

# Kofola

## Financial Performance in 2019

Kofola announced a net profit of CZK 284 mil in 2019, up 308% when compared to the last year. Sales increased 4.06% yoy to CZK 6,409 mil, EBITDA rose 2.04% to CZK 1,106 mil and net margin amounted to 4.44%. Kofola stock appreciated 3.58% in 2019 to CZK 280 per share and the stock traded at 12-month trailing PE of 21.9 and EV/EBITDA of 7.74x at the end of 2019.

- ✓ Sales increased 4.06% yoy to CZK 6,409 mil in 2019. That's compared to average growth of -2.89% in the last three years and 3.73% when compared to the average annual decrease in the last decade.
- ✓ EBITDA amounted to CZK 1,106 mil and grew 2.04% when compared to last year. EBITDA margin reached 17.3%, up 2.33 pp when compared to 5-year average.
- ✓ Company's indebtedness rose when measured by Net Debt/Equity and reached 176% at the end of the year. When compared to EBITDA, net debt rose to 2.40x.
- ✓ Kofola netted CZK 284 mil to its shareholders in the last year, up 129% when compared to the average seen in the last five years. The company produced a return on capital of 5.97% and return on equity of 19.0% in the last year.
- ✓ Kofola stock traded at CZK 280 per share at the end of 2019 implying a market capitalization of USD 262 mil and enterprise value of USD 379 mil. This puts the stock at the 12-month trailing price to earnings of 21.9x and EV/EBITDA of 7.74x as of the end of 2019. Over the last five years, the stock price has increased by 2.36% a year on average and the firm generated its shareholders an average return on equity of 5.83%.

<b>Sector:</b>	Food & Drink
<b>Country:</b>	Czech Republic
<b>Share Price:</b>	CZK 280
<b>Market Capitalization:</b>	USD 262 mil
<b>Shares Outstanding:</b>	22.3 mil
<b>Enterprise Value:</b>	USD 379 mil
<b>Net Debt:</b>	CZK 2,658 mil
<b>Net Debt / Equity:</b>	176%
<b>EBITDA Margin:</b>	17.3%
<b>Net Margin:</b>	4.44%

KEY FIGURES									
	SALES	EBITDA	NET PROFIT	EPS	EPS GROWTH	PER	EV/EBITDA	ROCE	DEBT/EBITDA
	CZK mil	CZK mil	CZK mil	CZK	%			%	
2019	6,409	1,106	284	12.8	-308	21.9	7.74	5.97	2.40
2018	6,159	1,084	-137	-6.14	-186	-44.0	7.57	-2.97	2.24
2017	6,963	857	159	7.12	84.0	54.0	14.5	3.55	2.77
2016	6,999	980	86.4	3.87	-62.5	84.2	9.92	1.96	1.72
2015	7,157	961	228	10.3	9.67	42.2	12.2	5.55	1.33

Source: Company Data, Helgi Analytics, Valuation multiples calculated based on historical prices

Data tells a story



## 1 Company Overview

Kofola, a.s. is a Czech Republic-based producer of non-alcoholic beverages in the Czech Republic and Slovakia. Its products include carbonated and non-carbonated drinks, fruit beverages, grape drinks, children's beverages, spring water, nectars and juices, lemon squashes, and sports drinks. The Company's products are distributed to Hungary, Slovenia, Croatia, Poland and the Czech Republic. Kofola, a.s. was formerly known as Santa Nápoje Krnov, a.s. The Company was founded in 1993 and is headquartered in Krnov, Czech Republic with an additional office in Poland. Kofola, a.s. operates as a subsidiary of Kofola CS a.s.

Kofola has been growing its sales by 0.432% a year on average in the last 5 years. EBITDA has grown on average by 3.76% a year during that time to total of CZK 1,106 mil in 2019, or 17.3% of sales. That's compared to 14.9% average margin seen in last five years.

The company netted CZK 284 mil in 2019 implying ROE of 19.0% and ROCE of 5.97%. Again, the average figures were 5.83% and 2.81%, respectively when looking at the previous 5 years.

Kofola's net debt amounted to CZK 2,658 mil at the end of 2019, or 176% of equity. When compared to EBITDA, net debt was 2.40x, up when compared to average of 2.09x seen in the last 5 years.

Kofola stock traded at CZK 280 per share at the end of 2019 resulting in a market capitalization of USD 262 mil. Over the previous five years, stock price grew by 12.4% or 2.36% a year on average. The closing price put stock at a 12-month trailing EV/EBITDA of 7.74x and price to earnings (PE) of 21.9x as of 2019.

FINANCIALS		2012	2013	2014	2015	2016	2017	2018	2019
Sales	CZK mil	6,148	6,292	6,273	7,157	6,999	6,963	6,159	6,409
EBITDA	CZK mil	791	801	920	961	980	857	1,084	1,106
Net Profit	CZK mil	174	-766	246	228	86.4	159	-137	284
Total Assets	CZK mil	7,730	5,885	6,044	8,491	8,020	6,579	6,563	6,916
Working Capital	CZK mil	-113	-40.4	-417	-738	-456	-297	365	420
Net Debt	CZK mil	1,577	1,319	885	1,277	1,689	2,376	2,430	2,658
Equity	CZK mil	3,300	2,550	2,670	2,859	2,739	1,974	1,475	1,514

RATIOS		2012	2013	2014	2015	2016	2017	2018	2019
ROE	%	5.43	-26.2	9.42	8.23	3.09	6.74	-7.93	19.0
ROCE	%	3.52	-17.4	6.18	5.55	1.96	3.55	-2.97	5.97
EBITDA Margin	%	12.9	12.7	14.7	13.4	14.0	12.3	17.6	17.3
Net Margin	%	2.83	-12.2	3.92	3.18	1.23	2.28	-2.22	4.44
Net Debt/EBITDA		1.99	1.65	0.962	1.33	1.72	2.77	2.24	2.40
Net Debt/Equity	%	47.8	51.7	33.1	44.7	61.6	120	165	176

VALUATION		2012	2013	2014	2015	2016	2017	2018	2019
Market Capitalisation	USD mil	239	318	284	439	319	418	267	262
EV/EBITDA		7.95	9.40	7.51	12.2	9.92	14.5	7.57	7.74
Price/Earnings (P/E)		26.1	-8.24	26.5	42.2	84.2	54.0	-44.0	21.9
EV/Sales		1.02	1.20	1.10	1.64	1.39	1.79	1.33	1.33

Source: Company Data, Helgi Analytics

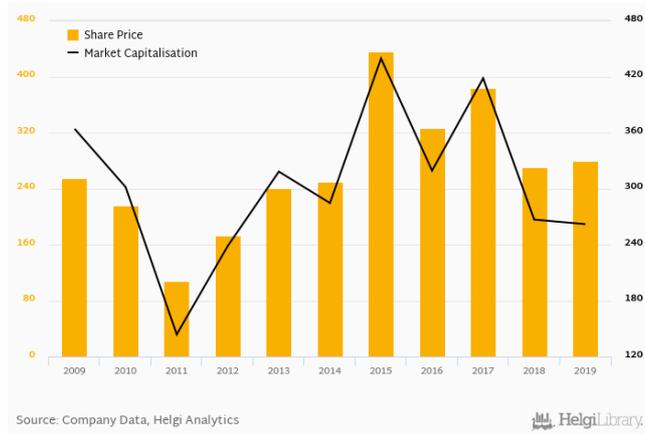


## 2 Valuation

Kofola stock traded at CZK 280 per share at the end of 2019 translating into a market capitalization of USD 262 mil. Over the previous year, the stock appreciated by 3.58%. Over the previous three years, stock price declined by 14.1% or 4.93% a year on average. That's compared to an average ROE of 5.94% the company generated for its shareholders:

