

Kofola CeskoSlovensko

Growth supported by M&A, solid dividend

Buy

Price 04.12.25	CZK 480
12m target	CZK 557
Upside to TP	16.0%
Dividend	CZK 21.7
Total return	20.6%

Sector stance
Neutral

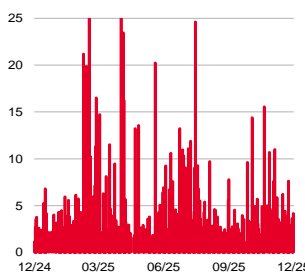
Investment type
High dividend yield
Acquisition growth

1 year performance



Source: Bloomberg

Trading volume (in ths of shares)



Source: Bloomberg

Share data

RIC KOFOL.PR Bloom	KOFOL CP		
52-week range	381-552		
Market cap. (CZKb)	10.7		
Market cap. (EURn)	444		
Free float (%)	27		
Performance (%): 1m	3m	12m	
Share	-1.2	-8.0	24.4
Rel. PX Index	-4.9	-16.2	-15.3

Source: Bloomberg

We reiterate our **Buy** recommendation for Kofola CeskoSlovensko shares and a new target price of **CZK557** per share (the previous recommendation and TP were Buy and CZK402 as of September 3, 2024). **Kofola should benefit from organic growth and consolidation of recent acquisitions. In particular, the Pivovary CZ brewery group.**

Business Outlook: In our model, we estimate revenue at CZK10.7bn and EBITDA at CZK1.76bn in 2025. From 2025 to 2029, we expect an average revenue growth of +3.0% and an EBITDA growth of +4.1%. Further acquisitions that would complement Kofola's existing operations are possible. Mergers and acquisitions (M&A) are one of Kofola's growth channels.

Valuation: We used the Discounted Free Cash Flow (DCF) model for the period from 2025 to 2029 to determine the valuation of Kofola shares. We assumed a weighted average cost of capital (WACC) of 7.0%-7.7% for the period and 7.7% for the terminal phase. This includes a discount for lower liquidity. We incorporated a long-term growth rate of 2% into our calculation. Based on the DCF model, we determined **Kofola's valuation to be CZK557 per share**. Compared to the current market price, this indicates a premium of +16.0%. The total potential, including dividends, is +20.6%. This corresponds to a **Buy recommendation**.

Based on our model, we value Kofola at a P/E ratio of 14.6x and an EV/EBITDA ratio of 8.5x (2026). The median for comparable companies is 19.6x and 14.6x, respectively. These figures suggest that Kofola is trading at a significant discount to the sector (25% and 42%, respectively). One possible explanation is the smaller Free Float. At the same time, Kofola offers a decent dividend yield, the highest among its competitors.

Main risks: In our opinion, the greatest risks include the significant increase in the prices of input materials, such as packaging and sweeteners. We also consider energy prices, which rose significantly during the energy crisis. Additionally, there are various risks related to restrictions on distribution channels, similar to those experienced during the Coronavirus crisis. There is also the possibility of an increase in taxes, e.g., on sweetened beverages. Another risk is a decline in the real purchasing power of consumers, which would likely reduce demand.

Expected Events: Kofola is expected to publish its 4Q25 and full-year results in mid-February 2026.

Financial Data

	2024	2025e	2026e	2027e
Revenues (mil. CZK)	11,082	10,664	11,452	11,905
EBITDA margin (%)	16.7	16.5	17.3	17.6
Net Income (mil. CZK)	653	691	847	915
EPS (CZK)	29.3	31.0	38.0	41.0
DPS (CZK)	13.5	21.0	21.7	26.6
Payout (%)	82	72	70	70
Interest Coverage (x)	3.4	5.6	5.2	5.6
Net Debt / EBITDA (%)	2.1	2.7	2.3	2.0

Ratios

	2024	2025e	2026e	2027e
P/E (x)	19.0	18.0	14.6	13.6
Price / Free Cash Flow	16.8	217.0	13.2	12.2
Dividend yield (%)	2.4	3.8	4.5	4.8
P/BV (x)	7.3	6.6	5.5	4.8
EV/S (x)	1.5	1.6	1.5	1.4
EV/EBITDA (x)	8.8	9.7	8.5	7.9
P/OCF	7.4	12.5	6.8	6.4
ROE (%)	41.5	38.7	41.1	38.0

The latest analysis and report:

https://bit.ly/Kofola_1Q25_EN

https://bit.ly/Kofola_exDVD25_en

https://bit.ly/Kofola_3Q25_en

SOCIETE
GENERALE
GROUP

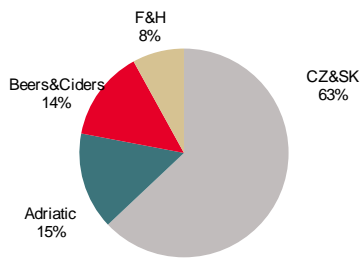


Bohumil Trampota
Equity Analyst
bohumil.trampota@kb.cz
(420) 222 008 560

Company overview

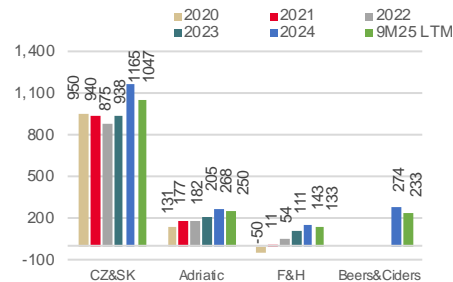
Strengths	Weaknesses
<ul style="list-style-type: none"> Leading positions on Slovak and Slovenian markets, second place on Czech and Croatian markets Strong local brands Vast experience of management in the areas of production and distribution of nonalcoholic beverages 	<ul style="list-style-type: none"> High bargaining power of retail chains pressuring producers' margins High leverage, possibly impacting dividends
Opportunities	Threats
<ul style="list-style-type: none"> Growth through potential acquisitions Focus on healthy nutrition, extending UGO salad bar segment Fall in raw material costs (especially sweeteners and packaging) Potential dividend growth 	<ul style="list-style-type: none"> Restrictive measures impacting business Raw materials cost increase Failure to integrate acquisitions Adverse macroeconomic situation in countries the company operates in

EBITDA breakdown (9M25 LTM)

