

## BUSINESS

### BHS: Gevorkyan wants to expand capacities

On June 1, 2022, Gevorkyan, a Slovak global supplier in powder metallurgy, will start its initial public offering on the PX START market on the Prague Stock Exchange to raise approximately CZK 860m. This information was provided by BH Securities (BHS). Gevorkyan would become the START market's first issues with a registered seat in Slovakia and it would potentially be the largest issue on the market. Funding raised from the issue will be used to build additional production capacities and optimise the company's financing. ■

### STADA to invest in technologies in Walmark

Two years after its acquisition of Walmark, STADA, a Třinec-based producer of nutritional supplements, is investing in technologies and entering new markets. The company added that since 2017, Walmark had been showing 30%-40% year-on-year increases. It now supplies its products to more than 70 countries except South and North America. Among other things, Walmark installed three new technologies for capsules, sachets, and sticks, automated its warehouse, created a centre of excellence, and its employee numbers grew by 60% compared to the pre-acquisition number. After the acquisition, warehouse places increased from the original 4,600 to 10,000. The company is considering building an annex to the production plant within three years. ■

### SPUR to invest CZK 65m in energy sources

Acquiring its own energy sources is part of SPUR's long-term strategy, SPUR's CEO Tomáš Dudák told ČIANEWS. The company currently generates 1 MWh through photovoltaic installations. It plans to expand this electricity source by another 0.6 MWh this year. The total investment in photovoltaics is CZK 35m. The manufacturer of nano facemasks and nano respirators intends to invest an additional CZK 30m in heating system savings and heat pumps. ■

### Globus expands e-car charging points

The increased prices of vehicle fuels have resulted in a decrease in the volume of fuel sold at Globus filling stations. This information was provided to ČIANEWS by spokeswoman Aneta Turnovská. She added that the highest difference could be seen in premium fuels. She also said that Globus would factor in the lower tax on vehicle fuels by CZK 1.50 per litre in its prices. Customers will feel the change in a few days after the stock of vehicle fuels acquired with the original excise duty tariff is sold off. The company now owns 14 charging points for electric vehicles at its hypermarkets. The charging capabilities are being expanded at stores in Prague-Zličín, Brno, Pardubice, Olomouc, Karlovy Vary and Ostrava. ■

### ARMATURY Group to supply valves for Philippines

The ARMATURY Group has manufactured three butterfly valves with a diameter nominal from 1,800 mm to 2,000 mm for a hydroelectric power plant in the Philippines. The L32.71 butterfly valves for PN 10

and PN 6 will work as fittings to fully open or close the working fluid flow in the pipe system. They are designed for Francis turbines to be supplied to Kiangon Mini Hydro Corporation by Austrian company GUGLER Water Turbines. ■

### Synthesia: Wages account for CZK 1bn of costs

Wages account for almost CZK 1bn of annual costs at Synthesia, CEO Josef Liška said in the corporate periodical. It is the second-highest cost item after raw materials, he added. In the first four months of 2022, the company managed to maintain wage growth above inflation thanks to extraordinary bonuses. The company plans another special bonus in June. The main task for H2 is to boost business performance. ■

### SŽ looks for smart stop construction, equipment provider

The Railway Administration (SŽ) has announced a public tender to equip 15 railway stations with electronic information panels as part of so-called smart stops. The tender winner will prepare project documentation and will subsequently perform construction work. Total investment costs amount to CZK 39m. A smart stop will consist of a glassed shelter for passengers that will contain smart technologies. Apart from the information panel, they will include an emergency button, switchable LED lights, a camera system and the possibility to charge a phone. ■

### STČ does not require a multipurpose site assessment

The Central Bohemian Regional Authority (STČ) has decided not to subject the plan of the Kosmonosy Multipurpose Site to the EIA act assessment. The plan consists of building a multipurpose complex of buildings that will contain commercial buildings, an apartment house, and a set of family houses. The notifier, Girtab, plans the total built-up area at 42,186 m<sup>2</sup>. The project concerns the municipality of Kosmonosy. ■