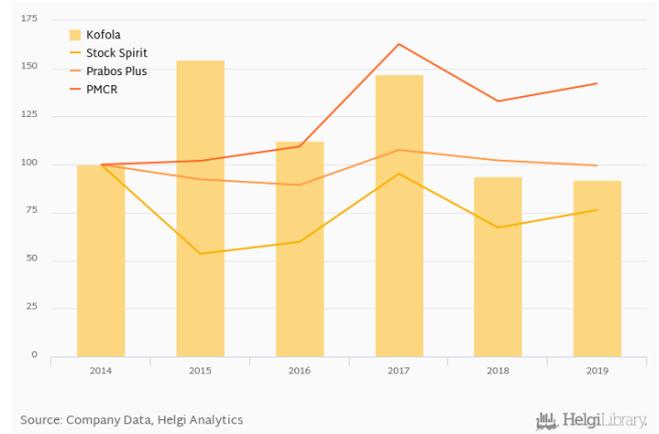
### Stock Price & Market Capitalization

Share Price (CZK) & Market Capitalisation (USD mil)



### Market Capitalization Peers Comparison

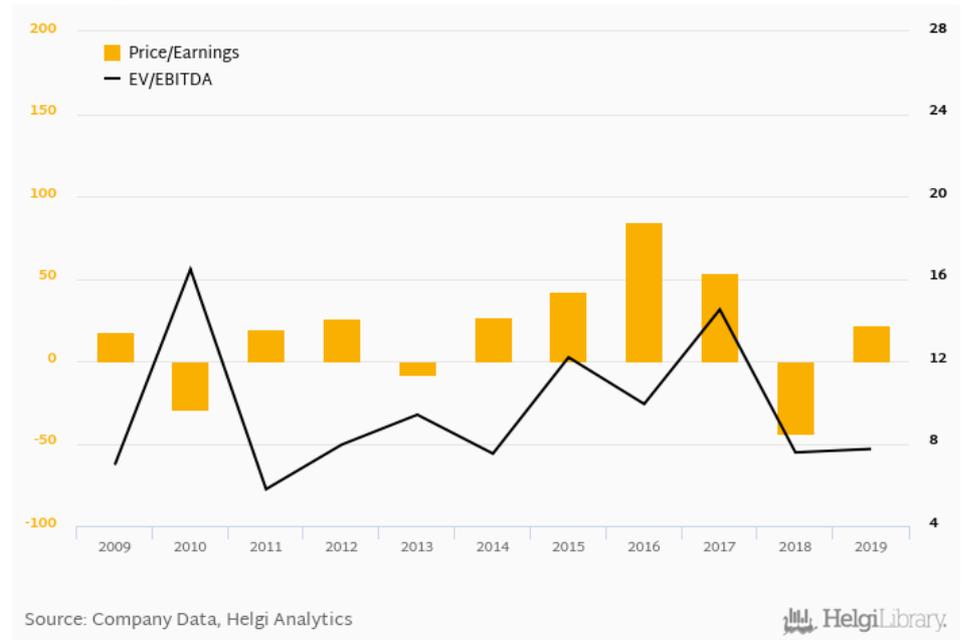
Market Capitalization (Rebased to 100)



The last price puts the company at the 12-month trailing price to earnings (PE) of 21.9x and enterprise value to EBITDA (EV/EBITDA) of 7.74x as of the end of 2019.

### Price to Earnings & EV/EBITDA

Price/Earnings & EV/EBITDA





Within the last five years, the PE multiple reached a high of 84.2x in 2016 and a low of -44.0x in 2018 with an average of 31.7x.

PE MULTIPLE COMPARISON											
NAME	COUNTRY	Mkt Cap (USD mil)	2011	2012	2013	2014	2015	2016	2017	2018	2019
Vienna Insurance Group	Austria	...	9.64	11.6	19.8	12.9	...	9.47	11.1	...	...
Avast	Czechia	6,047	...	...	...	...	...	...	...	11.4	18.9
O2 Czech Republic	Czechia	3,206	4.52	4.86	5.15	5.75	11.5	15.3	15.0	13.3	12.9
Philip Morris Czech Republic	Czechia	1,848	13.6	12.0	13.0	13.2	12.8	13.2	12.9	10.1	10.4
MONETA Money Bank	Czechia	1,832	...	...	...	...	...	10.1	10.7	8.82	10.8
Central European Media Enterprises	Czechia	1,149	-2.41	-0.888	-1.69	-1.93	-2.99	-1.99	46.3	6.93	14.2
Stock Spirits Group	Czechia	580	...	...	73.0	17.5	19.3	15.2	53.2	32.6	18.3
PFNonwovens	Czechia	271	12.3	8.63	146	7.53	9.87	18.6	32.4	222	333
Prabos Plus	Czechia	18.2	...	...	...	-80.0	124	17.8	9.85	16.9	15.5
Kofola	Czechia	262	19.6	26.1	-8.24	26.5	42.2	84.2	54.0	-44.0	21.9
Weighted Average			7.60	8.92	18.9	10.9	13.9	14.2	18.0	16.3	20.9
Median			11.0	10.1	13.0	10.2	12.8	15.2	15.0	11.4	15.5

Source: Company Data, Helgi Analytics

In terms of EV/EBITDA, Kofola was trading at 7.74 at the end of 2019. Over the last five years, the multiple reached a high of 14.5x in 2017 and a low of 7.57x in 2018 with an average of 10.4x.

EV/EBITDA MULTIPLE COMPARISON											
NAME	COUNTRY	Mkt Cap (USD mil)	2011	2012	2013	2014	2015	2016	2017	2018	2019
CEZ	Czechia	12,048	5.75	6.15	5.56	6.67	5.16	5.89	7.57	6.50	6.27
Avast	Czechia	6,047	...	...	...	...	...	...	...	11.7	15.2
O2 Czech Republic	Czechia	3,206	4.94	5.42	4.93	4.70	6.78	7.98	9.70	7.55	6.87
Philip Morris Czech Republic	Czechia	1,848	7.12	7.15	7.36	7.09	6.85	6.89	8.65	5.93	6.04
Central European Media Enterprises	Czechia	1,149	12.8	-4.13	-11.8	10.5	6.41	3.02	3.56	6.38	7.29
Stock Spirits Group	Czechia	580	...	...	12.5	10.2	7.75	9.37	12.5	7.85	10.4
PFNonwovens	Czechia	271	7.37	8.27	9.78	6.75	8.84	8.89	11.4	8.54	9.02
Prabos Plus	Czechia	18.2	...	...	...	157	48.3	12.5	7.90	9.03	9.40
Kofola	Czechia	262	5.78	7.95	9.40	7.51	12.2	9.92	14.5	7.57	7.74
Weighted Average			5.77	5.91	5.53	6.75	6.04	6.61	8.33	7.45	8.64
Median			6.45	6.65	7.36	7.30	7.30	8.44	9.17	7.57	7.74