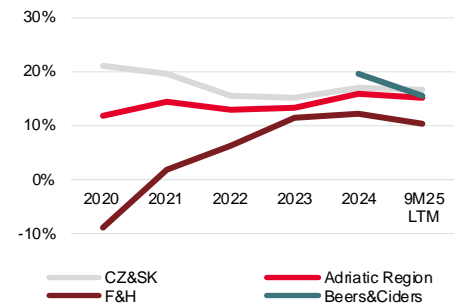


Source: Kofola

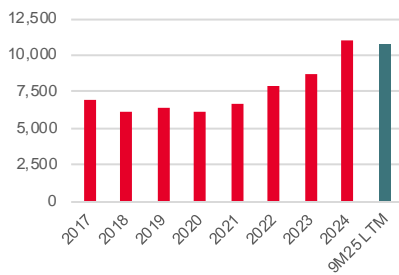
EBITDA by segment (CZK)



EBITDA margin (%)

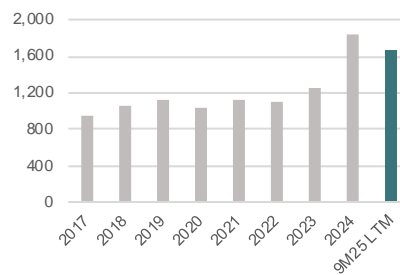


Sales (CZK)

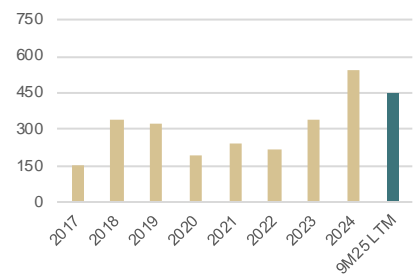


Source: Kofola

EBITDA (CZK)



Net Profit (CZK)



Company results

Kofola's latest published results are for the 3Q25 / 9M25. Although there was a yoy decline in earnings, the results were in line with market consensus. Kofola's management has revised its FY targets.

Review of 3Q25 results

Kofola's 3Q25 numbers

CZKm	3Q24	3Q25	y/y	KB	vs KB	Cons.	vs Cons.	9M24	9M25	y/y
Sales	3,357	3,106	-7.5%	3,208	-3.2%	3,219	-3.2%	8,476	8,170	-3.6%
EBITDA	735	727	-1.1%	733	-0.7%	729	-0.2%	1,589	1,401	-12%
margin	21.9%	23.4%	1.5pps	22.8%	0.6pps	22.6%	0.8pps	18.7%	17.1%	-1.6pps
EBIT	573	548	-4.4%	532	3.0%	540	1.5%	1,131	862	-24%
Net Profit	347	372	7.2%	423	-12%	378	-1.6%	595	497	-16%

Source: Kofola; Economic & Strategy Research, Komerční banka, *Company consensus

Unfavorable weather conditions negatively affected the third quarter. The introduction of a "sugar tax" in Slovakia also had a negative impact. Kofola reported 3Q25 sales of CZK3.1bn, corresponding to a yoy decline of 7.5%. Sales volumes declined. However, the UGO salad bars and Leros tea business performed well, with EBITDA growth of +3.6% and sales growth of +17.5%, respectively. These businesses are immune to weather fluctuations. However, these sectors are small and have no significant impact on the overall results. In terms of cost items, costs for sweeteners and personnel decreased. Kofola demonstrated its traditional cost discipline in other categories as well. **EBITDA of CZK727m decreased by 1.1% yoy. However, the margin increased by 1.5pps to 23.4%.** Net profit reached CZK372m, an increase of 7.2% yoy. Leverage increased to 3.08x from 2.82x in 1H25. We attribute this primarily to lower EBITDA.

In October, sales decreased by 1% yoy, with volume down 7% yoy.

In line with our forecast, Kofola lowered its full-year projections. **EBITDA should reach CZK1.75bn.** This corresponds to a yoy decline of 5.5% and a 7.9% decrease compared to the previous projection (CZK1.9bn). The total revenue target, which is expected to decline by 4% this year. (The previous target was +1.5% growth.)

Reported EBITDA for 9M25 is 80% of the FY target and 77% of the revenue forecast.

4Q25 and Full Year 2025 Forecast

We expect the 4Q25 results and full-year 2025 results to be published around mid-February 2026.

CZKm	4Q24	e4Q25 (KB)	y/y	2024	e2025 (KB)	y/y
Sales	2,606	2,494	-4.3%	11,082	10,664	-3.8%
EBITDA	262	364	39%	1,851	1,765	-4.7%
margin	10.1%	14.6%	4.5pps	16.7%	16.5%	-0.2pps
EBIT	46	187	304%	1,177	1,049	-11%
Net Profit	-55	135	n.m.	540	632	17%

Source: Kofola; Economic & Strategy Research, Komerční banka

Kofola has lowered its original full-year targets (EBITDA of CZK1.9-2.0bn, +3% yoy sales growth, and a debt ratio of 2.5x) twice this year. The reasons for this are unfavorable weather, the introduction of a special tax in Slovakia, and a decline in exports, particularly in the brewing

business. The current projection was updated on November 25 with the release of 3Q25 / 9M25 results. Therefore, it is likely that Kofola will meet the updated projections.

EBITDA is expected to reach CZK1.75bn, reflecting a 4% yoy decline in revenues. The leverage ratio should reach 3.0x.

According to our projections, Kofola will generate revenues of CZK10.66bn in 2025. This would correspond to a 3.8% yoy decline. Cost discipline regarding personnel costs, marketing, and administrative costs will continue, as was evident in 3Q25. According to our model, full-year EBITDA will decrease by 4.7% to CZK1.76bn.

Compared to Kofola's guidance, we are slightly more optimistic. According to our estimates, EBITDA will exceed the company's projection by a modest 0.8%, while sales will exceed it by a negligible 0.2%. We expect leverage to be 2.7x, lower than the target of 3.0x.

It should be noted that Kofola's financial performance in 4Q25 will be bolstered by the acquisition of ASO Vending, a company that operates food and beverage vending machines in Slovakia. The acquisition was finalized in mid-August, so it contributed partially to 3Q25 results as well.