### Employment of educated Ukrainians hindered by language

The language barrier hinders the employment of educated people from Ukraine. At a ČIANEWS enquiry, this information was provided by STIMUL HR agency owner Daniela Čajánková who added that if people were unable to understand at least in a simplified form, they would not be able to get appropriate jobs. Then there are only worker positions – in the construction sector, production, cleaning, etc. She added that, for example, transportation companies needed drivers. Still, they need to be able to communicate with the control room and in public transportation with passengers. ■

### AutoESA: Interest in cars with low-volume engines up

Customer interest in various drive types does not change now. Clients are still highly interested in standard drives, i.e., those using diesel and petrol. Filip Kučera, AutoESA's marketing director, added for ČIANEWS that customers had shown increased interest in low-volume engines due to the rising fuel prices. He said that interest in electric cars was also rising by up to 100%. Yet it means only by several or dozen pieces in overall numbers. In the e-car segment, people are more interested in fully electric cars due to their easier maintenance and service. ■

### EXCHANGE RATES

Currency	Value	%
CZK/EUR →	24.71	0.000
CZK/USD ↗	23.07	0.477
CZK/GBP ↗	29.03	0.034
CZK/CHF ↗	24.04	0.458

Exchange market rates from previous day.

### BOURSE

Stock	Value	%	Stock	Value	%
AVAST ↘	142.45	-0.386	O2 C.R. →		
CETV →			PFNonwovens →		
ČEZ ↗	1121.00	2.141	PM ↘	17 060.00	-5.158
ERSTE ↘	722.60	-0.055	Stock →		
Kofola ↘	300.00	-1.000	CZG ↗	625.00	0.800
KB ↘	716.00	-2.723	VIG ↘	554.00	-1.444
Moneta ↘	76.60	-2.872	PX ↘	1309.88	-0.792

### Appointments: Deloitte, Maersk, Stiebel Eltron, AGEL

As of June 1, 2022, Miroslav Svoboda is Deloitte CR's new country leader. Martin Herrstedt is executive director at Maersk Czech Republic. Jan Metlický is the second executive director of the Czech branch of Stiebel Eltron. Artur Lukša is executive director at AGEL Hornická poliklinika. ■

### Pelhřimov pavilion among Obermeyer Helika's BIM projects

As a planning work contractor, Obermeyer Helika is currently building a new pavilion at the hospital in Pelhřimov. The project is planned in BIM and aimed at a passive standard building. It is also completing the reconstruction of a polyclinic in Lanškroun. It is collaborating on preparing a plan to build a residential building in Brno. It also continues with various administrative and commercial projects in Prague, Plzeň, and Brno. By opening a studio in Brno in 2021, the company strengthened its position in Moravia. It plans to collaborate more closely with a partner studio in Bratislava. ■

### AAA AUTO: Family vehicle sales up 14.7% in May

In May 2022, AAA AUTO recorded the highest interest in estate cars, which made up 27% of all sold vehicles. One-quarter of sold vehicles were SUVs, and 10% were MPVs. By May 2022, 19.2% more vehicles of this type have been sold year on year. In month-on-month terms, their sales went up by 14.7%. AURES Holding further said that the best-selling model of family vehicles since the beginning of 2022 had been the ŠKODA Octavia, of which more than 10% were sold, followed by the ŠKODA Fabia (5.6%) and the Volkswagen Passat (4.5%). ■

### AGEL Středomoravská nemocniční invested CZK 203m

In 2021, AGEL Středomoravská nemocniční invested CZK 203m. According to the company's annual report, the Covid-19 pandemic significantly changed the structure of provided healthcare. The 2022 business strategy aims to stabilise the healthcare and non-healthcare staff and improve the system of their financial and non-financial motivation. In 2021, AGEL Středomoravská nemocniční reported a turnover of CZK 3.38bn and operating profit of CZK 329.99m. ■

