



the art of authentic greek flavor

COMPANY PRESENTATION

September 2019



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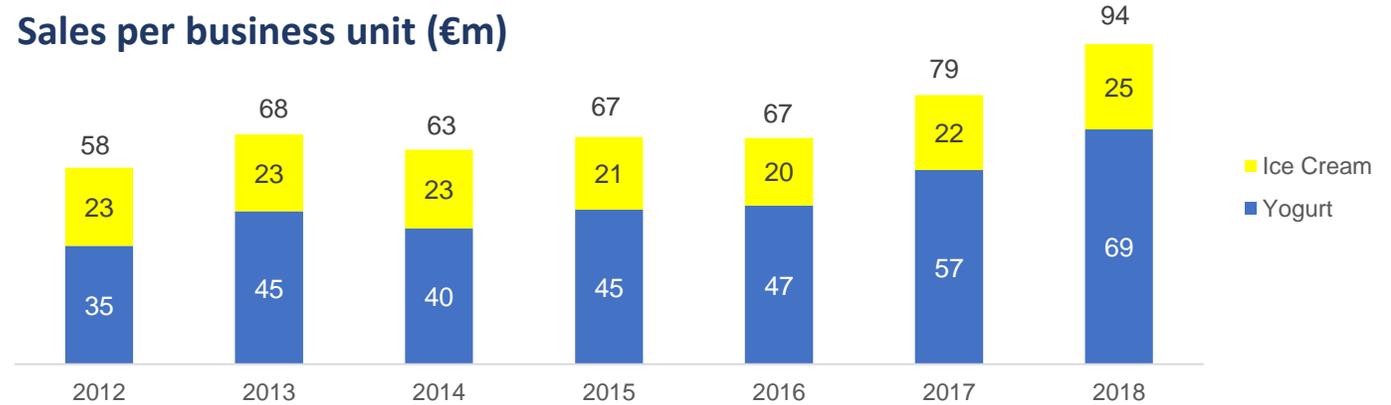


KRI KRI at a glance

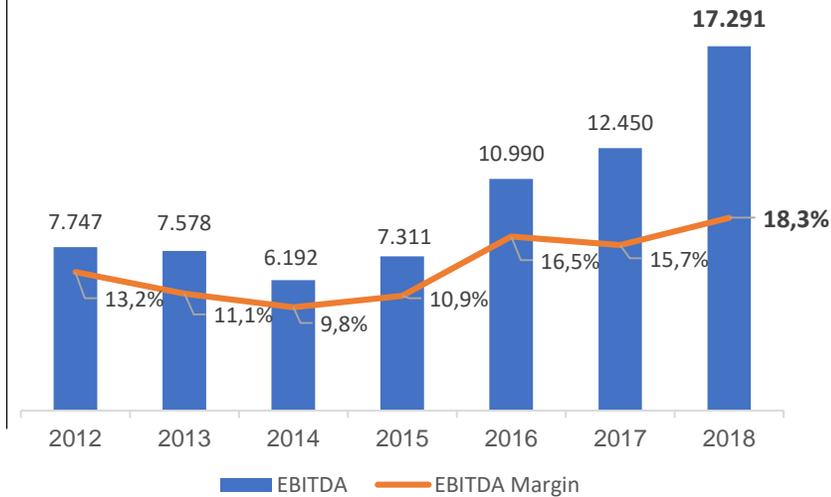
Basic Figures

	FY 2018	Δ 2019H1
Turnover	€ 94 m.	+13%
Exports	€ 34 m.	+33%
EBITDA	€ 17 m.	+4%
Profit Before Tax	€ 14 m.	+3%
Total Assets	€ 90 m.	
No. of Employees	380	

Sales per business unit (€m)