M&A

Kofola has been very active in M&A in recent years. For instance, the company has purchased apple orchards and coffee plantations in South America. The company has also acquired businesses involved in food and beverage vending machines. At the beginning of 2024, Kofola acquired a brewing group comprising the Zubr, Litovel, and Holba brands.

Its most recent acquisition was the Slovak company ASO Vending in August of this year. ASO Vending is a major player in the beverage and food vending machine market in Slovakia. ASO Vending operates around 8,000 vending machines and has a turnover of around EUR18.8m and an EBITDA of around EUR2m.

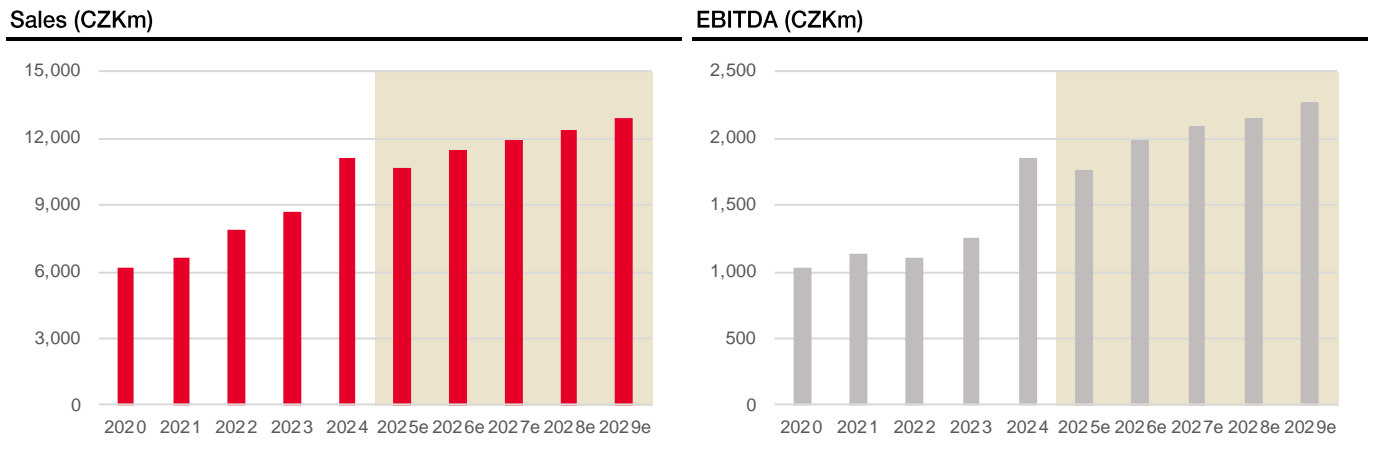
In our opinion, Kofola will continue to closely monitor the market and evaluate its opportunities. Future acquisitions could include operations that would expand Kofola's beverage business to include ingredients and packaging.

Mergers and acquisitions have been and continue to be one of Kofola's channels of growth.

We would like to point out that Kofola places great emphasis on ensuring that its activities are socially responsible.

Activity in M&A transactions may result in increased debt, among other things. This could affect Kofola's ability to pay dividends to its shareholders, for example (see Leverage and Dividends below). However, not all M&A transactions result in significant debt increases. Kofola could finance larger acquisitions by issuing new shares, forming a joint venture, or partnering with a financial institution.

Long-term forecasts



Source: Kofola; Economic & Strategy Research, Komerční banka

Kofola's performance is influenced by seasonal factors. The strongest months are the summer months when people are on vacation. Therefore, the 3Q is a key period in terms of full-year results. In recent years, the 3Q has accounted for at least 40% of total annual EBITDA. The 2Q contributes about 30%. This is followed by the 4Q with 14%, and the 1Q, which is slightly weaker.

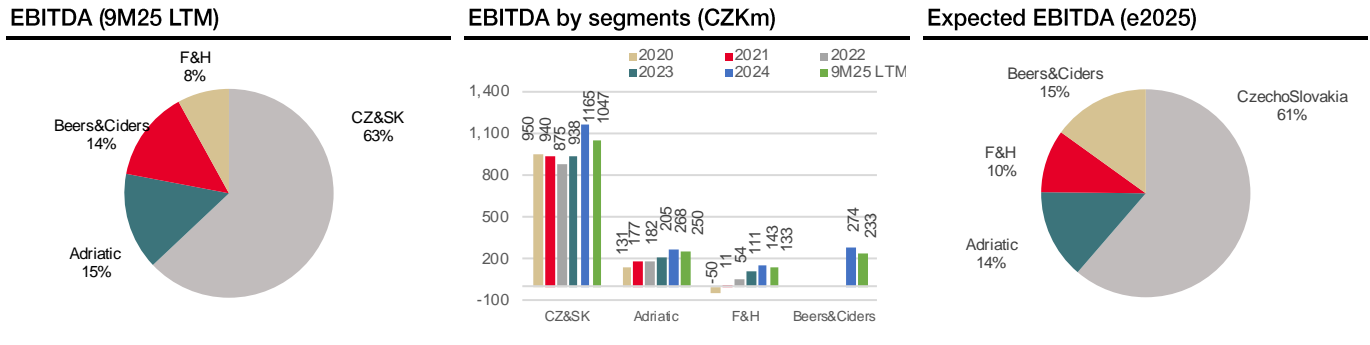
Kofola has four business pillars. The first is the traditional CzechoSlovakian market. The second is the Adriatic region. The third is Fresh&Herbs, which includes the tea business, syrups, and teas. Following the March 8, 2024 acquisition of the Pivovary CZ brewery group, a fourth segment, Beers&Ciders, was added.

Last year, the group's total revenues reached CZK11.1bn. According to company management, revenues should decrease by 4.0% yoy this year. This corresponds to CZK10.6bn. In our estimates, we expect CZK10.66bn. During the period under review, we anticipate Kofola's sales growing by an average of +3.0% per year (CAGR 2025-2029). In the final year of this period, sales are expected to reach CZK12.9bn.

According to Kofola's updated projection, EBITDA should total CZK1.75bn this year. This would correspond to yoy decline of 5.5%. In our forecast, we expect CZK1.76bn. Unsurprisingly, the main sector is the CzechoSlovakian operations, which generate approximately 63% of the total. The Adriatic region follows with 15%, Beers&Ciders with 14%, and F&H with 8%. These figures refer to the nine months of this year.

