

Super-Spiked

with Arjun Murti

*a messy energy
transition era arrives*

presented by



CROCI Deep Dive Discussion

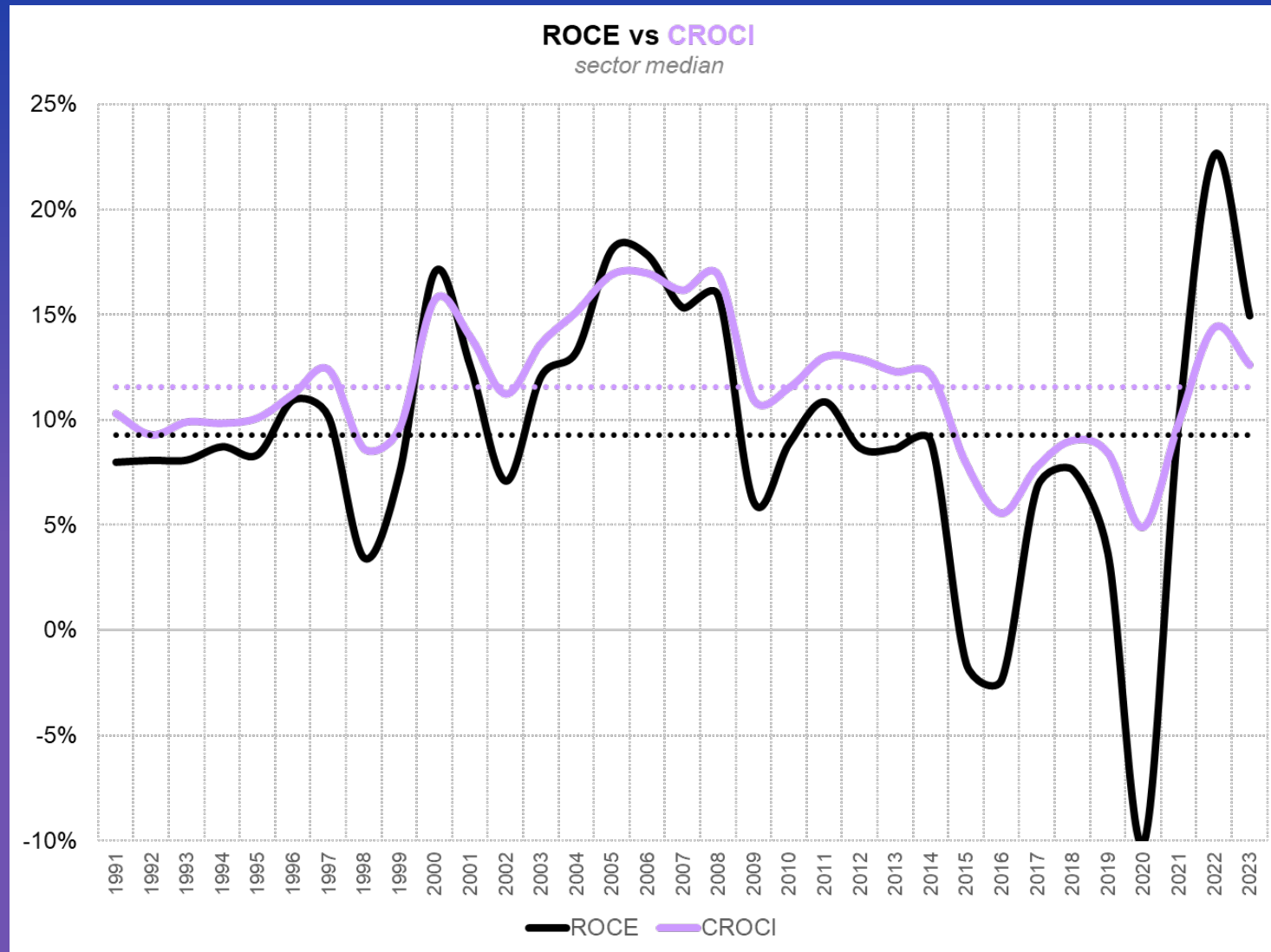
Profitability Deep Dive

Why Add CROCI To Profitability Toolkit?