#### KOFOLA'S PREMIUM/DISCOUNT TO:

Weighted Average	0.253%	34.4%	70.0%	11.3%	102%	50.1%	74.1%	1.57%	-10.5%
Median	-10.3%	19.5%	27.8%	2.90%	66.9%	17.6%	58.1%	0	0

Source: Company Data, Helgi Analytics

The detailed comparison of Kofola's valuation multiples with its peers could be seen below:



VALUATION MULTIPLES		MKT CAP	ROE			PE			EV/EBITDA		
NAME	COUNTRY	(USD mil)	2017	2018	2019	2017	2018	2019	2017	2018	2019
Vienna Insurance Group	Austria	...	6.33	...	...	11.1	...	...	...	...	...
Avast	Czechia	6,047	-5.83	36.1	24.6	...	11.4	18.9	...	11.7	15.2
O2 Czech Republic	Czechia	3,206	33.9	35.5	37.2	15.0	13.3	12.9	9.70	7.55	6.87
Philip Morris Czech Republic	Czechia	1,848	40.7	41.0	41.8	12.9	10.1	10.4	8.65	5.93	6.04
MONETA Money Bank	Czechia	1,832	14.8	16.5	16.2	10.7	8.82	10.8	...	...	...
Central European Media Enterprises	Czechia	1,149	19.7	40.4	21.5	46.3	6.93	14.2	3.56	6.38	7.29
Stock Spirits Group	Czechia	580	3.22	3.86	7.94	53.2	32.6	18.3	12.5	7.85	10.4
PFNonwovens	Czechia	271	5.25	17.9	9.02	32.4	222	333	11.4	8.54	9.02
Prabos Plus	Czechia	18.2	45.1	21.6	22.1	9.85	16.9	15.5	7.90	9.03	9.40
Kofola	Czechia	262	6.74	-7.93	19.0	54.0	-44.0	21.9	14.5	7.57	7.74
Weighted Average			20.9	31.3	27.1	18.0	16.3	20.9	9.48	8.63	10.8
Median			10.8	21.6	21.5	15.0	11.4	15.5	9.70	7.71	8.38

Source: Company Data, Helgi Analytics



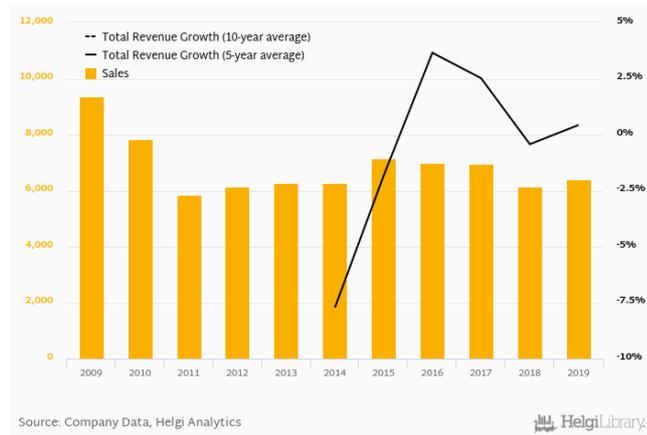
### 3 Sales, Production & Margins

#### 3.1 Sales & Production

Kofola reached total sales of CZK 6,409 mil in 2019, up 4.06% when compared to the previous year. In the last five years sales have increased by 2.18%, or 0.432% a year.

##### Sales Momentum

Sales (CZK mil) vs. Revenue Growth (%)



#### 3.2 Margins

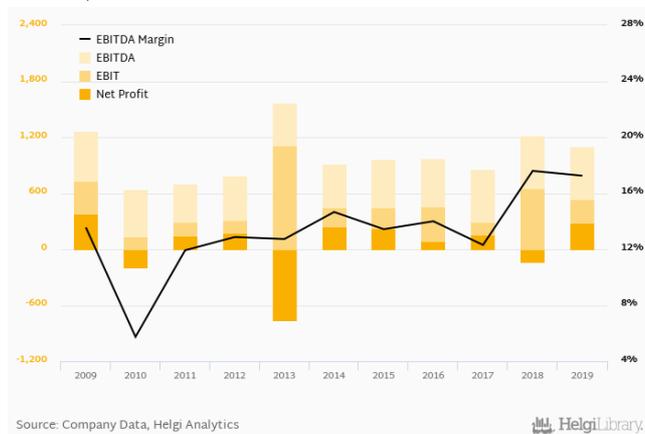
The company made a net profit of CZK 284 mil under revenues of CZK 6,409 mil in 2019, what translates into a net margin of 4.44%.

Between 2009 and 2019, the net margin has reached a high of 4.44% in 2019 and a low of -12.2% in 2013 with an average at 0.350% seen in the last decade.

On the operating level, the company produced EBITDA of CZK 1,106 mil, up 2.04% yoy. Over the last five years, company's EBITDA has grown 3.76% a year on average.

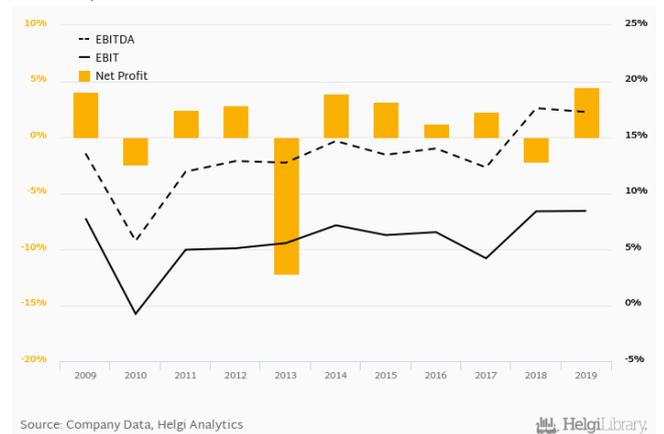
##### From EBITDA to Net Profit

Net Profit, EBIT & EBITDA (CZK mil)



##### Profit Margins

Net Profit, EBIT & EBITDA as % of Sales





When compared to a few selected peers, Kofola has been operating with 50.7% lower EBITDA margin in 2019 than the weighted average of the group.

EBITDA MARGIN COMPARISON										
NAME	COUNTRY	2011	2012	2013	2014	2015	2016	2017	2018	2019
CEZ	Czechia	43.3	41.1	35.6	33.3	33.3	30.4	29.6	28.6	29.5
O2 Czech Republic	Czechia	41.5	39.0	37.9	40.7	29.7	27.3	27.8	28.0	30.9
Philip Morris Czech Republic	Czechia	29.7	26.8	24.9	23.6	32.8	35.3	39.4	38.8	33.4
Avast	Czechia	68.7	68.7	65.1	63.3	64.9	35.2	42.3	48.5	52.2
Central European Media Enterprises	Czechia	14.1	-48.8	-18.4	17.8	31.6	75.4	74.6	31.8	34.2
Stock Spirits Group	Czechia	16.6	38.7	16.7	22.1	20.1	19.7	20.5	21.0	16.5
PFNonwovens	Czechia	21.7	20.3	19.4	20.5	19.3	22.6	20.2	20.8	18.6
Prabos Plus	Czechia	3.98	2.18	-10.9	1.34	3.85	11.3	19.2	12.6	12.6
Kofola	Czechia	11.9	12.9	12.7	14.7	13.4	14.0	12.3	17.6	17.3
Weighted Average		42.3	40.0	35.1	33.8	32.9	30.3	29.7	28.8	29.6
Median		21.7	26.8	19.4	22.1	29.7	27.3	27.8	28.0	29.5

KOFOLA'S PREMIUM/DISCOUNT TO:										
Weighted Average		-71.8%	-67.8%	-63.8%	-56.6%	-59.2%	-53.8%	-58.6%	-38.9%	-41.8%
Median		-45.1%	-52.0%	-34.2%	-33.6%	-54.8%	-48.7%	-55.7%	-37.1%	-41.5%

Source: Company Data, Helgi Analytics



## 4 Indebtedness & Investments

### 4.1 Balance Sheet & Indebtedness

Kofola's total assets reached CZK 6,916 mil at 2019, up 5.38% when compared to the previous year. Current assets amounted to CZK 2,522 mil, or 36.5% of total assets while cash reached CZK 774 mil at the end of 2019.