See the charts below.

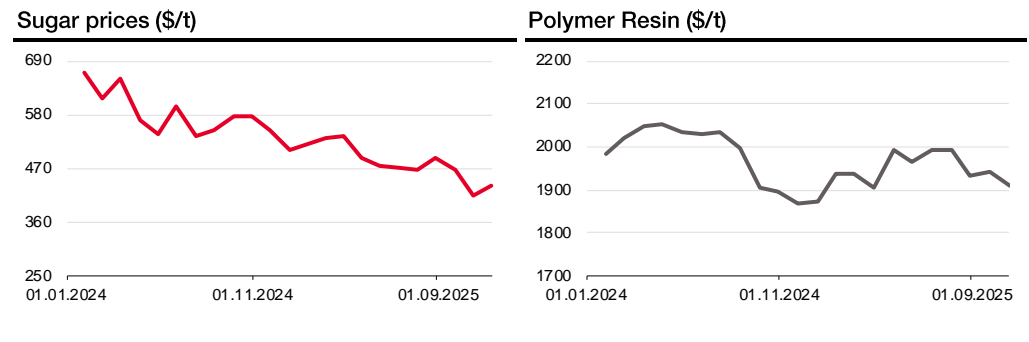
According to our model, Kofola will achieve an EBITDA of CZK2.27bn in 2029. This would mean an average growth rate of +4.1% (CAGR 2025-2029). The EBITDA margin is expected to increase from 16.7% in 2024 to 17.6% in 2029.



Source: Kofola; Economic & Strategy Research, Komerční banka

The main cost categories are packaging and sweeteners. Packaging materials accounted for 49.9% of direct costs in 2024 (compared to 46.8% in 2023). Sweeteners accounted for 31.4% (compared to 36.6% in 2023), while other items accounted for 18.7% (compared to 16.6% in 2023).

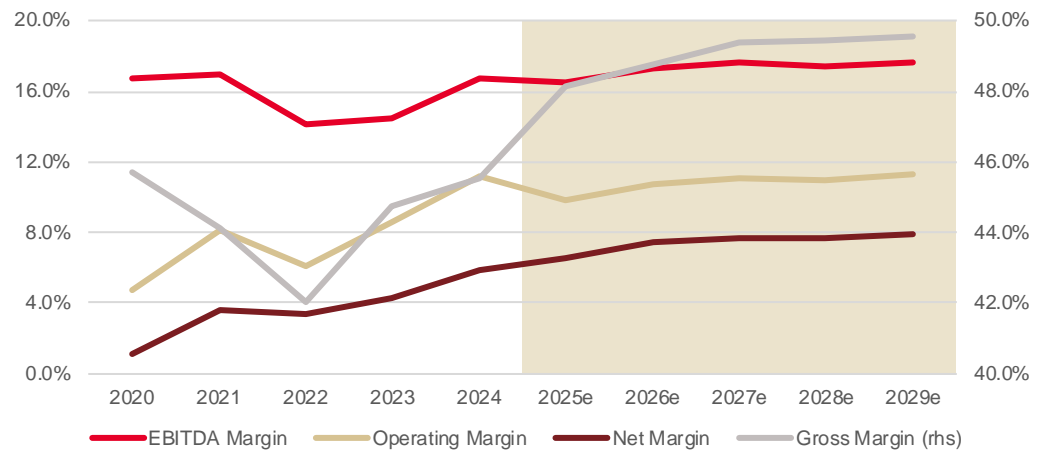
The graphs below show the price trends of PET and sugar. While the price of PET remained relatively stable this year, fluctuating only within a narrow range, the price of sugar decreased. The average price of PET decreased slightly this year (-1.4% yoy). In contrast, the price of sugar fell by 17% yoy. Contracts for next year are currently being negotiated. We estimate that sweetener prices will rise slightly. The trend for PET could be similar.



Source: Bloomberg

In our model, operating costs are growing at an average annual rate of +5.3% (CAGR 2025-2029). We expect them to reach CZK4.09bn this year, corresponding to a yoy growth rate of +7.5%. By the final year of the period, we estimate that they will reach CZK4.9bn. Costs will increase alongside higher volumes. Personnel costs will also increase due to a higher number of employees. Over 80% of operating costs are sales, marketing, and distribution costs. We expect these costs to grow by an average of +5.2% to reach CZK4.1bn in 2029. We assume that Kofola will strictly control administrative costs. We estimate their growth at CZK829m, corresponding to an average growth of +3.3% (CAGR 2025-2029).

Margin comparison (%)



Source: Kofola; Economic & Strategy Research, Komerční banka

Following the onset of the energy crisis in 2022, linked to the start of the war in Ukraine, Kofola's margins declined due to a sharp increase in energy costs. In the following years, negative factors related to the pandemic-related restrictions came into play. These factors particularly affected the restaurant business. Last year, the EBITDA margin reached 16.7%. We estimate a slight decline of 0.2pps this year. The reasons are described above and include overstocking caused by the sugar tax in Slovakia and unfavorable weather. We expect margins to grow to 18% in the coming years.

Dividend Policy

Kofola's dividend policy is to distribute approximately CZK300m (CZK13.50 per share) to its shareholders. Kofola paid CZK13.50 per share with an EBITDA of CZK1bn. Last year, EBITDA reached CZK1.85bn. Projections and estimates for the coming years indicate that EBITDA will surpass CZK2bn.

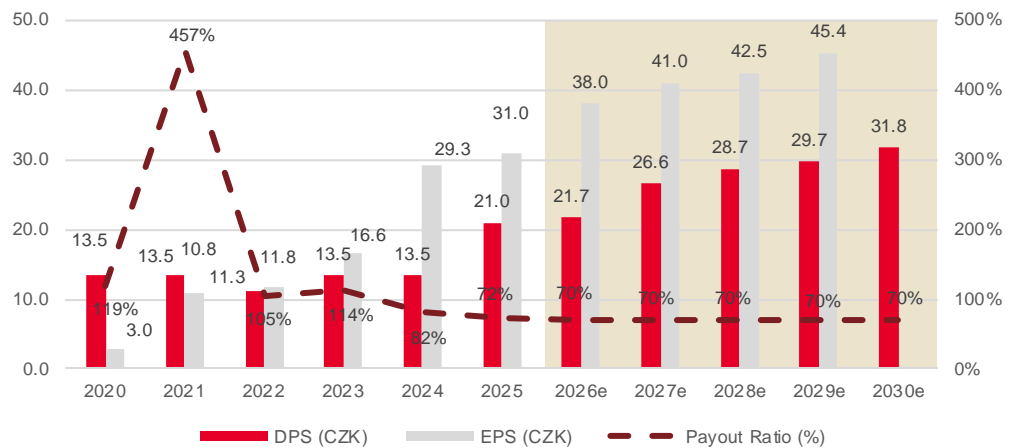
If profits more than double, will the dividend also double? We consider Kofola's dividend policy of CZK300m per year to be more of an indicative minimum.

