



## Analysts' Briefing

April 11<sup>th</sup>, 2023



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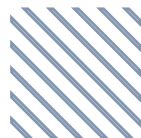
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# Sales Turnover



(‘000 €)	2022	2021	Δ %
<b>Net Sales</b>	<b>70.750</b>	<b>54.769</b>	<b>29%</b>
<b>Domestic</b>	<b>24.390</b>	<b>20.760</b>	<b>18%</b>
Domestic Sales % on Total Net Sales	35%	35%	
<b>Exports</b>	<b>46.360</b>	<b>34.009</b>	<b>36%</b>
Exports % on Total Net Sales	66%	62%	

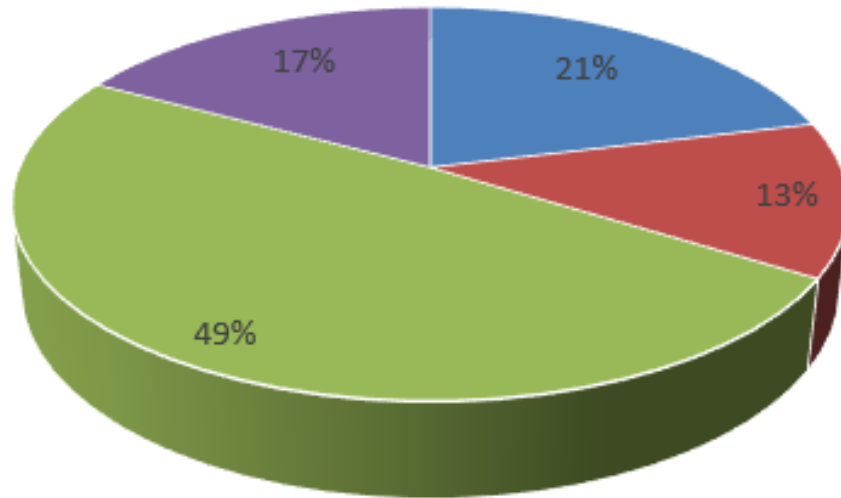
➔ +15% price  
+14% volume

Domestic Net Sales include 0,7M eur for the Brand ARKADI (1/9/2022 – 31/12/2022)



