0.04%
Private Label		**0.46**	-36.69%	**0.73**
	Margin	4.81%		8.18%
	% of EBIT	2.95%		4.92%
Other Sales		**1.05**	150.93%	**0.42**
	Margin	5.52%		2.14%
	% of EBIT	6.69%		2.81%
Health Care Products		**0.53**	1043.59%	**0.05**
	Margin	12.37%		0.98%
	% of EBIT	3.41%		0.32%
Selective		**0.51**	38.29%	**0.37**
	Margin	3.50%		2.52%
	% of EBIT	3.27%		2.50%
Income from Associated Companies		**4.28**	15.76%	**3.70**
	% of EBIT	27.35%		24.95%
Total EBIT		**15.66**	5.57%	**14.84**
	Margin	**9.10%**		**9.26%**

Cosmetics EBIT decreased by 12.18% in H1 2019 to €3.91 million from €4.45 million in the previous year’s first half, driven by the own cosmetics subcategory due to lower sales. The margin of Cosmetics stood at 5.06% in H1 2019.

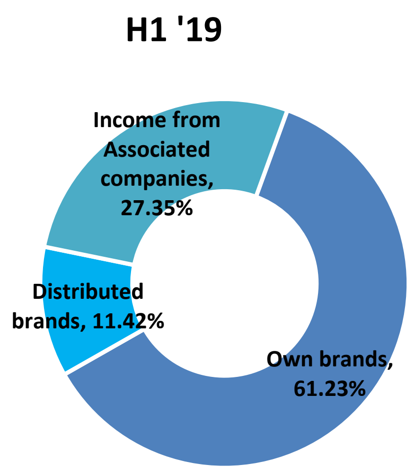
The EBIT of **Household Products** posted an increase of 7.63% during H1 2019 to €5.96 million from €5.53 million in H1 2018, driven by the own brands subcategory that was up by 8.62%. The EBIT margin of the household products stood at 8.98% during H1 2019 and their participation to total Group EBIT settled at 38.03% in H1 2019.

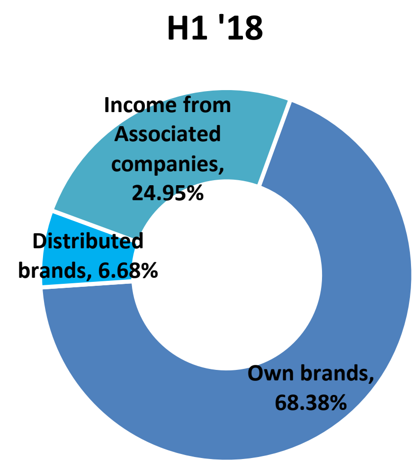
Private Label category exhibited a reduction in EBIT of 36.69% to €0.46 mil. from € 0.73mil. due to the phasing of orders in combination with the production capacity not being fully utilized during the first half.

The EBIT of the **Other Sales** category was up to € 1.05 mil. from € 0.42 mil. driven by both subcategories of Selective and Health & Care products.

The income from **Associated Companies** represents the income from the Estee Lauder JV that stood at €4.28 mil. up by 15.76% vs last year’s first half.

Own vs Distributed EBIT Breakdown





The Own brands portfolio, generated income of €9.59 million in H1 2019 versus €10.14 million in H1 2018, down by 5.47%, mainly driven by the Own Cosmetics portfolio. The contribution of **own brands** (cosmetics, household products and private label) to the total EBIT during H1 2019 stood at 61.23%.

The EBIT of **distributed brands** during H1 2019 amounted to €1.79 million, from €0.99 million in H1 2018, up by 80.50%, contributing 11.42% to the total Group's EBIT.
In addition, income from Associated Companies presented income of €4.28 million, up by 15.76%, corresponding to 27.35% of the Group's EBIT.

CONSOLIDATED REGIONAL ANALYSIS

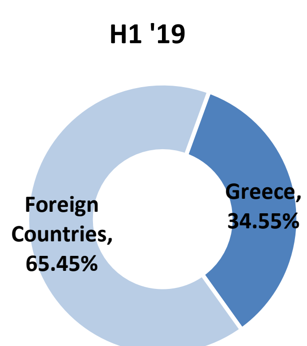
H1 '19 Turnover Breakdown per Geographic Market

