



PAPOUTSANIS

SINCE 1870

2023 Financial Results Analysts' Briefing

March 27th, 2024



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2023 Financial Highlights



€62,3M

2023 NET SALES
-12% vs 2022

55%

EXPORTS % IN TOTAL

0,15

EARNINGS PER SHARE
+36% VS 2022

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€21M

GROSS PROFIT
+€4M VS 2022

34%

GP % ON NET SALES
+970bps VS 2022

€9,5M

EBITDA*
+€2M VS 2022

15%

EBITDA* % ON NET SALES
+470bps VS 2022

2023 Key Financial Drivers



Raw Material
Price Correction



Reduced
Energy Cost



Productivity Increase &
Production Cost
Consolidation



Solid Net Sales &
Profitability Growth
of Own Brands
(Consumer & Hotel)

αρκάδι

Robust Contribution
from Newly Acquired
ARKADI



Financial Results (in €'000)

	2023	2022	D%
Net Sales	62.275	70.749	-12%
Gross Profit	21.239	17.297	23%
<i>Gross Profit margin</i>	<i>34,1%</i>	<i>24,4%</i>	
Earnings before Taxes, Interest & Depreciation (EBITDA)	9.217	7.236	27%
<i>EBITDA margin</i>	<i>14,8%</i>	<i>10,2%</i>	
Earnings before Taxes, Interest, Depreciation & one off items (Adjusted EBITDA)	9.473	7.411	28%
<i>Adjusted EBITDA margin</i>	<i>15,2%</i>	<i>10,5%</i>	
Earnings before Tax (EBT)	5.035	3.933	28%
<i>EBT margin</i>	<i>8,1%</i>	<i>5,6%</i>	
Earnings after Tax (EAT)	4.081	2.995	36%
<i>EAT margin</i>	<i>6,6%</i>	<i>4,2%</i>	
Earnings per share	0,1506	0,1107	36%

Gross Profit improvement attributed to:

- RM costs prices
- Energy cost
- Production cost efficiencies

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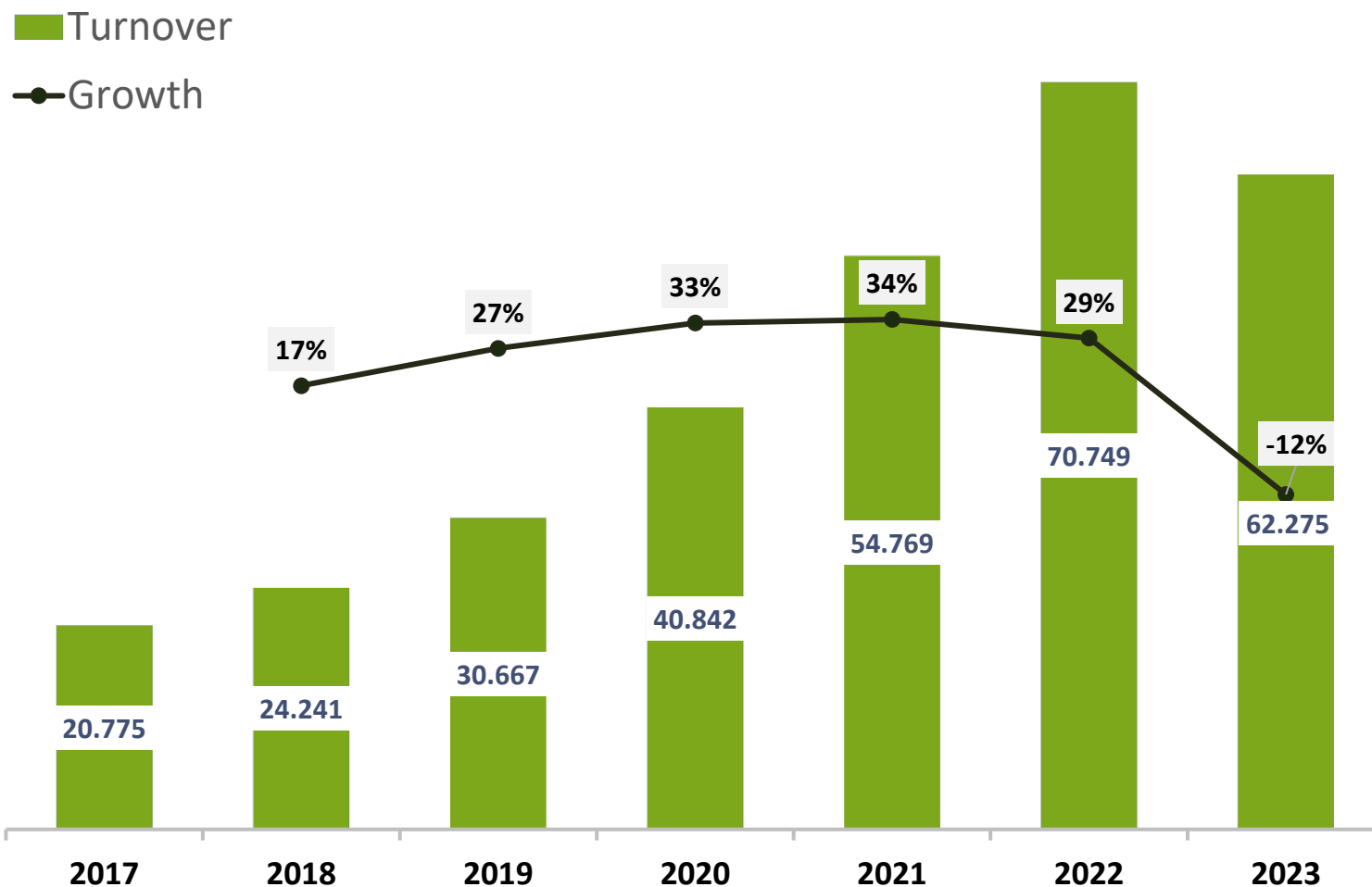
Dividends