EBITDA (€'000s.) & EBITDA Margin



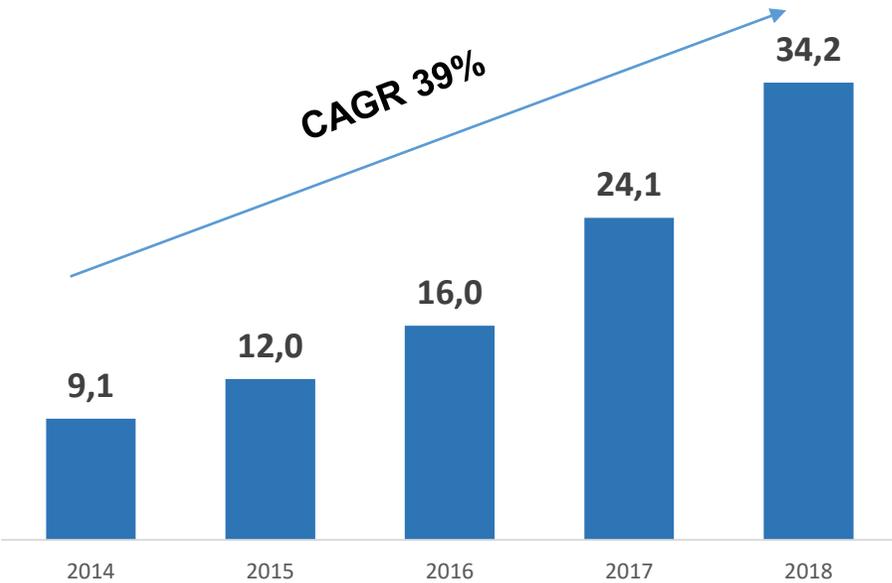
Financial Position Indicators

	Operating cash flows (€m)	Liquidity	Gearing	Net Debt (€m)
2018	16,2	2,8	14%	0
2017	8,0	2,3	17%	0,3
2016	8,5	2,8	17%	2,2
2015	7,9	1,8	21%	5,7
2014	1,6	1,5	16%	6,1

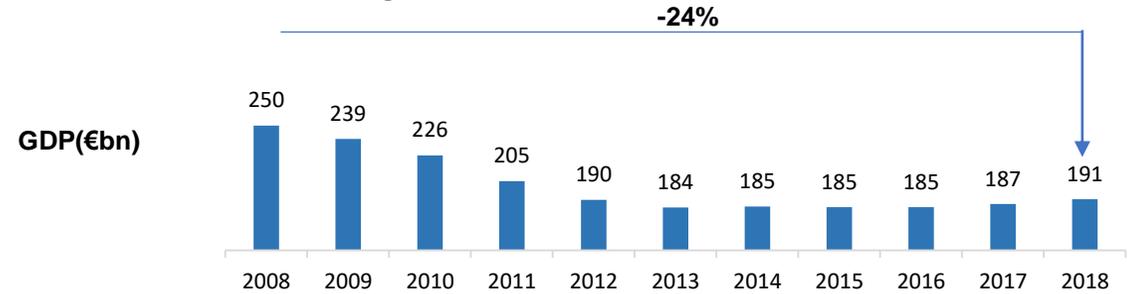
KRI KRI at a glance

Achievements

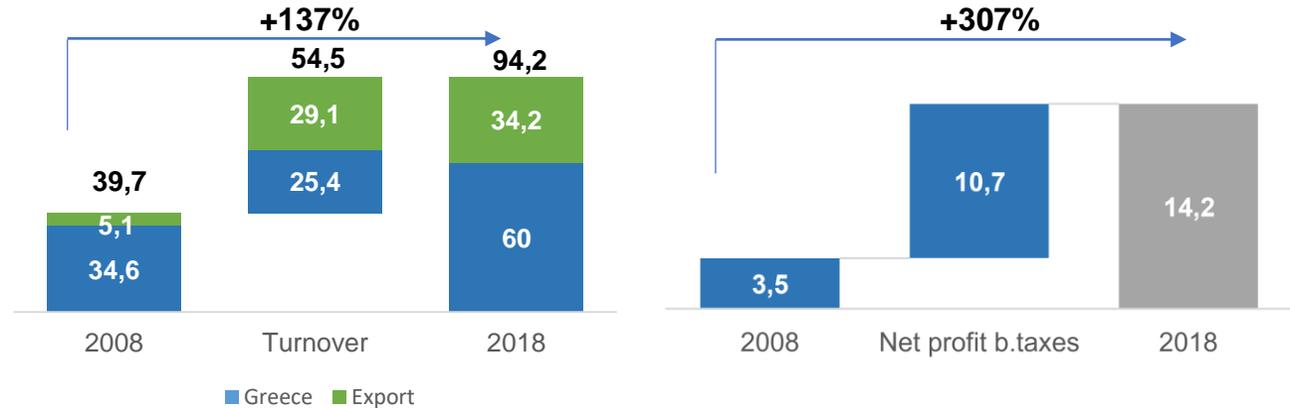
✓ Exports Growth



✓ Performance during Greek crisis



Kri Kri Turnover & Profit before Taxes Performance (€m)