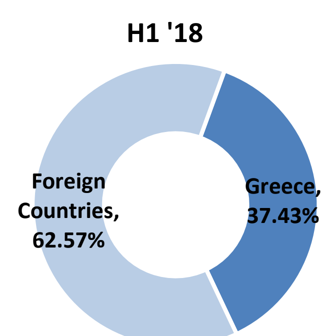
Country Turnover (€ mil)	*H1 '19*	*%*	*H1 '18*
Greece	**59.50**	**-0.82%**	**59.99**
% of Total Turnover	**34.55%**		**37.43%**
Poland	27.37	-0.84%	27.60
Poland - Polipak	9.61	7.68%	8.92
Romania	24.80	8.86%	22.78
Bulgaria	6.20	0.10%	6.19
Serbia	8.92	4.14%	8.57
Czech Republic	10.54	1.78%	10.35
Slovakia	2.79	15.78%	2.41
Hungary	4.96	-1.72%	5.05
North Macedonia	1.98	-2.53%	2.03
Bosnia	1.33	-0.56%	1.34
Portugal	0.84	-1.72%	0.86
Ukraine	12.05	239.06%	3.55
Russia	1.31	107.25%	0.63
Foreign Countries Subtotal	**112.69**	**12.37%**	**100.28**
% of Total Turnover	**65.45%**		**62.57%**
Total Turnover	**172.19**	**7.43%**	**160.27**

The Group's consolidated turnover presented an increase of 7.43% versus last year's first half, supported by the positive performance of the Foreign Countries.

The Foreign Counties sales amounted to €112.69 mil. in H1 2019 up by 12.37% from €100.28 mil. during H1 2018. On a currency neutral basis, that is without the FX devaluation effect, Foreign Countries sales were up by 12.93% in H1 2019. Moreover, on a like-for-like basis, that is excluding sales of Ergopack, Foreign sales during H1 2019 were increased by 3.36%.

Greek sales, as expected, recovered significantly from the slow start of the year and reached €59.50 mil. in H1 2019 from € 59.99 mil. 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' contribution into the Group's sales stood at 65.45% during H1 2019, from 62.57% in the previous year's first half.

H1 ’19 EBIT Breakdown per Geographic Market

Country EBIT (€ mil)	*H1 '19*	*%*	*H1 '18*
Greece	**10.66**	**6.09%**	**10.05**
% of Total Ebit	**68.05%**		**67.71%**
Poland	0.95	-26.05%	1.28
Poland-Polipak	0.46	-36.69%	0.73
Romania	1.42	-2.66%	1.46
Bulgaria	0.46	12.95%	0.41
Serbia	0.38	-31.37%	0.56
Czech Republic	0.80	25.09%	0.64
Slovakia	0.11	-49.52%	0.23
Hungary	0.05	116.66%	-0.32
North Macedonia	0.24	-15.19%	0.28
Bosnia	-0.14	4.68%	-0.15
Portugal	-0.20	9.52%	-0.22
Ukraine	0.52	625.18%	-0.10
Russia	-0.06	-2050.59%	0.00
Foreign Countries Subtotal	**5.00**	**4.46%**	**4.79**
% of Total Ebit	**31.95%**		**32.29%**
Total EBIT	**15.66**	**5.57%**	**14.84**

The **Greek** EBIT during H1 2019 increased by 6.09% to €10.66 mil., from €10.05 mil. in H1 2018.
Excluding the income from Associated companies, Greek EBIT during H1 2019 amounted to €6.37 mil. up by 0.46% compared to €6.35 mil. in the same period of last year, on the back of balanced allocation of operating expenses.
Greek EBIT margin, excluding income from Associated Companies, stood at 10.71% during H1 2019 from 10.58% in H1 2018.

The **foreign countries** EBIT was up by 4.46% during H1 2019, amounting to €5.00 mil. from 4.79 mil. in last year’s first half. The foreign countries EBIT margin settled at 4.44% from 4.78% in the same period last year.

NEWS FLOW UP TO THE RELEASE DATE OF THE H1 2019 CONSOLIDATED FINANCIAL RESULTS

- Following the General Shareholders Meeting resolution dated June 18th 2019, the company GR. SARANTIS S.A. announced the distribution of dividend payment for the fiscal year 2018 amounting to 0.14311 euro per share.
  According to the legislation in force, the dividend corresponding to the company's 2,731,600 treasury shares was applied to the dividend paid out to the other shareholders and hence the dividend was increased to 0.14893 euro per share.
  The aforementioned dividend amount was subject to a 10% withholding tax and therefore shareholders received a net amount of 0.134037 euro per share.
  July 24th 2019 was set as the ex-dividend date, while the entitled shareholders were those registered in the Dematerialized Securities System on July 25th 2019 (Record date).
  The dividend payment took place on Wednesday, July 31st 2019 via the National Bank of Greece through the authorized operators of the beneficiary shareholders registered with the D.S.S.

