



# 9M 2020

## KOFOLA GROUP

### INVESTOR PRESENTATION

25 November 2020



# THE KOFOLA GROUP

One of the most significant producers of non-alcoholic beverages in CEE and SEE



Revenue 9M 2020  
€ 183.3m



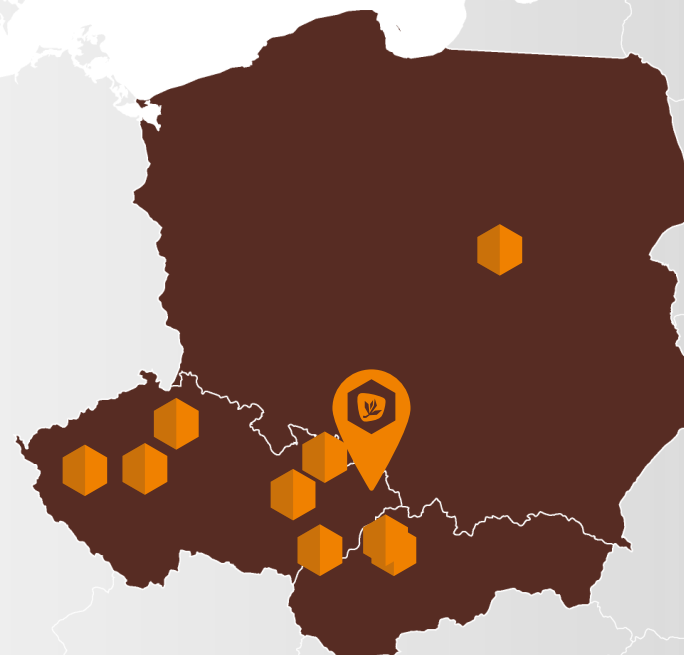
EBITDA 9M 2020  
€ 34.3m



11 production plants



2,058 employees



Headquarters



Production plants

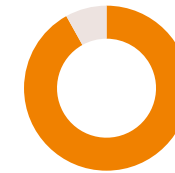


Kofola Group's markets

Note: CZK/EUR average FX rate for 9M20: 26.373



# OUR LONG-TERM STRATEGY IS TO BE MARKET LEADER OR RUNNER-UP



Sales in countries where Kofola Group is number one or two in the soft drinks market account for **92% of our total revenue**

## CZECHIA



**No. 2**  
player in the soft drinks market

## SLOVAKIA



**No. 1**  
player in the soft drinks market

## SLOVENIA



**No. 1**  
player in the soft drinks market

**No. 1**  
water brand

## CROATIA



**No. 2**  
water brand



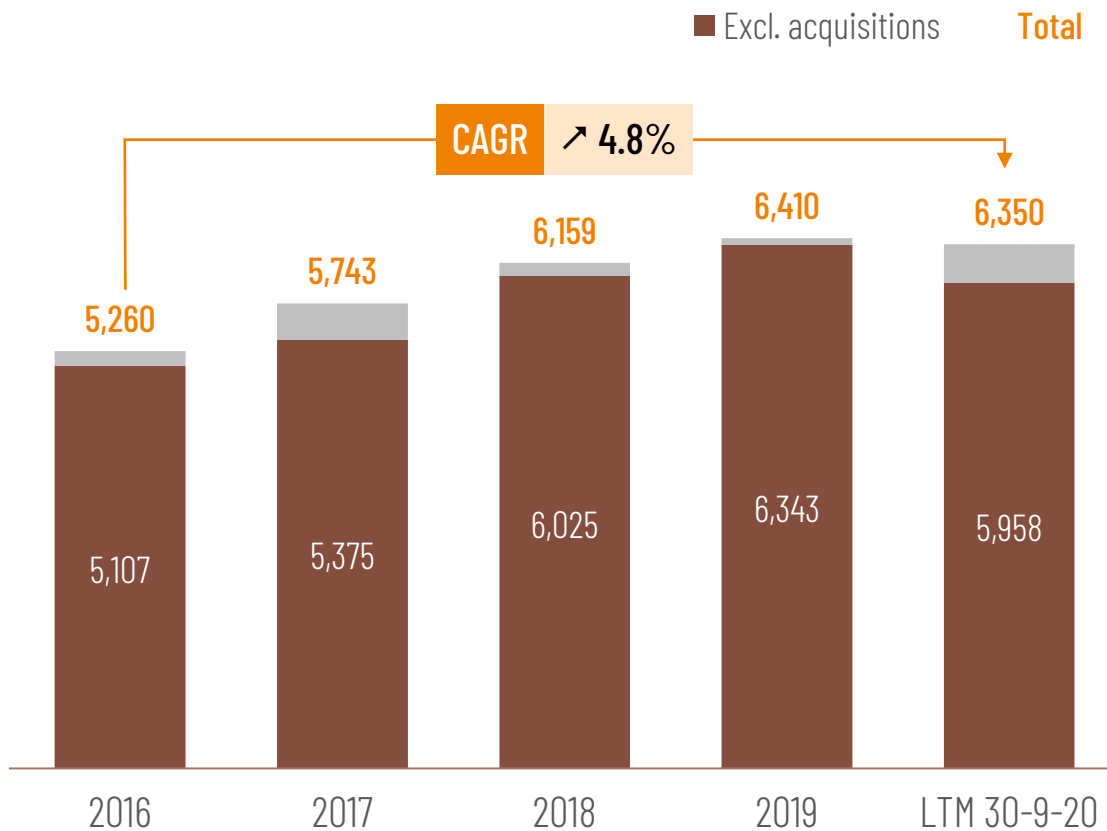
# PRODUCT SEGMENTS

CATEGORY	REVENUE SHARE	MAIN OWN BRANDS	DISTRIBUTED AND LICENCED BRANDS
Carbonated Beverages	<p>9M20 39% 9M19 42%</p>		
Waters	<p>9M20 33% 9M19 29%</p>		
Non-carbonated Beverages	<p>9M20 9% 9M19 11%</p>		
Syrups	<p>9M20 8% 9M19 7%</p>		
Fresh & Salad Bars	<p>9M20 4% 9M19 6%</p>		
Other	<p>9M20 7% 9M19 5%</p>		

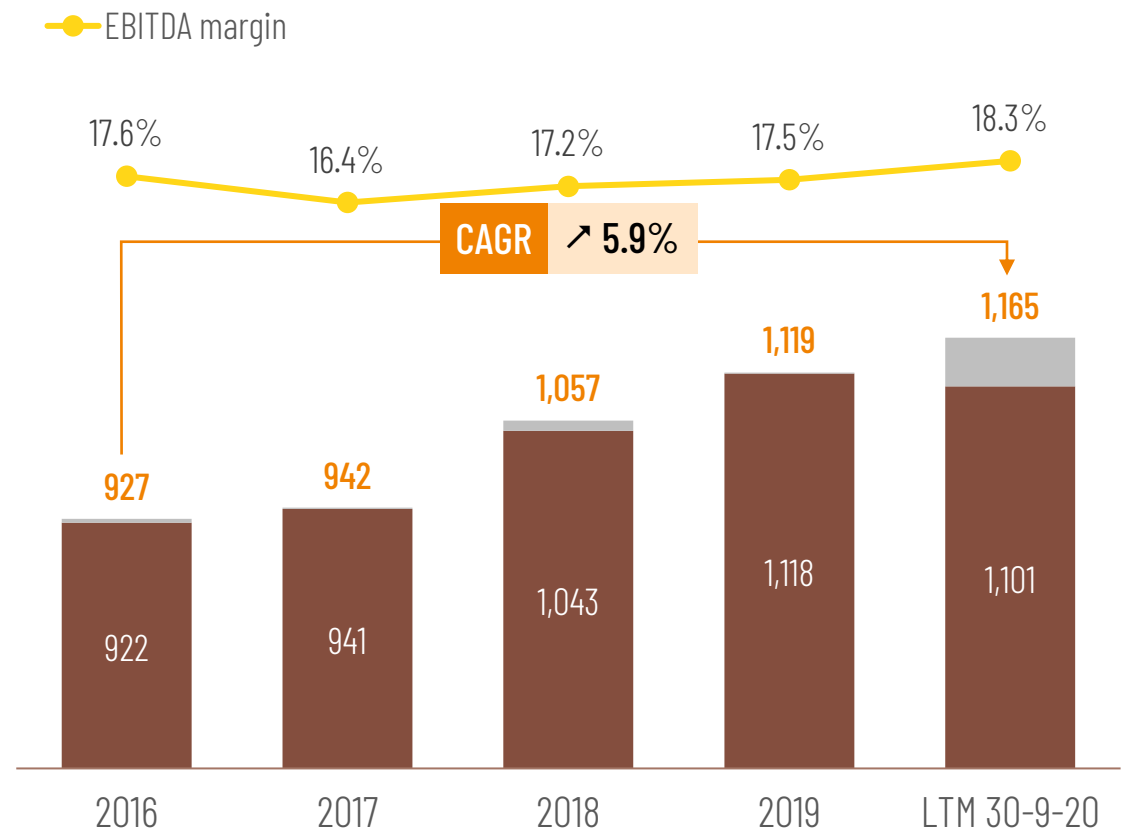


# LONG-TERM ORGANIC GROWTH

## Revenue\* (CZKm)



## EBITDA\* (CZKm)



Grey chart represents an acquisition effect between two subsequent periods.

\* Continuing operations; adjusted for one-offs



# 3Q 2020 HIGHLIGHTS

New brand Trepallini – authentic Italian coffee in HoReCa, in Retail from 2021.



Radenska Naturelle 0.5l lite 100% rPET.

26% lighter closure

27% lighter bottle (-15 tons / annually)

New promo label for the period of roll-out campaign



Bottle made from 100% recycled plastic



QR code on label and POS material

# OUR SUSTAINABILITY EFFORTS

THE KOFOLA GROUP

SUSTAINABILITY

KOFOLA GROUP RESULTS

BUSINESS SEGMENTS

CONSOLIDATED INDICATORS

M&A

GOALS 2020

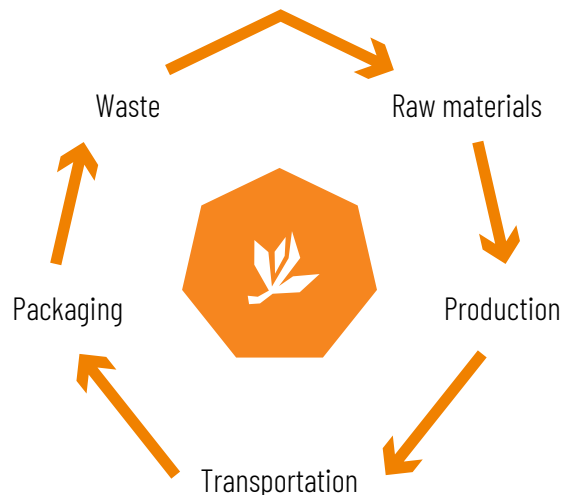
MORE ABOUT KOFOLA

APPENDIX



# A COMPLEX APPROACH IS THE CORNERSTONE OF OUR SUSTAINABILITY PHILOSOPHY

*We have been deeply engaged in the reduction of the impact of our business on the environment since 2010. We have introduced hundreds of steps to make our business work in harmony with nature. We don't use sustainability as an empty phrase. We want "sustainable thinking" to be part of every decision we make. This is the only way to be sure that we can always be proud of what we do.*



## CIRCULAR ECONOMICS IS THE GOAL

Sustainability impacts the whole lifecycle of our products. We prefer to buy healthy and local ingredients, which we process in a considerate way. We try to cut our carbon footprint during transportation. We reduce packaging materials – for example, we sell some products without any packaging at all. And, last but not least, we try to find a reasonable use for any waste produced as a byproduct of our activities.



## CASE STUDY: Transition of the Rajec Valley into a bio-district

The Rajec Valley in Slovakia is the source of our Rajec spring water. However, we don't only protect water resources. In 2019, we established closer cooperation with local farmers and we got organic certification for the whole area. The aim is to protect the whole unique Rajec ecosystem. We not only produce water in the Rajec Valley, but we also plant herbs for our products and keep bees. All these activities illustrate the complexity of our approach to the issue of sustainability.





# SUSTAINABILITY: OUR 6 KEY AREAS OF INTEREST

## CARBON FOOTPRINT



**We decrease and offset the carbon footprint of our business in order to achieve full carbon neutrality by 2030.**

- The biggest fleet of CNG trucks in Central Europe with 25% emission savings compared to regular trucks.
- Purchase of green energy: SK 100%, CZ 20%.

## WASTE POLICY



**We cut the amount of waste produced in connection with our business and look for ways to reuse this waste.**

- 100% recyclability of packaging and materials.
- Support of zero, returnable, and more times reusable packaging.
- Zero waste office.

## WATER PROTECTION



**Water is the cornerstone of our business. We actively protect water sources to keep water in nature.**

- Efforts to get organic certification for the Rajec Valley in Slovakia in cooperation with local farmers were successful.
- Cooperation with farmers to protect water sources in Radenska, Slovenia.

## LOCAL FIRST



**We put local suppliers first because we believe it is necessary to support the place where we live and run our business.**

- Preparation of our own extracts from local herbs.
- Cooperation with relevant stakeholders in the surroundings of our production plants, and support of local activities.

## INGREDIENTS AND PRODUCTS



**We prefer natural ingredients from verified suppliers. This is the only way to produce healthy products for our customers.**

- Removal of preservatives thanks to modern technologies.
- Decrease of sugar content in beverages.
- Transparent information about the origin of ingredients on labels – e.g. UGO fresh juice.

