



RENDKÍVÜLI TÁJÉKOZTATÁS

A HELL ENERGY Magyarország Korlátolt Felelősségű Társaság (székhely: 1062 Budapest, Andrassy út 126.; cégjegyzékszám: Cg.01-09-729429; nyilvántartja: Fővárosi Törvényszék Cégbírósága, a továbbiakban: „Kibocsátó”) a Budapesti Értéktőzsde Zrt. XBond Általános Üzletszabályzata, valamint a vonatkozó jogszabályok alapján fennálló rendkívüli tájékoztatási kötelezettségének az alábbiakban tesz eleget:

A Társaság tájékoztatja a tisztelt Befektetőket, hogy legfeljebb EUR 50,000,000 beruházási hitelkeretet és legfeljebb EUR 30,000,000 forgóeszköz hitelkeretet tervez igénybe venni tervezett beruházásai finanszírozása, illetve általános vállalatfinanszírozás céljából (a továbbiakban „Tervezett Hitelfelvételek”). A Tervezett Hitelfelvételekre tekintettel a Scope Ratings GmbH (a továbbiakban „Scope”) elvégezte a Kibocsátó és az MNB Növekedési Kötvényprogramja keretében kibocsátott „HELL 2029 Kötvény” (ISIN kód: HU0000359377) és „HELL 2031 Kötvény” (ISIN kód: HU0000360722) elnevezésű kötvények felülvizsgálatát, amelynek eredményeképpen a Scope változatlanul érvényben tartja és megerősítette a Kibocsátóra és a Kibocsátó által kibocsátott kötvényekre vonatkozó B+ minősítést; a Kibocsátóra vonatkozó kilátását pedig a korábbi pozitívról stabilra változtatta.

A hitelminősítő angol nyelvű jelentése megismerhető a jelen Rendkívüli Tájékoztatás mellékletéből, vagy az alábbi linkre kattintva:

[Scope affirms Hell Energy's B+ issuer rating, changes the Outlook back to Stable | Scope Ratings | European Rating Agency](#)

Budapest, 2025. május 22.

HELL ENERGY Magyarország Kft.

📅 THURSDAY, 22/05/2025 - Scope Ratings GmbH

Scope affirms Hell Energy's B+ issuer rating, changes the Outlook back to Stable

The Outlook change indicates a slowdown in the improvement of credit metrics due to the recently proposed EUR 75m investment in a new automated warehouse planned from 2025 to 2027.

The latest information on the rating, including rating reports and related methodologies, is available on this [LINK](#).

Rating action

Scope Ratings GmbH (Scope) has today affirmed the issuer rating of Hungary-based Hell Energy Magyarország Kft (Hell Energy) at B+ and changed the Outlook to Stable from Positive. Scope has also affirmed the senior unsecured debt rating of B+.

The Outlook change indicates a slowdown in the improvement of credit metrics due to the recently proposed EUR 75m investment in a new automated warehouse planned from 2025 to 2027.

Although Scope sees the improvement in credit metrics since its last large capex cycle to continue over time, the progress will now only be gradual. FOCF is expected to remain minimal or slightly negative over the next two years and to break-even on a sustained basis only from 2027. Overall, Hell Energy's issuer rating continues to reflect a moderate business risk profile and a weak financial risk profile.

The full list of rating actions and rated entities is at the end of this rating action release.

Key rating drivers

Business risk profile: BB+ (unchanged). The business risk profile is supported by the regional market leadership and strong brand recognition as well as historically solid profitability. The business risk profile remains constrained by the company's still relatively small size, as well as by moderate diversification in terms of product categories, geographical scope and production sites.

The company is the market leader for energy drinks in Hungary as well as in eight other countries, mostly in Central and Eastern Europe (CEE). It also has been improving its diversification within the non-alcoholic beverages segment, supported by a granular client and supplier base. Despite operating in over 50 countries, most of Hell Energy's sales are in CEE, with domestic sales accounting for over 40% of consolidated revenues as of 2024 and sustaining adequate organic growth as production capacity was expanded.

