

Krajina Klas

FOUNDED IN 1995 AS A SMALL BAKERY SHOP located in the family house of the newly-married Trivic couple, Krajina Klas has now, 20 years later, grown to 490 employees with EUR 10m in turnover and is the leading producer of bakery and confectionary products in Bosnia Herzegovina.

Having reached a strategic crossroad, in 2015 Krajina Klas developed a five-year investment and business plan consisting of production capacity increases and new retail store openings. ENEF, jointly with EBRD, provided EUR 2m in long-term financing to support the Company's investment plan. Post-financing, ENEF and EBRD continue to support Krajina Klas in its transition from an owner-managed business to a corporation, which includes:

- Assistance in improving financial reporting through the EBRD's Accounting Improvement Programme;
- Implementation of a Value Creation Plan, drafted by EBRD/ENEF together with Krajina Klas to define the strategic goals and improvement areas of

the business as well as an action plan and key responsibilities to address and follow;

- Preparation of standardised financial reporting and rolling 6-month cash flow projections, assessed on a monthly basis against the 5 year business plan;
- Technical cooperation support for the hiring of an external shadow CFO for a 6-12 month period to support the implementation of best practices of corporate finance and transfer knowledge to the existing accounting & finance team;
- Technical cooperation support for the engagement of an international expert in health and safety to review and improve business processes and facilities, with the final aim of OHSAS certification.

The joint efforts were reflected in Krajina Klas' impressive 2016 performance, exceeding the business plan targets, with 21% sales growth to EUR 9.9m (including 6 new store openings), 24% growth in operating profitability and an increase in the number of employees from 395 at the end of 2015 to 490 at the end of 2016—a +24% year-on-year growth in job creation.



Financing

2M€

including a 50% co-investment by the EBRD

Instrument

ENEF

Western Balkans Enterprise
Expansion Fund

Managed and Advised by
www.ebrd.com



European Bank
for Reconstruction and Development

Purpose

The investment (co-financed by the European Bank for Reconstruction and Development), supports both production capacity increases and new retail store openings for Krajina Klas

Employees

490

389

at investment

Sector

Food production and retail

Economy

Krajina Klas operates in Banja Luka, the largest city of the Republika Srpska, and has recently also expanded its activities to other parts of Bosnia Herzegovina