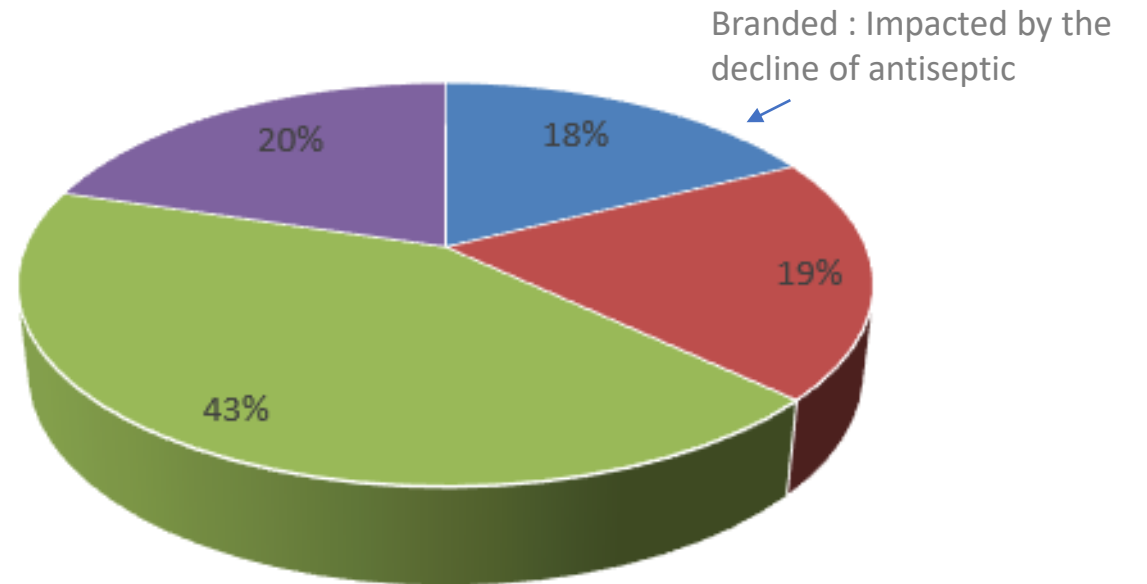
# Sales Mix

2021 Sales Mix

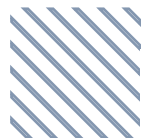


■ Branded ■ Hotel ■ 3rd party ■ Soap Bases

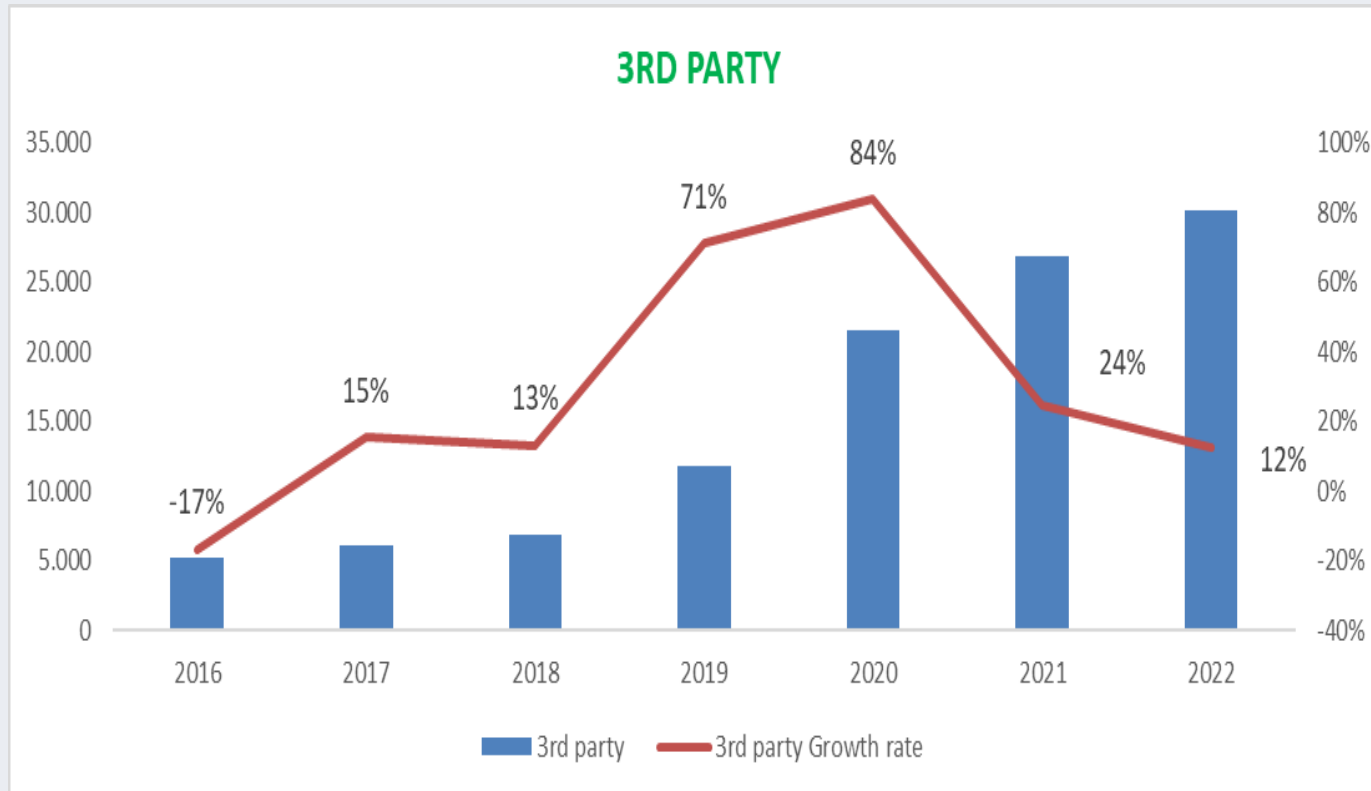
2022 Sales Mix



■ Branded ■ Hotel ■ 3rd party ■ Soap Bases



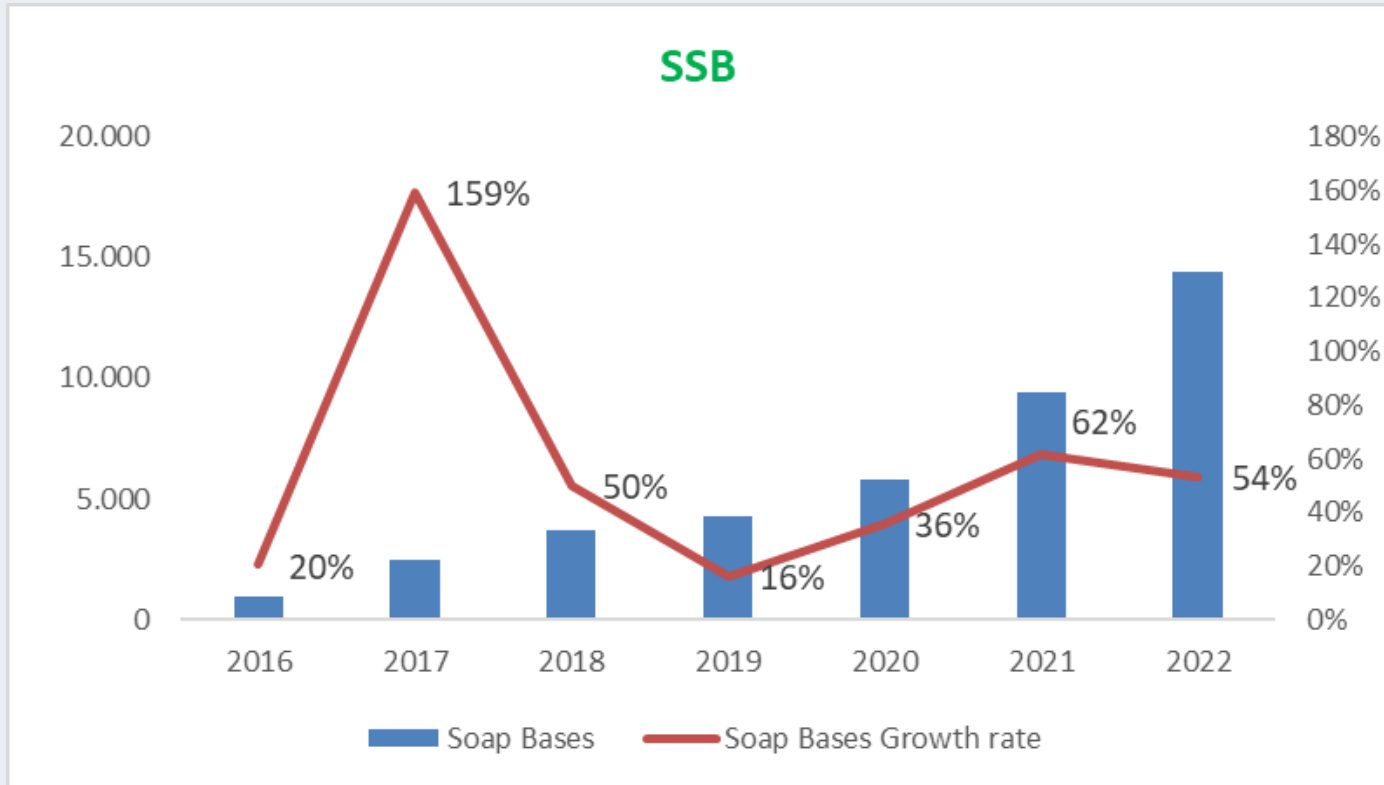
# Turnover by Category – 3<sup>rd</sup> Party



**3<sup>rd</sup> Party +12% vs '21**

- **Strengthened partnerships with Multinationals**
- **Enhanced Customer base**
- **Expansion of products offered**
- **Higher prices due to increased Raw Materials costs - % GM affected**

# Turnover by Category – Specialty Soap Bases



**SB +54% vs '21**

- Key supplier of Specialty Soap Bases
- Expansion of customers & products
- Innovative products (synthetic soap bases)
- Higher prices due to increased Raw Materials costs - % GM affected