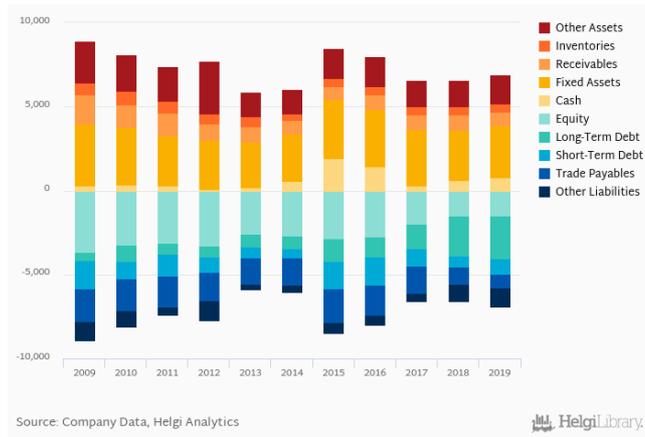
On the other hand, total debt reached CZK 3,433 mil at the end of 2019, or 49.6% of total assets while firm's equity amounted to CZK 1,514 mil. As a result, net debt reached CZK 2,658 mil in 2019 and accounted for 176% of equity.

Historically, between 2009 and 2019, the firm's net debt to equity reached a high of 176% in 2019 and a low of 33.1% in 2014.

When compared to EBITDA, net debt amounted to 2.40x at the end of 2019. The ratio reached a high of 3.59x in 2010 and a low of 0.962x in 2014 in the period of 2009 - 2019.

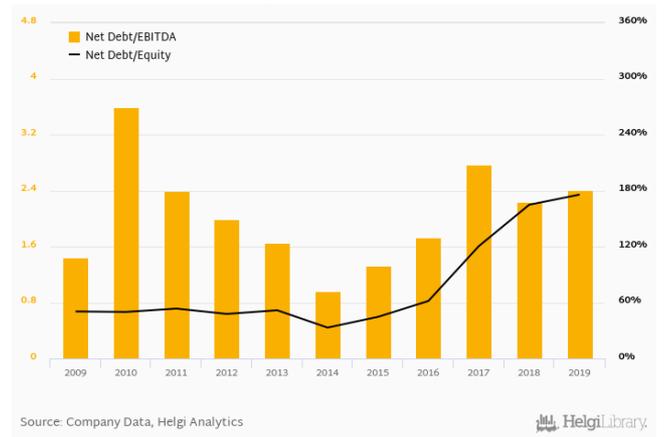
#### Balance Sheet

Assets and their Funding (CZK mil)



#### Indebtedness

Net Debt/EBITDA & Net Debt/Equity





When compared to the selected peers, Kofola has been operating with 0.882 pp higher indebtedness measured by Net Debt/EBITDA at the end of 2019:

NET DEBT/EBITDA COMPARISON										
NAME	COUNTRY	2011	2012	2013	2014	2015	2016	2017	2018	2019
CEZ	Czechia	1.74	1.84	2.04	2.26	1.92	2.25	2.35	1.17	1.71
O2 Czech Republic	Czechia	-0.179	< -0.001	-0.048	0.244	0.091	0.276	0.609	0.751	1.06
Philip Morris Czech Republic	Czechia	-1.63	-1.50	-1.64	-1.36	-2.09	-2.00	-1.51	-1.02	-1.09
Avast	Czechia	-1.25	-1.05	-0.738	5.22	0.748	11.0	5.82	2.86	1.92
Central European Media Enterprises	Czechia	9.34	-2.87	-7.39	6.95	4.50	2.19	2.15	3.24	2.45
Stock Spirits Group	Czechia	6.55	0.228	0.702	1.20	1.08	1.16	0.984	0.525	0.815
PFNonwovens	Czechia	3.31	3.30	3.82	3.01	3.70	3.45	4.37	3.50	4.02
Prabos Plus	Czechia	3.08	7.89	-1.85	21.4	6.45	1.48	0.555	-0.091	0.887
Kofola	Czechia	2.39	1.99	1.65	0.962	1.33	1.72	2.77	2.24	2.40
Weighted Average		1.46	1.55	1.69	2.00	1.74	2.08	2.19	1.12	1.63
Median		2.39	0.228	-0.048	2.26	1.33	1.72	2.15	1.17	1.71

KOFOLA'S PREMIUM/DISCOUNT TO:										
Weighted Average		63.3%	28.3%	-2.60%	-51.9%	-23.8%	-17.3%	26.6%	100%	47.7%
Median		0	774%	3,535%	-57.4%	0	0	29.0%	92.4%	40.2%

Source: Company Data, Helgi Analytics

## 4.2 Cash Flow & Investments

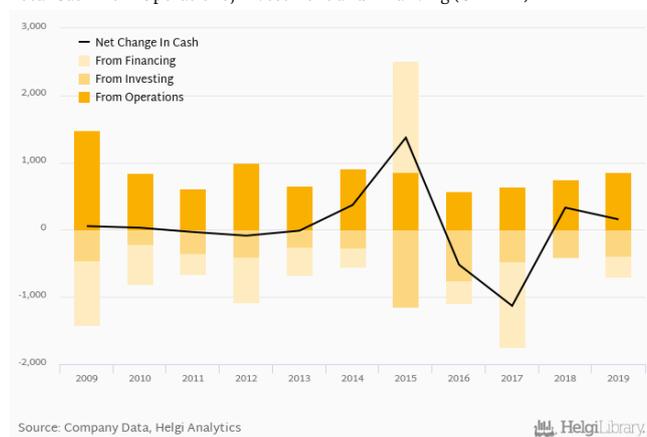
Kofola's operating cash flow reached CZK 854 mil in 2019, up 13.9% when compared to the previous year. Historically, between 2009 and 2019, the firm's operating cash flow reached a high of CZK 1,478 mil in 2009 and a low of CZK 579 mil in 2016.

Kofola's total investments reached CZK -392 mil and accounted for 7.07% of sales in 2019. This is compared to 5.91% seen on average in the last five years.

Since cash from financing amounted to CZK -303 mil, net cash the company generated in 2019 reached CZK 774 mil.