❖ **Total gross amount : 0,07**

➤ **2024** : Proposal to the Annual General Meeting of Shareholders for the distribution of a dividend of a gross amount of **€0,04** per share.

➤ **Dec'23** : Payment of gross interim dividend of **€0,03** per share

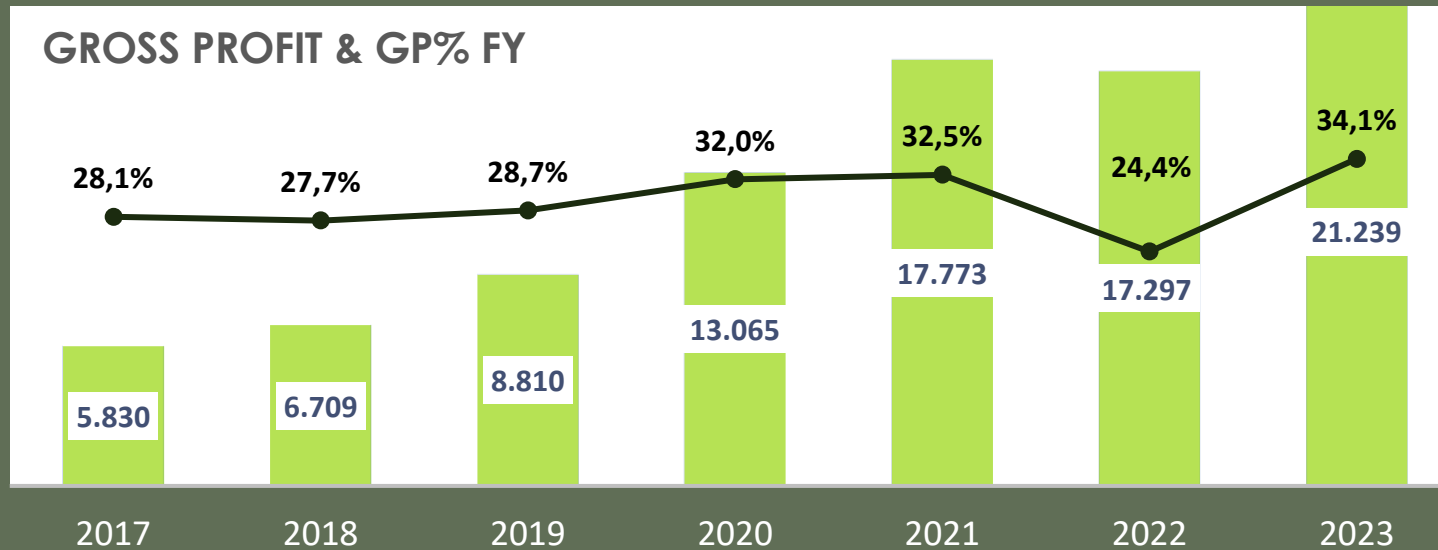
2023 FY Turnover (in €'000)