## ECONOMY

### GDP up 4.8% in Q1, employment up 1.5%

In the first quarter of 2022, the Czech Republic's gross domestic product (GDP) grew by 0.9% quarter on quarter and 4.8% year on year. According to a more exact estimate by the Czech Statistical Office, the year-on-year growth was boosted mainly by expenditures on final household consumption and gross capital formation. At the same time, foreign demand had a negative impact. This year, household expenditures have already been impacted by the growing price levels and restricted expenditures, mainly on long-term consumption items. ■

### GT: CR plans to use subsidies for 5G network corridors

The Czech Republic intends to use the EU subsidy programme to improve the coverage of railway corridors with the 5G mobile signal. The neighbouring countries are already investing in increasing the mobile data connectivity in remote locations, a study by Grand Thornton (GT) has shown. According to the analysis, completing the corridors' coverage is a tool to accomplish the European Commission's targets and the Czech government's cabinet manifesto. Among other things, they voice the need to secure access to data services for citizens, businesses, and public administration, especially in rural areas. ■

— ADVERTISEMENT ▼ —

### ČNB: Corporate loan rate increases to 7.01%

The interest rate on new loans to non-finance companies (without overdrafts, revolving loans and credit cards) increased to 7.01% on average in April 2022, according to the information provided by the Czech National Bank (ČNB). The interest rate grew to 6.46% for loans of up to CZK 7.5m and 6.03% for loans between CZK 7.5m and CZK 30m and increased by 0.92 pp to 7.14% for loans of over CZK 30m. The interest rate for overdrafts, revolving loans and credit card loans grew to 6.93%, of which overdraft interest rate increased to 7.15%. ■

### CRIF: Number of unreliable VAT payers up by 400

In May 2022, there were more than 400 unreliable VAT payers in the Czech Republic, the third-highest number since the beginning of this year. In February, there were 261 entities listed as unreliable payers, while their number increased to 405 in April and grew a bit more in May. This results from an analysis conducted by CRIF - Czech Credit Bureau. More than 32,000 firms and entrepreneurs have been put on the list in the Czech Republic. However, almost 1,200 out of all the unreliable VAT payers, i.e., not even 4%, managed to return to proper business. ■

### IE: Export overcomes war shock, higher prices help growth

Czech exports have withstood the initial shock of war in Ukraine. Compared to February, the value of exported goods even increased slightly (up 0.3%), according to the Export Index (IE) of Raiffeisenbank (RB) and the Association of Exporters. According to RB chief economist Helena Horská, however, the overall decrease in the index was prevented mainly by increased export prices of energy, food and other items. Without this effect, exports would drop 4% in month-on-month and 9% in year-on-year terms. The IE forecast still counts on a subdued performance without a clear trend resulting from weakening demand. ■

## POLITICS

### Fiala: EU approves further sanctions against Russia

Representatives of European Union (EU) member states have agreed on the content of the sixth package of sanctions against Russia and further aid to Ukraine. Prime Minister Petr Fiala (ODS) appreciated the factual discussion and the strong message the EU sent to the Russian aggressor. There was also an agreement that the European Commission would find funding in its budget for countries affected by the refugee crisis. In this area, the Czech Republic belongs among the most stricken states. ■

### SANEP: ANO before ODS in preferences

An election to the Chamber of Deputies in May 2022 would be won by ANO with 30.1%, followed by ODS with 19.6%, SPD with 14.3% and STAN with 7.8%. The following parties would not make the 5% cut to enter the Chamber of Deputies: Pirates (4.6%), KDU-ČSL (4.0%) and TOP 09 (3.3%), according to a SANEP poll. ■

## GOOD NEWS

### MetLife donates CZK 300,000 to cancer patients

The MetLife insurance company has supported the 13th charity project Na kole dětem with CZK 300,000. Compared to last year, it doubled the donation. Cyklotour 2022, a bicycle ride through the Czech Republic in stages, will start on June 2, 2022, in Beroun this year. The objective is to raise money for young paediatric patients with cancer. ■



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