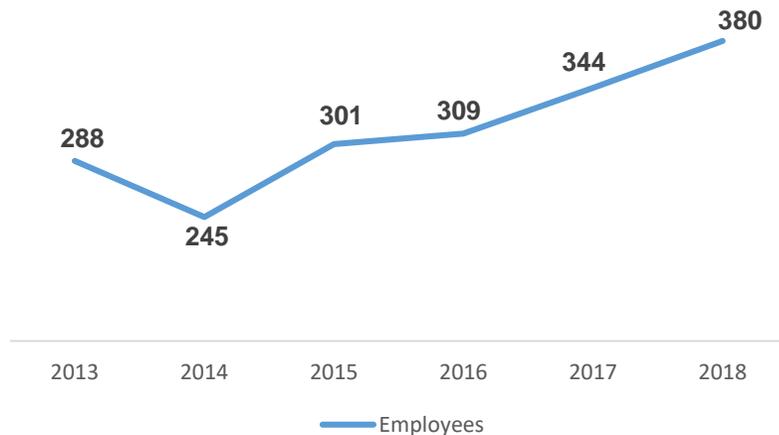
Source: Company data (IFRS), Bank of Greece

KRI KRI at a glance

Our people... Make a Difference!

An **experienced** and **effective** management team

Number of employees



Employee Satisfaction Survey 2018

- **96%** «I feel that the Administration is capable of running the company»
- **95%** «I feel like I'm actually contributing to the company»
- **94%** «There is equal treatment for all»
- **90%** «I would like to continue to work here for a long time»

KRI KRI at a glance

Basic Segments (€m)



Yogurt Greece		Ice Cream Greece			
	2018	1H2019 trend			
Sales:	39,1	+7,4%	Sales:	20,7	-5,6%
EBIT:	5,1	-6,1%	EBIT:	3,0	-10,0%

Yogurt Exports		Ice Cream Exports			
	2018	1H2019 trend			
Sales:	29,8	+35,8%	Sales:	4,4	+17,6%
EBIT:	5,6	+25,6%	EBIT:	0,2	+57,6%

Strategic Choices/ Yogurt Greece

2018: €39,1m
 Δ 19H1: +7,4%

Market size in retail prices

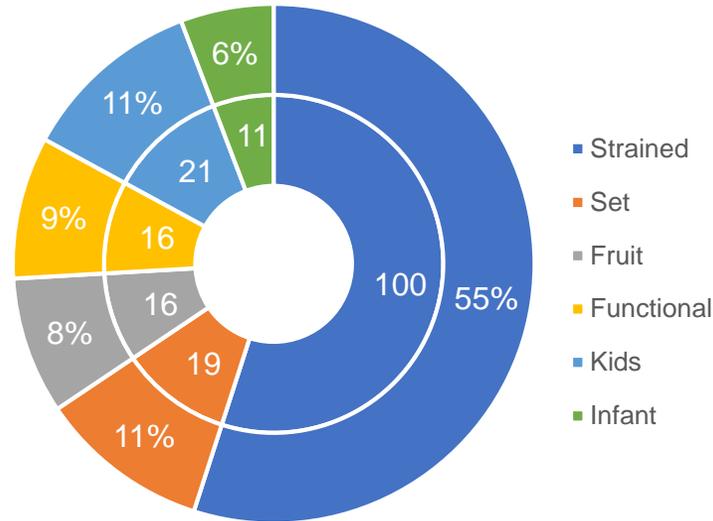


Market trend -0.3%

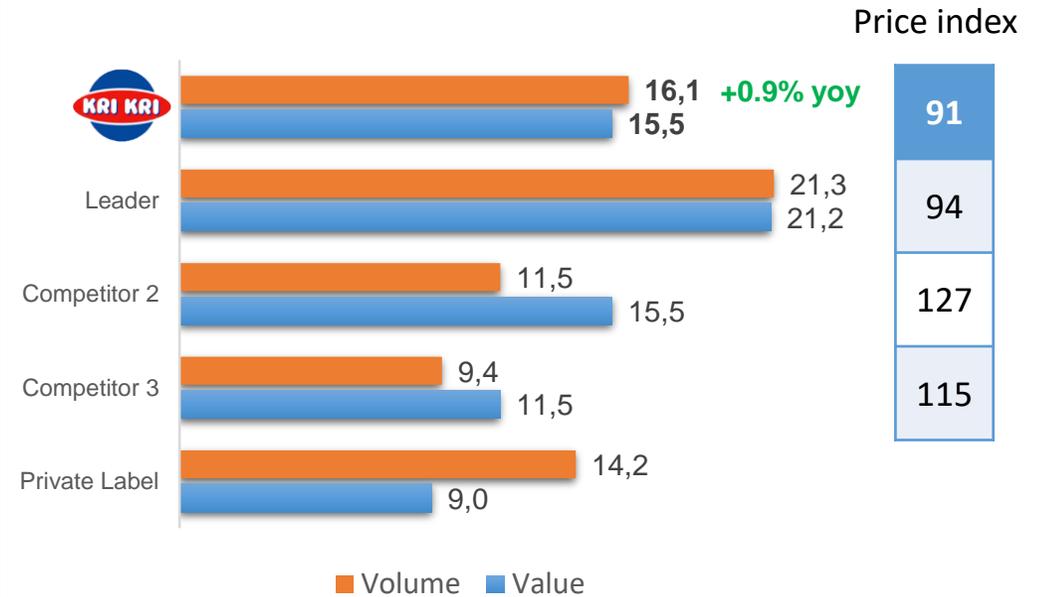


Volume +1,9%

Market share per Category (% ,€m)