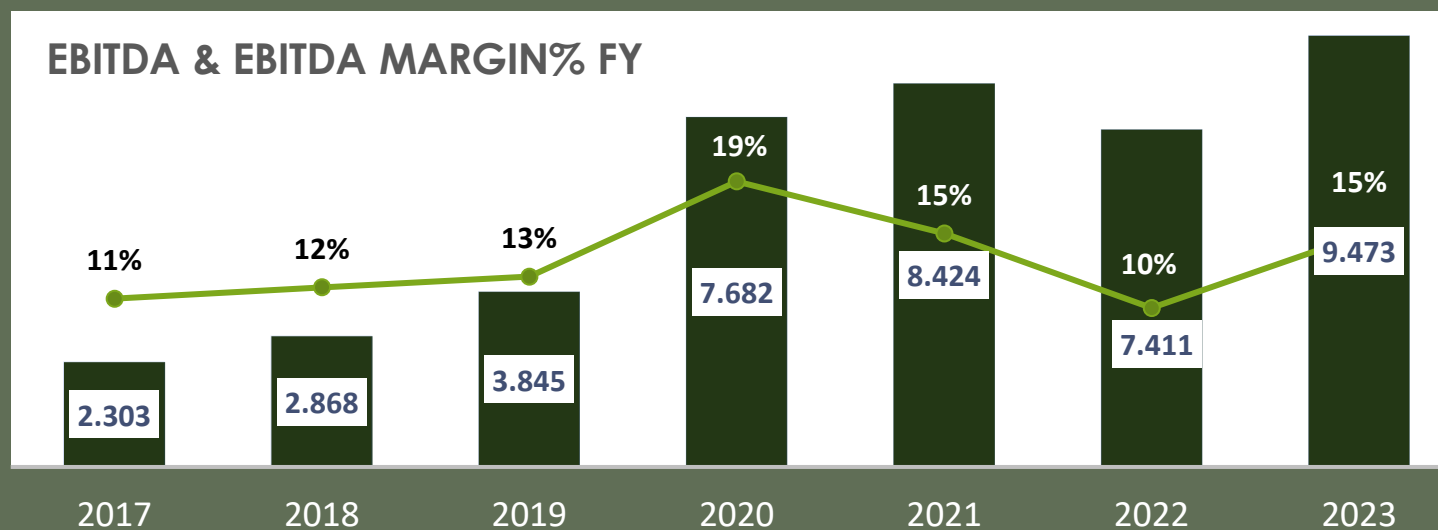
Evolution per Category

- Own Consumer Brands +36%
- Hotel Amenities -32%
- 3rd Party & PL -11%
- Specialty Soap Bases -32%

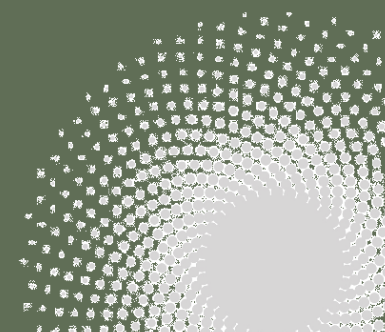
GP & EBITDA (adjusted) Evolution FY 2023 (in €'000)



