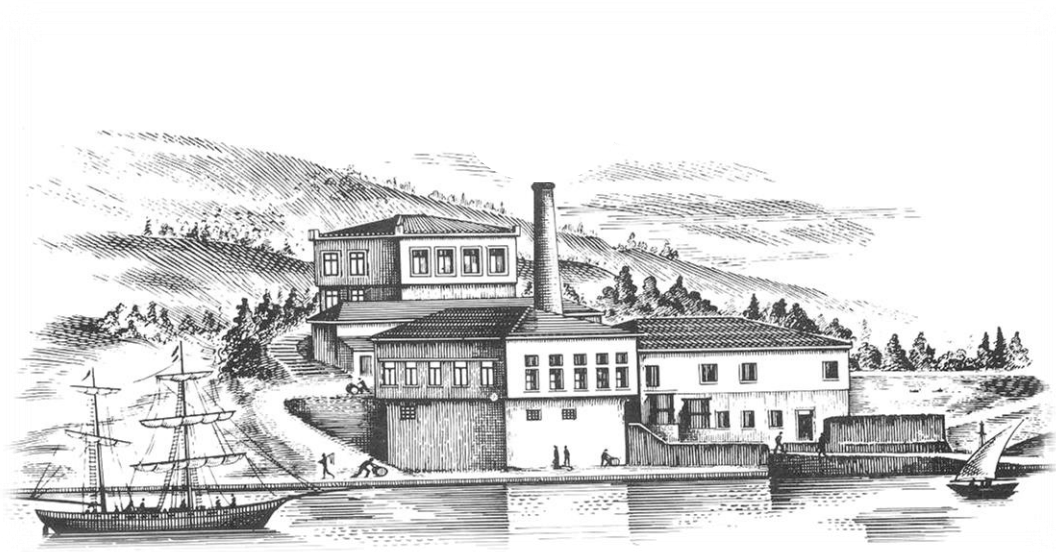




PAPOUTSANIS S.A.

CONDENSED FINANCIAL INFORMATION
For the period ended on
30th September 2024 (01.01.2024 – 30.09.2024)



Anonymous Industrial and Commercial Company of Consumer Goods
Register No. G.E.M.I. 121914222000
71st km. Athens-Lamia highway, Vathi Avlidos, Chalkida

Performance over the reporting period

Turnover amounted to EUR 49.6 million (compared to EUR 47.4 million in the corresponding period of 2023), an increase of 5%, with the value of exports representing 53% of total turnover.

Earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to EUR 8.1 million compared to EUR 6.7 million in the first nine months of 2023, an improvement of 21.3%.

Profit before tax amounted to EUR 4.8 million compared to EUR 3.6 million in the first nine months of 2023, an improvement of 32%.

Profit after tax amounted to EUR 3.9 million, an improvement of 41% (compared to EUR 2.8 million in the first nine months of 2023). The improvement in Profit after tax is also due to the reduced income tax because of the completion of investment programs that provide for tax exemptions.

The completion of the strong investment plan of the last years has created the necessary free capacity (approximately 50% on average), setting the right conditions for new partnerships. The Company is currently in negotiations with large multinationals and smaller companies for new projects that will further enhance turnover and profitability, and new projects have already been agreed with existing customers that will boost turnover in the coming year.

Additional data and information

Overview by Business Segment

Regarding the contribution of the four business segments to the overall figures, it is noted that 30% of the total revenue comes from sales of branded Papoutsanis products, 18% from sales to the hotel market, 36% from for third party products and 16% from industrial sales of special soap bases.

Branded Products: The category shows strong growth of 14% compared to Q3 2023, largely driven by the ARKADI brand, which with its entry into the new laundry care and dishwashing liquid categories is showing an 80% increase in sales. Excluding ARKADI, sales of PAPOUTSANIS' branded personal care products show a 2% increase compared to Q3 of 2023 driven mainly by exports, which recorded a 28% growth. Papoutsanis' branded products pillar is a strategic priority and is expected to be further strengthened in the last quarter of 2024 through enriching the product range, advertising support and strengthening our in-store presence.

Hotel Products: Hotel products sales declined 5% in the first nine months of 2024, driven by third-party hotel product sales overseas. Third-party overseas sales lagged the prior-year period due to one-off deliveries in early 2023, but improved significantly in Q3 2024. Sales of PAPOUTSANIS branded hotel products moved positively, showing sales growth of 10%, driven by exports, which grew at a strong double-digit rate in the first nine months of 2024 (+70%) compared to the same period last year, creating strong foundations for dynamic growth and strengthening the presence of PAPOUTSANIS brands abroad.