Market Share per Supplier (Share >10%)



Kri Kri: **2nd Place** in Greece



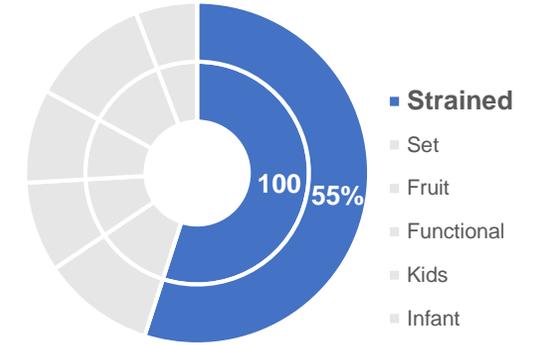
Strategic Choices/ Yogurt Greece

2018: €39,1m
 Δ 19H1: +7,4%

Branded products strategy

- Aiming for the **top positions**

- Focus on **Strained Category**



Evolution of Kri Kri Market Share (vol.)

Year	Market Share
2013	12,9
2014	9,7
2015	13,0
2016	14,2
2017	14,2
2018	15,2
8M2019	16,1

+3,2

Improving quality by constantly investing in new technology



Marketing-Promotion



Branded products strategy

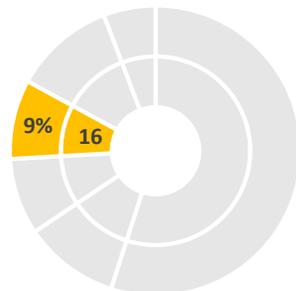
Innovation

- ✓ High protein and super foods

Opportunity: Expanding to new subcategories of Functional



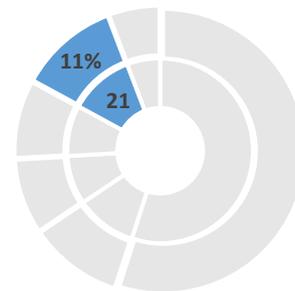
Η ΔΥΝΑΜΗ ΣΟΥ ΣΕ ΜΙΑ ΚΟΥΤΑΛΙΑ



- Strained
- Set
- Fruit
- Functional
- Kids
- Infant

Leader in kids yogurt category

(Market Share 37,3% in Volume)



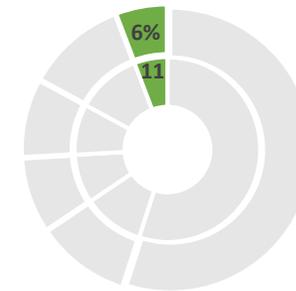
- Strained
- Set
- Fruit
- Functional
- Kids
- Infant

Entering the Infant Yogurt Category

New Product:

Kri Kri Babies-My first Yogurt

- ✓ Specially designed for infants from 6 months of age
- ✓ According to the instructions of the Ministry of Health and with the scientific guidance of the Hellenic College of Pediatrics