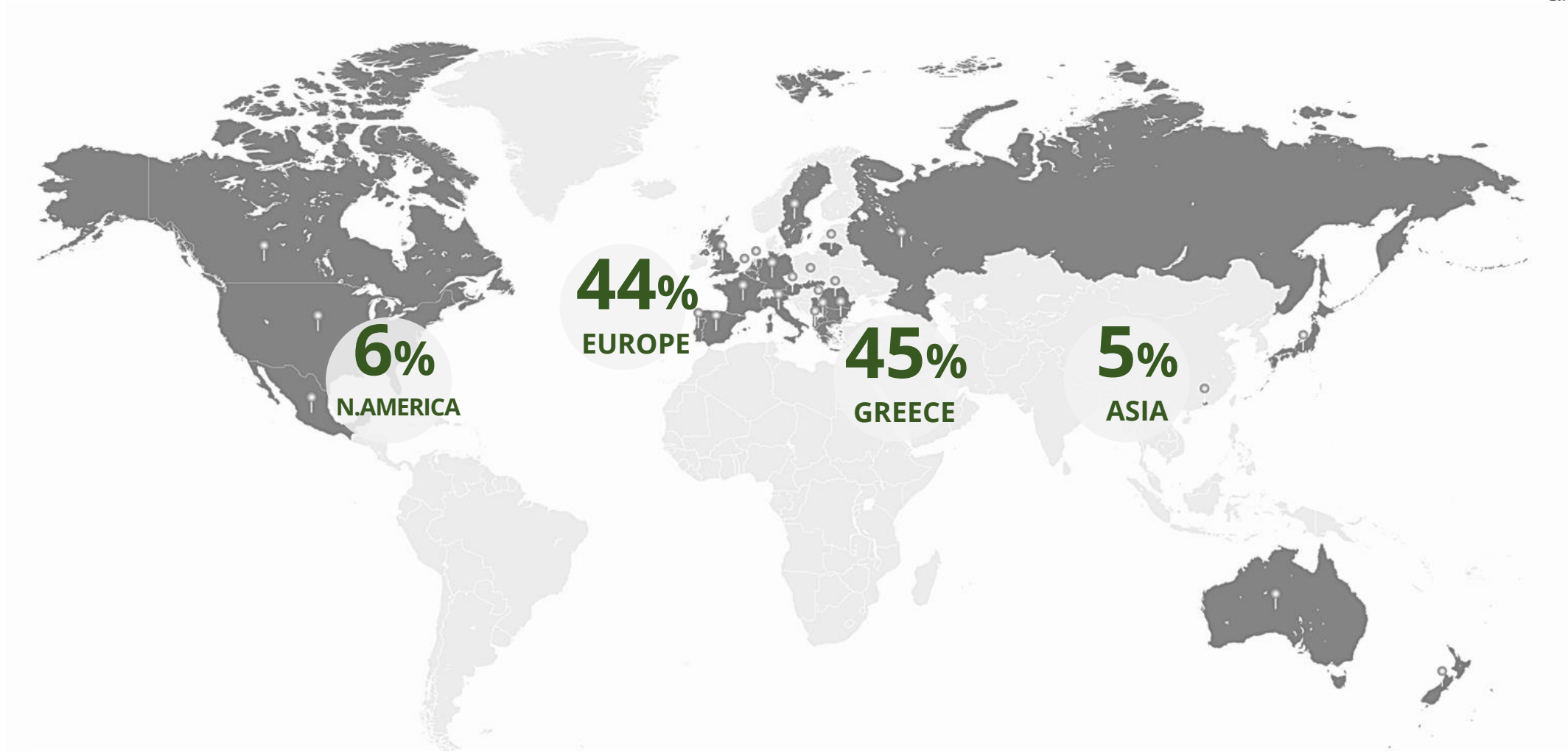
- Gross Profit & GP margin historically high
 - ▶ RM prices & Energy cost decline
 - ▶ Production cost savings



- EBITDA adjusted
 - ▶ Highest performance in absolute & strong improvement in margin



