



## A leading owner and producer of premium branded spirits and liqueurs that are sold principally in Central and Eastern Europe



Over **45** brands, exporting to more than **50** countries worldwide through own distribution and 3<sup>rd</sup> party arrangements<sup>1</sup>



Global sales volumes total over **115 million** litres per year<sup>1</sup>



Wholly owned operations in **Poland**, the **Czech Republic**, **Slovakia**, **Italy**, **Croatia** and **Bosnia & Herzegovina**



State of the art production facilities in **Poland**, the **Czech Republic** and **Germany**



Listed on the main market of the **London Stock Exchange**

## Capitalising on key consumer trends driving growth in spirits value in Central and Eastern Europe:

- Premiumisation
- Diversification of drinking occasions
- Growing confidence in local provenance



**#2** in Poland in clear vodka and **#1** in flavoured vodka and vodka-based liqueurs<sup>2</sup>

**#1** in the Czech Republic in spirits, rum, bitters and vodka<sup>3</sup>

**#1** in Italy in vodka, vodka-based liqueurs, limoncello, **#2** in brandy<sup>4</sup>

## Primary Markets

Revenue provided in total and by segment, on a proforma basis



100%

€282.4m

2017: €259.8m



**Group**

Stock Spirits Group is headquartered in the UK



55%

€152.6m

2017: €142.8m



**Poland**

No. 2 in vodka with 27.4% value share<sup>5</sup>

**Core categories:** vodka, flavoured vodka-based liqueurs, whisky



25%

€73.2m

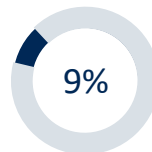
2017: €67.3m



**Czech Republic**

No. 1 in spirits with 33.1% value share<sup>6</sup>

**Core categories:** rum, bitters, vodka, flavoured vodka-based liqueurs, whisky



9%

€25.8m

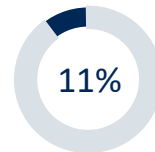
2017: €26.0m



**Italy**

No.1 in vodka, flavoured vodka-based liqueurs and limoncello. 4.2% value share of spirits<sup>7</sup>

**Core categories:** vodka, flavoured vodka-based liqueurs, limoncello, brandy



11%

€30.9m

2017: €28.1m

**Other**

Slovakia, Croatia, Bosnia and Herzegovina. International exports: USA, Germany, Canada, UK, Slovenia and other Balkan countries

### Sources

1. SSG audited internal sales data
2. Nielsen Poland total off trade, MAT retail sales volume and value to end Sept 2018
3. Nielsen Czech Republic, total off trade, MAT retail sales volume and value to end Sept 2018
4. IRI Italy, total modern trade MAT retail sales volume & value to end Sept 2018

5. Nielsen, Poland, total off trade, retail sales value N.B. vodka\* = vodka plus flavoured vodka and vodka-based liqueurs MAT to end Sept 2018
6. Nielsen, Czech Republic, total off trade, retail sales value MAT Sept 2018
7. IRI Italy, total off trade, retail sales value MAT September 2018



## Proforma Financial Results\*

**13.3m**

Volume in 9 litre cases  
(2017: 12.9m)

**€282.4m**

Total Revenue  
(2017: €259.8m)

**€59.4m**

Adjusted EBITDA\*\*  
(2017: €53.2m)

**€33.2m**

Profit for the year  
(2017: €29.2)

**8.51€cents**

Dividend per share  
(2017: 8.10€cents)

**16.72€cents**

Basic earnings per share  
(2017: 14.74 €cents)

**0.53**

Leverage  
(2017: 0.94)

\*Stock Spirits has changed its reporting date to 30 September. To show meaningful measures, proforma data for the 12 months to September 2017 and 2018 has been calculated  
\*\*Stock Spirits Group uses alternative performance measures as key financial indicators to assess the underlying performance of the Group. These include adjusted EBITDA, adjusted EBIT and adjusted free cash flow



Distribution centre in Lublin, Poland



Production plant in Lublin, Poland

## Operational Highlights

- Grew volume and value share in Poland
- Drove premiumisation in all markets
- Good progress in whisky



### New brand developments:

- Black Fox premium HBL
- Bozkov Republica rum
- Saska new flavours
- Keglevich Fruits packaging and liquid
- Launched ultra-premium limoncello, Syramusa
- Zoladkowa De Luxe liquid and packaging relaunched



## Key strengths

- Senior management team with proven international FMCG and spirits experience
- Successful business model combining global FMCG best practices with local expertise
- Strong brand portfolio with market leading positions and brands in core markets
- Leading presence in attractive Polish and Czech markets
- Strong sales and marketing capabilities with a broad distribution network
- Proven innovation capabilities
- Potential for further acquisitions across the Central and Eastern European region and beyond
- Modernised, well-invested production platform with capacity to support further growth
- Strong cash flow and balance sheet



## Did you know?

- Stock's flagship brand, Żoladkowa Gorzka, was created in 1950
- Stock Spirits has significant bottling capacity at its two bottling sites in Poland and the Czech Republic
- Lublin's record daily production level is 2.2 million bottles – that's enough bottles to cover the distance from Warsaw to Lublin and back (over 100 miles)
- Stock's Lublin distribution centre has enough space to store five Olympic swimming pools worth of spirits

## Highly experienced management team

Experienced management team in place with deep sector and financial expertise



**David Maloney**

**Non-Executive Chairman**  
Previously CFO of Le Meriden Hotels & Resorts, Thomson Travel Group and Preussag Airlines



**Miroslaw Stachowicz**

**Chief Executive Officer**  
Previously Managing Director of AkzoNobel Deco and General Manager of Bestfoods



**Paul Bal**

**Chief Financial Officer**  
Over 20 years' experience in senior finance and management positions in the tobacco industry

## Contacts

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