- Strained
- Set
- Fruit
- Functional
- Kids
- Infant

Strategic Choices/ Yogurt Greece

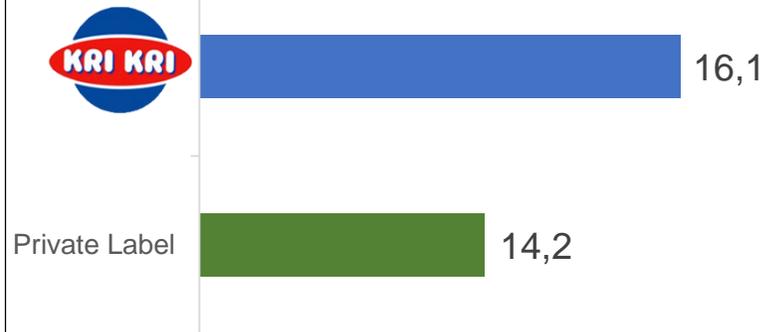
2018: €39,1m
Δ 19H1: +7,4%

Private label products strategy

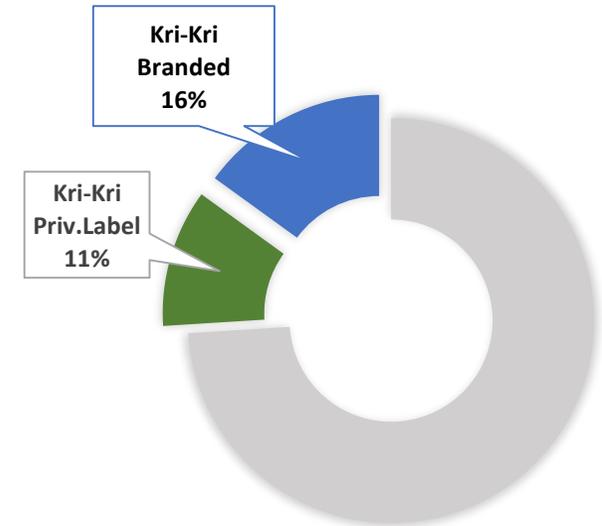
Indicative Customers in Greece



KRI KRI produces 70-80% of all Private Label yogurt products in Greece



Total Share of "Mouth" >25%



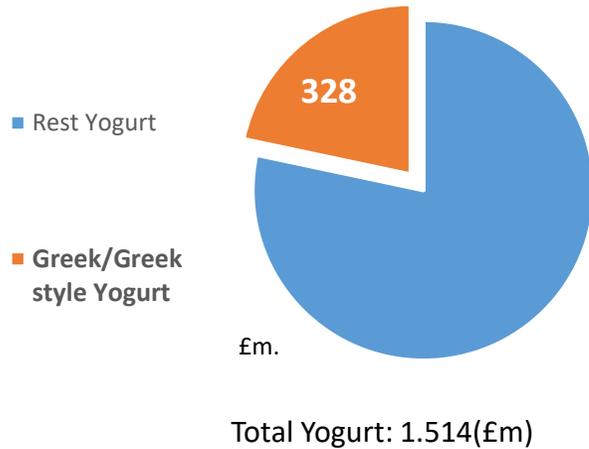
1 in 4 Greeks consume yogurt produced by Kri-Kri



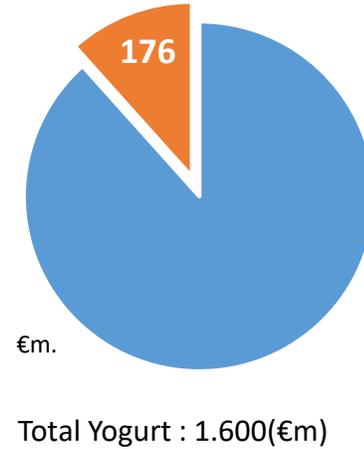
Strategic Choices/ Yogurt Exports

2018: €29,8m
Δ 19H1: +35,8%

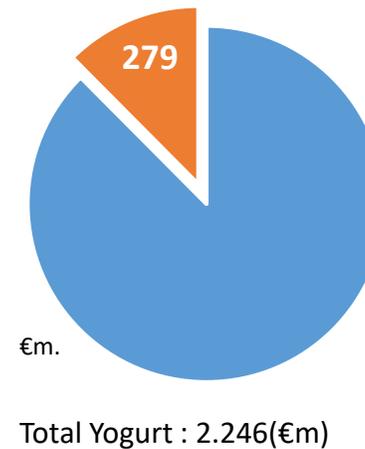
United Kingdom



Italy



Germany



Strategic Choices/ Yogurt Exports

2018: €29,8m
Δ 19H1: +35,8%

Private label products strategy

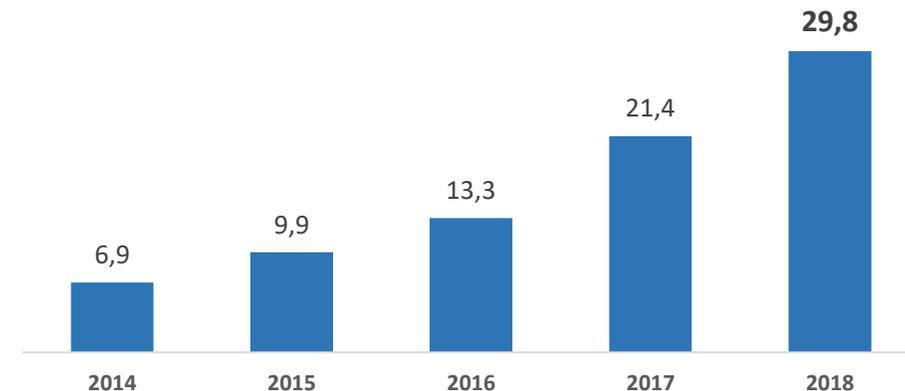
- Private label products capture a big share of consumers wallet in Europe.
- It offers a strategic way to enter markets of interest with lower entry cost and build relationships.