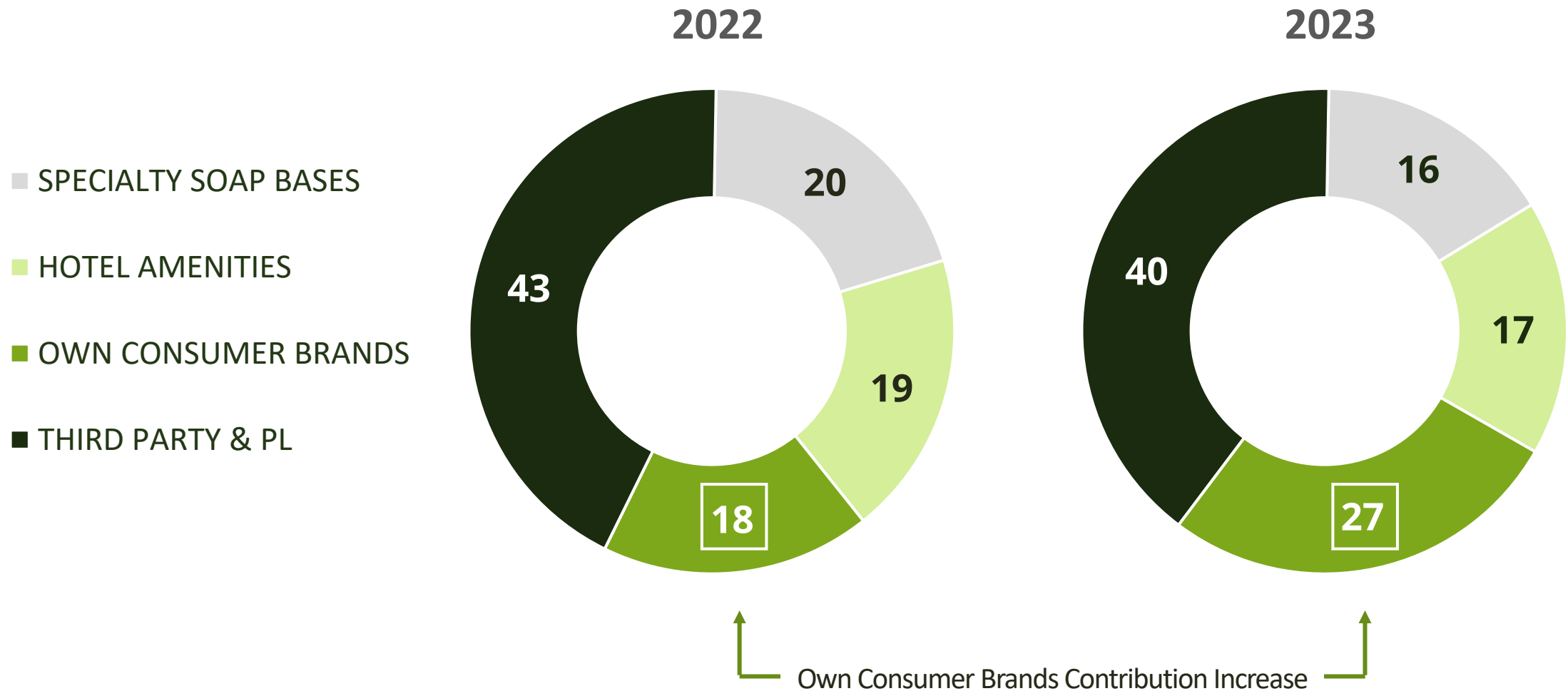
The Papoutsanis World



France, Italy, UK, Spain, Germany, Hungary, Portugal, Poland, Cyprus, Belgium, The Netherlands, Austria, Sweden, Denmark, Finland, Switzerland, Ireland, Serbia, Romania, Bulgaria, Lithuania, Ukraine, Czech Republic, Croatia, Slovenia, Slovakia, North Macedonia, Montenegro, Albania, Bosnia & Herzegovina, Turkey, USA, Canada, Mexico, Japan, Hong Kong, Australia, Singapore, Iraq

Review by Business Segment

2023 Sales Mix vs 2022 (in % of total turnover)



Review by Business Segment

	Sales (in €'000)	EBITDA adj (in €'000)	EBITDA (adj) %
Own Consumer Brands <i>Vs 2022</i>	16.918 <i>36%</i>	1.519 <i>+1.315</i>	9% <i>+734 bps</i>
Hotel Amenities <i>Vs 2022</i>	10.894 <i>-32%</i>	2.286 <i>-552</i>	21% <i>+331 bps</i>
3rd Party & PL <i>Vs 2022</i>	24.518 <i>-12%</i>	3.688 <i>+655</i>	15% <i>+412 bps</i>
Specialty Soap Bases <i>Vs 2022</i>	9.945 <i>-31%</i>	1.980 <i>+645</i>	20% <i>+1066 bps</i>
Total 2023 <i>Vs 2022</i>	62.275 <i>-12%</i>	9.473 <i>+2.062</i>	15% <i>+473 bps</i>