## PEOPLE



**We create a healthy and motivating work environment. Satisfied employees are the best ambassadors for our company.**

- Family Friendly Company certification in Slovenia.
- Support of personal and professional development.



# WE REDUCE PACKAGING WASTE FOLLOWING THE REDUCE—REUSE—RECYCLE PRINCIPLES

As far as possible, we try not to generate any packaging waste at all. All our draught beverages belong in this category. We have introduced our first draught spring water for the HoReCa segment this year. We are also decreasing the weight of our beverage packaging, which saves up to 20 tons of PET a year.

## REDUCE



75 million pints without need of individual packaging



First draught spring water for HoReCa



Lite PET packaging and caps

We prefer returnable packaging, and we are looking for new ways to spread the use of returnable packaging outside the HoReCa segment by increasing comfort levels for end users. In our UGO branches, meals are served on porcelain tableware, and drinks in glasses.

## REUSE



Returnable bottles in the HoReCa segment



Repeatedly reusable tableware

In the countries we operate, we financially support collection systems for packaging that can no longer be used. Our brand Klášťorná Kalcia is the first CzechoSlovak water packed in 100% rPET.

## RECYCLE



100% recyclable



100% compostable



# WE OPERATE WITH RESPECT TO NATURE, SOCIETY AND INDIVIDUALS.

Whole sustainability presentation for [download](#).



# KOFOLA GROUP RESULTS

THE KOFOLA GROUP

SUSTAINABILITY

KOFOLA GROUP RESULTS

BUSINESS SEGMENTS

CONSOLIDATED INDICATORS

M&A

GOALS 2020

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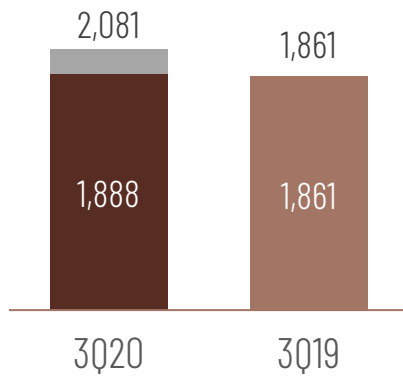




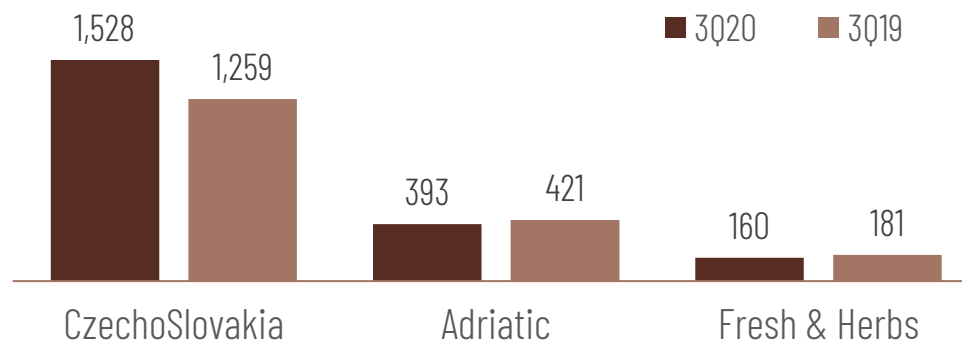
# KOFOLA GROUP KEY 3Q FINANCIAL INDICATORS\*

CONTINUING OPERATIONS

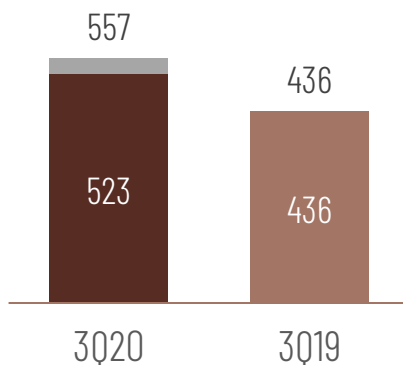
## Revenue (CZKm)



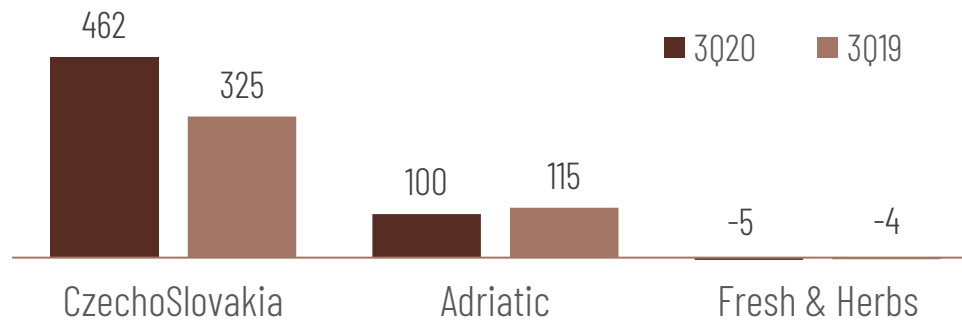
## Revenue per main business segments (CZKm)



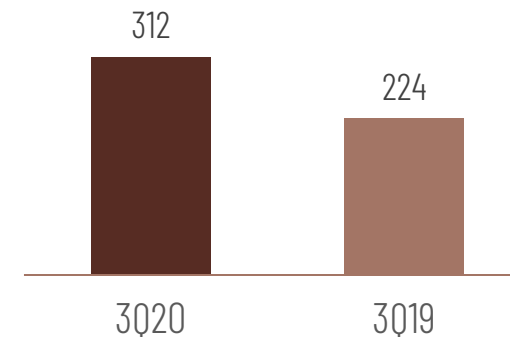
## EBITDA (CZKm)



## EBITDA per main business segments (CZKm)



## Profit/(loss) for the period (CZKm)



Grey chart represents balances connected with ONDŘÁŠOVKA and Karlovarská Korunni.

\* Adjusted for one-offs



# KEY 3Q 2020 MESSAGES\*

CONTINUING OPERATIONS

## RECORD RESULTS

- Impressive Gross profit thanks to CS and good product mix.
- EBITDA margin in CS over 30%!
- Group EBITDA higher by 121.2 CZKm (27.8%), mainly affected by CS.
- Net result higher by 87.8 CZKm (39.2%).

## M&A

- Ondrášovka & Korunní results on expected levels.

## COVID-19

- F&H revenue lower by 11.9%.
- ADRI revenue decreased by 6.7% (with bigger negative impact on Croatia due to lower tourism).
- Least affected sales of waters and syrups (standard At home format).

## MANAGED INPUT COSTS

- Cost savings – drop in cost/revenue ratios (COS, SMD, ADMIN), savings on labour, marketing and distribution.

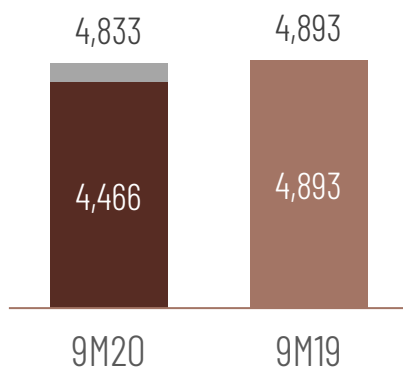
## INNOVATIONS

- 0.5l lite Radenska 100% rPET.
- Coffee brand Trepallini.
- New flavours on recent acquisitions (Ondrášovka Liči).

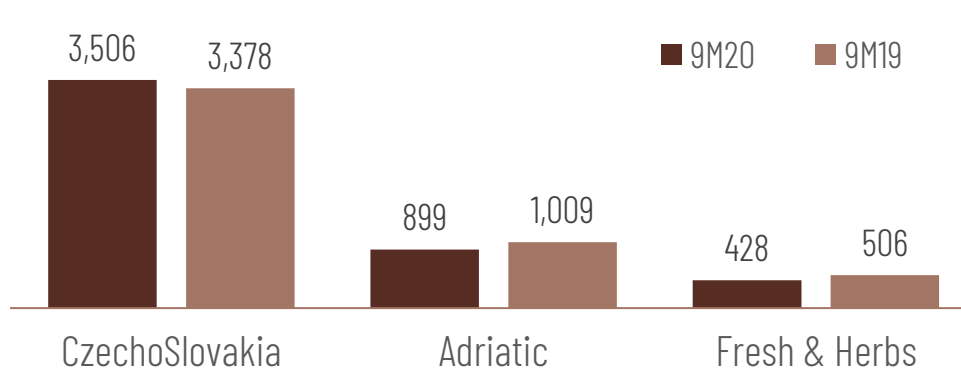
# KOFOLA GROUP KEY 9M FINANCIAL INDICATORS\*

CONTINUING OPERATIONS

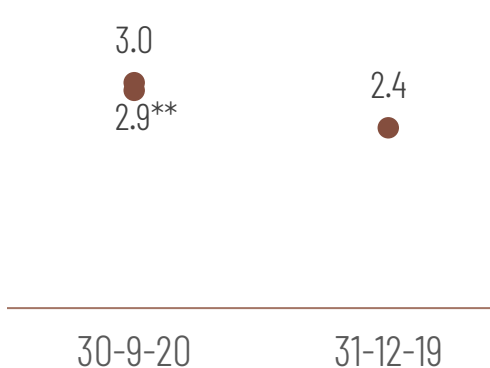
## Revenue (CZKm)



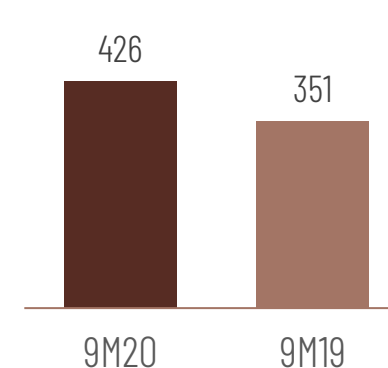
## Revenue per main business segments (CZKm)



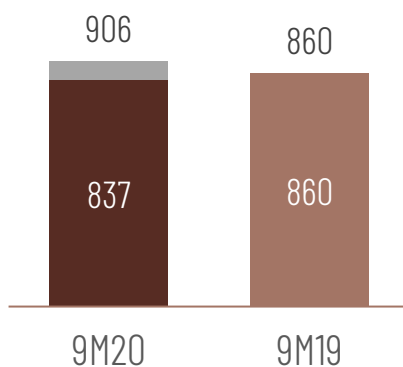
## Net debt/LTM EBITDA



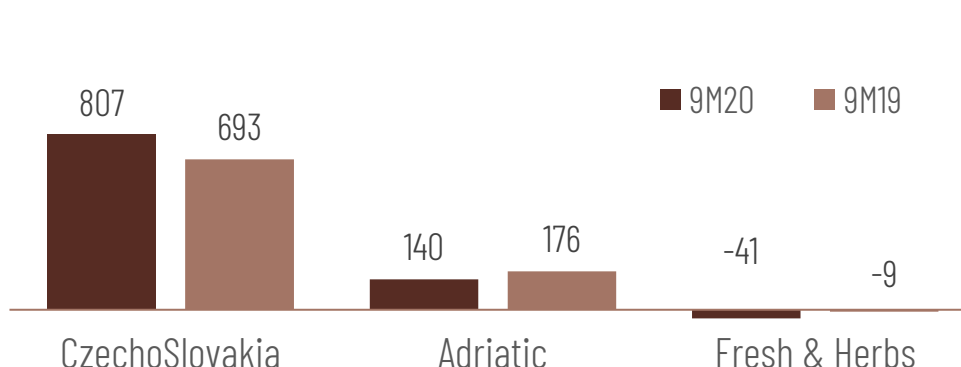
## FCF (CZKm)



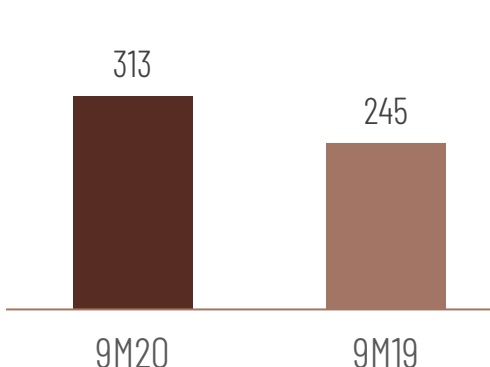
## EBITDA (CZKm)



## EBITDA per main business segments (CZKm)



## Profit/(loss) for the period (CZKm)



Grey chart represents balances connected with ONDRÁŠOVKA and Karlovarská Korunni.

\* Adjusted for one-offs \*\* LTM EBITDA includes pre-acquisition EBITDA of new ACQ, i.e. all entities with LTM effect (incl. ONDRÁŠOVKA and Karlovarská Korunni for 4Q19-1Q20).





# KEY 9M 2020 MESSAGES\*

CONTINUING OPERATIONS

## EXCELLENT RESULTS DESPITE COVID-19

- Group EBITDA 905.8 CZKm – higher by 45.6 CZKm (5.3%), in CS by 16.5%.
- Group Revenue lower by 1.2%, in CS higher by 3.8% (incl. ACQ).
- Group EBITDA margin higher by 1.1 p.p., in CS by 2.5 p.p. (!).
- Net profit higher by 27.9%.

## M&A

- Extended gastro portfolio – ciders (F.H.Prager small acquisition in Jan 2020).
- Ondrášovka & Korunní M&A completion in 2Q20 (15 April 2020).

## COVID-19

- Impact from mid March in CZ+SK.
- Impact in Adriatic from 2Q20.
- F&H impacted due to closed UGO fresh and salad bars.
- Gastro segment running from end of May 2020.