- Sarantis Group announced on July 30th 2019 that it has signed an agreement with Coty for the representation and distribution of Coty Luxury Cosmetics brands in the Greek selective market, starting from 1st September 2019.
  The agreement involves the representation and distribution of the following brands:
  BALENCIAGA, BOTTEGA VENETA, BURBERRY, CALVIN KLEIN, CHLOE, DAVIDOFF, ESCADA, GUCCI, HUGO BOSS, JIL SANDER, JOOP, LACOSTE, LANCASTER, MARC JACOBS, MIU MIU, NIKOS, PHILOSOPHY, ROBERTO CAVALLI, STELLA MCCARTNEY, and TIFFANY & CO.
  The cooperation with COTY reflects the position of Sarantis Group as a supplier within the mass and the selective market.
  It is noted that no cost was assumed by Sarantis Group for this agreement.
  Through the deal that is fully aligned with its growth strategy, Sarantis Group strengthens its product portfolio in the Greek market, supporting further at the same time its turnover and profitability in the selective distribution channel.

- Sarantis Group announced on July 30th 2019 the extension of its agreement with Estee Lauder Companies Inc. regarding ELCA Cosmetics Ltd. ELCA Cosmetics Ltd ("ELCA"), is a joint venture created in 2001 for the sale and distribution of beauty products in Greece, Romania, Bulgaria and Cyprus (the "Territory"). ELCA is owned by Sarantis Group (the "Group") which holds a 49% interest in the joint venture and The Estée Lauder Companies Inc. ("EL") which holds the remaining 51% interest.
  ELCA is based in Cyprus and fully owns the subsidiary companies ESTEE LAUDER HELLAS S.A., ESTEE LAUDER BULGARIA EOOD and ESTEE LAUDER ROMANIA Srl., based in Greece, Bulgaria and Romania respectively.
  The Group and EL have agreed to amend the Shareholders Agreement governing ELCA to extend the term of the arrangement from June 30, 2021 to June 30, 2028. The parties have also agreed to expand the Territory to include Moldova.
  Based on the new agreement, EL will have the right to increase its interest in ELCA to 100% by purchasing shares held by the Group, including the right to increase its stake based on the financial statements of ELCA at June 30th 2021, June 30th 2024 and June 30th 2027 for the 9%, 25% and 15% respectively.

  The Group's strategy with respect to the aforementioned extension will be based on:
  1. Utilizing the liquidity that will be created during the period 2021-2027, in order to further support the Group's investment plan.
  This involves acquisitions that satisfy the Group's criteria and are able to provide synergies, contribute to profitability, as well as provide added value to the shareholders.
  2. Absorbing new distribution agreements, which will further strengthen the Group's product portfolio.

  The aforementioned strategy is expected to compensate by at least 130% the potential loss from Joint Venture's profitability.
  As always, the Group's Management remains committed to its strategic priorities for the future focusing on the development of new products, geographical expansion, increasing economies of scale, cost improvement and acquisitions with the ultimate goal to create added value for its shareholders.

- Sarantis Group announced on August 13th 2109 that it completed the acquisition of LUKSJA, a Polish cosmetics brand specializing in the personal care products category.

  More specifically, Sarantis Group signed an agreement for the acquisition of the LUKSJA trademark that until now belonged to the company PZ Cussons Plc. The acquisition is subject to approval of the Antimonopoly Committee.

  LUKSJA is an award winning cosmetics brand boasting a 30-year history of successful presence in the Polish bath and shower market. LUKSJA holds the leading position in the branded bar soap, liquid soap, hand wash and bath foam categories.

  LUKSJA products are highly recognized in the market for their high quality, unique fragrances and the constant new product development pipeline that addresses consumer needs and trends.

  LUKSJA's FY 2018 sales amounted to 16 mil. euros.

  The acquisition cost amounted to 9.222 million GBP and will be funded through own cash.

  As part of the deal, Sarantis Group will act as a distributor for other brands of PZ Cussons currently sold in CEE, including Morning Fresh, Carex, Original Source, etc. The estimated sales from the distribution business amounts to 6 mil. euros.

  It is noted that no cost was assumed by Sarantis Group for the distribution business.

  This acquisition, completely aligned with the Group's strategic growth plan, is a great fit within the Group's portfolio and reinforces its position as a leading consumer products company, supporting further the Group's geographical footprint in its territory. Moreover, LUKSJA offers numerous expansion opportunities by leveraging its strong brand equity to diversify into adjacent subcategories of the personal care market.

OBJECTIVES AND PROSPECTS

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.