Hell Energy's business risk profile is somewhat constrained by a limited diversification with regard to product categories (non-alcoholic beverages only) and high concentration in two CEE countries. The company's relatively small absolute size compared to larger non-alcoholic beverage multinationals is another constraint. In addition to asset risk, the single production site also hinders international growth. The recent regulation passed in Hungary at the end of April prohibiting sale of energy drinks to minors is expected to only partially limit Hell Energy's revenue growth, which Scope still sees it at around 15% in 2025 (thanks to the additional capacity installed in the previous years) and in the mid-single digit percentage going forward.

The Scope-adjusted EBITDA* margin is expected to remain between 12%-15% over time (2024: 14.4%, down 340bp YoY), placing Hell Energy at the upper end of the Hungarian consumer products

peers and in line with the European average. The decline in EBITDA margin was mainly due to the dilutive effect of the implementation of the can deposit system in Hungary. However, the company's above-average vertical integration and its efficient, and relatively new production facilities have shielded its profitability from the strong wage inflation in Hungary. The facility also provides an advantage over competitors with less modern, less automated production facilities. Scope projects EBITDA to grow to around HUF 32bn in 2027 from HUF 28.5bn in 2025.

Financial risk profile: B (unchanged). The financial risk profile remains weak and constrained by high leverage and negative cash flow cover, partly supported by a good EBITDA interest cover. Credit metrics are improving after the completion of the large expansionary capex cycle in 2023, although the pace of improvement is moderate given additional planned EUR 75m investment into a new automated warehouse over the years 2025 to 2027. The new investment will be financed by an investment loan of up to EUR 50m. Additionally, Hell Energy is contracting additional EUR 30m short and mid-term RCFs to support growth.

Debt/EBITDA slightly deteriorated to 4.4x in 2024 (2023: 4.1x) on increasing debt as the company finalised its multi-year capacity expansion project and slightly decreasing EBITDA (2024: HUF 28.2bn, down HUF 0.6bn YoY). Because of the new investment plan to start in 2025, Scope expects leverage to remain between 4.0 – 4.5x in 2025 and 2026 – the years in which capex for the new investment will be higher - while moving below 4.0x from 2027.

Hell Energy has been dependent on external financing to support its growth over the past years, leading to a persistent negative cash flow cover (free operating cash flow [FOCF]/debt) over the years 2021 until 2024. Although Scope anticipates an improvement going forward as capex levels will decrease from the last large capex cycle, FOCF is expected to remain minimal or slightly negative over the next two years, only breaking-even on a sustained basis from 2027. Scope assumes capex of HUF 13bn in 2025, HUF 22bn in 2026, HUF 7bn in 2027. This includes maintenance capex of HUF 3.5bn and that the HUF 30bn (EUR 75m) investment in new warehouse will be spent at a rate of 30% in 2025, 60% in 2026, 10% in 2027. Hell Energy will receive subsidies close to HUF 5bn in 2025 (relative to investments completed in 2024), and of around 25% for the new investments.

The financial risk profile continues to be supported by the EBITDA interest coverage of around 9x in 2024, which is Hell Energy's strongest financial metric. However, interest assumed to increase to between HUF 4.1 – 4.7bn per year over the next years due to higher debt (expected to peak up to HUF 135bn in 2026), therefore Scope expects this ratio to slightly deteriorate to around 7x.

Liquidity: adequate (unchanged). Liquidity is assessed as adequate. The assessment considers the expectation of liquidity ratio to remain above 100% over time supported by the improving FOCF and limited debt maturities. Nevertheless, bond amortisation will start intensifying from 2027, when Hell Energy is due to pay HUF 16.2bn of principal per year. While this is still considered manageable, it will depend on the accumulation of cash over time. Existing bank financial covenants will become more restrictive in 2025 and therefore headroom will be tighter, although Scope expects the company to remain in compliance.

Scope highlights that Hell Energy's senior unsecured bonds issued under the Hungarian National Bank's Bond Funding for Growth Scheme has a covenant requiring the accelerated repayment of the outstanding nominal debt amount if the debt rating of the bonds stays below B+ for more than two years (grace period) or drops below B- (accelerated immediate repayment). Such a

development could adversely affect the company's liquidity profile. The rating headroom to entering the grace period is zero notches. Given the limited rating headroom, the company must at least maintain its current credit profile to avoid triggering the rating-related covenant. In addition to the rating deterioration covenant, bond covenants include a list of soft covenants, such as change of control and dividend restrictions.

Supplementary rating drivers: credit-neutral (unchanged). Scope made no adjustments to the company's standalone credit assessment.

