

### A successfully orchestrated expansion plan

A Greek local company has managed in about 60 years to develop into a diversified Group boasting a strong international presence and a robust financial performance: Mr. Kyriakos Sarantis, the CEO of Sarantis Group, uncovers thoroughly the recipe of success. Additionally, he talks about the challenges of the current situation, gives his mark about the company's next moves and highlights the need of creating value for all.

*We face a wave of successive challenges worldwide. A destabilizing environment and uncertainty about the future prevails.*

*As the world struggled to cope with the pandemic's impacts, it was faced with a war in Europe and the biggest inflationary wave of the last decades, which affects costs - mainly in energy - and consumer habits. The world is changing rapidly while we face new challenges. And while we have had challenges in the past, it is the rapid emergence of new challenges that is causing the unprecedented disruption today.*

*In such a turbulent environment, business sustainability lies in the ability to deal effectively with crises and risks and adapt to changes.*

*Our company's history is a proof of such successful management of crises and adaptation to change. Since 1964 when the company was founded and two decades later when the next generation of the family took over the responsibility, the times we experienced at Sarantis Group were never easy. However, our concern has always been - and still remains - to protect the organization by developing the mechanisms and appropriate tools to effectively deal with risks, so that, even in difficult times and a challenging environment, we are able to continue implementing our strategy and to developing always committed to our purpose: to offer high-quality products that consumers love and trust in their everyday lives. Crises find us organized, focused on our core and value adding activities and markets and, most importantly, with strong cash flows, allowing us to finance our strategic plans.*

*The Group has managed to evolve from a Greek local company since its establishment about 60 years ago, into a multinational consumer products company, having strong international presence, through subsidiaries in 12 countries, leading brands and partnerships, as well a strong distribution network in over 50 countries through exports.*

*In the last decade we have managed to double our financial size, maintaining a healthy balance sheet and the ability to finance our development plan. Since 2010, when the economic crisis broke out in Greece, we have invested more than 150 million euros in both our organic growth as well as acquisitions. At the same time, we have doubled our sales at 410 million euro, and we have quadrupled our net profits to 40 million euros (2021). Behind this successful financial performance lies a resilient and agile business model and a well-orchestrated expansion plan which is the driver of Sarantis Group's development. The Group's strategy focuses on growth either organic or through acquisitions, further operational enhancement throughout our region, optimizing operating costs, economies of scale, synergies, and operating leverage. All the above key components are aligned with the Group's main objective which is the maintenance and further improvement of the Group's financial position focusing on Home Care, Personal Care and Beauty product categories. It is crucial for us, within a continuously challenging business environment, to remain committed to our long-term goals, pursuing further growth of sales, improvement in profit margins and the development of cash flows. Significant elements of this plan are on the one hand the deep product and market knowledge, as well as new product development initiatives, and on the one hand, the balanced distribution of resources and management of expenses that are aligned with our goals. At the same time, the management's ability to identify value adding acquisitions is a key ingredient for success. All our acquisitions are strategically selected, have the common characteristic of synergies and bring added value and further growth opportunities to the Group.*

*Over the years and after numerous acquisitions we have crystallized our strategy and we have a clear orientation to qualitative, financial and strategic criteria. The region, the market segment, as well as the brand's market presence (market shares, awareness) plays a decisive role. In addition, though their integration to the Group's portfolio, we aim to create synergies, provide added value and further enhance the Group's profitability. In the last two decades we have completed over 20 acquisitions, while in early 2023 we expect the completion of the acquisition of the home care products company Stella Pack in Poland. This is a characteristic example of successful creation of synergies in the Group's supply chain and its sustainable footprint overall, as – among others – the Group enhances its presence in the market of garbage bags from fully recycled raw materials. The investment in the new production unit of Polipak, one of the Group's subsidiary in Poland, has also been completed, while aiming to increase production capacity and maintain the highest level of quality and efficiency, the Group constantly invests in upgrading its factory facilities, renewing its machinery equipment and ensures that there is a modern automated distribution system in all countries where it has a presence.*

*Today the Group has, 4 factories, 1 in Oinofyta, 2 in Poland and 1 in Ukraine, that produce the majority of its own brands.*

*Investments are also made in the modernization of the supply chain as well as in clean energy. By installing photovoltaic systems with a capacity of 1MW, Oinofyta plant will cover approximately 50% of its energy needs. Lastly, we have recently completed a wide round of investments in Systems for Environmental Management and Occupational Health & Safety Management. We increase efficiency and we optimize costs by focusing on a more efficient operation and the creation of value, not only for shareholders but also, for our people, the local market, the environment, and consumers.*



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