## MANAGED INPUT COSTS

- Savings on labour and marketing costs.
- PET resin costs down by c. 31% (vs. 9M19).
- Sweeteners costs flat (vs. 9M19).
- Decreased ADMIN costs.

## INNOVATIONS

- Successful launch of Klášterná Kalcia mineral water on Czech market since Feb 2020 (new 0.5l format and 100% rPET).
- 0.5l Kofola cans – sales significantly exceeding outlook.
- 0.5l lite Radenska 100% rPET.
- Coffee brand Trepallini.
- New flavours on recent acquisitions (Ondrášovka Liči).



# COVID-19 EBITDA\* EFFECT

Period	Estimated effect
1Q20	c. (27) CZKm
2Q20	c. (100) CZKm
3Q20	c. (15) CZKm

\*Based on results adjusted for one-offs

# BUSINESS SEGMENTS

THE KOFOLA GROUP

SUSTAINABILITY

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# OUR BUSINESS CONSISTS OF THREE MAIN SEGMENTS



CzechoSlovakia



Adriatic



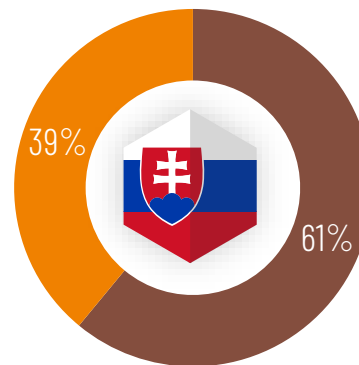
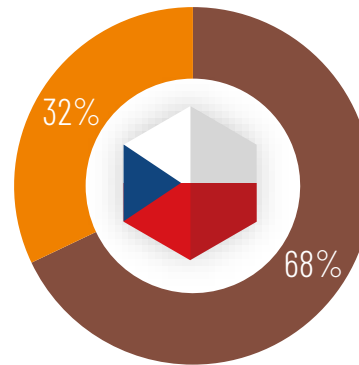
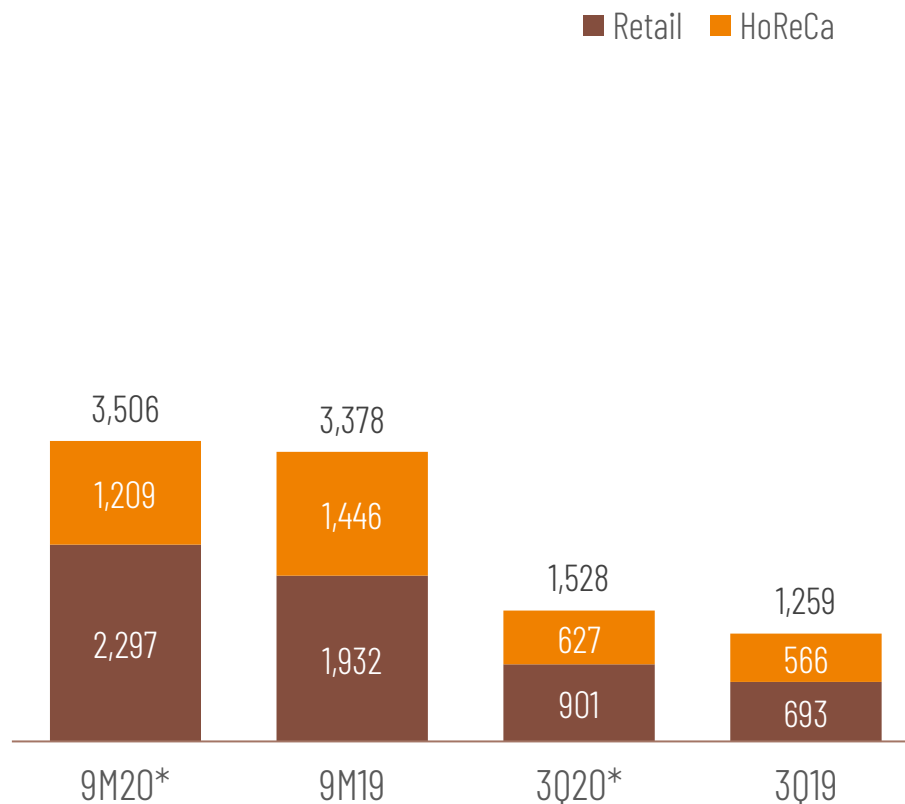
Fresh & Herbs



# REVENUE | CZECHOSLOVAKIA



Revenue (CZKm)



Sales in litres ('000)

CZECHIA	9M 2020*	9M 2019
Retail	↗ 238,309	145,613
HoReCa	↘ 57,749	65,609
<b>Total</b>	↗ 296,058	211,222

SLOVAKIA	9M 2020	9M 2019
Retail	↗ 117,935	117,336
HoReCa	↘ 32,467	40,213
<b>Total</b>	↘ 150,402	157,549

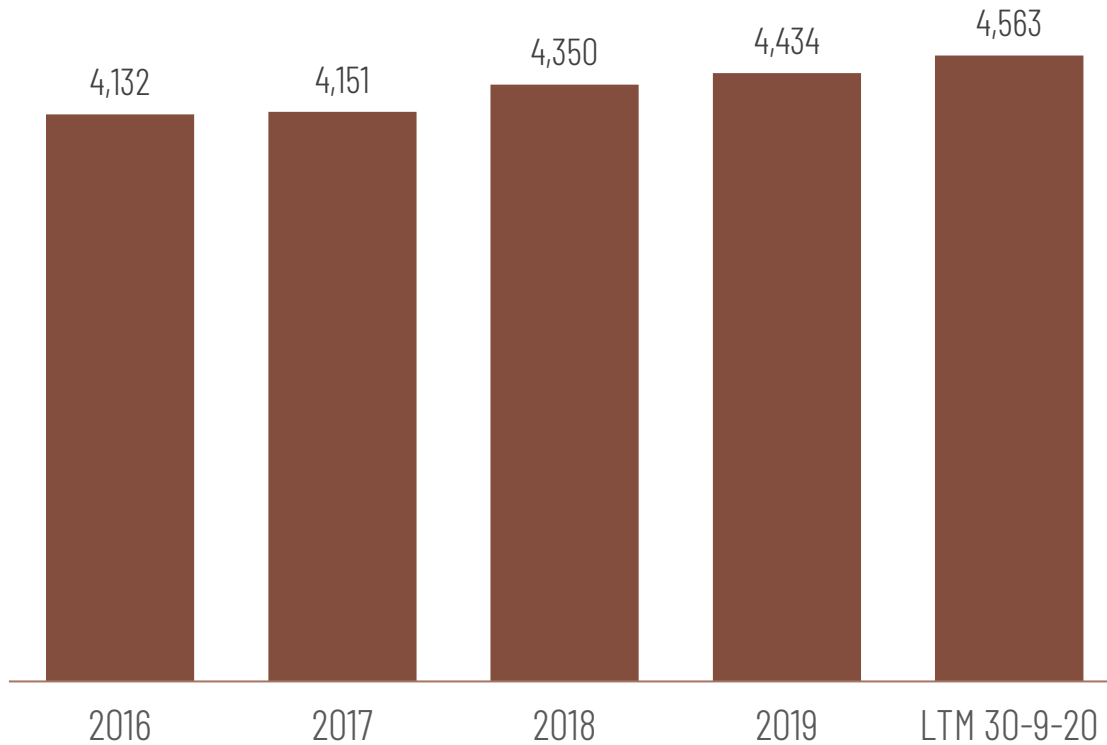
HoReCa includes On premise and On the go.  
\*Including ONDŘÁŠOVKA and Karlovarská Korunni



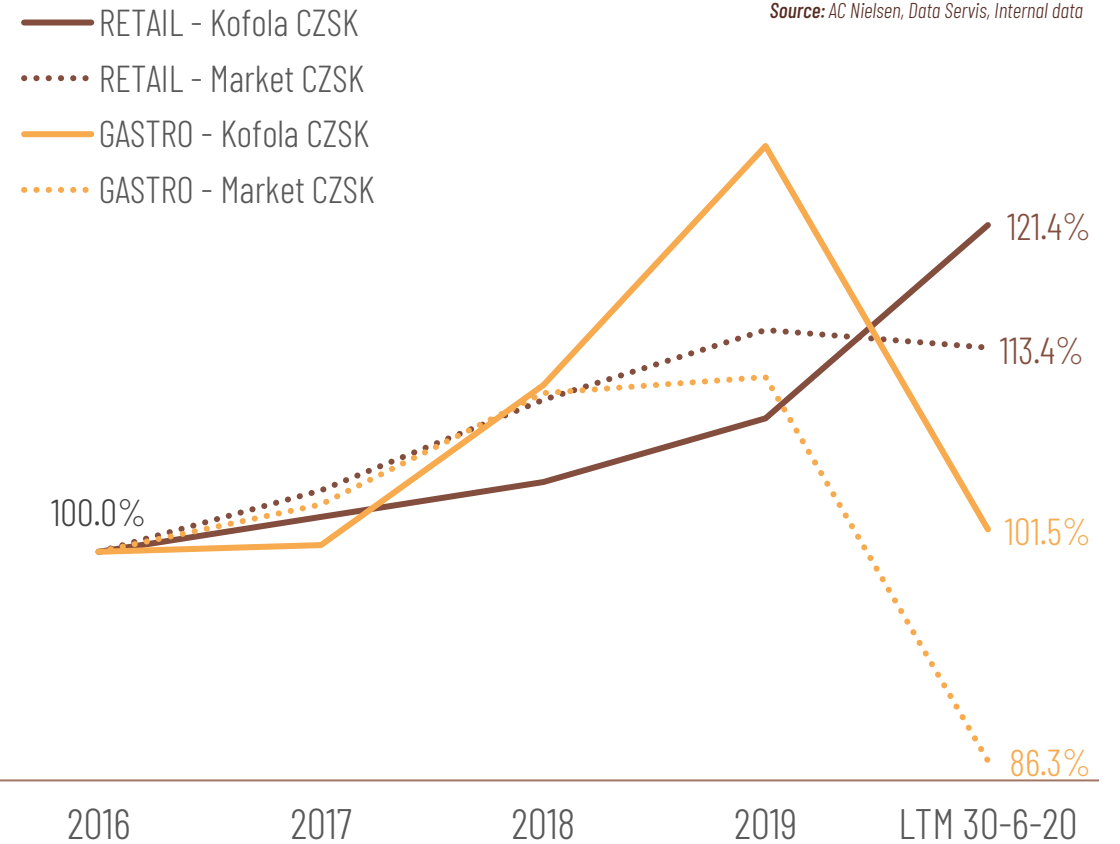
# REVENUE | CZECHOSLOVAKIA



Revenue (CZKm)



Comparison with CS market dynamics (value)