In the fall of 2024, there was an unexpected interim dividend payment of CZK7.50. Subsequently, at the GM in June 2025, the shareholders approved the board of directors' proposal for a dividend of CZK21. This corresponds to a payout ratio of nearly 71% and a gross yield of around +4%. Kofola paid a total of CZK21 per share from profits in 2024. The remaining amount of CZK13.50 (CZK21 minus CZK7.50) was paid in August.

Since Kofola's projections for this year are similar to those of 2024, a comparable dividend is anticipated. **We anticipate the same payout ratio from the 2025 profit as in 2024: 70%. This would correspond to a dividend of CZK21.70 per share. Compared to the current market price, the gross yield would be +4.5%.**

We estimate that the payout ratio will remain at 70% during the remaining years of the review period. Thus, the dividend would climb above the CZK30 mark. Compared to our target price, this would mean the gross dividend yield would reach up to +6%.

Dividend projections (CZK)



Source: Kofola; Economic & Strategy Research, Komerční banka; in year in which is paid

However, it is also important to mention the potential risks that could threaten dividend payments. One such risk is developments in mergers and acquisitions, which can lead to an increase in leverage. M&A is one of Kofola's potential growth strategies. As mentioned above, Kofola has been very active in this area. Another risk is the company's outlook. This relates to various restrictions, such as the energy and coronavirus crises, which could lead to market restrictions or a sharp increase in costs.

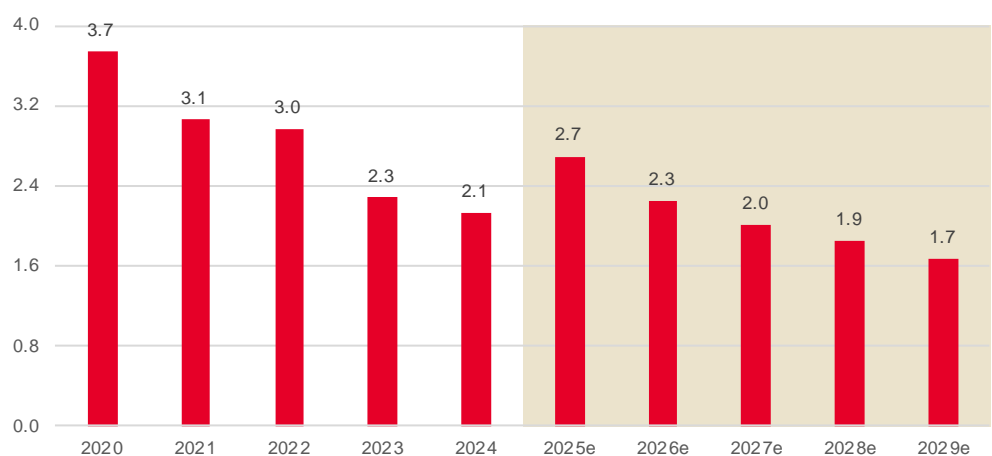
Indebtedness

Leverage will decrease to a very comfortable level.

According to its projections, Kofola should have a net debt-to-EBITDA ratio of 3.0x by the end of this year. After the first nine months of the year, the ratio was 3.08x. This is an increase from 2.82x compared to the value after the first half, and from 2.14x at the end of 2024. The increase is related to the appetite for acquisitions. Debt increased while cash decreased. And that was with lower EBITDA.

According to our model, Kofola's debt will be 2.7x by the end of this year. This would put it below its target for the year.

Leverage (Net Debt / EBITDA)



Source: Kofola, Economic & Strategy Research, Komerční banka

In our opinion, leverage should continue to decline in the coming years, dropping well below 2.0x. Compared to the bank covenant of 3.5x, this indicates that Kofola has sufficient room for further investments or acquisitions. It could also allow for higher dividend payments. However, if Kofola were to make a large acquisition, its leverage could temporarily exceed the covenant. As the previous chart shows, even when leverage jumped above the limit, Kofola was able to reduce it quickly. High leverage could result in reduced or canceled dividend payments. However, Kofola did not reduce its dividend payments in the past, even with higher indebtedness.

Valuation

Sector comparison

There are no comparable competitors to the Kofola Group in the Czech Republic that are also traded on the stock exchange. Therefore, for comparison, we selected companies with a similar focus that sell their products in the Czech Republic or other European countries. At the same time, we used the S&P 500 Soft Drinks Sector Index, which focuses on producing non-alcoholic beverages, to compare with the entire market.

Kofola is trading at a significant discount.

Based on selected multiples, Kofola is trading at a significant discount compared to the median of a group of comparable companies. Additionally, Kofola offers a decent dividend yield, probably the highest among its competitors.