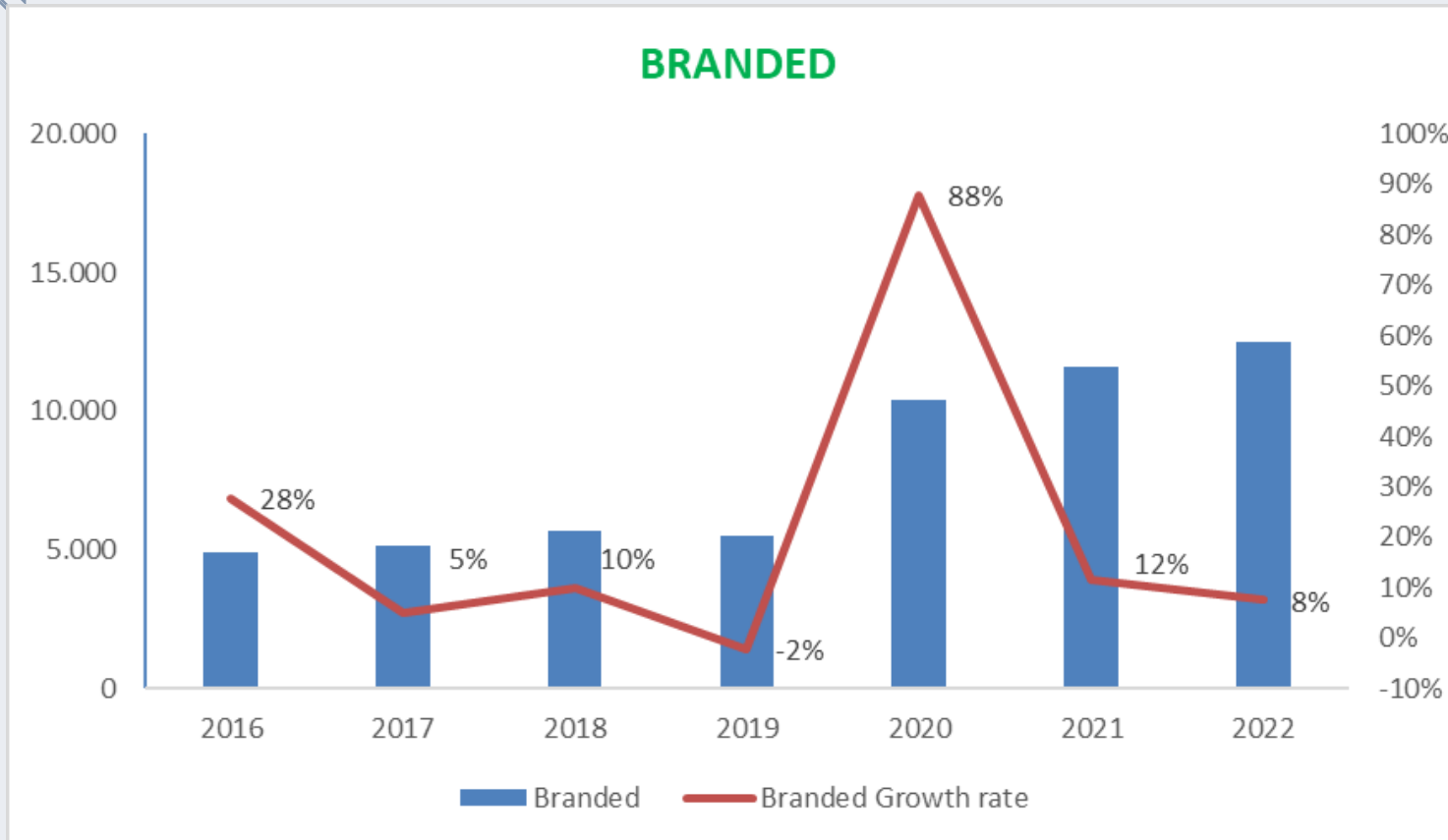
# Turnover by Category – Hotel Amenities



## Hotel Amenities +98% vs '21

- Market restart after the pandemic
- Broadening of existing partnerships
- Expansion of clientele
- +51% vs 2019

# Turnover by Category – Own Brands



- **Own Brands +8% vs '21**
  - Excl Antiseptic **+26%**
    - **New launches**
    - **Increased Advertising spending**
    - **Expansion of Distribution**
    - **Acquisition of the brand ARKADI (+10% due to '22 last 4 months sales)**