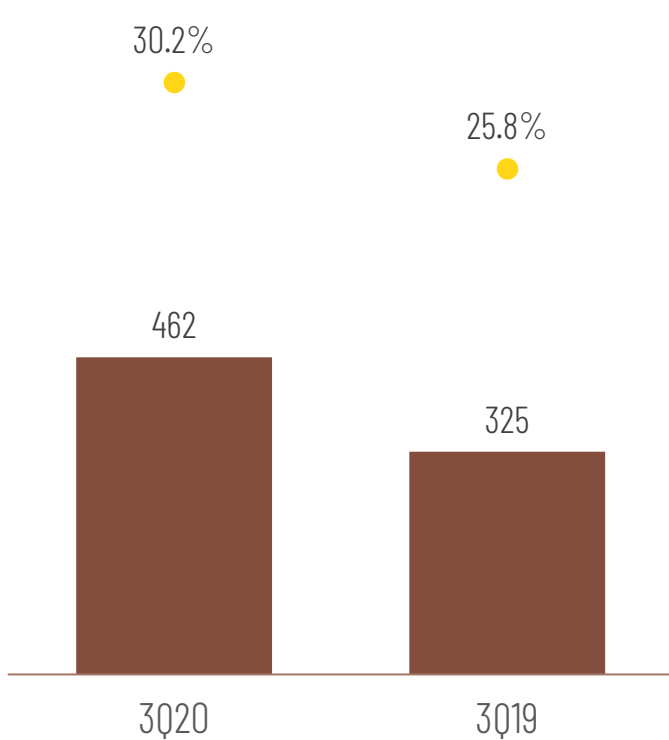


# EBITDA AND EBITDA MARGIN | CZECHOSLOVAKIA



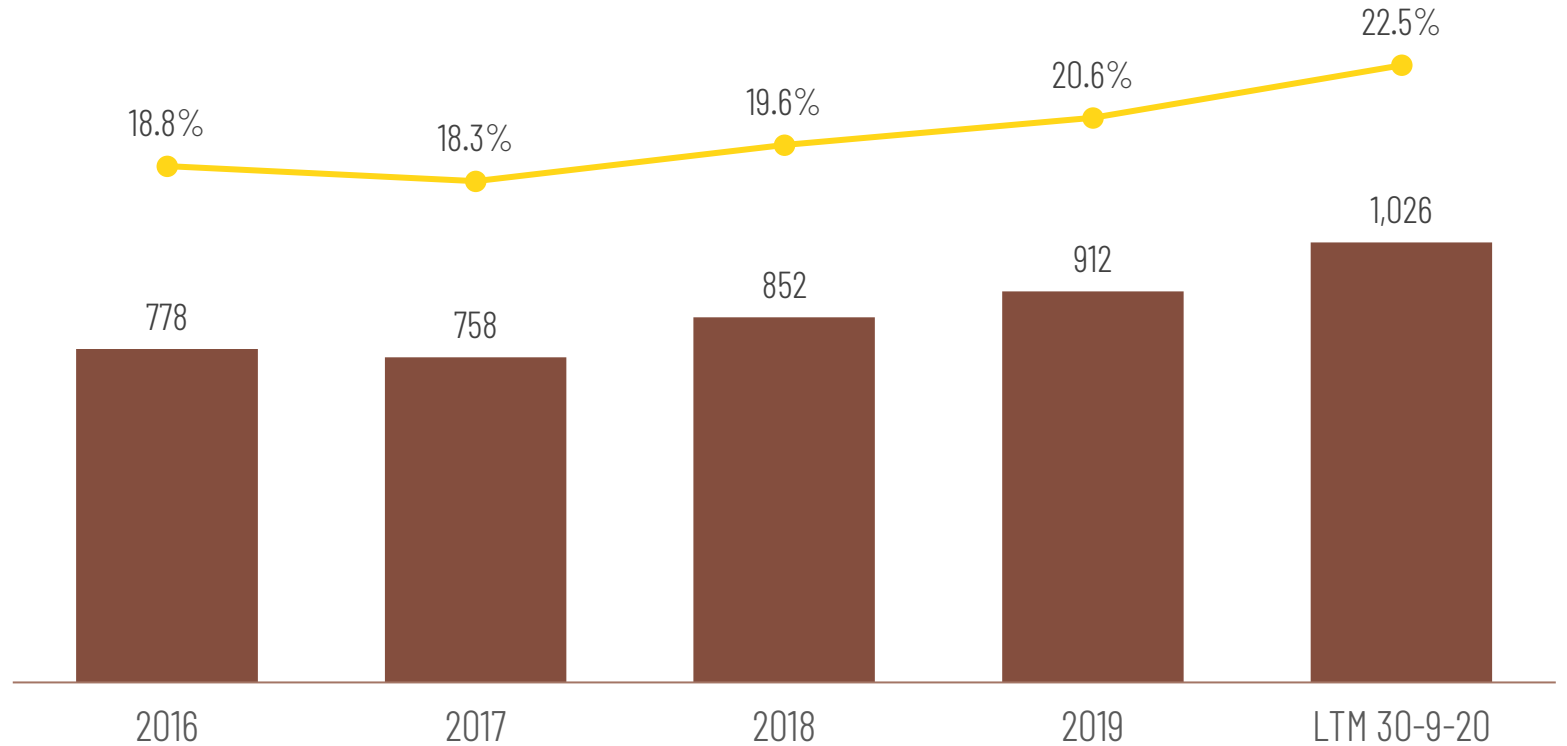
Adjusted EBITDA (CZKm)

■ EBITDA ● EBITDA margin



Long-term view | Adjusted EBITDA (CZKm)

■ EBITDA ● EBITDA margin



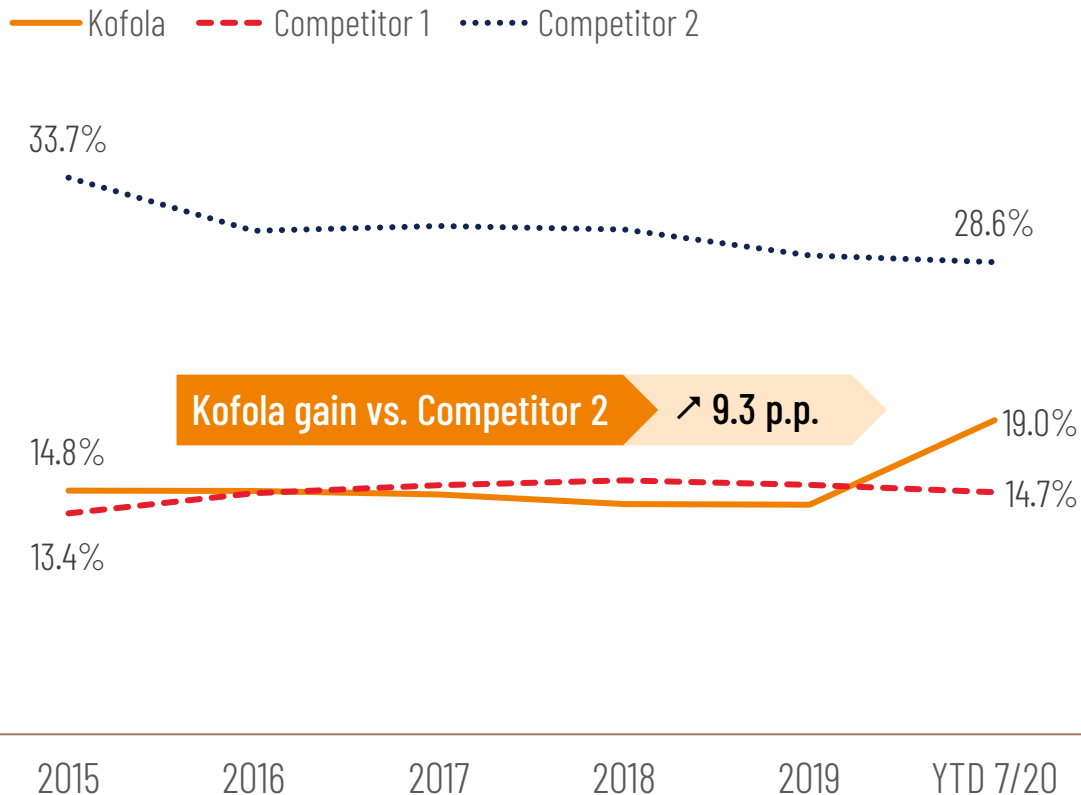


# KOFOLA CAN COMPETE WITH GLOBAL BRANDS

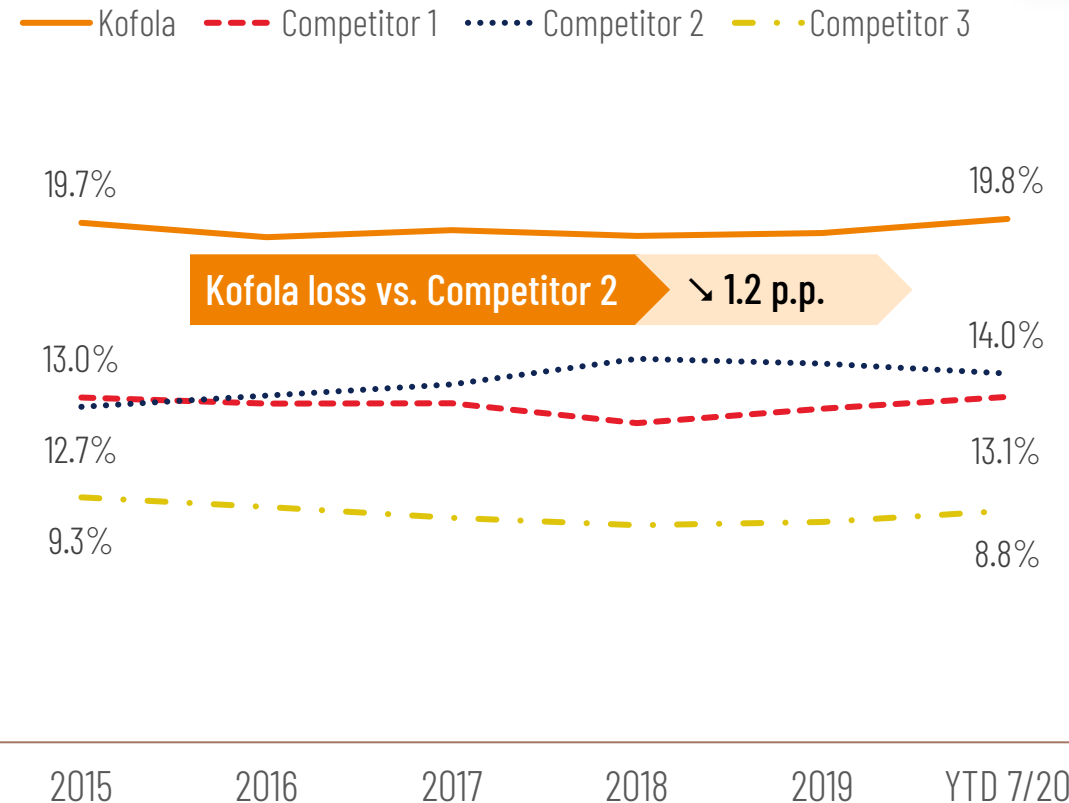
## KOFOLA RETAIL MARKET SHARE (VALUE)



### Czech Republic



### Slovakia



ONDRÁŠOVKA and Karlovarská Korunní acquired in 2Q 2020.  
Based on AC Nielsen and Data Servis, Kofola incl. exclusively distributed brands, Kofola relative gain/loss vs. Competitor 2 calculated between start and end of reported periods.