Third party products (industrial sales, private label): sales in this category remained at last year's levels during the nine-month period, showing a significant improvement during Q3 2024, with new partnerships paying off and reversing the downward trend of H1 2024.

Industrial soap sales: Soap bases sales increased 14% compared to Q3 2023. The Company's goal remains to continuously expand its customer base and further develop its synthetic soap bases.

Gross Profit

Gross profit amounted to EUR 18.6 million compared to EUR 15.6 million, an improvement of 19% thanks to the greater contribution of branded products in the retail and hotel market to total turnover. The gross profit margin reached 37.6% versus 33%.

Operating Expenses

Operating expenses (selling, administration, research and development) amounted to EUR 12.7 million compared to EUR 11 million in the first nine months of 2023, up 15%, mainly due to advertising, communication and promotion expenses for branded products, which show strong growth of 14%.

Operating flows

Operating cash flows were positive of EUR 2.2 million compared to negative operating cash flows of EUR 2 million in the corresponding period of 2023.

Net Debt

Net debt (borrowings less cash) amounted to EUR 22 million (compared to EUR 18.3 million at 31.12.2023).

Fixed assets

The depreciated value of fixed assets (property, plant and equipment) amounts to EUR 51.5 million as at 30.09.2024 compared to EUR 49.2 million as at 31.12.2023.

Financial structure

The total liabilities to equity ratio remained stable compared to 31.12.2023 and amounts to 1.5.

Working capital-Liquidity

Company's working capital (current assets less current liabilities) amounted to EUR 3.9 million compared to EUR 3.8 million as at 31 December 2023.

Business perspective

The external factors affecting the environment in which Papoutsanis operates remain volatile. In this context, the Company has developed strategies and tactics to further improve both profitability and turnover, such as:

- **Increased competitiveness and flexibility of our Ritsona plant**, as a result of the completion of our three-year investment plan, which ensures:
 - significant overcapacity (50% on average), allowing for new partnerships and limited investment for the next 2-3 years,
 - reduction of production costs thanks to technologically modern equipment that allows competitive prices to our customers and improved profitability,
 - a firm focus on sustainability-driven development through the installation of photovoltaic panels, which, in addition to the positive environmental footprint, will contribute to further improving production costs.
- **Expansion of the participation of Papoutsanis branded products - consumer and hotel products - in the Company's total turnover** with:
 - entering major new markets (home care) to increase the penetration and market share of our branded consumer products,
 - focus on innovation and sustainability with new proposals and solutions that give a competitive advantage to our branded ranges in Greece and abroad.
- **Inclusion of new important customers in the third-party production category while expanding our customer base**
- **Strengthening and empowering the Company's people**
 - Continuous training and development of human resources skills.
 - A flat and efficient organisational structure, allowing for speed and flexibility.
 - Attracting and retaining talent in strategic positions of the Company.
- **Ensuring economic vitality and sustainable growth on strong foundations and creating value for all stakeholders:**
 - restructuring and rationalisation of expenditure,
 - limiting borrowing by optimising the parameters affecting it (stocks, trade receivables, liabilities and investment control).

For the full year, further strengthening of turnover and profitability is estimated compared to 2023, as the positive effect of the new partnerships that started in 2024 is reflected and will be in full swing in the last quarter of the year.

By product category:

- The pillar of Papoutsanis branded products is a strategic priority and is expected to continue its dynamic double-digit growth and market share increase, through the enrichment of the product range, significant advertising support and the strengthening of its presence in stores, as well as

by entering new categories with ARKADI as the main vehicle. At the same time, exports of branded products are growing at a double-digit rate.

- The branded hotel products sector is expected to move positively for the full year 2024 mainly driven by significant export growth. Third-party hotel product production is expected to make up some of the shortfall seen in the first nine months.
- The third-party production category is expected to remain at the same level as last year, while sales of the soap bases category are estimated to follow the same upward trend for the whole of 2024. The Company's objective remains the continuous expansion of the customer base and further development of the product range.