Peers Comparison

	P / E			EV/EBITDA			EV/Sales			P/S			ROE	Divi. %
	2025	2026	2027	2025	2026	2027	2025	2026	2027	2025	2026	2027	akt.	akt.
Kofola CeskoSlovensko AS	18.0	14.6	13.6	9.7	8.5	7.9	1.6	1.5	1.4	1.2	1.1	1.0	38.7	4.5
Coca-Cola Co/The	23.7	22.0	20.5	20.8	19.3	18.0	7.0	6.7	6.4	6.3	6.0	5.8	45.1	2.9
PepsiCo Inc	18.2	17.3	16.3	13.6	12.8	12.2	2.6	2.5	2.5	2.2	2.1	2.0	37.2	3.8
Monster Beverage Corp	37.3	33.3	29.7	26.7	24.2	22.1	8.5	7.8	7.2	8.8	8.1	7.5	25.5	n/a
AG Barr PLC	14.4	13.4	12.7	8.8	8.1	7.6	1.6	1.5	1.4	1.6	1.6	1.5	15.7	2.7
Keurig Dr Pepper Inc	13.9	13.2	12.2	11.3	10.5	9.6	3.4	3.1	2.8	2.3	2.1	2.0	6.3	3.2
Fevtree Drinks PLC	35.9	29.9	22.1	18.7	16.6	12.9	2.2	2.1	1.9	2.5	2.4	2.2	10.2	2.1
MEDIAN	21.0	19.6	18.4	16.2	14.7	12.5	3.0	2.8	2.6	2.4	2.3	2.1	20.6	2.9
S&P 500 Soft Drinks & Non-alco	21.1	19.8	18.5	17.7	15.3	14.1	4.1	3.9	3.7	3.6	3.4	3.3	28.5	n/a
Kofola vs median	-14.4%	-25.4%	-26.4%	-39.8%	-42.1%	-36.6%	-46.3%	-47.5%	-47.0%	-52.3%	-52.1%	-50.1%	87.6%	57.0%
Kofola vs S&P 500 Soft Drinks	-14.8%	-26.1%	-26.6%	-45.2%	-44.2%	-43.8%	407.5%	390.2%	370.4%	-67.3%	-68.2%	-68.0%	35.8%	n/a

Source: Bloomberg, Economic & Strategy Research, Komerční banka

We would like to point out that sector comparisons can be misleading. This is mainly due to differences between individual companies. These differences relate to size, geography, product mix, and capital structure. We consider this method of relative comparison to be supplementary only.

Target price

We valued the company using a two-stage DCF model.

We valued Kofola shares using a two-stage discounted free cash flow (DCF) model over the five-year period from 2025 to 2029. We discounted free cash flow using a weighted average cost of capital (WACC) ranging from 7.0% to 7.7% for the period (2025–2029) and 7.7% for the terminal phase. We expect long-term growth of +2%. Our valuation also includes a discount for lower liquidity. Based on the DCF model, we estimate **the fair value of Kofola shares to be CZK557 per share.**

We have set a new target price of CZK557 per Kofola share.

Kofola valuation

	2025e	2026e	2027e	2028e	2029e
WACC	7.0%	7.3%	7.6%	7.6%	7.7%
CoE	9.8%	9.7%	9.9%	9.8%	9.7%
Premium - liquidity	1.0%	1.0%	1.0%	1.0%	1.0%
Beta	0.693	0.693	0.693	0.693	0.693
Risk Free Rate	4.0%	4.0%	4.2%	4.1%	4.0%
Equity Risk Premium	5.4%	5.2%	5.2%	5.2%	5.2%
Country Risk Premium	1.1%	1.1%	1.1%	1.1%	1.1%
CoD	6.0%	6.0%	6.1%	6.1%	5.9%
Discounted FCFF (mil. CZK)					
EBITDA	1,765	1,983	2,098	2,158	2,266
Taxes Paid	-153	-196	-222	-219	-238
WC Change	-488	72	93	101	109
CAPEX	-1,066	-916	-952	-990	-1,030
FCFF	57	943	1,016	1,049	1,108
Preset Value of FCFF	53	822	823	789	774
Sum of Present Value until 2026	3,262				
LT Growth	2.0%				
Preset Value after 2026	13,956				
Net Debt	4,759				
Estimated Value of Equity	12,413				
Target Price (CZK)	557				

Source: Economic & Strategy Research, Komerční banka

The following table illustrates how sensitive our target price is to changes in the discount rate and long-term growth.

Sensitivity analysis

Target Price					
LT Growth / WACC	-100 bb	-50 bb	7.4 % / 7.7 % *	+50 bb	+100 bb
1.0%	557	503	458	418	384
1.5%	621	557	503	458	418
2.0%	699	621	557	503	458
2.5%	795	699	621	557	503
3.0%	918	795	699	621	557

Note: * the first value corresponds to the average for the years 2024-28, the second value after 2028

Source: Economic & Strategy Research, Komerční banka

Main risks

- **Restrictive measures:** Any restrictions or limitations (such as in recent years in connection with the coronavirus pandemic) have a negative impact on Kofola's business. This is because they restrict distribution channels and reduce demand for the Group's products.
- **Changing Consumer Preferences:** Consumer preferences evolve over time and it is important that the company keeps abreast of current trends and directions in this area. For example, there is a growing interest in healthy lifestyles (healthy eating). Failure to adapt could jeopardize Kofola's sales and market share.
- **Developed markets:** In the countries where the Kofola Group operates, the soft drink market is highly competitive. Both international and local producers compete by offering a wide range of products. This situation increases the risk of price pressure or loss of market share.
- **Retail chains depress margins:** Customers generally prefer to buy the discounted goods that the retail segment can offer them. This makes the retail segment more important and increases its bargaining power vis-à-vis the Kofola Group. This increases the pressure on selling prices or prevents increases in input prices from being reflected in the final price.
- **Inputs:** Raw materials such as sugar/sweeteners and packaging materials are one of the most significant cost items for the Group. Their prices are based on market prices for raw materials such as sugar and polyester resin (or crude oil). A sudden increase in the price of these raw materials would have a negative impact on the profitability of the products and the Kofola Group as a whole.
- **M&A activity:** Organic growth may be limited. Therefore, growth through acquisitions is offered. Kofola is very active in M&A (Ondrášovka and Karlovarská Korunní, Mixa Vending, Pivovary CZ). Acquisition is a complex process that does not always turn out in the company's favor, e.g. there is a risk of overpaying for the target company.
- **Exchange rate:** A number of raw materials (mainly sugar) used in the Group's production are purchased in EUR or in local currencies with a valuation based on EUR. The Group is exposed to the risk of fluctuations in the EUR exchange rate against local currencies.
- **Interest rate fluctuations:** As the Kofola Group has bank loans in its portfolio, it is exposed to interest rate risk, which is partially offset by hedging derivatives.