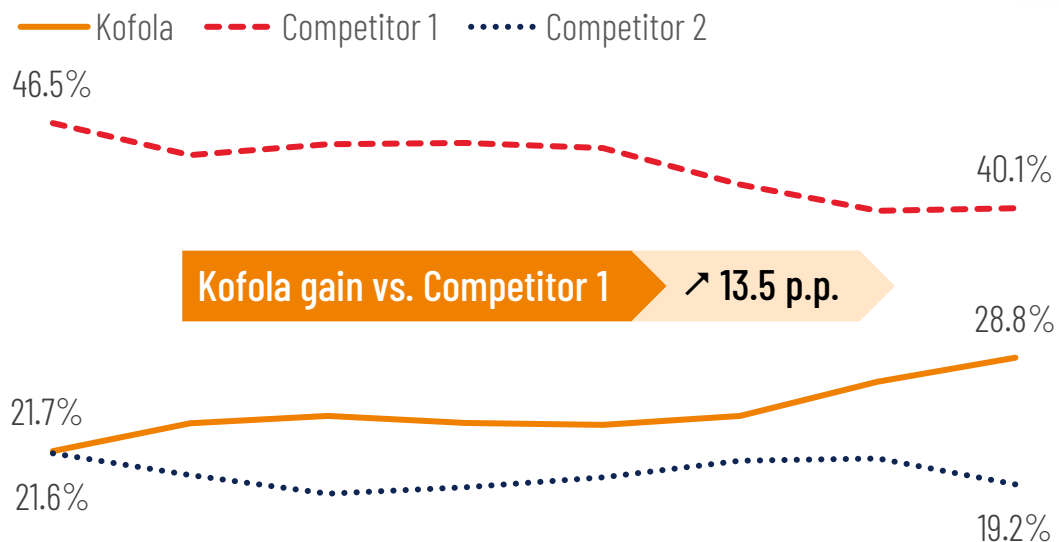


# KOFOLA CAN COMPETE WITH GLOBAL BRANDS

## KOFOLA HORECA MARKET SHARE (VOLUME)



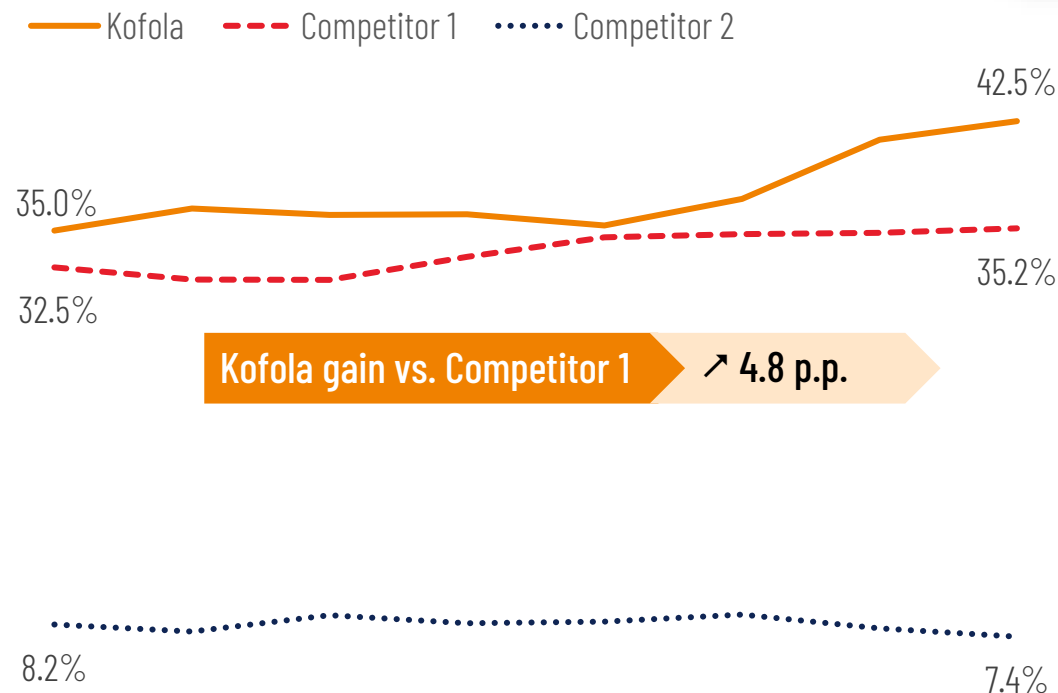
### Czech Republic



**Kofola gain vs. Competitor 1** ↗ 13.5 p.p.

2013 2014 2015 2016 2017 2018 2019 YTD 6/20

### Slovakia



**Kofola gain vs. Competitor 1** ↗ 4.8 p.p.

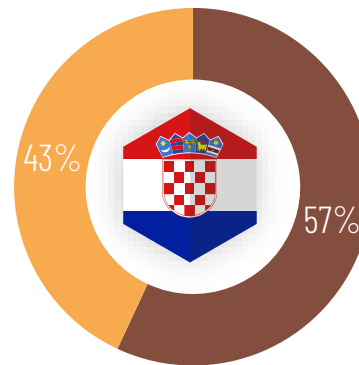
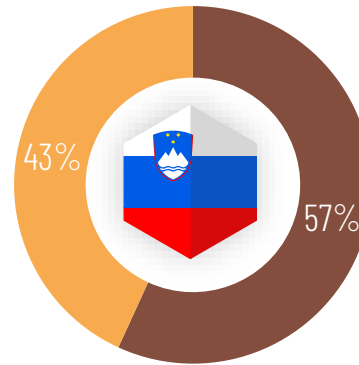
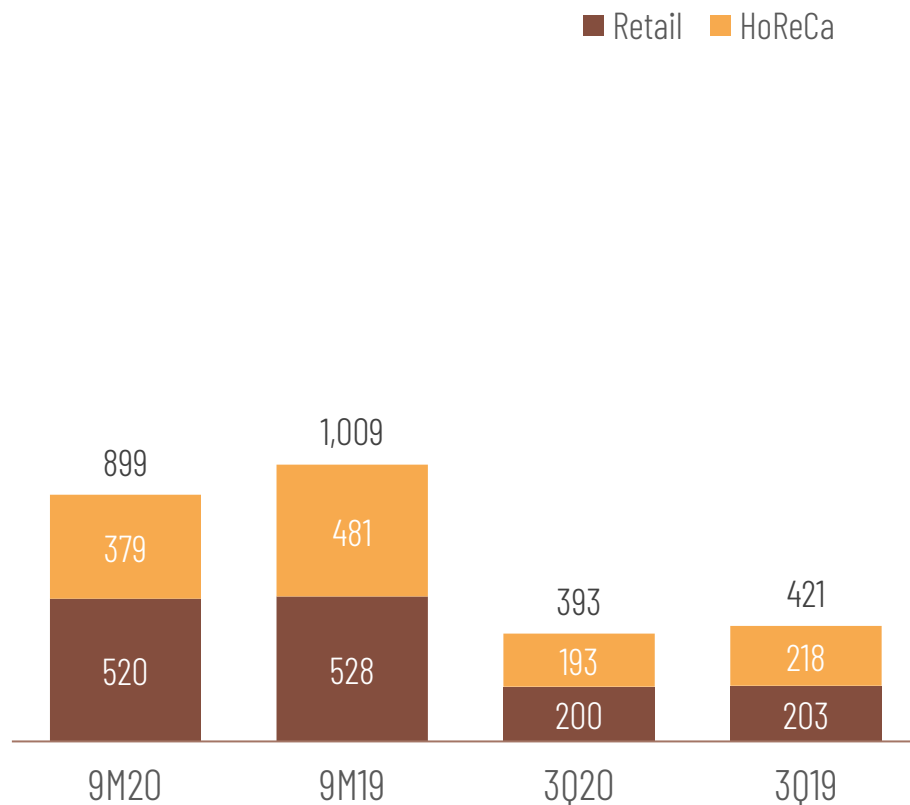
2013 2014 2015 2016 2017 2018 2019 YTD 6/20

Based on AC Nielsen and Data Servis, Kofola incl. exclusively distributed brands, Kofola relative gain/loss vs. Competitor 1 calculated between start and end of reported periods.

# REVENUE | ADRIATIC



## Revenue (CZKm)



## Sales in litres ('000)

SLOVENIA	9M 2020	9M 2019
Retail	↓ 52,319	53,356
HoReCa	↓ 21,215	26,884
<b>Total</b>	↓ 73,534	80,240

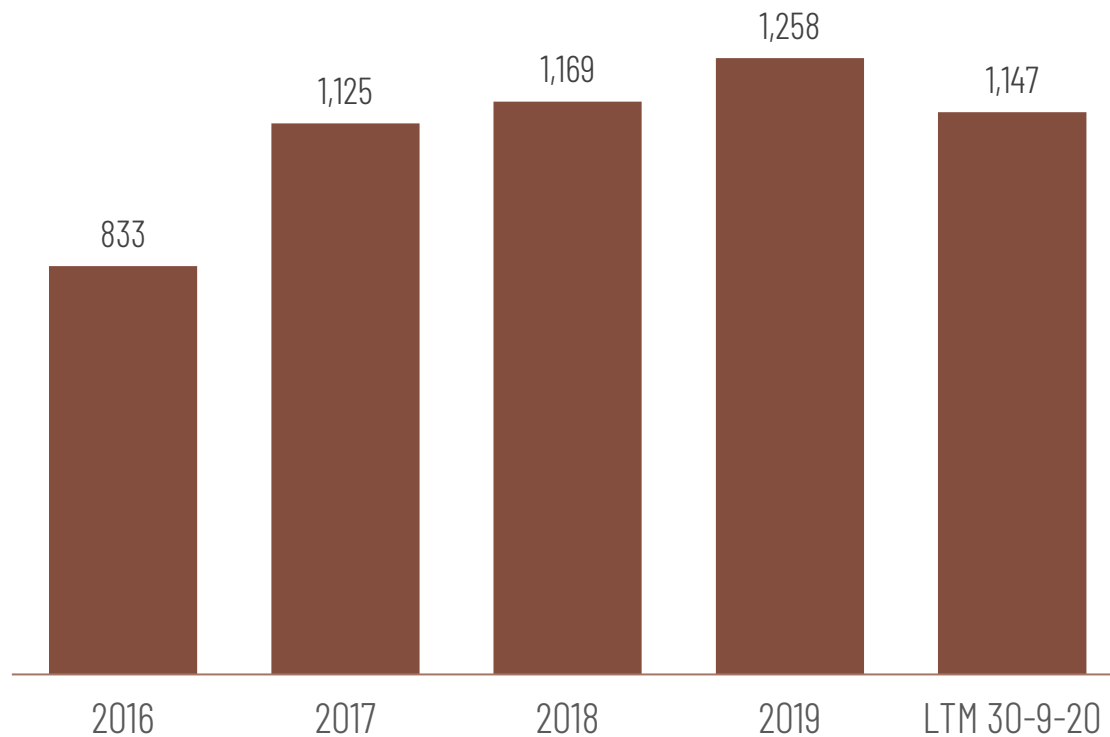
CROATIA	9M 2020	9M 2019
Retail	↓ 26,855	30,149
HoReCa	↓ 10,447	14,239
<b>Total</b>	↓ 37,302	44,388

HoReCa includes On premise and On the go.

# REVENUE | ADRIATIC



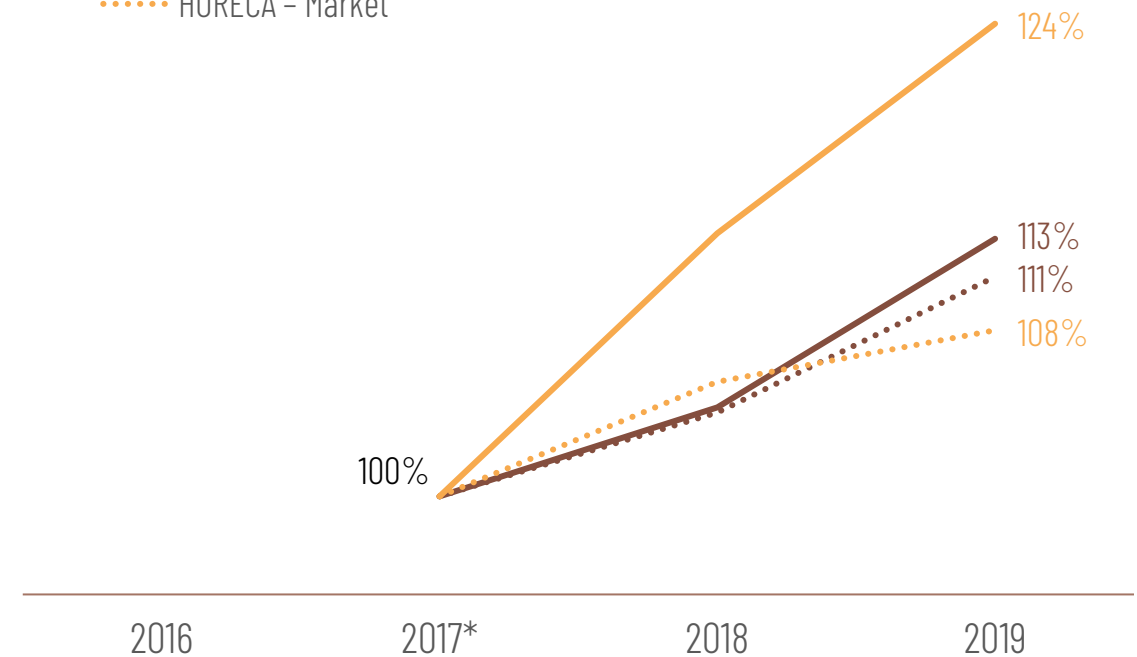
Revenue (CZKm)



Comparison with Adriatic market dynamics (value)

- RETAIL – Kofola
- ..... RETAIL – Market
- HORECA – Kofola
- ..... HORECA – Market

Source: AC Nielsen, Canadean, Internal data



Data for 2020 not available to the Group yet.  
\* Measured since acquisition of Studenac.

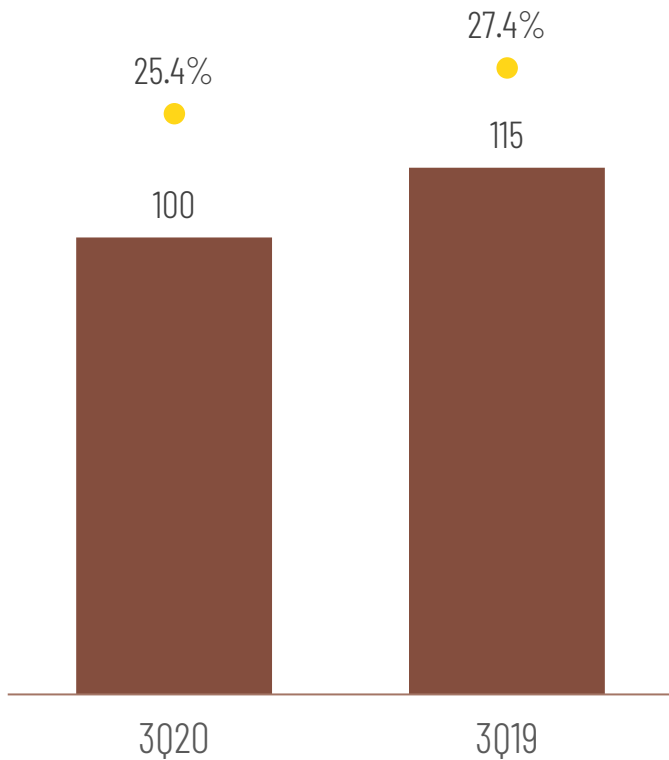


# EBITDA AND EBITDA MARGIN | ADRIATIC



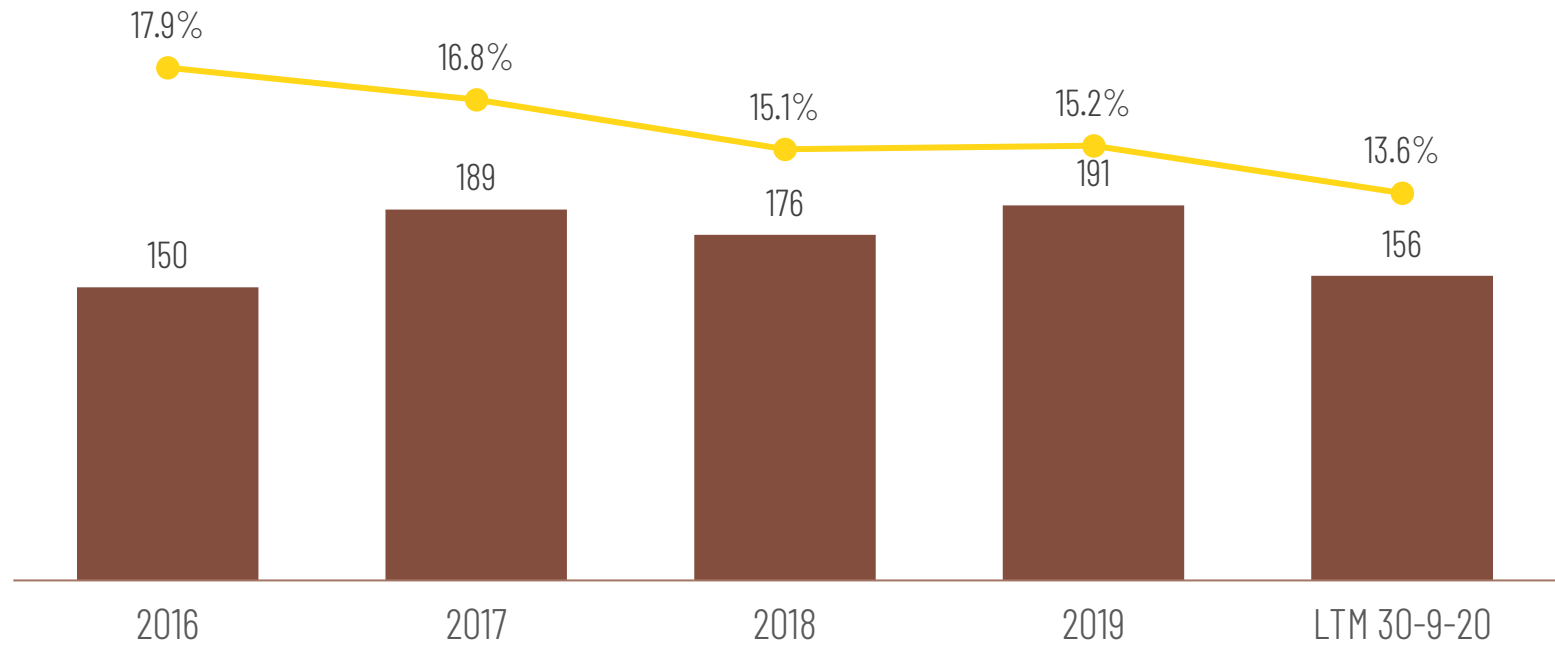
Adjusted EBITDA (CZKm)