# Financial Results (€'000)

	2022	2021	
<b>Gross Profit</b>	<b>17.297</b>	<b>17.773</b>	<b>-3%</b>
<i>Gross Profit margin</i>	<i>24,4%</i>	<i>32,5%</i>	
<b>Profit before Taxes, Interest &amp; Depreciation (EBITDA)</b>	<b>7.405</b>	<b>8.424</b>	<b>-12%</b>
<i>EBITDA margin</i>	<i>10,5%</i>	<i>15,4%</i>	
<b>Earning before Tax (EBT)</b>	<b>3.933</b>	<b>6.103</b>	<b>-36%</b>
<i>EBT margin</i>	<i>5,6%</i>	<i>11,1%</i>	
<b>Earning after Tax (EAT)</b>	<b>2.995</b>	<b>4.926</b>	<b>-39%</b>
<i>EAT margin</i>	<i>4,2%</i>	<i>9,0%</i>	

## Gross Profit Margin:

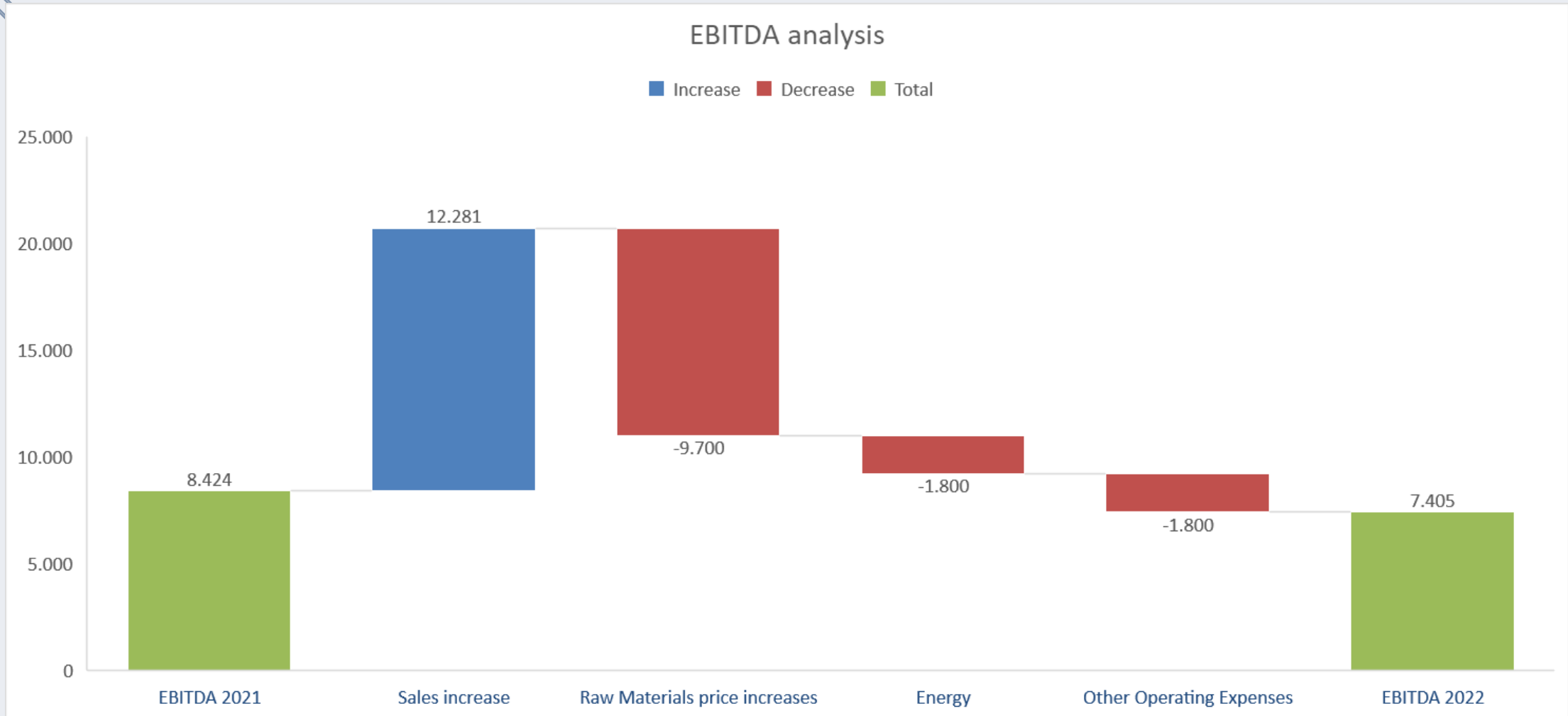
Deterioration driven by :

- **Increased Raw Materials' cost** (for the part that was not absorbed by the customers)
- **Increased Production expenses** (Electricity / Natural Gas)