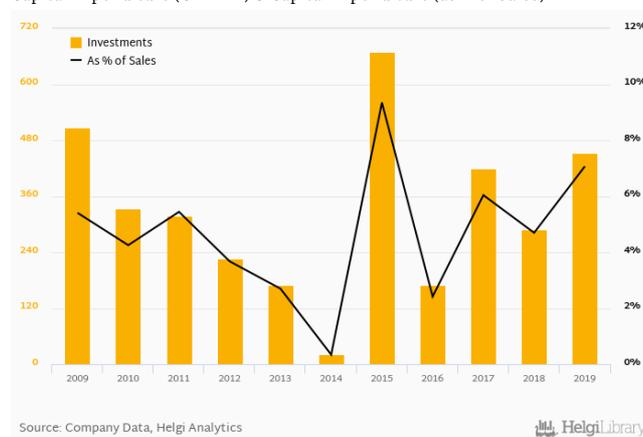
### Cash Flow

Total Cash from Operations, Investment and Financing (CZK mil)



### How Much Does Kofola Invests?

Capital Expenditure (CZK mil) & Capital Expenditure (as % of Sales)





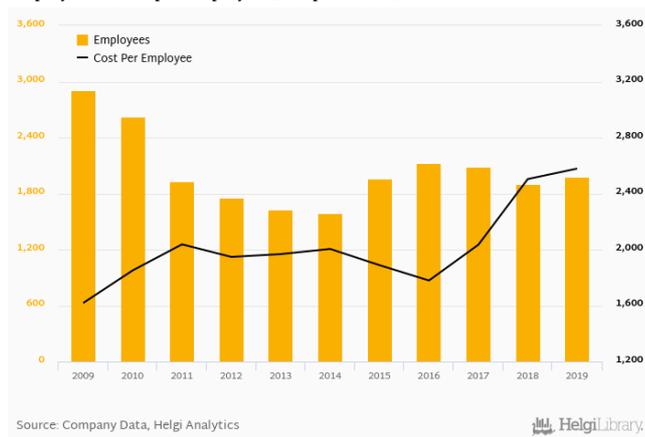
### 4.3 Workforce

Kofola employed 1,978 persons in 2019, up up 4 when compared to the previous year. Historically, between 2009 and 2019, the firm's workforce hit a high of 2,903 in 2009 and a low of 1,587 in 2014.

Average cost reached CZK 58,124 per month per employee, 6.12% more than a year ago. This figure was CZK 30,842 per month some 10 years ago:

#### Workforce

Employees & Cost per Employee (USD per month)



When compared to selected peers, cost per employee at Kofola was 12.2% lower.

COST PER EMPLOYEE										
NAME	COUNTRY	2011	2012	2013	2014	2015	2016	2017	2018	2019
Erste Group Bank	Austria	5,337	4,949	5,407	5,093	4,614	4,444	4,685	5,212	...
Vienna Insurance Group	Austria	2,704	2,525	2,856	2,724	2,465	2,285	...	...	...
MONETA Money Bank	Czechia	3,247	3,021	3,198	2,471	2,543	2,400	2,632	2,845	2,734
O2 Czech Republic	Czechia	3,990	3,964	3,940	3,069	4,289	2,697	2,904	3,102	3,289
Philip Morris Czech Republic	Czechia	4,703	4,078	3,673	3,565	3,318	3,182	2,928	3,446	3,792
Avast	Czechia	6,364	5,813	5,835	5,848	6,902	4,800	9,113	9,725	9,222
Stock Spirits Group	Czechia	3,456	3,770	4,443	3,897	3,701	3,553	3,806	4,065	3,948
PFNonwovens	Czechia	2,332	2,005	1,962	2,027	2,242	1,955	2,342	2,180	1,971
Prabos Plus	Czechia	1,130	1,011	904	831	764	903	1,111	1,208	1,380
Kofola	Czechia	2,037	1,947	1,968	2,004	1,888	1,779	2,034	2,504	2,578
Weighted Average		4,233	3,975	4,211	3,693	3,621	3,347	3,632	4,024	2,937
Median		3,351	3,395	3,436	2,897	2,930	2,549	2,904	3,102	3,012

Source: Company Data, Helgi Analytics



## 5 Profitability

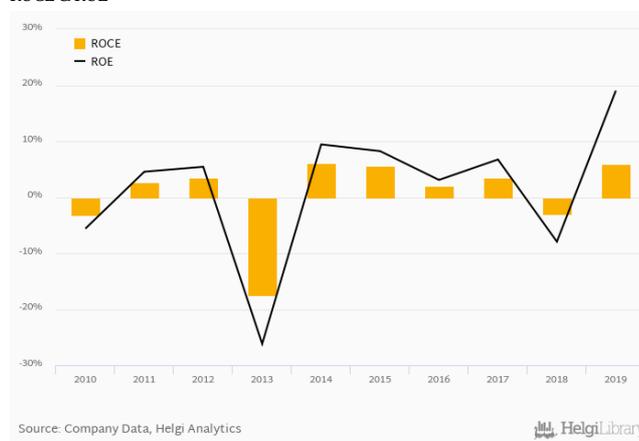
Kofola made a net profit of CZK 284 mil in 2019, up 308% when compared to the previous year. Historically, between 2009 and 2019, company's net profit reached a high of CZK 381 mil in 2009 and a low of CZK -766 mil in 2013

The profit implies the company generated a return on equity of 19.0% and return on invested capital of 5.97% in 2019. That is compared to 5.83% and 2.81% average seen in the last five years.

Since 2014, net profit of the firm increased by 15.6% or 2.95% a year on average.

### Profitability

ROCE & ROE



When compared to its peers, Kofola’s profitability is 5.17 pp below average when measured by the ROCE:

ROCE COMPARISON										
NAME	COUNTRY	2011	2012	2013	2014	2015	2016	2017	2018	2019
CEZ	Czechia	8.59	8.21	6.97	4.36	4.01	2.78	3.71	2.07	2.84
O2 Czech Republic	Czechia	11.9	10.0	9.19	6.58	16.3	24.5	24.2	21.7	19.8
Philip Morris Czech Republic	Czechia	45.6	42.0	35.1	41.0	57.6	59.0	68.2	64.2	59.1
Avast	Czechia	656	750	656	7.96	6.23	1.38	-1.33	9.38	9.65
Central European Media Enterprises	Czechia	-7.62	-29.1	-19.1	-17.7	-9.70	-16.5	4.35	13.0	10.2
Stock Spirits Group	Czechia	2.95	4.63	1.57	6.08	3.29	5.04	2.04	2.59	5.49
PFNonwovens	Czechia	5.69	7.75	0.494	9.01	7.72	4.17	2.39	8.69	4.80
Prabos Plus	Czechia	1.72	-2.54	-19.3	-4.24	2.25	15.2	25.5	13.8	12.9
<b>Kofola</b>	<b>Czechia</b>	<b>2.65</b>	<b>3.52</b>	<b>-17.4</b>	<b>6.18</b>	<b>5.55</b>	<b>1.96</b>	<b>3.55</b>	<b>-2.97</b>	<b>5.97</b>
Weighted Average		9.85	9.18	7.86	5.19	5.79	5.04	6.20	4.28	5.04
Median		5.69	7.75	1.57	6.18	5.55	4.17	3.71	9.38	9.65