Opportunities

- Expanding PL products portfolio
- Placing branded products to existing customers

Sales of Yogurt Exports
2014-2018(€m.)



Strategy per Country

UK

- Expanding PL products portfolio
- Placing branded products to existing customers

H1 results: >30% Growth



Central Europe

- Maintaining position in Germany
- Increasing PL products sales in Belgium and France

H1 results: -6% Decline

Italy

- Further penetration to PL products
- Differentiation to Branded products

H1 results: >85% Rapid Growth from penetrating market with PL products



New Markets

- Strengthen our position in Ireland
- Penetration in Scandinavian countries

H1 results: >80% Growth

Strategic Choices/ Ice cream Greece

2018: €20,7m
Δ 19H1: -5,6%

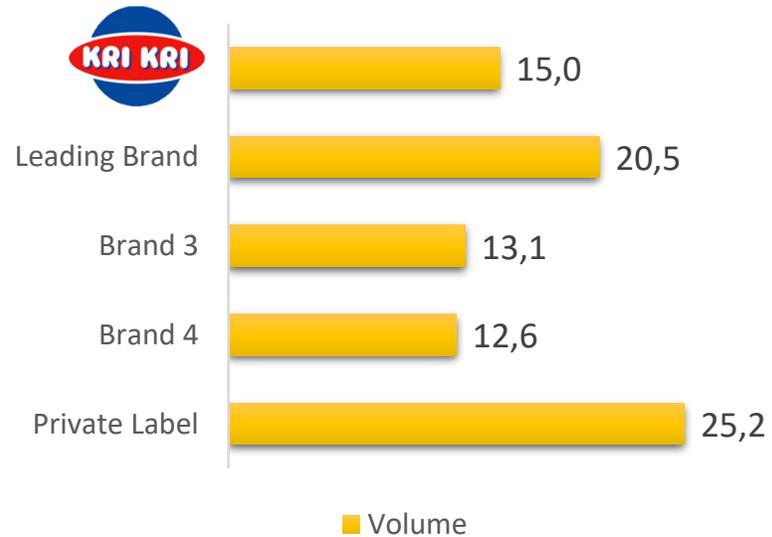
Market size in retail prices



Market trend -6.3%



Market Share per Brand



Source: Nielsen (Jul 2019)



Strategic Choices/ Ice cream Greece

2018: €20,7m
Δ 19H1: -5,6%

Branded products strategy



- ✓ The only Greek ice cream company with nationwide sales network
- ✓ Expand distribution network with 950(+7%) extra points of sale
- ✓ Increased market share
- ✓ Maintain high profitability
- ✓ Collaboration with well-known Greek Companies

- ✓ Private label products for Greek S/M

Strategic Choices/ Ice cream Exports

2018: €4,4m
Δ 19H1: +17,6%

Private label products strategy

Global Market size	\$ 58 bn
European Market Size	\$ 18 bn
European market Size Private label	\$ 10 bn

Source: Statista (2018), Company estimates

Looking for **opportunities** for Private Label products in European Market



Target market

Won a contract with **ALDI-UK**

Branded products strategy

Distribution Network building in countries with proximity:

- Cyprus
- Albania
- North Macedonia
- Iraq

Total point of sales ex.: 5,000



Risk of Brexit

Absolutely **ready** on technical level

Base case scenario: **No import duties**

- Non-tariff barriers adding 2.5-4% to import costs
 - Sterling value to fall by 10%
- = **Increase in total cost by 12.5-14%**

50% of extra cost is absorbed
throughout supply chain

- Producer
- Wholesaler
- Retailer

Decline in our profit margin 4-6%

Increase in retail prices by 5-6%
Elasticity of demand is estimated -0.7

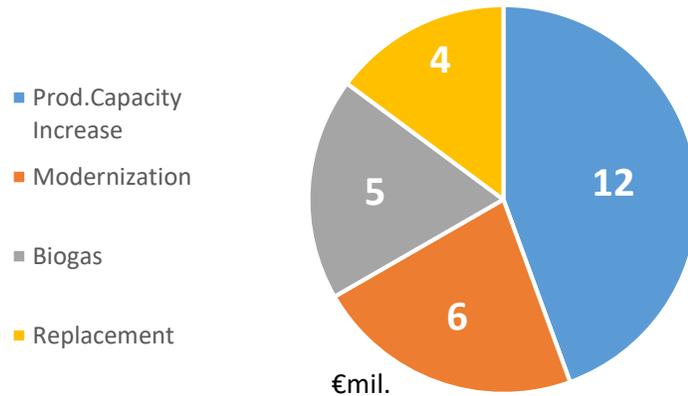
Slight decline in comparative sales

Facilities & CapEx

- Modern production facilities in buildings E=25.000m²
- Capability of further development in land E= 72.000 m²



Three-year Investment Plan (2019-2021)



Total:€27mil

Investments totaling €28m. have been included in the investment law to subsidize 35% of the amount as a tax exemption.