Summary of the Interim Statement of Financial Position

ASSETS	30.09.2024	31.12.2023
Non-current assets		
Property plant & equipment	51.479.608	49.200.085
Investment Properties	226.707	226.707
Intangible assets	1.515.819	1.513.744
Goodwill	1.274.398	1.274.398
Financial assets measured at fair value through other comprehensive income	100.000	100.000
Derivative financial assets	0	300.112
Long-term receivables	58.904	54.521
	54.655.436	52.669.568
Current assets		
Inventories	10.455.328	9.484.003
Trade receivables	8.300.808	4.270.811
Other receivables	1.975.497	3.198.491
Cash and cash equivalents	3.825.125	5.703.004
	24.556.758	22.656.309
Total assets	79.212.194	75.325.876
EQUITY		
Equity attributable to equity holders of the Parent Company		
Share capital	14.633.241	14.633.241
Share premium	1.975.977	1.975.977
Own shares	(516.345)	(411.390)
Fair value reserves	1.551.930	1.551.930
Other reserves	2.085.719	1.765.623
Retained earnings	11.792.469	10.286.309
Total equity	31.522.992	29.801.690
Liabilities		
Long-term liabilities		
Long-term loans	20.522.651	20.181.006
Deferred Tax	4.739.529	4.533.493
Provisions for employee benefits	358.932	314.501
Asset Grants	1.419.038	1.608.799
	27.040.149	26.637.799
Current liabilities		
Suppliers	11.923.896	11.211.452
Other liabilities	2.866.909	3.085.126
Current income tax	503.846	702.453
Short-term loans	5.354.402	3.852.157
Provisions	0	35.200
	20.649.053	18.886.388
Total liabilities	47.689.203	45.524.187
Total Equity and Liabilities	79.212.194	75.325.876

Summary of the Interim Profit and Loss Account

	01.01.2024- 30.09.2024	01.01.2023- 30.09.2023
Sales	49.561.534	47.436.506
Cost of sales	(30.931.419)	(31.805.306)
Gross profit	18.630.115	15.631.200
Other receivables	696.658	573.477
Distribution expenses	(9.165.160)	(7.642.112)
Administrative expenses	(2.750.510)	(2.684.406)
Research & development costs	(736.436)	(651.877)
Other expenses	(340.991)	(255.333)
Financial costs (net)	(1.564.531)	(1.350.311)
Profit before tax	4.769.145	3.620.639
Deferred income tax	(206.037)	(220.858)
Current income tax	(642.482)	(615.679)
Net profit for the year (A)	3.920.626	2.784.102
Other comprehensive income		
Other comprehensive income after tax (B)	0	0
Aggregated total income after tax (A+B)	3.920.626	2.784.102
Profit/(loss) after tax per share	0,1447	0,1027
Earnings before tax, depreciation and amortization (EBITDA)	8.116.000	6.690.421

Summary of the Interim Cash Flow Statement

	01.01.2024- 30.09.2024	01.01.2023- 30.09.2023
<u>Operating activities</u>		
Profit before tax	4.769.145	3.620.639
Plus / (minus) adjustments for:	-	-
Depreciation	1.896.190	1.832.634
Provisions	44.431	32.289
Amortisation of grants	(113.866)	(113.163)
Investment income/expenditure	300.112	17.332
Financial costs - (net)	1.564.531	1.350.311
	8.460.544	6.740.043
Plus/ minus adjustments for changes in working capital accounts or related to operating activities:		
movements related to operating activities:		
Decrease / (increase) in receivables	(3.652.577)	(237.192)
Decrease / (increase) in inventories	(971.325)	1.268.464
(Decrease) / increase in liabilities (excluding banks)	(324.379)	(8.647.901)
Minus:		
Interest and similar charges paid	(1.285.160)	(1.183.677)
Total inflows / (outflows) from operating activities (a)	2.227.103	(2.060.264)
<u>Investment activities</u>		
Purchase of tangible and intangible fixed assets	(3.777.788)	(3.664.650)
Proceeds from the sale of tangible and intangible fixed assets	-	1.315
Total inflows / (outflows) from investing activities (b)	(3.777.788)	(3.663.335)
<u>Financial activities</u>		
Purchase of own shares	(104.954)	(61.310)
Reserve for share-based payments	-	-
Receipts from issued / assumed loans	16.500.000	4.000.000
Receipt of government grant	28.242	467.521
Loan repayments	(14.654.531)	(5.827.099)
Repayments / (Drawdowns) of liabilities from finance leases (principal repayments)	(1.579)	(148.758)
Dividends/Interim Dividends Paid	(2.094.370)	(539.624)
Total inflows/(outflows) from financing activities(c)	(327.193)	(2.109.271)
Net increase / (decrease) in cash and cash equivalents for the period (a)+(b)+(c)	(1.877.879)	(7.832.869)
Cash and cash equivalents at the beginning of the period	5.703.004	11.727.234
Cash and cash equivalents at the end of the period	3.825.125	3.894.364