■ EBITDA ● EBITDA margin



Long-term view | Adjusted EBITDA (CZKm)

■ EBITDA ● EBITDA margin

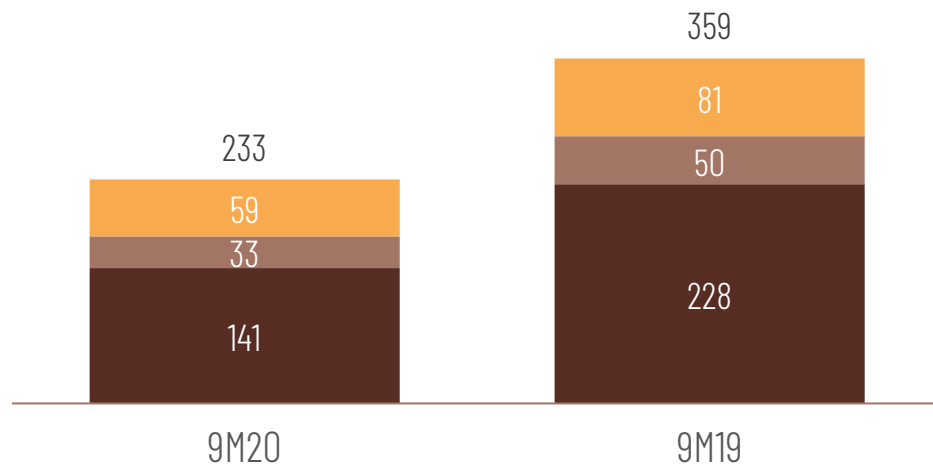


# FRESH & HERBS: UGO



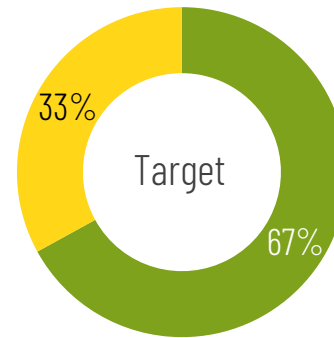
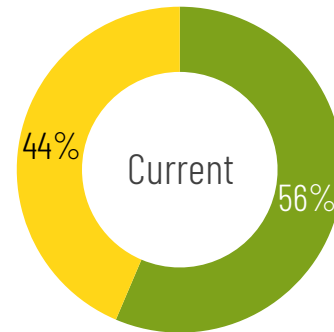
## Revenue (CZKm)

■ Fresh bars & Salad bars ■ Bottles ■ Packaged food



## Stores split

■ Franchise ■ Own







# FRESH & HERBS: UGO



## Newest salad bar on prestigious address

UGO opened its newest and largest Salad bar in the heart of the CZ capital on Wenceslas Square. This is already 34th establishment in Prague, the 79th overall across CS. The two-store flagship with a total area of 482 m<sup>2</sup> started its operation in July.





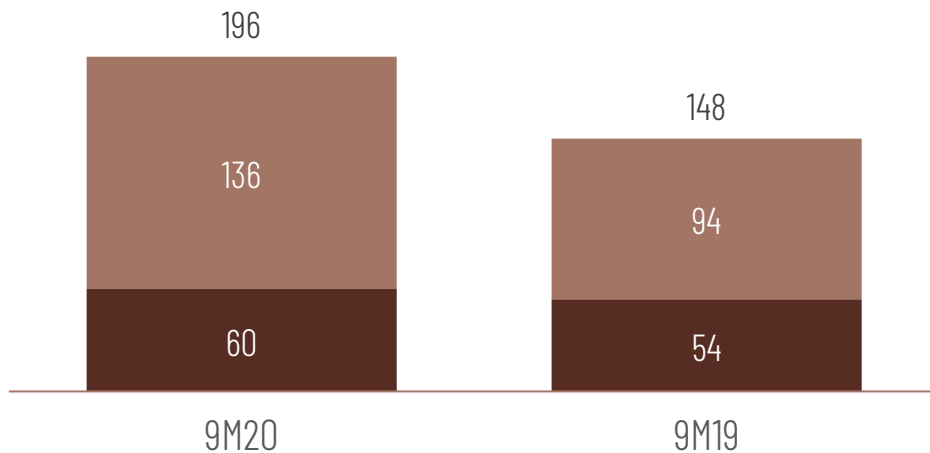


# FRESH & HERBS: LEROS AND PREMIUM ROSA



## Revenue (CZKm)

■ Premium Rosa   ■ Leros



Producer of premium natural products such as syrups, juices and jams.



Certified producer of medical-grade herbal teas with history dating back to 1954.



espresso

Distributor of high quality Café Reserva coffee and Dilmah teas. **Merged with LEROS in 1Q20.**

Espresso acquired in July 2019.

# CONSOLIDATED FINANCIAL PERFORMANCE INDICATORS

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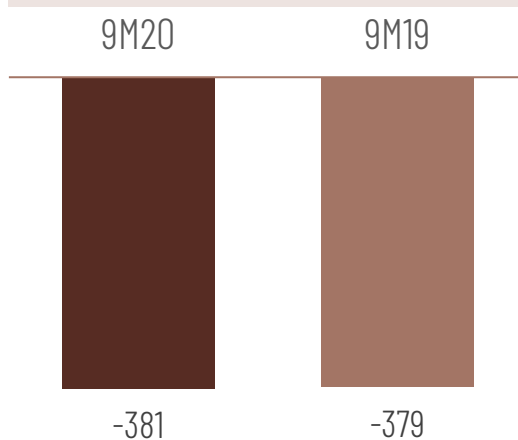
APPENDIX



# SELECTED FINANCIAL PERFORMANCE INDICATORS

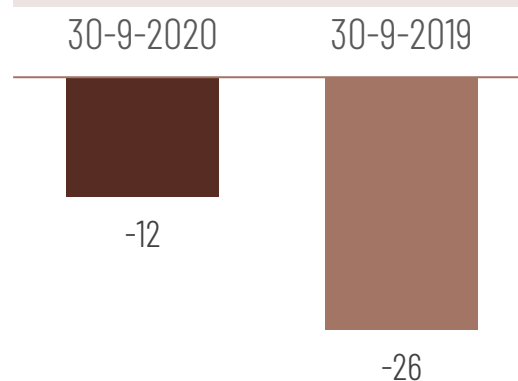
CONTINUING OPERATIONS

## CAPEX (CZKm)



- No major changes.

## Working Capital (WC)\* (CZKm)



- INV: +95 CZKm - higher stock to ensure sufficient material for production, ACQ effect and FX.
- REC: +129 CZKm - ACQ effect and FX.
- PAY: (210) CZKm - higher INV, ACQ effect and FX.

## Free CF (CZKm)

	9M20	9M19
Adjusted EBITDA	905.8	860.2
Change of WC	(1.5)	(28.9)
CAPEX	(380.9)	(379.0)
Taxes paid	(97.5)	(101.3)
<b>Free CF</b>	<b>425.9</b>	<b>351.0</b>
Cash bal.	771.9	757.2

- EBITDA increase due to outstanding results of CS in 9M20 despite COVID.
- Higher cash flow from REC and PAY.

## ROCE\*\*

	9M20	9M19
Adjusted EBIT	454.6	450.6
Total assets	8,246.2	6,743.1
Cash & CE	771.9	757.2
Current liabilities	2,327.6	2,509.3
<b>ROCE</b>	<b>8.8%</b>	<b>13.0%</b>

- Stable EBIT despite COVID.
- Assets and LT liabilities significant increase due to new ACQ.
- Lower ST liabilities mainly due to repayment of overdraft.

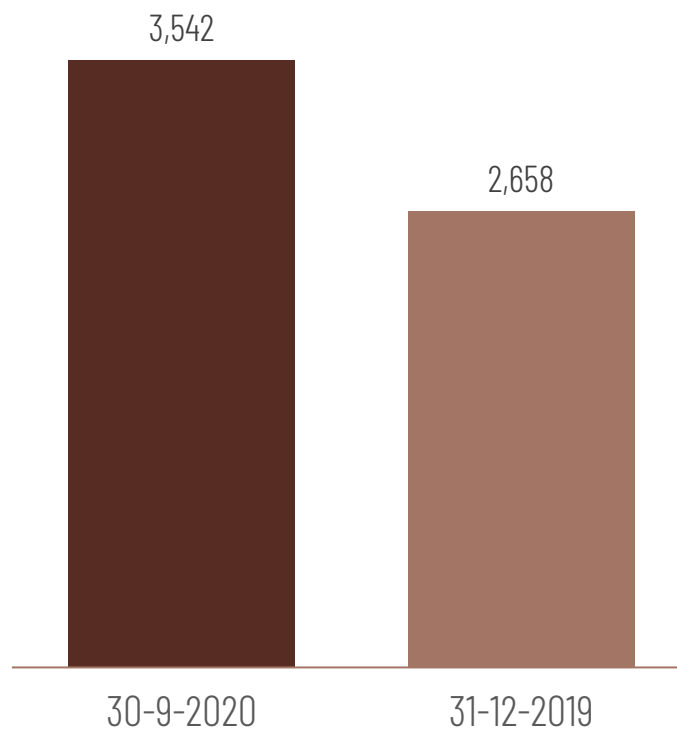
\* Inventories + Trade and other receivables - Trade and other payables. Adjusted for items not representing working capital.

\*\* EBIT / (Total assets - Current liabilities - Cash and cash equivalents)

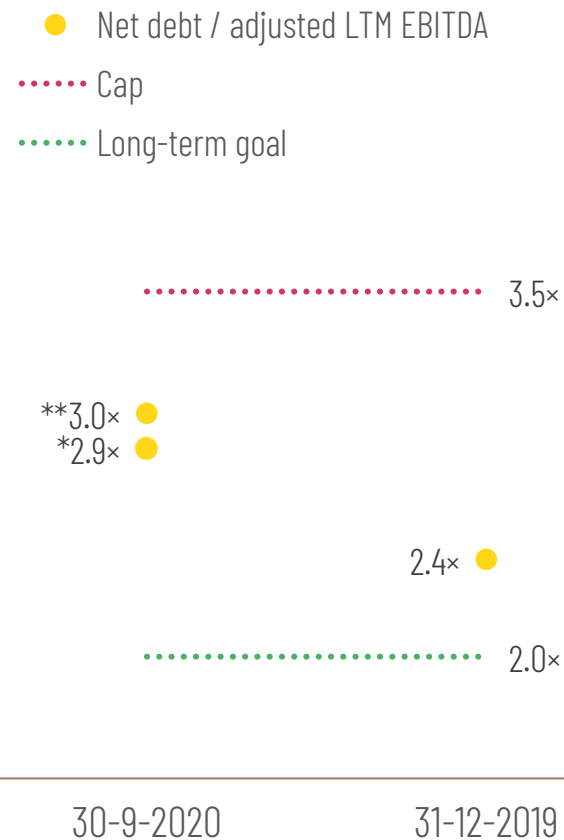


# SELECTED FINANCIAL PERFORMANCE INDICATORS

## Net debt (CZK<sub>m</sub>)



## Net debt / adjusted LTM EBITDA



## Gross and net debt calculation (CZK<sub>m</sub>)

	30-9-20	31-12-19
L/T bank loans	3,370.7	2,229.2
L/T lease liabilities	341.7	314.4
S/T bank loans	475.7	783.8
S/T lease liabilities	125.9	105.4
<b>Gross debt</b>	<b>4,314.0</b>	<b>3,432.8</b>
Cash	(771.9)	(774.5)
<b>Net debt</b>	<b>3,542.1</b>	<b>2,658.3</b>

## Change in bank loan repayments schedule

Due to COVID-19, Kofola ČeskoSlovensko has utilized government moratorium on its bank loans. Planned repayments of 108.8 CZK<sub>m</sub> in 2Q20 and 108.8 CZK<sub>m</sub> in 3Q20 were postponed by 6 months.

# M&A

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# M&A STRATEGY | WHERE WE INVEST?

## Authentic healthy raw materials



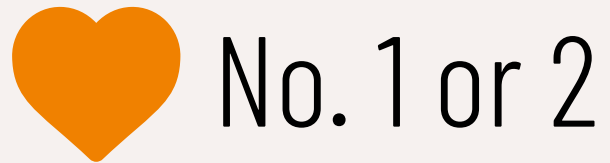
## Extensions of our gastro portfolio



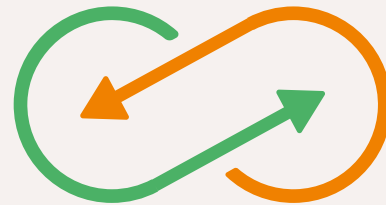
## Mineral water



## Strong love brands



## Synergies with current business



## EBITDA multiple

< 12

No material acquisitions in the mid-term future.