Hints for H1 2019 Financial Results

Yogurt Greece / Decline in margin

- Competitive pressure
- Allowance for bad debts
- Launching costs for entering infant yogurt category

Yogurt Export / Decline in margin

- Competitive pressure in UK
- Higher production cost caused by increased complexity

Ice cream Greece / Decline in sales

- Adverse weather conditions mid March-mid May

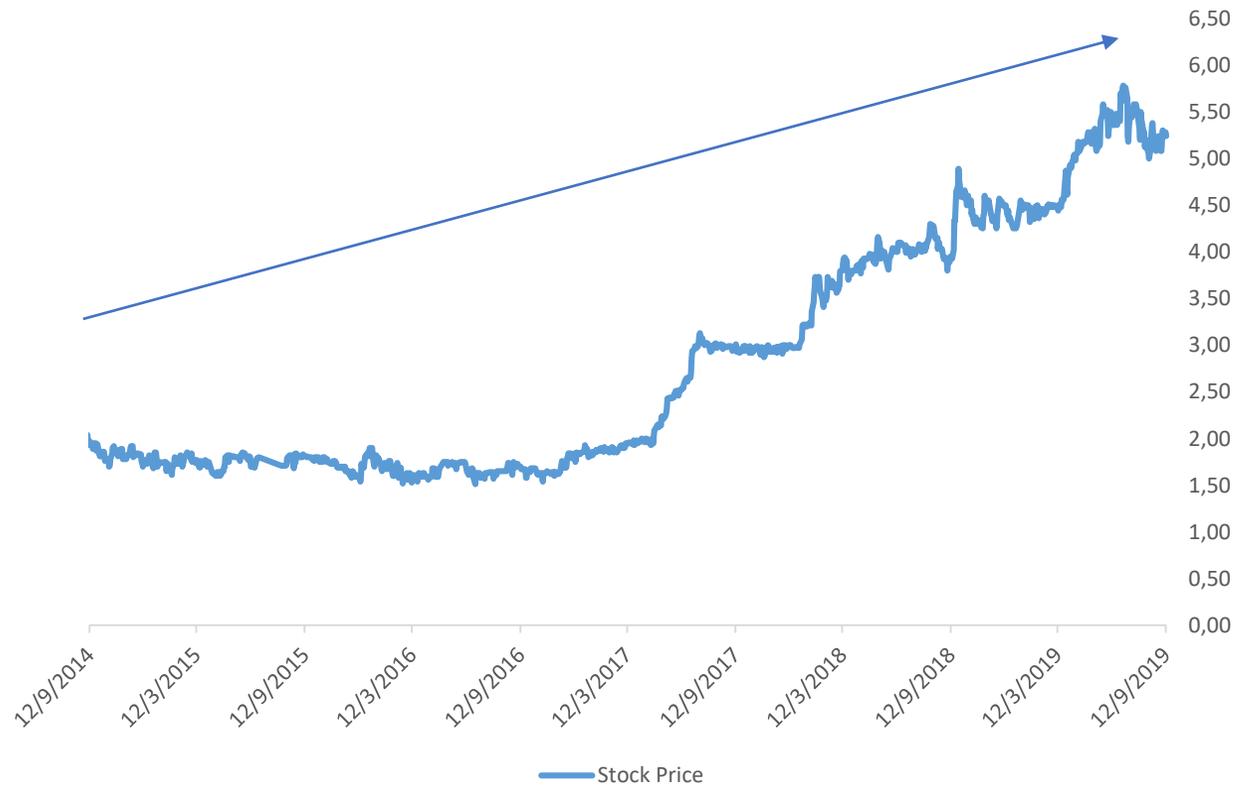
Ice cream Export / High Growth

- New PL contracts

KRI KRI Share Information

Share Performance

Stock price 5y Performance +165%
(as per 12/9/2019)



	2012	2013	2014*	2015	2016	2017	2018
Total stockholder return	3,9%	34,4%	-8,0%	5,9%	6,2%	59,0%	44,7%
Dividend yield	3,9%	3,0%	0,0%	3,2%	4,7%	3,0%	3,5%
Share price increase (decrease)	0%	31,4%	-8,0%	2,7%	1,6%	56,0%	41,2%
P/E on net profit	9	13	17	16	10	14	14