- Issues with ROCE: Write-offs, reinvestment, CROCI a cash-on-cash metric has intuitive appeal
- The goal of all companies is to generate profits from selling goods or services
- CROCI impacts sub-sector and company insights more so than broad sector conclusions
- *All Roads Lead To Rome*: No single metric is the equivalent of a religious cause



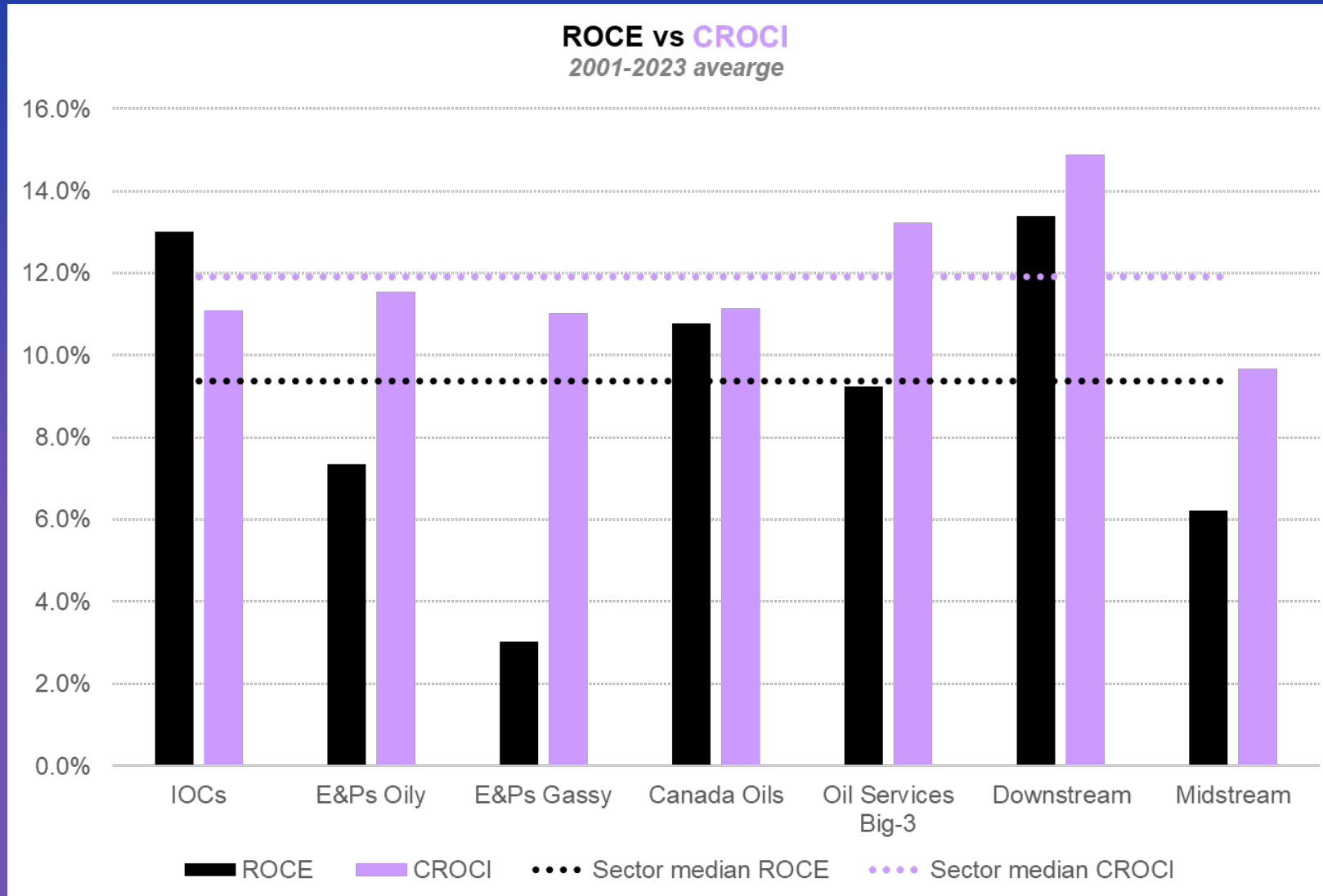
ROCE vs CROCI: Less Relevant For Sector Calls



Source: FactSet, Veriten.



