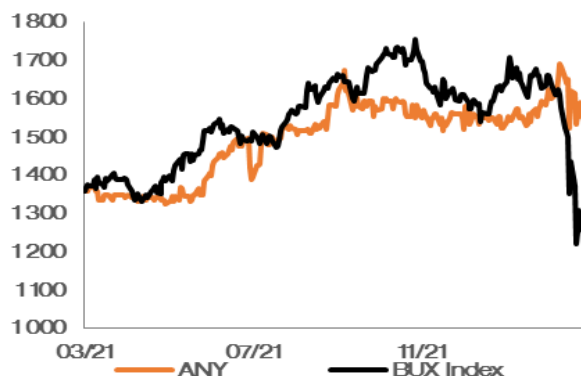


ANY Security printing

BUY

Target price (12M ex-div): HUF 1,700 (unch.)

HUF million	2020	2021	Chg. (y-o-y)
Revenues	27,424	40,658	+48%
EBITDA	2,996	6,663	+122%
EBIT	1,498	4,952	+231%
Net profit	785	3,607	+360%
EPS (HUF)	55	251	+360%
Export ratio	43%	35%	-7.4ppts
EBITDA marg.	10.9%	16.4%	+5.5ppts
EBIT marg.	5.5%	12.2%	+6.7ppts



Share price close as of 08/03/2022	1,565	Bloomberg	ANY HB
Number of shares [million]	14.8	Reuters	ANYH.BU
Market capitalization [HUF bn/EUR mn]	23.2/59.8	Free float	78%
Daily turnover 12M [EUR th]	44.9	52-week range	HUF 1,300-1,715

Decent dividend after 2021 profit

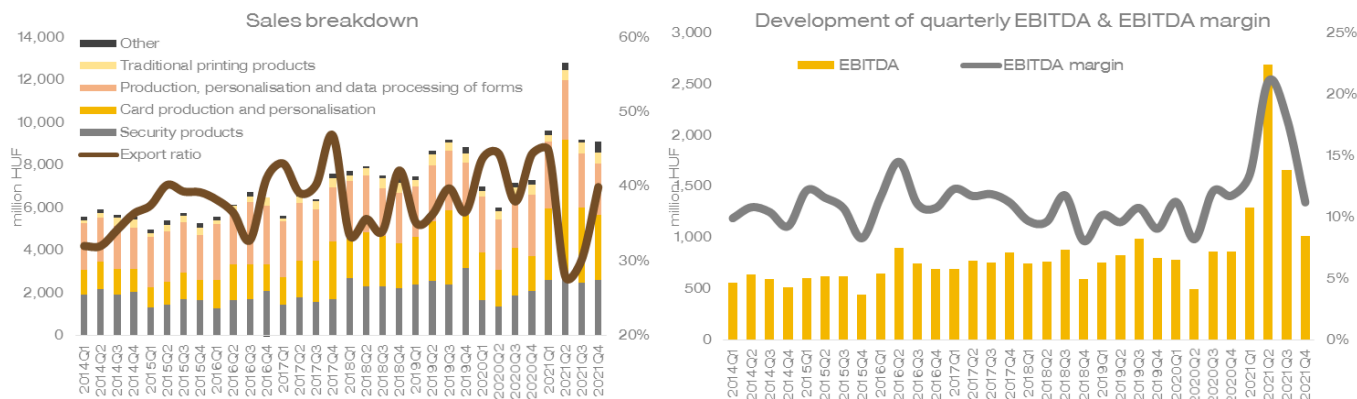
Equity Analyst
Gabor Bukta
+361 489 2272
g.bukta@con.hu

55-61 Alkotás
Street,
Budapest
www.con.hu

- **Summary:** On Tuesday afternoon, ANY reported a net income of HUF 3,607mn for 2021 vs. HUF 841mn a year earlier. As a result of the outstanding profit, the BoD proposes a dividend of HUF 163 per share to the General Meeting. This translates into a gross dividend yield of 10.4%.
- The Company continued to operate stable and profitable despite the pandemic in 2021. Overall, results were positively impacted by the huge interest for domestic card documents and immunity certificates, while the export remained solid. Net sales of ANY amounted to HUF 40.7bn which is higher by HUF 13.2 billion (48%) and export sales amounted to HUF 14.3bn, which is higher by HUF 2,6bn compared to 2020, representing 35% export ratio. The sale of the Bulgarian unit also added an extra profit of HUF 499mn.
- **Key positives:** decent pay-out; strengthened market position; technological improvements at two plants; favourable volume outlook.
- **Key negatives:** material costs rising; wage pressure due to inflation.
- **CEO:** "I am proud of the ANY Team that after a very difficult year in 2020, we managed to compensate the backlog caused by the epidemic and achieve dynamic growth in 2021. Behind this extraordinary performance are the excellent colleagues of the Company and of its subsidiaries. The main factors behind the growth are: the return of document orders cancelled due to the epidemic, the production of immunity certificates, high value-added export projects as a result of serious preparations and the sale of a 50% stake in our Bulgarian subsidiary.
- **EBITDA** totalled HUF 6.7bn, an increase of HUF 3.7bn, while **EBIT** came in at HUF 4.95bn (HUF +3.43bn) compared to 2020 on higher sales.
- **We remain positive on ANY and reiterate our recommendation on BUY with a 12m TP of 1,700 HUF/sh (ex-div). This offers a 19% upside potential over the next 12-month horizon.**