Kofola financials

CZKm	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e	2029e
INCOME STATEMENT										
Sales	6,171	6,636	7,875	8,690	11,082	10,664	11,452	11,905	12,377	12,869
CoS	-3,350	-3,710	-4,564	-4,803	-6,037	-5,529	-5,865	-6,027	-6,255	-6,493
Gross Profit	2,822	2,926	3,311	3,887	5,045	5,135	5,587	5,878	6,122	6,376
Operating Costs	-2,529	-2,391	-2,829	-3,140	-3,802	-4,086	-4,360	-4,556	-4,760	-4,929
Operating Profit	293	535	483	747	1,243	1,049	1,227	1,323	1,362	1,447
EBITDA adjusted	1,030	1,128	1,110	1,253	1,851	1,765	1,983	2,098	2,158	2,266
Fin. Net	-101	-170	-83	-265	-316	-174	-154	-164	-163	-167
Pre-tax	192	365	400	482	927	875	1,073	1,158	1,199	1,280
Income Tax	-126	-125	-136	-113	-274	-184	-225	-243	-252	-269
Net Income	66	240	264	369	653	691	847	915	947	1,012
BALANCE SHEET										
Total Assets	7,537	7,236	7,503	8,028	10,873	11,350	11,949	12,435	12,910	13,387
Non-current Assets	5,684	5,306	5,089	5,130	7,246	7,650	7,822	8,002	8,203	8,418
PPE	3,449	3,221	3,098	3,113	4,410	6,430	6,590	6,767	6,961	7,172
Others	2,235	2,085	1,990	2,017	2,836	1,220	1,232	1,235	1,242	1,246
Current Assets	1,854	1,929	2,415	2,897	3,627	3,700	4,127	4,432	4,707	4,968
Inventories	519	641	766	706	942	1,023	1,059	1,060	1,060	1,058
Trade and Other Receivables	783	867	998	1,120	1,451	1,607	1,663	1,663	1,662	1,657
Cash and Cash Equivalents	544	392	626	1,071	1,230	1,065	1,400	1,704	1,981	2,249
Others	7	30	24	0	4	5	5	5	5	5
Total Equity	1,307	1,297	1,288	1,458	2,024	2,231	2,594	2,916	3,223	3,526
Non-current Liabilities	3,993	3,436	3,664	3,763	4,740	5,385	5,437	5,489	5,542	5,595
Current Liabilities	2,237	2,503	2,552	2,807	4,109	3,734	3,919	4,030	4,146	4,265
CASH FLOW										
Pre-tax	192	365	400	482	927	875	1,073	1,158	1,199	1,280
Depreciation and amortisation	632	618	586	540	674	715	757	775	796	819
Other Non-cash Movements	152	168	80	481	361	46	120	136	131	137
Income Taxes Paid	-131	-149	-98	-84	-284	-153	-196	-222	-219	-238
WC Change	-60	140	-45	65	-2	-488	72	93	101	109
Net Cash Flow from Operating Activities	785	1,142	923	1,485	1,676	995	1,825	1,941	2,008	2,108
Net Cash Flow from Investing Activities	-1,349	-231	-382	-396	-2,336	-1,066	-916	-952	-990	-1,030
Dividends Paid	-275	-288	-253	-287	-450	-468	-484	-593	-641	-663
Net Cash Flow from Financing Activities	325	-1,052	-1,052	-644	819	-94	-574	-685	-741	-811
Change in Cash	-231	-152	235	445	159	-165	335	304	277	268

Source: Kofola, Economic & Strategy Research, Komerční banka

Kofola financials

	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e	2029e
RATIOS										
ROE (%)	4.6	18.0	19.8	26.4	41.5	38.7	41.1	38.0	34.8	33.4
ROA (%)	0.9	3.3	3.6	4.8	6.9	6.2	7.3	7.5	7.5	7.7
ROIC (%)	1.2	4.4	5.1	6.9	10.7	9.5	10.7	11.0	10.9	11.2
MARGIN										
Gross Margin (%)	45.7	44.1	42.0	44.7	45.5	48.2	48.8	49.4	49.5	49.5
EBITDA Margin (%)	16.7	17.0	14.1	14.4	16.7	16.5	17.3	17.6	17.4	17.6
Operating Margin (%)	4.7	8.1	6.1	8.6	11.2	9.8	10.7	11.1	11.0	11.2
Net Margin (%)	1.1	3.6	3.4	4.2	5.9	6.5	7.4	7.7	7.7	7.9
Growth										
Sales (%)	-3.7	7.5	18.7	10.3	27.5	-3.8	7.4	4.0	4.0	4.0
CoS (%)	0.1	10.8	23.0	5.2	25.7	-8.4	6.1	2.8	3.8	3.8
EBITDA (%)	-16.0	24.6	-7.4	20.5	48.9	-8.7	13.3	5.8	2.9	5.0
EBITDA adjusted (%)	-8.0	9.5	-1.6	12.9	47.7	-4.7	12.4	5.8	2.9	5.0
Net Income (%)	-74	265	10	40	77	6	22.6	8.0	3.5	6.8
FINANCING										
Net Debt / EBITDA (x)	3.7	3.1	3.0	2.3	2.1	2.7	2.3	2.0	1.9	1.7
Net Debt / Equity (x)	2.9	2.7	2.6	2.0	2.0	2.1	1.7	1.5	1.2	1.1
Assets / Equity (x)	5.8	5.6	5.8	5.5	5.4	5.1	4.6	4.3	4.0	3.8
Interest Coverage (x)	2.4	3.1	2.0	2.5	3.4	5.6	5.2	5.6	5.7	6.0
VALUATION										
P/E (x)	79.1	26.7	23.9	14.9	19.0	18.0	14.6	13.6	13.1	12.3
P/Operating Cash Flow (x)	6.6	5.6	6.8	3.7	7.4	12.5	6.8	6.4	6.2	5.9
P/Free Cash Flow (x)	14.5	7.6	11.4	6.7	16.8	217.0	13.2	12.2	11.8	11.2
P/BV (x)	3.9	4.8	4.7	3.8	7.3	6.6	5.5	4.8	4.3	3.9
EV/S (x)	1.5	1.5	1.2	1.0	1.5	1.6	1.5	1.4	1.3	1.3
EV/EBITDA (x)	8.8	8.8	8.6	6.7	8.8	9.7	8.5	7.9	7.6	7.2
DATA PER SHARE (CZK)										
EPS	3.0	10.8	11.8	16.6	29.3	31.0	38.0	41.0	42.5	45.4
Operating Cash flow	35.2	51.2	41.4	66.6	75.2	44.6	81.9	87.1	90.1	94.6
Book Value	60.0	60.0	59.8	65.4	75.8	84.4	100.7	115.1	128.9	142.5
Gross Dividend	13.5	13.5	11.3	13.5	13.5	21.0	21.7	26.6	28.7	29.7
Dividend yield, brutto (%)	5.8	4.7	4.0	2.8	2.4	3.8	4.5	4.8	5.2	5.3