## Dividends:

- 2023 : Proposal to the Annual General Meeting of Shareholders for the distribution of a dividend of a gross amount of **€0,02** per share.
- Dec'22 : Payment of gross interim dividend of **€0,02** per share

# EBITDA analysis (€'000)



# Statement of Financial Position (€'000)

	31.12.2022	31.12.2021
<b>ASSETS</b>		
Non Current Assets	51.446	40.070
Current Assets	31.709	23.507
<b>Total Assets</b>	<b>83.155</b>	<b>63.577</b>
<b>EQUITY</b>	<b>26.945</b>	<b>25.277</b>
<b>LIABILITIES</b>		
Long-term Liabilities	28.824	18.109
Short-term Liabilities	27.386	20.191
<b>Total Liabilities</b>	<b>56.210</b>	<b>38.300</b>
<b>Total Equity &amp; Liabilities</b>	<b>83.155</b>	<b>63.577</b>

## ASSETS:

- Completion of the strong 3/year Investment Plan of 25M eur
- EBRD Loan : 4,8M eur at 31/12/2022

## LIABILITIES:

Net Bank Debt  
 2022 18,1M eur  
 2021 10,3M eur

*Net Bank Debt / EBITDA ratio for 2022 is at 2,5*

## **WORKING CAPITAL**

31/12/2022 4,0M eur  
 31/12/2021 3,3M eur

# Statement of Cash Flows (€'000)

	2022	2021
Operating Activities	6.480	8.857
Investment Activities	-11.378	-8.966
Financing Activities	10.247	2.247
<b>Net Increase (Decrease) in cash &amp; cash equivalents</b>	<b>5.349</b>	<b>2.138</b>
Cash & cash equivalents at the beginning of the period	6.378	4.257
<b>Cash &amp; cash equivalents at the end of the period</b>	<b>11.727</b>	<b>6.395</b>

## Operating Cash Flow / EBITDA:

- 2022 : 0,9
- 2021 : 1,1

## Investment Activities:

- The investment plan for 2023 will remain at significantly lower levels compared to the previous years and at the range of 3M-4M eur
- 2022 includes the acquisition of the brand "ARKADI" at 2,3M eur

# Objectives & Future Opportunities 2023



## Turnover

The Company's target for 2023 is to continue the growth momentum across all four operational pillars while improving bottom line performance:

- **Own Brands:** growing this segment is a strategic priority and will be addressed through:
  - ▶ The full year integration of the brand ARKADI & the entrance in new categories through the acquired brand
  - ▶ Expansion of Product Portfolio
  - ▶ Strengthening our in-store presence
  - ▶ Strong Advertising Support
- **Hotel Amenities:**
  - ▶ Expected to be a key driver for growth
  - ▶ Continue building on our long-term established partnerships
  - ▶ Entrance in new markets through our own branded Hotel lines
- **3<sup>rd</sup> Party & Specialty Soap Bases:**
  - ▶ Continue growing through expansion of clientele & further increase of synthetic soap bases sales



# Objectives & Future Opportunities 2023



## Profitability

- Uncertainty in the worldwide macroeconomic environment regarding market conditions and related trends remains. Difficult to assess with certainty the evolution of the important factors affecting the Company's figures – material prices, energy, inflation, interest rates, ongoing war in Ukraine, etc.
  - However, during the first quarter of 2023, various input costs (raw and pack materials, energy, logistics costs, etc.) have a declining trend versus last year, remaining, however, high versus historical levels.
  - On the other hand, continuous increases in Euribor have a negative effect on financial costs
- ***Combination of the above has a positive effect on the Company's profitability and therefore, assuming above trends remain, profitability is expected to improve in 2023***



# Objectives & Future Opportunities 2023



## Investment Plan

In 2022, Papoutsanis completed the strong investment plan of the last three years amounting to approximately €25M with the aim of increasing productivity, producing new innovative products and expanding storage facilities, actions that will contribute to the reduction of operating costs.

At the end of this very important investment cycle, investment for 2023 is projected to remain significantly lower, at the range of 3M to 4M eur. In 2023 the Company focuses on further cost reduction and resource savings through the full exploitation of the latest investments in the plant and warehouses and optimization of internal operations.



# Thank you!

*Happy to answer to any questions  
you may have*