- However, we are of the view that we need to review our model soon as our net profit estimate for 2022 of HUF 1.5bn looks quite conservative. Considering the current backlog, passport requests, as well as growing demand for export, results for 2022 may surprise to the upside once again. That said, they are almost certain to fall short of the 2021 results.

QUARTERLY RESULTS



Source: ANY, Concorde Research

PROFIT AND LOSS [HUF MILLION]

[HUF mn]	2020		2021				2020	2021	FY	Q4 Difference	
	Q4	Q1	Q2	Q3	Q4			Y-o-Y	Y-o-Y	Q-o-Q	
P&L											
Revenue	7,303	9,610	12,782	9,189	9,076	27,424	40,658	48%	24%	-1%	
Gross profit	1,593	3,482	6,120	2,141	2,184	7,137	13,927	95%	37%	2%	
EBITDA	857	1,296	2,694	1,658	1,016	2,996	6,663	122%	19%	-39%	
EBIT	458	893	2,270	1,262	527	1,498	4,952	231%	15%	-58%	
Net financials, tax, minority	-179	-425	-548	-306	-66	-713	-1,345	89%	-63%	-78%	
Net profit / (loss)	279	468	1,722	956	461	785	3,607	360%	65%	-52%	
EPS	19	33	120	67	32	55	251	360%	65%	-52%	
Total Sales											
Security products	2,089	2,623	2,850	2,494	2,612	6,950	10,579	52%	25%	5%	
Card production	1,628	3,316	6,338	3,517	3,056	7,900	16,227	105%	88%	-13%	
Form production	2,894	3,158	2,768	2,525	2,407	10,309	10,858	5%	-17%	-5%	
Traditional printing products	462	308	511	496	501	1,495	1,816	21%	8%	1%	
Other	230	205	316	157	499	770	1,177	53%	117%	218%	
o/w export sales											
Security products	296	1,160	593	321	420	1,017	2,494	145%	42%	31%	
Card production	118	110	295	70	384	815	859	5%	225%	449%	
Form production	2,603	2,884	2,517	2,252	2,188	9,169	9,841	7%	-16%	-3%	
Traditional printing products	1	4	18	13	42	9	77	756%	4100%	223%	
Other	219	146	154	116	587	649	1,003	55%	168%	406%	
Export ratio	44.3%	44.8%	28.0%	30.2%	39.9%	42.5%	35.1%	-7.4%pt	-4.4%pt	9.7%pt	
Margins											
Gross margin	21.8%	36.2%	47.9%	23.3%	24.1%	26.0%	34.3%	8.2%pt	2.2%pt	0.8%pt	
EBIT margin	6.3%	9.3%	17.8%	13.7%	5.8%	5.5%	12.2%	6.7%pt	-0.5%pt	-7.9%pt	
EBITDA margin	11.7%	13.5%	21.1%	18.0%	11.2%	10.9%	16.4%	5.5%pt	-0.5%pt	-6.8%pt	
Net profit margin	3.8%	4.9%	13.5%	10.4%	5.1%	2.9%	8.9%	6%pt	1.3%pt	-5.3%pt	

Source: ANY Security Printing, Concorde Research

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Buy	Total return is expected to exceed 20% in the next 12 months
Accumulate	Total return is expected to be in the range of 10-20%
Neutral	Total return is expected to be in the range of 10%-(-10%)
Reduce	Total return is expected to be in the range of -10-(-20%)
Sell	Total return is expected to be lower than -20%
Under Revision	The stock is put Under Revision if the covering analyst considers new information may change the valuation materially and if this may take more time.
Coverage in transition	Coverage in transition rating is assigned to a stock if there is a change in analyst.

Securities prices:

Prices are taken as of the previous day's close on the home market unless otherwise stated.

Valuations and risks:

Analysis of specific risks to set stock target prices highlighted in our investment case(s) are outlined throughout the report. For details of methodologies used to determine our price targets and risks related to the achievement of the targets referred to in the main body of the report or at [Rating Methodology](#) on our website, visit (https://www.con.hu/wp-content/uploads/2016/04/Methodology_concorde_research.pdf?tstamp=201710021038)

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