Source: Company Data, Helgi Analytics

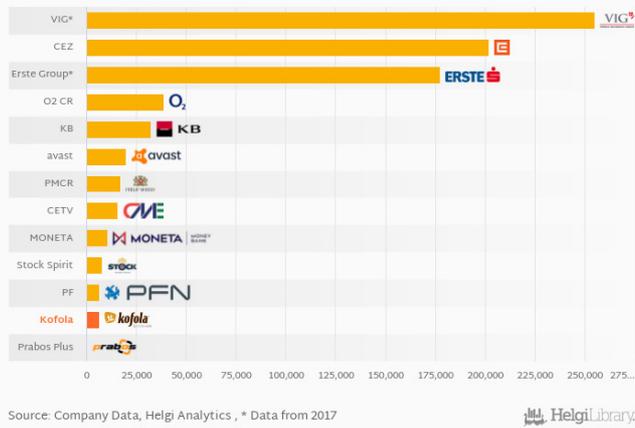


## 6 Relative Performance Compared to Peers

Based on last available data, following charts demonstrate Kofola's relative performance when compared to selected peers:

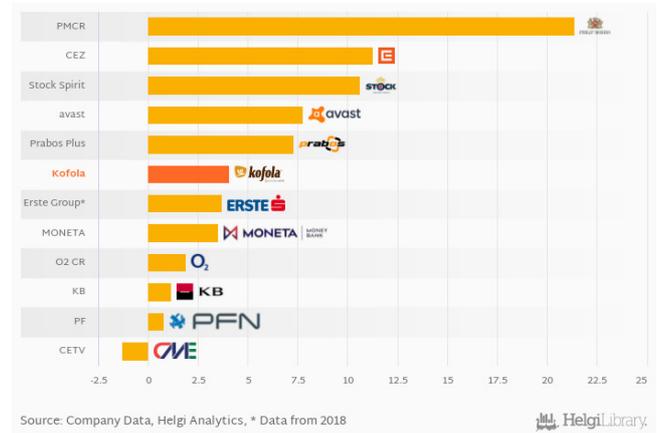
### Who Was the Largest by Sales?

Top Companies by Sales (CZK mil), 2019



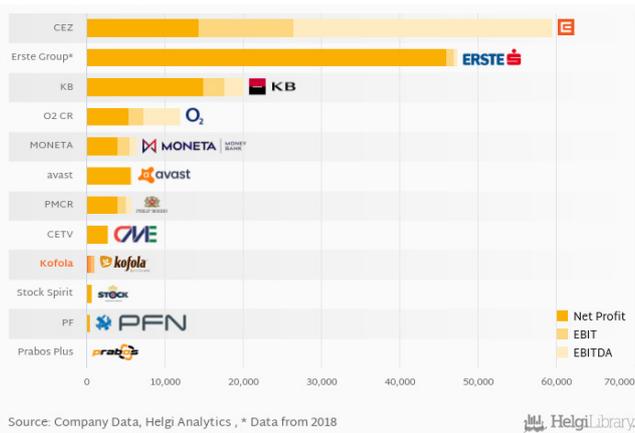
### Who Has Grown the Most in Sales?

Total Revenue Growth (%), 2019



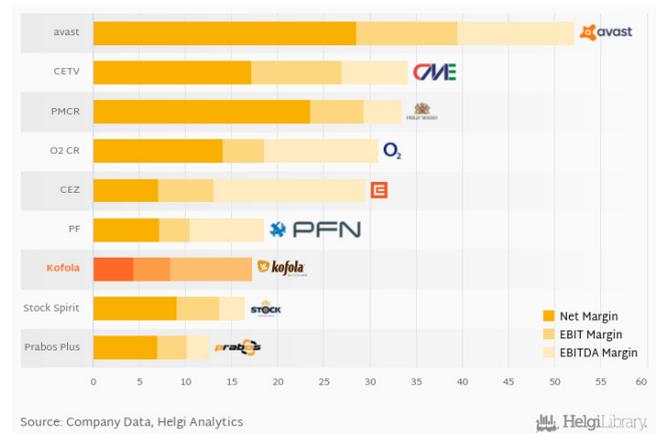
### Who Created the Largest EBITDA?

Top Companies by EBITDA (CZK mil), 2019



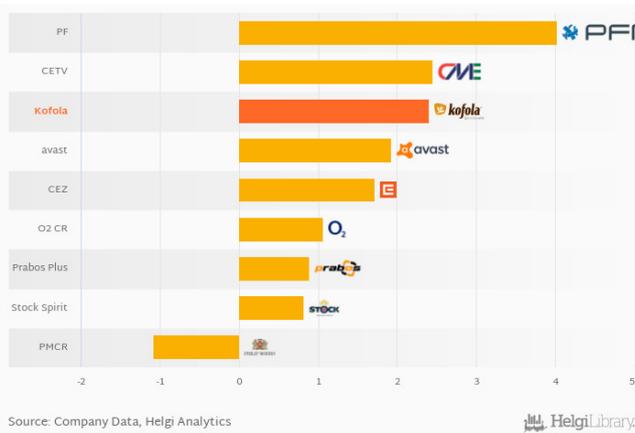
### Who Operated with the Highest Margins?

Top Companies by EBITDA Margin (%), 2019



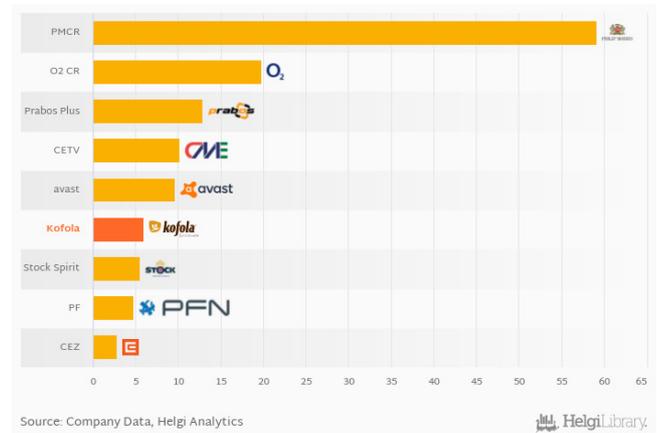
### Who Was the Most Indebted to EBITDA?

