

## PRESS RELEASE

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### PAPOUTSANIS: Q1 Financial Results

- ***Q1 2025 turnover amounted to EUR 17.2 million compared to 14.2 million in Q1 2024, up by 21%.***
- ***Strengthening of branded products by 26%.***
- ***Exports represent 61% of the turnover***
- ***Significant improvement of 27% in gross profit, which amounted to EUR 6.4 million compared to EUR 5 million in the corresponding period of 2024.***
- ***Increase in EBITDA by 25%, which amounted to EUR 2.3 million compared to EUR 1.8 million in the corresponding period of 2024.***
- ***Profit before tax amounted to EUR 1.3 million in Q1 2025 compared to EUR 0.8 million in the corresponding period of 2024.***
- ***Profit after tax amounted to EUR 1.2 million, compared to EUR 0.7 million in the corresponding period of 2024.***

	First Quarter 2025	First Quarter 2024	Change
Turnover	€ 17.2 m	€ 14.2 m	21%
Gross profit	€ 6.4 m	€ 5.0 m	27%
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	€ 2.3 m	€ 1.8 m	25%
Profit before tax	€ 1.3 m	€ 0.8 m	56%
Profit after tax	€ 1.2 m	€ 0.7 m	79%

## **Financial Results Overview**

Turnover amounted to EUR 17.2 million (compared to EUR 14.2 million in the corresponding quarter of 2024), an increase of 21%, with the share of exports representing 61% of total turnover.

Regarding the contribution of the four business segments to the Q1 2025 turnover, 28% of the total revenue comes from sales of Papoutsanis branded products in Greece and abroad, 15% from sales to the hotel market, 42% from third party manufacturing and 15% from industrial sales of specialty soap bases.

The strong growth led to the improvement of all profitability ratios, with profits after tax amounting to EUR 1.2 million, improved 78.5% (compared to EUR 0.7 million in Q1 2024).

Gross profit amounted to EUR 6.4 million compared to EUR 5 million, while gross profit margin amounted to 37.1% compared to 35.4% in Q1 2024.

Operating expenses (distribution, administration, research and development) increased by 25%, as they are largely affected by sales, especially those of the branded category.

The improvement in Earnings after taxes is also supported by the reduced income tax as a result of the completion of investment programs that provide for tax exemptions.

For the whole 2025 the Company anticipates double-digit turnover growth, derived from all four business segments in which the Company operates. Profitability is also expected to follow a similarly positive course.

## **Overview by Business Segment**

**Branded Products:** The category shows strong growth of 26% compared to the corresponding quarter in 2024, as a result of the dynamic expansion of the product portfolio and the Company's entry into important new household care categories. Specifically, Papoutsanis' sales in the homecare categories almost doubled in Q1 (+91% year-on-year), thanks also to the positive consumer response to the Company's innovative products, while sales in the traditional business categories, those of personal care, performed positively also recording 4% growth in Q1 2025 compared to Q1 2024.

**Hotel Products:** Sales in this category increased by 34% in Q1 2025, driven by both growth in sales of Papoutsanis branded hotel products in Greece and abroad, as well as sales of third-party hotel products overseas.

**Third party products (industrial sales, private label):** Third party contract manufacturing sales showed significant growth in Q1 as they closed with a +21% increase compared to the corresponding period in 2024, thanks to the expansion of cooperation with existing customers.

**Industrial soap sales:** The category continued its upward trend, increasing by 5% compared to Q1 2024 mainly through the expansion of the customer base.

### **Business outlook**

For the current year, developments at a global level are creating a volatile environment, which affects many parameters, such as the course of raw material and energy prices, purchasing power, interest rates and tourism.

In this context, for the entire year 2025, the Company aims at the dynamic development of its activity in all four pillars. In particular, the Company anticipates double-digit turnover growth and a corresponding improvement in profitability and cash flows, as a result of the expansion of existing and the initiation of significant new collaborations in the pillars of third-party products and industrial soap noodles sectors. Moreover, significant further strengthening of the branded products category is expected, as already in 2024 Papoutsanis, in addition to personal care products, in which it has traditionally been active for decades, has expanded into the home care category.

More specifically per category:

- The pillar of Papoutsanis branded products is a strategic priority and is expected to maintain its dynamic growth in 2025, through the enrichment of the product range and greater establishment in the home care category with new products. In addition, exports of our branded products are expected to be significantly strengthened in 2025.

- The hotel products sector is expected to be the main growth axis for Papoutsanis, as the forecasts for tourism for the time being remain positive, both in Greece, after a record year in 2024, and abroad. At the same time, we continue to dynamically build on our long-term existing partnerships with strategic customers, while strong foundations have been laid for the development of exports of our branded hotel products to a number of new markets.
- Finally, the third-party productions and industrial sales soap noodles categories are expected to continue their growth mainly through the expansion of the customer portfolio and further development of the range of products we produce for these customers, as well as the development of syndet soap noodles.