Source: Kofola, Economic & Strategy Research, Komerční banka

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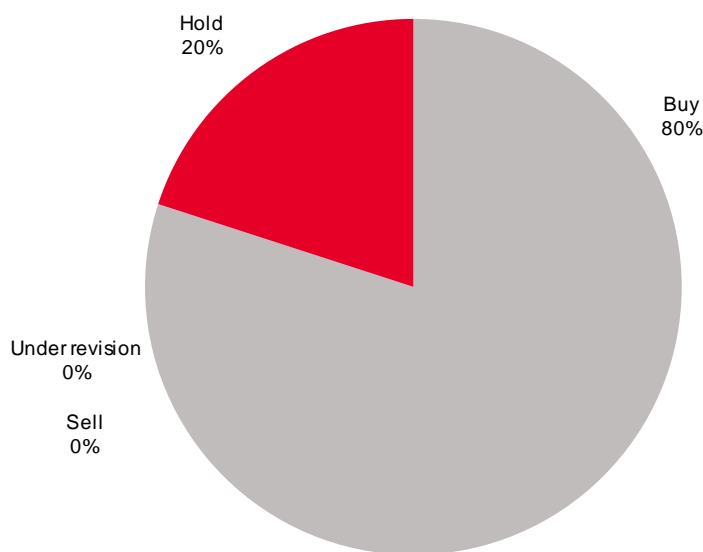
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The chart below shows the structure of grades of valid investment recommendations of equity research of KB Economic & Strategy Research (5 recommendations).

Investment recommendations of KB equity research



Source: Economic & Strategy Research, Komerční banka

KB Equity Research ratings on a 12 month period

BUY: absolute total shareholder return forecast of 15% or more over a 12 month period.

HOLD: absolute total shareholder return forecast between 0% and +15% over a 12 month period.

SELL: absolute total shareholder return forecast below 0% over a 12 month period.

Total shareholder return means forecast share price appreciation plus all forecast cash dividend income, including income from special dividends, paid during the 12 month period. Ratings are determined by the ranges described above at the time of the initiation of coverage or a change in rating (subject to limited management discretion). At other times, ratings may fall outside of these ranges because of market price movements and/or other short term volatility or trading patterns. Such interim deviations from specified ranges will be permitted but will become subject to review by research management.

Overview of recommendations published by KB and relationships with particular issuers

	CEZ	Colt CZ Group SE	Kofola	MONETA Money Bank	Philip Morris CR	Avast	O2 CR
Overview of last investment research and recommendations related to stocks of particular issuers							
Recommendation	Hold	Buy	Buy	Buy	Buy	End	End
Target price	CZK923	CZK893	CZK557	CZK143.3	CZK19,527	of coverage	of coverage
Date	15.11.2024	14.07.2025	04.12.2025	16.01.2025	18.09.2025	07.09.2022	25.02.2022
Price on the day of the publication	CZK907	CZK738	CZK480	CZK128.8	CZK18,000	CZK205.1	CZK270
Investment horizon	12 months	12 months	12 months	12 months	12 months		
Author	B. Trampota	B. Trampota	B. Trampota	B. Trampota	B. Trampota		
Overview of investment researches and recommendations							
Recommendation	Buy	Buy	Buy	In revision	Buy	Buy	Buy
Target Price	CZK1,034	CZK921	CZK402	In revision	CZK17,041	GBp600	CZK362
Date	07.09.2023	09.02.2024	03.09.2024	25.07.2024	21.03.2024	11.02.2021	26.03.2021
Recommendation	Buy	Buy	Buy	Buy	Hold	Buy	Buy
Target Price	CZK1,393	CZK652	CZK313	CZK104.6	CZK18,349	GBp466	CZK293
Date	07.06.2022	16.12.2022	29.05.2023	05.09.2022	03.03.2023	30.08.2019	08.01.2020
Recommendation	In revision	Buy	Buy	Buy	Buy	In revision	Buy
Target Price	In revision	CZK645	CZK381	CZK104.6	CZK18,183	In revision	CZK298
Date	10.05.2022	17.01.2022	12.05.2022	05.09.2022	11.02.2022	14.08.2019	12.12.2018
Recommendation	Buy	In revision	In revision	Buy	Buy	Buy	Hold
Target Price	CZK905	In revision	In revision	CZK109.7	CZK16,512	GBp342	CZK270
Date	10.12.2021	31.03.2021	15.02.2022	31.08.2021	20.11.2020	15.06.2018	18.08.2017
Valuation methods	DFCF	DFCF	DFCF	DFCF DDM ERM	DDM	DFCF	DFCF DDM
Frequency of rec. (per year)	once	once	once	once	once	once	once
Direct or indirect share (5% or more) of the issuer of the registered capital of KB	no	no	no	no	no	no	no
Other significant financial interest of KB and/or its linked persons in the issuer	no	no	no	no	no	no	no
KB direct or indirect share (0.5% or more) of the registered capital of the issuer.	no	no	no	no	no	no	no
Author's direct or indirect share (0.5% or more) of the registered capital of the issuer.	no	no	no	no	no	no	no
Signific. fin. interest in the issuer of the persons partic. in elaboration of inv. research and rec.	no	no	no	no	no	no	no
Relationships of Komerční banka with particular issuers							
KB Management or co- management of public offerings in the past 12 month	no	yes	no	no	no	no	no
Agreements or contractual relations for providing investment services with the issuer	KB can have concluded agreements with the issuer for providing investment services. This information is protected by bank secret and could not be disclosed.						
Agreement with the issuer on production and dissemination of the research	no	no	no	no	no	no	no
KB market making for common stocks of the issuer	no	no	no	no	no	no	no

Note: DFCF – Discounted free cash flow model, DDM – Discounted dividend model, ERM – Excess return model

Source: Economic & Strategy Research, Komerční banka