Net Debt / EBITDA Ratio, 2019



### Who Utilized Capital the Most?

Top Companies by ROCE (%), 2019





## Financial Data – Annual

### Income Statement – Annual

INCOME STATEMENT		2012	2013	2014	2015	2016	2017	2018	2019
Sales	CZK mil	6,148	6,292	6,273	7,157	6,999	6,963	6,159	6,409
Cost of Goods & Services	CZK mil	4,063	4,303	3,880	4,331	4,211	4,134	3,304	3,345
Gross Profit	CZK mil	2,085	1,988	2,393	2,826	2,788	2,829	2,855	3,065
Selling, General & Admin	CZK mil	1,768	1,663	1,925	2,345	2,356	2,491	2,363	2,544
Research & Development	CZK mil	0	0	0	0	0	5.37	7.90	8.20
Other Operating Expense	CZK mil	...	...	...	...	...	187	38.9	29.4
Staff Cost	CZK mil	801	753	816	1,061	1,147	1,198	1,250	1,380
Other Operating Cost (Income)	CZK mil	9.49	24.9	0.507	27.5	17.4	107	35.6	66.0
EBITDA	CZK mil	791	801	920	961	980	857	1,084	1,106
Depreciation	CZK mil	444	452	468	513	523	565	567	566
EBIT	CZK mil	313	349	448	448	457	292	516	540
Net Financing Cost	CZK mil	115	95.1	62.8	74.7	75.5	74.4	75.4	114
Financing Cost	CZK mil	121	99.2	69.3	79.8	78.4	75.1	82.1	116
Financing Income	CZK mil	6.25	4.09	6.53	5.12	2.95	0.721	6.64	2.57
FX (Gain) Loss	CZK mil	-4.08	-32.8	14.2	18.6	5.04	-34.2	-1.63	17.1
(Income) / Loss from Affiliates	CZK mil	-0.271	-11.0	-11.9	3.39	0.915	-11.8	0	0
Extraordinary Cost	CZK mil	-13.7	5.26	0	0	0	0	481	-23.4
Pre-Tax Profit	CZK mil	214	-557	325	322	170	267	424	399
Tax	CZK mil	53.5	203	79.2	93.3	87.0	115	84.4	146
Minorities	CZK mil	-0.030	-0.242	-0.309	1.34	-2.97	-6.58	-4.47	-8.32
Net Profit	CZK mil	174	-766	246	228	86.4	159	-137	284
Net Profit Avail. to Common	CZK mil	174	-766	246	228	86.4	159	-137	284
Dividends	CZK mil	140	144	111	20.1	156	301	361	286

Source: Company Data, Helgi Analytics

### Growth Rates – Annual

GROWTH RATES		2012	2013	2014	2015	2016	2017	2018	2019
Total Revenue Growth	%	5.13	2.34	-0.301	14.1	-2.20	-0.510	-11.5	4.06
Staff Cost Growth	%	-4.27	-5.98	8.35	30.0	8.12	4.45	4.37	10.4
EBITDA Growth	%	13.4	1.20	14.8	4.55	1.91	-12.5	26.5	2.04
EBIT Growth	%	7.88	11.5	28.4	0.102	1.90	-36.1	77.0	4.55
Pre-Tax Profit Growth	%	14.7	-361	-158	-0.799	-47.1	56.6	58.7	-5.88
Net Profit Growth	%	20.4	-540	-132	-7.43	-62.1	83.8	-186	-308

Source: Company Data, Helgi Analytics

### Ratios – Annual

RATIOS		2012	2013	2014	2015	2016	2017	2018	2019
ROE	%	5.43	-26.2	9.42	8.23	3.09	6.74	-7.93	19.0
ROA	%	2.30	-11.2	4.12	3.13	1.05	2.18	-2.08	4.22
ROCE	%	3.52	-17.4	6.18	5.55	1.96	3.55	-2.97	5.97
Gross Margin	%	33.9	31.6	38.1	39.5	39.8	40.6	46.4	47.8
EBITDA Margin	%	12.9	12.7	14.7	13.4	14.0	12.3	17.6	17.3
EBIT Margin	%	5.09	5.54	7.14	6.26	6.53	4.19	8.38	8.42
Net Margin	%	2.83	-12.2	3.92	3.18	1.23	2.28	-2.22	4.44
Payout Ratio	%	80.5	-18.8	45.1	8.81	181	190	-264	101

Source: Company Data, Helgi Analytics



## Balance Sheet – Annual

BALANCE SHEET		2012	2013	2014	2015	2016	2017	2018	2019
Cash & Cash Equivalents	CZK mil	96.5	201	567	1,940	1,421	290	619	774
Receivables	CZK mil	931	934	791	747	837	839	925	773
Inventories	CZK mil	612	592	422	501	485	495	496	485
Other ST Assets	CZK mil	1,294	1.35	2.45	207	361	169	174	489
Current Assets	CZK mil	2,934	1,728	1,782	3,395	3,104	1,793	2,214	2,522
Property, Plant & Equipment	CZK mil	2,933	2,690	2,815	3,509	3,443	3,385	2,960	3,127
LT Investments & Receivables	CZK mil	0	0	0	0	0	0	0	0
Intangible Assets	CZK mil	1,809	1,122	1,149	1,263	1,250	1,176	1,148	1,062
Goodwill	CZK mil	634	88.3	87.7	86.3	86.3	86.3	93.5	106
Non-Current Assets	CZK mil	4,798	4,157	4,260	5,096	4,916	4,786	4,349	4,394
Total Assets	CZK mil	7,730	5,885	6,044	8,491	8,020	6,579	6,563	6,916
Trade Payables	CZK mil	1,656	1,566	1,630	1,986	1,779	1,631	1,056	838
Short-Term Debt	CZK mil	932	665	559	1,641	1,676	1,015	653	889
Other ST Liabilities	CZK mil	2,650	1,640	1,747	964	751	517	613	677
Current Liabilities	CZK mil	3,642	2,352	2,346	3,881	3,700	2,749	2,474	2,560
Long-Term Debt	CZK mil	623	761	778	1,320	1,207	1,480	2,397	2,544
Other LT Liabilities	CZK mil	108	175	174	231	206	262	217	299
Non-Current Liabilities	CZK mil	789	983	1,026	1,751	1,580	1,856	2,614	2,843
Liabilities	CZK mil	4,431	3,335	3,373	5,632	5,280	4,605	5,088	5,403
Preferred Equity and Hybrid Capital	CZK mil	0	0	0	0	0	0	0	0
Share Capital	CZK mil	3,445	3,737	2,413	267	267	2,230	1,115	1,115
Treasury Stock	CZK mil	0	0	0	0	0.915	492	490	490
Equity Before Minority Interest	CZK mil	3,297	2,545	2,663	2,810	2,737	1,978	1,483	1,530
Minority Interest	CZK mil	3.06	4.95	7.34	49.2	2.90	-3.68	-8.16	-16.5
Equity	CZK mil	3,300	2,550	2,670	2,859	2,739	1,974	1,475	1,514

Source: Company Data, Helgi Analytics

## Growth Rates – Annual

GROWTH RATES		2012	2013	2014	2015	2016	2017	2018	2019
Total Asset Growth	%	4.55	-23.9	2.70	40.5	-5.55	-18.0	-0.241	5.38
Shareholders' Equity Growth	%	6.09	-22.7	4.71	7.09	-4.20	-27.9	-25.3	2.60
Net Debt Growth	%	-5.33	-16.3	-32.9	44.3	32.2	40.7	2.29	9.38
Total Debt Growth	%	-20.4	-8.33	-6.28	122	-2.63	-13.5	22.2	12.6

Source: Company Data, Helgi Analytics

## Ratios – Annual

RATIOS		2012	2013	2014	2015	2016	2017	2018	2019
Total Debt	CZK mil	1,556	1,426	1,336	2,962	2,884	2,495	3,050	3,433
Net Debt	CZK mil	1,577	1,319	885	1,277	1,689	2,376	2,430	2,658
Working Capital	CZK mil	-113	-40.4	-417	-738	-456	-297	365	420
Capital Employed	CZK mil	4,685	4,117	3,843	4,358	4,459	4,489	4,713	4,814
Net Debt/Equity	%	47.8	51.7	33.1	44.7	61.6	120	165	176
Net Debt/EBITDA		1.99	1.65	0.962	1.33	1.72	2.77	2.24	2.40
Cost of Financing	%	6.90	6.66	5.02	3.71	2.68	2.79	2.96	3.59
Current Ratio		0.806	0.735	0.760	0.875	0.839	0.652	0.895	0.985
Quick Ratio		0.282	0.482	0.579	0.692	0.610	0.411	0.624	0.604