# F.H.PRAGER: 1Q 2020 ACQUISITION

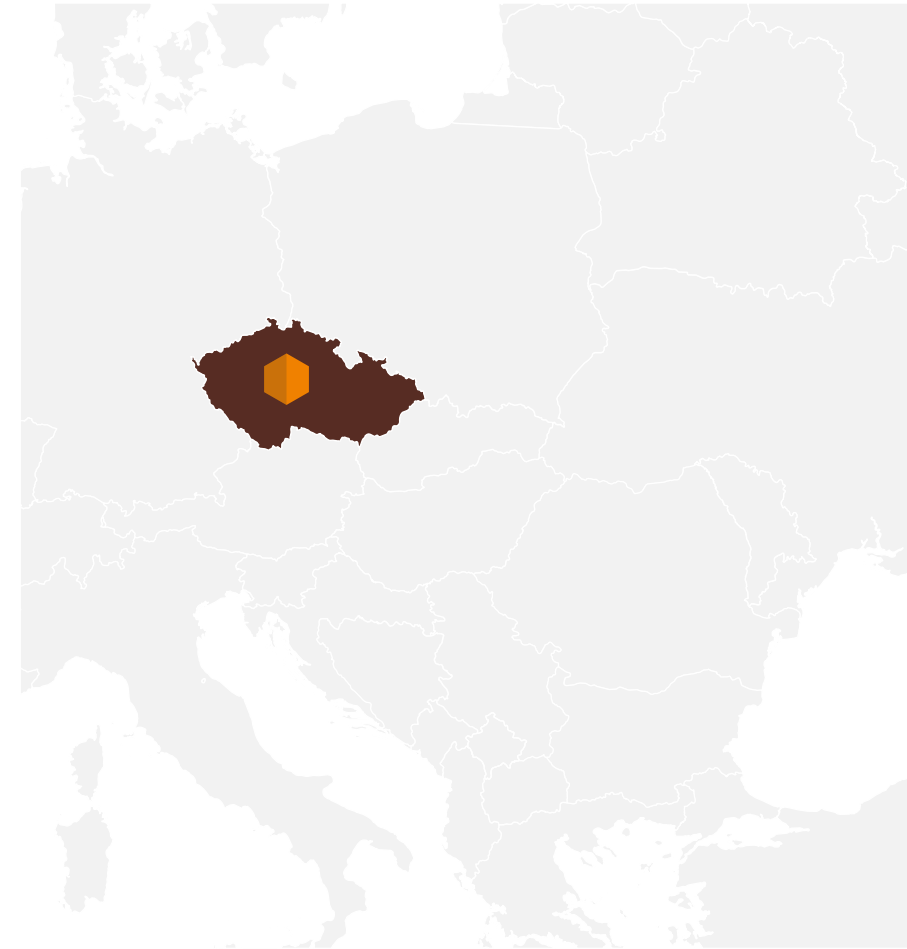


## Basic information

Acquisition date	9 January 2020
Price	3.0 CZKm
Recognized goodwill	3.3 CZKm

## Rationale

- Extends our portfolio.
- Know-how of the fermentation process.
- Intended for both HoReCa and Retail.







# ONDRÁŠOVKA AND KORUNNÍ: 2Q 2020 ACQUISITION

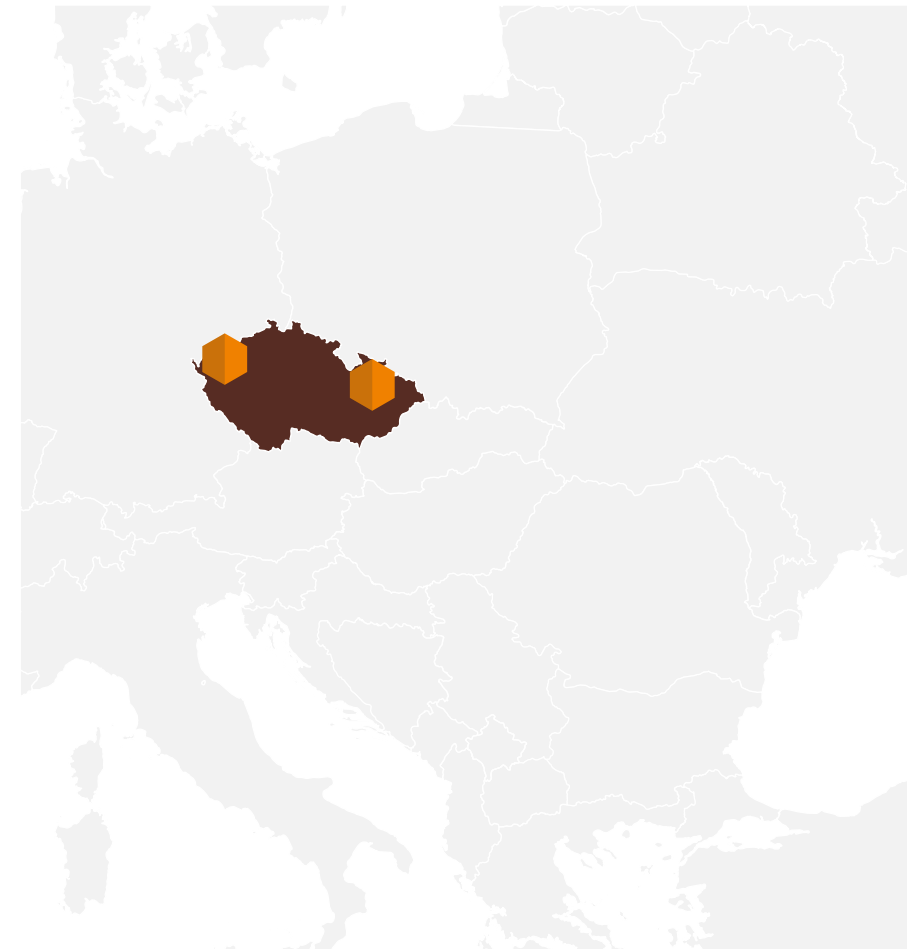


## Basic information

Acquisition date	15 April 2020
Price	1,105.8 CZKm
Recognized goodwill	538.0 CZKm

## Rationale

- To double our market share in CZ retail in water category.
- Water makes up to 60% of CZ retail market volumes.
- Mineral water market protected against negative market fluctuations.
- Is subject to integration into Group's systems and processes.





# HOOP AND MEGAPACK DIVESTMENTS

## HOOP sale

Leaving unsuccessful business in Poland based on private labels and low performing own brands.

### Cash-flow effects in 2019 (CZK<sub>m</sub>)

Receivables paid	39.1
Repayment of loan	104.2
Payment of the transaction price I	68.0
Cash of disposed subsidiary	(46.6)
<b>Total</b>	<b>164.7</b>

### Cash-flow effects in 1Q 2020 (CZK<sub>m</sub>)

Payment of the rest of the transaction price II	138.5*
---	--------

## Megapack sale

Leaving non-core business in a Russian associate.

### Cash-flow effects in 2019 (CZK<sub>m</sub>)

Dividend I	21.7
Dividend II	15.3
<b>Total</b>	<b>37.0</b>

### Cash-flow effects in 1Q 2020 (CZK<sub>m</sub>)

Payment of the transaction price	113.9*
----------------------------------	--------

\* Applying actual FX rate at the date of cash receipt

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# GOALS 2020

2020

EBITDA* (range)	950-1,000 CZKm
Revenue growth	N/A
Max CAPEX*	450 CZKm
Dividend per share	13.50
Net debt / EBITDA	N/A

Due to the current situation regarding COVID-19, we cannot set goals for all KPIs. Distant General Meeting has approved a 2019 dividend in amount of CZK 13.50 per share, before tax.

\* Including new subsidiaries

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# HISTORY OF SUCCESSFUL ACQUISITIONS AND DEVELOPMENT



Establishment of the Kofola brand

2002

HoReCa started in Czechia & Slovakia



2004

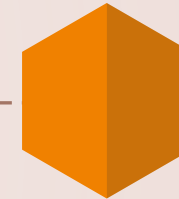
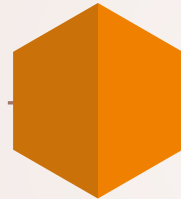
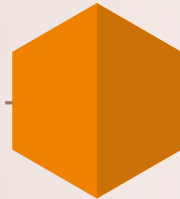


Acquisition of Vinea brand in Slovakia - most popular CSD in Slovakia

2012



1960



Acquisition of the Kofola brand and original recipe by predecessor of Kofola

2003



Rajec brand created internally by Kofola  
No. 1 water in Slovakia

2008



Acquisition of UGO group - fresh juices



# HISTORY OF SUCCESSFUL ACQUISITIONS AND DEVELOPMENT



**Expansion into the Adriatic region**  
 Acquisition of Radenska –  
 No. 1 water producer in Slovenia  
 Acquisition of Studenac –  
 No. 2 mineral water brand in Croatia

2017–18



espresso



F.H. PRAGER  
jablářství

**Expansion into coffee  
 and handcrafted cider**  
 Acquisition of Espresso  
 Acquisition of F.H. Prager  
 Sale of Hoop Polska and Megapack

2015–16



**Expansion into a new segment  
 of healthy products**  
 Acquisition of Premium Rosa in Poland  
 Acquisition of LEROS in Czechia  
 Acquisition of Kláštorná in Slovakia



Take over of **Titbit** –  
 No. 1 salad producer in Czechia

2019–20



2020 acquisition of **ONDŘÁŠOVKA** and **Karlovarská Korunní**  
 – producers of mineral waters in Czechia



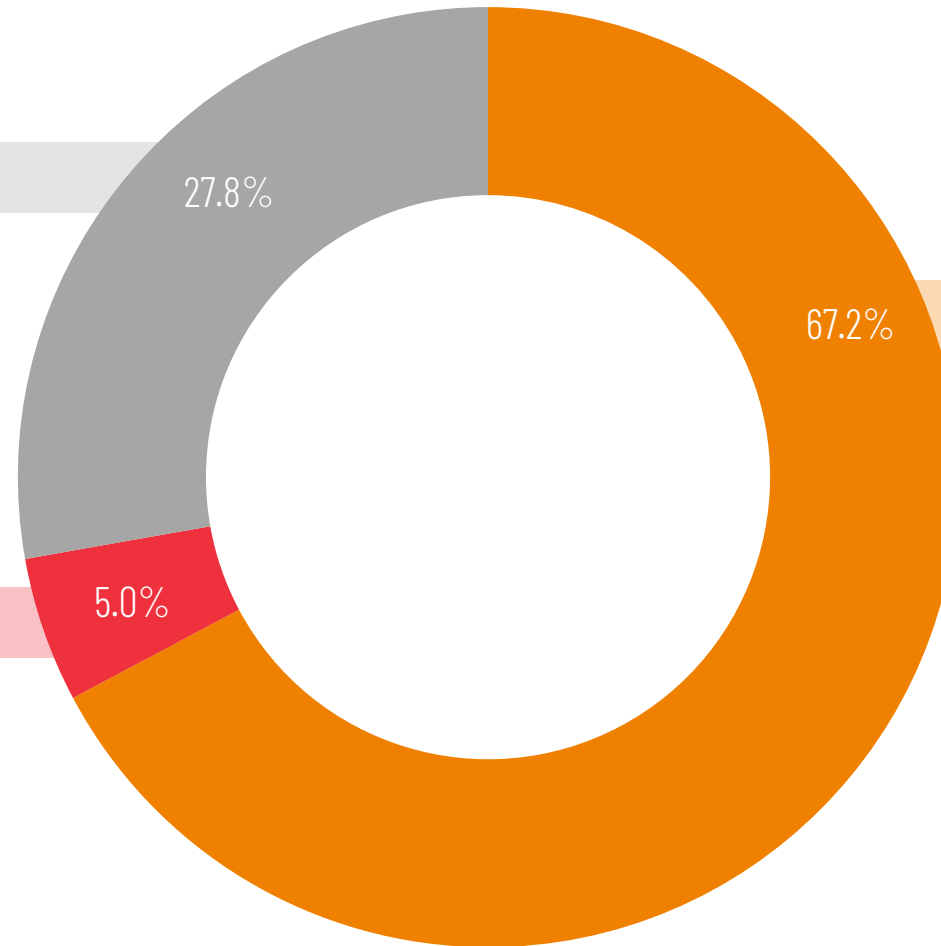


# KOFOLA OWNERSHIP STRUCTURE

## Free float

Currently 6.2 million shares  
at Prague Stock Exchange

## Kofola Group via RADENSKA d.o.o.



## AETOS a.s.

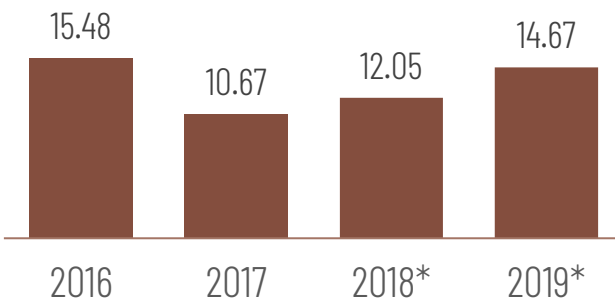
The majority in AETOS is owned by  
Jannis Samaras and his family.  
Minority shares are owned by Kofola Group's  
COO René Musila and Supervisory Board  
member Tomáš Jendřejek.