Outlook and rating sensitivities

The **Stable Outlook** reflects Scope's expectation that increased capex levels, reflected in the planned EUR 75m investment, will keep FOCF in negative territory, not expected to approach break-even before 2027, while debt/EBITDA will be maintained below 5.0x, benefiting from continued stable profitability with an EBITDA margin of around 13%.

The **upside scenarios** for the ratings and Outlook are (collectively):

- Debt/EBITDA maintained below 5.0x over time
- Improving FOCF to break-even on a sustainable basis

The **downside scenario** for the ratings and Outlook is:

- Debt/EBITDA deteriorating above 6.0x on a sustained basis

Debt rating

Scope's recovery assessment for Hell Energy's senior unsecured debt (bonds) assumes a hypothetical default scenario in 2026 and is based on an assumed liquidation of the company's assets, which has significantly increased over the past few years as a result of the completion of the heavy capex phase related to the expansion of Hell Energy's warehouse and manufacturing facilities. Overall, Scope expects an "above average" recovery and makes no uplift to the rating by one notch given the volatility in capital structure on path to default with introduction of additional secured debt. Furthermore, in case of weakening operating performance, the market value of assets will decline and thus recovery rate would drop.

Hell Energy issued two senior unsecured bonds with 10-year tenors under the Hungarian Central Bank's Bond Funding for Growth Scheme. One bond was issued in 2020 (ISIN: HU0000359377) at HUF 28.5bn with a fixed coupon of 2.7% yearly. Another bond was issued in 2021 (ISIN: HU0000360722, guaranteed by subsidiary Quality Pack Zrt.) at HUF 67bn with a fixed coupon of 3.0% yearly. Both bonds were used mainly for capex.

Bonds repayment start in tranches from 2026 with a combine principal amount of HUF 6.7bn, HUF 16.2bn in 2027-2029, HUF 6.7bn in 2030 and the remaining HUF 33.5bn in 2031.

Environmental, social and governance (ESG) factors

Overall, ESG factors have no impact on this credit rating action.

All rating actions and rated entities

Hell Energy Magyarország Kft

issuance of Credit Ratings, as well as a list of Ancillary Services and certain non-Credit Rating Agency services provided to Rated Entities and/or Related Third Parties.

Conditions of use / exclusion of liability

© 2025 Scope SE & Co. KGaA and all its subsidiaries including Scope Ratings GmbH, Scope Ratings UK Limited, Scope Fund Analysis GmbH, Scope Innovation Lab GmbH and Scope ESG Analysis GmbH (collectively, Scope). All rights reserved. The information and data supporting Scope's ratings, rating reports, rating opinions and related research and credit opinions originate from sources Scope considers to be reliable and accurate. Scope does not, however, independently verify the reliability and accuracy of the information and data. Scope's ratings, rating reports, rating opinions, or related research and credit opinions are provided 'as is' without any representation or warranty of any kind. In no circumstance shall Scope or its directors, officers, employees and other representatives be liable to any party for any direct, indirect, incidental or other damages, expenses of any kind, or losses arising from any use of Scope's ratings, rating reports, rating opinions, related research or credit opinions. Ratings and other related credit opinions issued by Scope are, and have to be viewed by any party as, opinions on relative credit risk and not a statement of fact or recommendation to purchase, hold or sell securities. Past performance does not necessarily predict future results. Any report issued by Scope is not a prospectus or similar document related to a debt security or issuing entity. Scope issues credit ratings and related research and opinions with the understanding and expectation that parties using them will assess independently the suitability of each security for investment or transaction purposes. Scope's credit ratings address relative credit risk, they do not address other risks such as market, liquidity, legal, or volatility. The information and data included herein is protected by copyright and other laws. To reproduce, transmit, transfer, disseminate, translate, resell, or store for subsequent use for any such purpose the information and data contained herein, contact Scope Ratings GmbH at Lennéstraße 5, D-10785 Berlin. Public Ratings are generally accessible to the public. Subscription Ratings and Private Ratings are confidential and may not be shared with any unauthorised third party.

SHARE



CONTACT INFO



Eugenio Piliago

Analyst

✉ e.piliago@scoperatings.com



Sebastian Zank

Team leader

✉ s.zank@scoperatings.com

Press contact

✉ press@scopegroup.com

ISSUERS 1

INSTRUMENTS 2