*Το 2014 η κανονική λειτουργία είχε επηρεαστεί από την φωτιά στις 24/12/2013

** Stock added to Athens Stock Exchange FTSE/Mid Cap Index on 18.6.2018*

KRI KRI Share Information

Share information

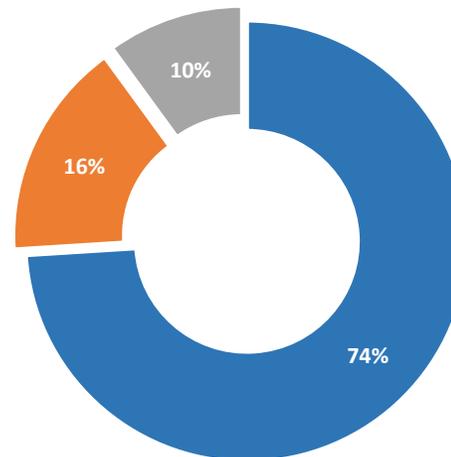
Market: Main market
Sector: Food & Beverage

Ticker symbols:
Athens Stock Exchange: KPI
Reuters: KRIr.AT
Bloomberg: KRI GA
ISIN code: GRS469003024

No of shares: 33,065,136

Shareholders' structure

Tsinavos Family : 74%
Legal Entities : 16%
Individuals : 10%



Contact information

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— Investment Proposal Summary

Investment

- ✓ One of the few listed companies globally with clear **exposure to the Greek Yogurt investment theme.**
- ✓ **High returns and dividend payments to shareholders.**

Management

- ✓ **An experienced and loyal management team** that has led KRI KRI from a local company to a major player in Greece and a reliable business partner in Europe and Emerging Markets.

Strategy

- ✓ Well positioned to take advantage of the **enormous growth potential in Yogurt and Ice Cream markets.**
- ✓ A **brand new, highly effective and automated yogurt production line** that has easy access to considerable supplies of raw milk

Performance

- ✓ **Profitable growth**, even during the Greek crisis and recession, supported by a sound financial position.

KRI KRI / Appendix 1

Key Financial figures

IFRS - €m	2018	2017	2016
Sales	94.23	79,2	66,6
Gross Profit	36.66	28,4	25,7
EBITDA	17.29	12,4	11,0
EBIT	14.48	9,9	8,9
Profit before taxes	14.24	9,9	8,2
Net Profit	10.12	7,3	6,2

Margins	2018	2017	2016
Gross Profit	38.9%	35,9%	38,7%
EBITDA	18.3%	15,7%	16,5%
EBIT	15.4%	12,5%	13,3%
Profit before taxes	15.1%	12,5%	12,3%
Net Profit	10.7%	9,3%	9,4%

KRI KRI / Appendix 2

H1 2019 Financial Results

IFRS - €m	H1 2019	H1 2018	H1 2017
Sales	57.4	51.0	41.2
Gross Profit	22.4	21.4	16.3
EBITDA	12.2	11.7	8.2
EBIT	10.6	10.3	6.9
Profit before taxes	10.5	10.2	6.8
Net Profit	7.6	7.4	4.9

Margins	H1 2019	H1 2018	H1 2017
Gross Profit	39.0%	42.0%	39.5%
EBITDA	21.3%	23.0%	19.9%
EBIT	18.5%	20.2%	16.9%
Profit before taxes	18.3%	19.9%	16.5%
Net Profit	13.3%	14.4%	11.9%

KRI KRI / Appendix 3

H1 2019 - Operating result per Segment

IFRS - €m	Sales	YoY%	Gross Profit	Gross Margin	Δ Gross Margin (bps)	EBIT	EBIT Margin	Δ EBIT Margin (bps)
Yogurt Total	41,0	19,1%	14.2	34.7%	-299	7.1	17.3%	-179
Greece	21,8	7,4%	8.3	38.1%	-217	3.5	15.9%	-227
Exports	19,2	35,8%	5.9	30.9%	-316	3.6	19.0%	-155
Ice-Cream Total	16,2	-1,5%	8.3	51.1%	-97	3.4	21.0%	-52
Greece	12,8	-5,6%	7.2	56.2%	-136	2.9	22.6%	-110
Exports	3,4	17,6%	1.1	31.4%	+567	0.5	14.8%	+375
Rest	0,2	76,2%	-0.9	-42.0%		0.1	58.5%	
Company Total	57,4	12,6%	22.4	39.0%	-299	10.6	18.5%	-168

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