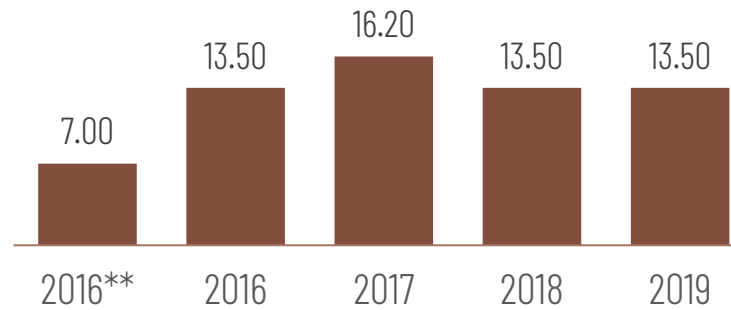
# KOFOLA LISTED ON PSE



## Earnings per share (CZK)



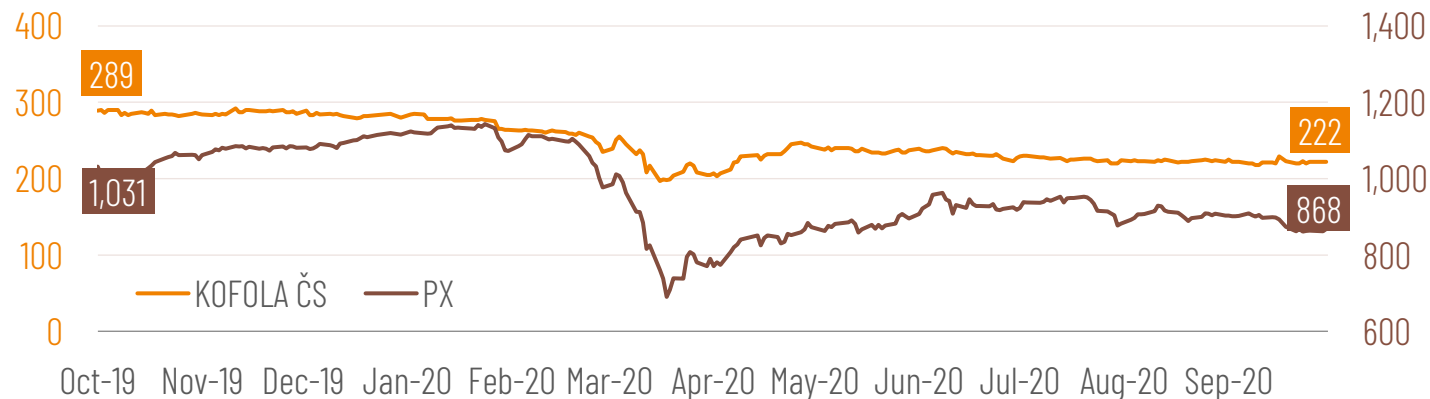
## Dividends per share (CZK)



## Dividend policy

- 60% of consolidated net profit achieved in each financial year from 2017-2020, subject to sufficient distributable profits.

## Share performance (CZK)



## About shares

Market capitalization	181.9 EURm
Dividend yield (latest dividend to share price as at 30-9-20)	6.1%
Average transaction volume	8,036 per day



# 9M 2020 AWARDS



PROKOP 2019

## PROKOP 2019

First prize in corporate communication for the Kamilka Project.



## Randstad Award

3rd place for Kofola in the complete ranking of the most attractive employers in the Czech Republic, 1st place in FMCG category.



## Mediář

2 TV spots (Royal Crown Cola and Kofola) placed in TOP 10 of TV Advertisements in 2019.



## Zlatá pecka

Best of Best from Association of Czech Advertising Agencies and Marketing Communication (Acra-mk) for the legendary Christmas TV Kofola Advertisement.



# 9M 2020 AWARDS



## Zlatý středník

1st place in the category Rebranding and relaunch for Klášterná Kalcia.



## Global Water Drinks Awards

1st place in the category Best PET for Klášterná Kalcia.



## Nejdůvěryhodnější značka

Kofola brand became the most trusted brand in the Czech Republic in the category Carbonated Soft Drinks.



## Agra

Radenska received one gold and one silver medal for Radenska with mango and lime from international agri-food fair Agra in Gornja Radgona.

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# RESULTS OF KOFOLA GROUP | 9M 2020

Reconciliation of reported and adjusted results (CZK <sub>m</sub> )	Reported	One-offs	Adjusted
Revenue	4,833.4	-	4,833.4
Cost of sales	(2,562.7)	-	(2,562.7)
<b>Gross profit</b>	<b>2,270.7</b>	<b>-</b>	<b>2,270.7</b>
Selling, marketing and distribution costs	(1,527.5)	-	(1,527.5)
Administrative costs	(316.4)	-	(316.4)
Other operating income/(costs), net	(72.9)	100.7	27.8
<b>Operating profit/(loss)</b>	<b>353.9</b>	<b>100.7</b>	<b>454.6</b>
Depreciation and amortisation	460.5	(9.3)	451.2
<b>EBITDA</b>	<b>814.4</b>	<b>91.4</b>	<b>905.8</b>
Finance income/(costs), net	(31.5)	0.1	(31.4)
Income tax	(108.0)	(2.0)	(110.0)
<b>Profit/(loss) for the period</b>	<b>214.4</b>	<b>98.8</b>	<b>313.2</b>
- attributable to shareholders of Kofola ČeskoSlovensko a.s.	224.1	98.8	322.9

## One-offs

### Continuing operations:

- PPE impairment of 35.4 CZK<sub>m</sub> (F&H).
- Restructuring costs of 33.0 CZK<sub>m</sub> (CS) and of 3.2 CZK<sub>m</sub> (F&H).
- Costs connected with the maintenance of closed Grodzisk Wielkopolski plant of 13.7 CZK<sub>m</sub> (F&H).
- Advisory costs of 13.1 CZK<sub>m</sub> (CS).
- Costs for support of the parties impacted by COVID-19 of 5.9 CZK<sub>m</sub> (CS).
- Costs arising on integration of newly acquired subsidiaries of 4.4 CZK<sub>m</sub> (CS).
- Costs arising on merger between LEROS and Espresso of 1.8 CZK<sub>m</sub> (F&H).
- Net gain on sold items of Property, plant and equipment of 9.8 CZK<sub>m</sub> (All segments, mainly CS).



# GROUP RESULTS COMPARISON 9M\*

(CZKm)	9M20	9M19**	Change	Change (%)
Revenue	4,833.4	4,893.3	(59.9)	(1.2%)
Cost of sales	(2,562.7)	(2,526.8)	(35.9)	1.4%
<b>Gross profit</b>	2,270.7	2,366.5	(95.8)	(4.0%)
Selling, marketing and distribution costs	(1,527.5)	(1,586.9)	59.4	(3.7%)
Administrative costs	(316.4)	(330.9)	14.5	(4.4%)
Other operating income/(costs), net	27.8	1.9	25.9	1,363.2%
<b>Operating profit/(loss)</b>	454.6	450.6	4.0	0.9%
<b>EBITDA</b>	905.8	860.2	45.6	5.3%
Finance income/(costs), net	(31.4)	(91.4)	60.0	(65.6%)
Income tax	(110.0)	(114.4)	4.4	(3.8%)
<b>Profit/(loss) for the period</b> continuing operations (CO)	313.2	244.8	68.4	27.9%
<b>Profit/(loss) for the period</b> discontinued operations (DO)***	-	27.4	(27.4)	(100.0%)
<b>Profit/(loss) for the period</b> (CO+DO)	313.2	272.2	41.0	15.1%
- attributable to shareholders of Kofola ČeskoSlovensko a.s.	322.9	278.1	44.8	16.1%

## Continuing operations

- Revenue drop due to COVID-19, impacting mainly HoReCa distribution channel. Also very rainy June 2020. Compensated by Revenue from ACQ.
- Gross profit margin decreased only by 1.4 p.p. due to realized saving measures and lower prices of PET.
- Decreased SMD costs due to lower sales (distribution costs), lower employee expenses and savings in marketing.
- ADMIN costs (excl. ACQ) percentage decrease lower than SMD costs due to higher portion of fixed costs.
- Net FIN result significantly better mainly due to FX gains arising on Company's EUR receivables.
- No major changes in Income tax expense.

\* Adjusted for one-offs \*\* Re-presented (due to sale of Megapack in 4Q19) \*\*\* Result for 2019 includes Hoop Polska (only till 18 Mar 2019) and Megapack.



# GROUP RESULTS COMPARISON 3Q\*

(CZKm)	3Q20	3Q19**	Change	Change (%)
Revenue	2,080.5	1,861.0	219.5	11.8%
Cost of sales	(1,000.9)	(905.3)	(95.6)	10.6%
<b>Gross profit</b>	1,079.6	955.7	123.9	13.0%
Selling, marketing and distribution costs	(579.6)	(555.9)	(23.7)	4.3%
Administrative costs	(105.3)	(110.3)	5.0	(4.5%)
Other operating income/(costs), net	5.1	1.2	3.9	325.0%
<b>Operating profit/(loss)</b>	399.8	290.7	109.1	37.5%
<b>EBITDA</b>	556.7	435.5	121.2	27.8%
Finance income/(costs), net	(12.2)	(22.7)	10.5	(46.3%)
Income tax	(75.8)	(44.0)	(31.8)	72.3%
<b>Profit/(loss) for the period</b> continuing operations (CO)	311.8	224.0	87.8	39.2%
<b>Profit/(loss) for the period</b> discontinued operations (DO)***	-	21.5	(21.5)	(100.0%)
<b>Profit/(loss) for the period</b> (CO+DO)	311.8	245.5	66.3	27.0%
- attributable to shareholders of Kofola ČeskoSlovensko a.s.	314.2	247.9	66.3	26.7%

## Continuing operations

- Group Revenue excl. ACQ increased by 1.4%, in CS even by 6.1%. COVID-19 negative effect still visible in ADRI (more dependent on tourism) and UGO.
- SMD costs higher mainly due to Logistic expenses which are driven by Revenue.
- Lower 3Q20 ADMIN costs due to option scheme expenses in 3Q19.
- Net FIN result better due to higher FX gains 3Q20 and lower interest expense due to lower market rates.
- Higher tax due to higher taxable profits.
- EBITDA margin in 3Q20 reaching 26.8% represents increase by 3.4 p.p. Outstanding EBITDA margin in CS exceeding 30%!

\* Adjusted for one-offs \*\* Re-presented (due to sale of Megapack in 4Q19). \*\*\* Result for 3Q19 includes Megapack.



# CONSOLIDATED INCOME STATEMENT\*

(CZKm)	9M20**	9M19**	2019**	2018**	2017	2016
Revenue	4,833.4	4,893.3	6,409.5	6,159.2	6,963.3	6,999.0
Cost of sales	(2,562.7)	(2,526.8)	(3,344.9)	(3,300.2)	(4,134.1)	(4,211.6)
Gross profit	2,270.7	2,366.5	3,064.6	2,859.0	2,829.2	2,787.4
Selling, marketing and distribution costs	(1,527.5)	(1,586.9)	(2,090.5)	(1,925.8)	(2,093.0)	(1,876.9)
Administrative costs	(316.4)	(330.9)	(453.8)	(409.5)	(373.7)	(403.1)
Other operating income/(costs), net	27.8	1.9	49.2	29.8	22.4	33.9
Operating profit/(loss)	454.6	450.6	569.5	553.5	384.9	541.3
EBITDA	905.8	860.2	1,119.4	1,056.6	950.2	1,064.4

\* Adjusted for one-offs \*\* Continuing operations; All Y/E periods audited; 9M19 re-presented due to sale of Megapack in 4Q19



# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(CZKm)	30.9.2020	31.12.2019	31.12.2018*	31.12.2017	31.12.2016
Non-current assets	5,841.2	4,394.0	4,348.8	4,786.2	4,915.9
Current assets	2,405.0	2,522.4	2,214.2	1,792.7	3,104.0
Total assets	8,246.2	6,916.4	6,563.0	6,578.9	8,019.9
Equity attributable to owners of Kofola ČeskoSlovensko a.s.	1,801.1	1,530.1	1,483.4	1,977.7	2,736.6
Equity attributable to non-controlling interests	(26.2)	(16.5)	(8.2)	(3.7)	2.9
Total equity	1,774.9	1,513.6	1,475.2	1,974.0	2,739.5
Non-current liabilities	4,143.7	2,842.5	2,613.9	1,855.7	1,580.4
Current liabilities	2,327.6	2,560.3	2,473.9	2,749.2	3,700.0
Total liabilities	6,471.3	5,402.8	5,087.8	4,604.9	5,280.4
Total liabilities and equity	8,246.2	6,916.4	6,563.0	6,578.9	8,019.9

\* Restated; All Y/E periods audited



# CONSOLIDATED STATEMENT OF CASH FLOWS

(CZKm)	9M20	9M19	2019	2018	2017	2016
Net cash flows from operating activities	672.3	725.7	932.3	821.2	720.0	655.3
Net cash flows from investing activities	(1,255.2)	(290.9)	(355.0)	(389.4)	(469.0)	(748.7)
Net cash flows from financing activities	559.6	(297.3)	(418.7)	(101.7)	(1,352.8)	(420.4)
Cash and cash equivalents at the beginning of the period	774.5	619.3	619.3	289.6	1,421.0	1,940.0
Effects of exchange rates changes on cash and cash equivalents	20.9	0.4	(3.4)	(0.4)	(29.6)	(5.2)
Cash and cash equivalents at the end of the period	771.9	757.2	774.5	619.3	289.6	1,421.0

# CONTACT

Should you have any question related to Kofola Group do not hesitate to contact our investor relations office:

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