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HOME MEMBER STATE: Croatia

REGULATED MARKET SEGMENT: Prime Market of the Zagreb Stock Exchange

Zagreb, 27 February 2025

- **regulated information (financial reports)**

Result impacted by strong pressures from all-time high coffee and cocoa prices

In 2024, Atlantic Grupa recorded sales of EUR 1,08 billion, which is a 10.8 percent increase compared to the previous year. Earnings before interest, taxes, depreciation and amortization (EBITDA) increased 12.0 percent, to EUR 97.0 million, while net profit amounts to EUR 26.5 million and it decreased by 15.2 percent compared to 2023. In line with the announcements, this is a negative impact of strong pressures from all-time high coffee and cocoa prices on profitability, especially in the last quarter of the previous year.

“Despite unfavourable conditions in the environment, Atlantic Grupa ended 2024 with excellent sales results, exceeding one billion euros for the first time! Record sales were achieved due to sales growth in all business and distribution units and in all major markets, and we achieved the increase in EBITDA despite the unprecedented increase in the prices of our key raw materials, coffee and cocoa, and higher investments in employees and marketing. I would like to thank all our employees for their dedication in strengthening our business, and our partners for their long-term support. We expect a challenging environment to continue, but we remain focused on strengthening competitiveness, innovation, and profitable and sustainable growth”, Emil Tedeschi, CEO of Atlantic Grupa pointed out.

Coffee, Beverages and Savoury Spreads leaders in growth

The most significant sales growth was recorded by the Strategic Business Units (SBU) Coffee (24.5 percent), Beverages (9.5 percent), and Savoury Spreads (9.1 percent). With the 23.0 percent share in total sales, coffee is the largest individual category. In terms of distribution, the Strategic Distribution Unit (SDU) Serbia leads with a growth of 12.6 percent, followed by North Macedonia with an 11.3 percent growth, and Croatia with an 8.7 percent growth, while the key European markets record double-digit growth due to the growth in the markets of Germany, Austria, and Switzerland. In total sales, own brands account for 62.7 percent, pharmacy business accounts for 8.8 percent, while principal brands account for 28.5 percent of sales.

The past year was marked by the acquisition of Strauss Adriatic; the integration into the Atlantic Grupa system was carried out very successfully, and significant synergistic effects are expected from next year. The automation of the central warehouse in Vukovina with advanced 2D shuttle technology, which Atlantic introduced among the first in this part of Europe, should be mentioned regarding the distribution development. The year saw significant capital expenditure of almost EUR 50 million; we should mention investments in the development of production lines for salty and sweet snacks in Belgrade and the Donat production plant in Rogaška Slatina.

Sustainability and responsibility come first

Sustainable growth remains one of the main strategic determinants of Atlantic Grupa's business. The company has been recognized by expert organizations and institutions as an ESG leader in Slovenia, Croatia and Serbia, and it has won awards for the transition to a circular economy and educational programs. In addition, it has received the "Equal Pay Champion" certificate, awarded to companies that are committed to equal pay for equal work and equal career opportunities regardless of gender, as well as the *Above and Beyond* award for quality in human resources management, awarded by Selectio Grupa as part of the Employer Partner project.

In 2024, Atlantic Grupa received the best investor relations award for the fifth year in a row, presented by Poslovni dnevnik in cooperation with the ZSE, and it also received the award for building public trust presented by PwC Croatia also in cooperation with the ZSE. For the fourth consecutive year, it was the winner of the award for best corporate governance, presented by the Croatian Financial Services Supervisory Agency (HANFA) and Jutarnji list. These awards and recognitions once again prove the company's commitment to transparency, professionalism and high-quality business reporting. Among the corporate news during the year, the most notable was that a dividend of EUR 1.20 per share was paid in July, which accounts for more than 50% of the consolidated annual profit, which further confirms the stability and continued business success.

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