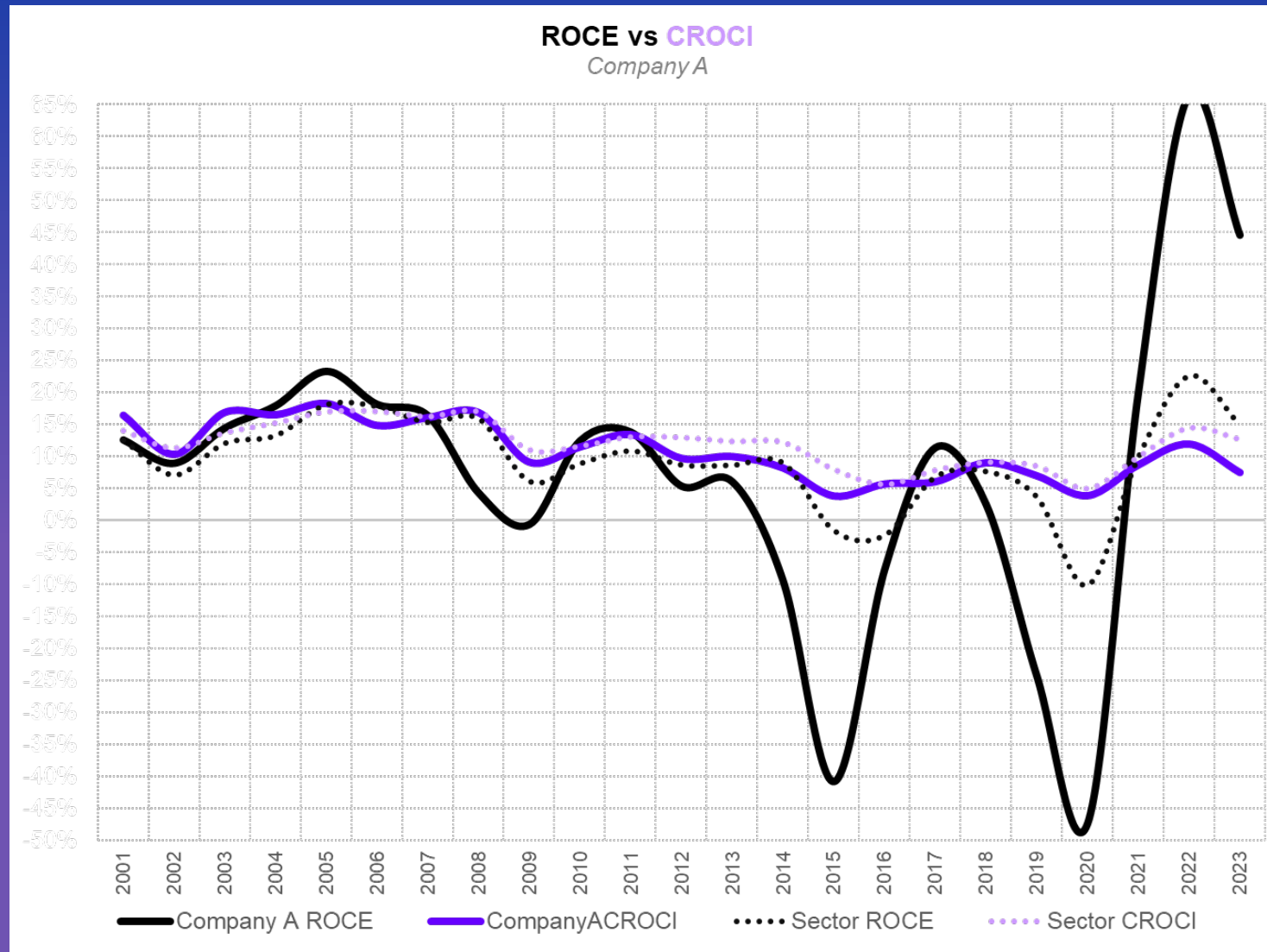
Sub-Sector Conclusions Vary



Source: FactSet, Veriten.