Source: Company Data, Helgi Analytics



## Cash Flow – Annual

CASH FLOW		2012	2013	2014	2015	2016	2017	2018	2019
Net Profit	CZK mil	174	-766	246	228	86.4	159	-137	284
Depreciation	CZK mil	444	452	468	513	523	565	567	566
Non-Cash Items	CZK mil	-55.9	1,034	63.0	51.5	192	-46.7	377	60.5
Change in Working Capital	CZK mil	391	-67.4	139	69.1	-223	-30.1	-58.0	-56.9
Total Cash From Operations	CZK mil	988	653	920	861	579	647	750	854
Capital Expenditures	CZK mil	-226	-170	-21.3	-668	-169	-420	-289	-453
Net Change in LT Investment	CZK mil	0	0	0	-44.9	-32.3	1.50	0	-192
Net Cash From Acquisitions	CZK mil	...	...	...	...	...	-50.8	-117	-53.4
Other Investing Activities	CZK mil	-226	-170	-21.3	-713	-201	0	0	306
Total Cash From Investing	CZK mil	-405	-254	-267	-1,141	-750	-470	-406	-392
Dividends Paid	CZK mil	-140	-144	-112	-12.0	-156	-312	-346	-286
Issuance Of Shares	CZK mil	0	0	0	101	-3.74	-491	0	0
Issuance Of Debt	CZK mil	-631	-274	-172	1,569	-177	-477	332	-20.0
Other Financing Activities	CZK mil	100	6.57	0	-6.72	-10.9	0	0	2.66
Total Cash From Financing	CZK mil	-671	-412	-283	1,651	-348	-1,279	-14.1	-303
Effect of FX Rates	CZK mil	...	...	...	...	...	-29.6	-0.327	-3.44
Net Change In Cash	CZK mil	-87.4	-12.9	369	1,371	-519	-1,131	330	155

Source: Company Data, Helgi Analytics

## Ratios – Annual

RATIOS		2012	2013	2014	2015	2016	2017	2018	2019
Days Sales Outstanding	days	55.3	54.2	46.0	38.1	43.7	44.0	54.8	44.0
Days Sales Of Inventory	days	54.9	50.2	39.7	42.2	42.1	43.7	54.8	53.0
Days Payable Outstanding	days	149	133	153	167	154	144	117	91.4
Cash Conversion Cycle	days	-38.5	-28.5	-67.6	-87.1	-68.5	-56.3	-7.09	5.54
Cash Earnings	CZK mil	618	-314	714	741	609	724	431	850
Free Cash Flow	CZK mil	583	399	653	-280	-171	177	344	462
Capital Expenditures (As % of Sales)	%	3.67	2.70	0.340	9.34	2.41	6.04	4.69	7.07

Source: Company Data, Helgi Analytics

## Other Ratios – Annual

OTHER RATIOS		2012	2013	2014	2015	2016	2017	2018	2019
Employees		1,752	1,630	1,587	1,961	2,129	2,091	1,902	1,978
Cost Per Employee	USD per month	1,947	1,968	2,004	1,888	1,779	2,034	2,504	2,578
Cost Per Employee (Local Currency)	CZK per month	38,093	38,495	42,839	45,071	44,888	47,738	54,774	58,124
Operating Cost (As % of Sales)	%	29.0	26.5	31.0	33.6	33.6	38.0	38.6	40.4
Research & Development (As % of Sales)	%	0	0	0	0	0	0.077	0.128	0.128
Staff Cost (As % of Sales)	%	13.0	12.0	13.0	14.8	16.4	17.2	20.3	21.5
Effective Tax Rate	%	25.0	-36.5	24.4	28.9	51.1	43.0	19.9	36.6
Total Revenue Growth (5-year average)	%	...	...	-7.71	-1.83	3.66	2.52	-0.425	0.432
Total Revenue Growth (10-year average)	%	...	...	...	...	...	...	...	-3.73

Source: Company Data, Helgi Analytics



## Valuation - Annual

VALUATION		2012	2013	2014	2015	2016	2017	2018	2019
Market Capitalisation	USD mil	239	318	284	439	319	418	267	262
Enterprise Value (EV)	USD mil	321	385	323	491	385	530	375	379
Number Of Shares	mil	26.2	26.2	26.2	22.1	22.3	22.3	22.3	22.3
Share Price	CZK	173	241	249	435	326	384	270	280
EV/EBITDA		7.95	9.40	7.51	12.2	9.92	14.5	7.57	7.74
Price/Earnings (P/E)		26.1	-8.24	26.5	42.2	84.2	54.0	-44.0	21.9
Price/Free Cash Flow (P/FCF)		7.78	15.8	9.99	-34.3	-42.4	48.3	17.5	13.5
Price/Book Value (P/BV)		1.37	2.47	2.44	3.36	2.65	4.34	4.08	4.12
Dividend Yield	%	3.09	2.28	1.70	0.209	2.15	3.51	5.99	4.82
Free Cash Flow Yield	%	12.5	6.40	10.7	-2.67	-2.13	1.81	5.90	7.82
Earnings Per Share (EPS)	CZK	6.65	-29.3	9.40	10.3	3.87	7.12	-6.14	12.8
Cash Earnings Per Share	CZK	23.6	-12.0	27.3	33.6	27.3	32.5	19.3	38.1
Free Cash Flow Per Share	CZK	22.3	15.2	24.9	-12.7	-7.68	7.96	15.4	20.7
Book Value Per Share	CZK	126	97.4	102	130	123	88.6	66.2	67.9
Dividend Per Share	CZK	5.35	5.51	4.24	0.909	7.00	13.5	16.2	13.5
EV/Sales		1.02	1.20	1.10	1.64	1.39	1.79	1.33	1.33
EV/EBIT		20.1	21.6	15.4	26.1	21.3	42.6	15.9	15.8
EV/Free Cash Flow		10.8	18.9	10.6	-41.8	-56.7	70.0	23.8	18.5
EV/Capital Employed		1.30	1.85	1.93	2.80	2.21	2.51	1.79	1.78
Earnings Per Share Growth	%	20.4	-540	-132	9.67	-62.5	84.0	-186	-308
Cash Earnings Per Share	CZK	23.6	-12.0	27.3	33.6	27.3	32.5	19.3	38.1
Book Value Per Share Growth	%	6.11	-22.7	4.75	26.9	-5.14	-27.9	-25.3	2.60

Source: Company Data, Helgi Analytics



## ABOUT HELGI ANALYTICS

Helgi Analytics is a consulting company based in the Czech Republic. The company mainly provides consultancy in the area of financial services and real estate and focuses primarily on the region of Central and Eastern Europe.

Helgi Analytics also runs a web application called Helgi Library, which is a database/library offering data and analyses on more than 99% of the world's economy and population. The Library aims to bring interesting statistical data and analyses to a wide audience under affordable conditions. If you wish to get more details, please visit [www.helgilibrary.com](http://www.helgilibrary.com) or contact us at [info@helgilibrary.com](mailto:info@helgilibrary.com).

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