Statement of Financial Position FY 2023 (in €'000)

	31.12.2023	31.12.2022
ASSETS		
Non Current Assets	52.670	51.446
Current Assets	22.656	31.709
Total Assets	75.326	83.155
EQUITY	29.802	26.945
LIABILITIES		
Long-term Liabilities	26.638	28.824
Short-term Liabilities	18.886	27.386
Total Liabilities	45.524	56.210
Total Equity & Liabilities	75.326	83.155

KPIs:

- **Net Bank Debt: 18,3M**
(+0,2M vs '22)
- **Net Bank Debt/ EBITDA ratio: 1,9**
(-0,5 vs '22)
- **Debt to Equity ratio: 1,5**
(-0,6 vs '22)
- **Working Capital: 3,8M**
(-0,2M vs 22)

Statement of Cash Flows FY 2023 (in €'000)



	2023	2022
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Operating Activities	4.464	6.480
Investment Activities	-4.531	-11.378
Financing Activities	-5.957	10.247
Cash & cash equivalents at the beginning of the period	11.727	6.378

Cash & cash equivalents at the end of the period	5.703	11.727
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<i>Days of:</i>	2023	2022
Inventory Coverage	84	66
Sales Outstanding	25	33
Payables Outstanding	100	110

2024 Opportunities & Challenges

- Continuation of War in Ukraine
 - New war in the Middle East
- Inflation/ Declining Consumer Disposable Income
- Volatility & Uncertainty
 - Interest rates
 - Political stability
 - Materials & Energy pricing

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 - Political stability
 - Materials & Energy pricing
- Further Production Cost Consolidation
- Hotel & Tourism upside
- Exports expansion
- Entry in Homecare
- Sustainability trend
 - Own brands pipeline
 - Syndet
 - Certified Soap Bases

2024 Strategic Imperatives & Opportunities



Enhance Plant Competitiveness

- State-of-the-art plant, vertically integrated
- Significant spare capacity at very competitive cost
- Solar Panels Installation (sustainability & cost reduction)

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Drive Growth on a Four Pillars' Model

- Aggressively drive own brands growth
- Entry in sizeable homecare categories
- Continue to build & diversify contract client base
- Lead sustainable innovation in our industry

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Attract & Engage Future-Ready Talent

- Continuous training & upskilling
- Empowerment via a Flat & Flexible Org. Structure
- Collaboration with Universities, Internships & support of young professionals

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Fuel Sustainable, Profitable Growth

- Restructuring & Rationalization of Expenditure
- Embrace value – adding change, reengineering and digitizing work flows
- Reduce borrowing by optimizing the parameters that affect it

Guidance for 2024

€70M

TURNOVER
TARGET

€5,5M

TOTAL CAPEX
(1M FOR SOLAR PANELS)

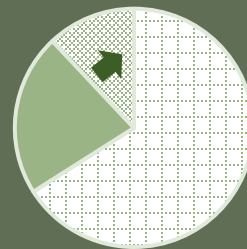
37%

OF CAPEX ON ENERGY SAVING &
SUSTAINABILITY PROJECTS

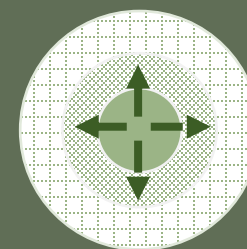
12%

TURNOVER GROWTH
THROUGH

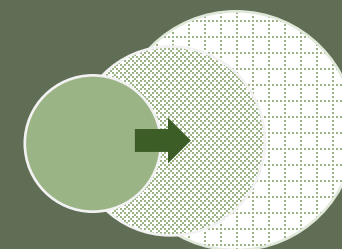
PENETRATION
GROWTH



NEW CATEGORIES
& CHANNELS



GEOGRAPHICAL
EXPANSION





Thank you!

Happy to answer any questions
you may have