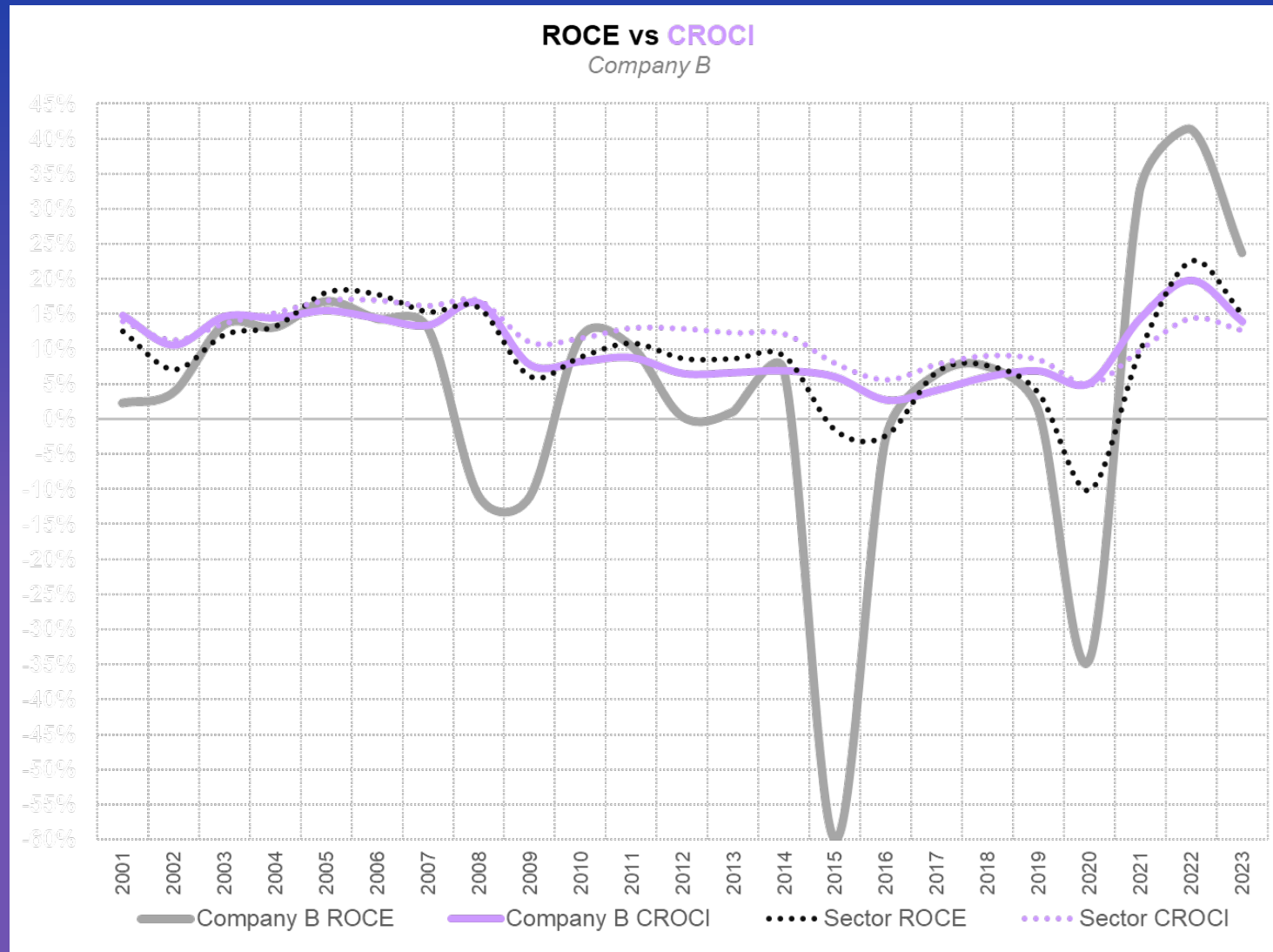
Company A: ROCE up, but CROCI lags



Source: FactSet, Veriten.



Company B: ROCE up and CROCI Improves



Source: FactSet, Veriten.



⚡ On A Personal Note: Analyst Field Trips



Disclaimer

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