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Zagreb, 28 April 2022

- **regulated information**

Significant revenue and profitability growth

Growth is primarily a result of excellent sales results, due to better epidemiological situation in all markets and the easing of measures, especially in the HoReCa channel

In the first quarter of 2022, Atlantic Grupa recorded sales of HRK 1.4 billion, which is an 11.3 percent increase compared to the same period of the previous year. Earnings before interest, taxes, depreciation and amortization (EBITDA) amount to HRK 179.8 million, which is 7.1 percent more than in the first quarter of 2021, and the similar increase of 7.2 percent was recorded by net profit, which amounts to HRK 90.6 million. The beginning of the year was marked by the outbreak of war in Ukraine, but by selling the baby food brand Bebi in 2021, Atlantic Grupa significantly reduced its exposure in Russia and other CIS markets, and the war events do not have a direct material impact on the company's operations.

"In the first quarter of 2022, Atlantic Grupa recorded a significant growth in revenue and profitability, despite all the challenges we face. Revenue growth is primarily a result of excellent sales results of own and principal brands, due to better epidemiological situation in all markets and the easing of measures to prevent the pandemic, especially in the HoReCa channel. A part of the increase in revenue also relates to higher selling prices due to significant increases in the prices of key raw materials, packaging materials, energy and services. We continue to closely monitor the development of the situation and take all available measures to reduce the risk in the new circumstances. We expect that the continuation of 2022 will be challenging, but our main priorities remain ensuring the smooth continuation of production and supply of our customers and consumers, maintaining full employment and further investing in our employees, and social responsibility in the broadest sense", Emil Tedeschi, CEO of Atlantic Grupa said.

Farmacia, Beverages and Coffee leaders in growth, distribution expanded

The most significant growth of 22.7 percent was recorded by the strategic business unit Beverages, whose leading brand is Cedevita, while the pharmacy chain Farmacia recorded an excellent 20.6 percent growth, and the strategic business unit Coffee also grew at double-digit rates of 15.1 percent. With sales at HRK 285.8 million and leading brands Grand kafa and Barcaffe, Coffee stands out as individually the largest category of Atlantic Grupa, with a 20.6 percent share in total revenues.



In the first quarter, the leaders in the distribution business are Slovenia with a 12.1 percent growth, Croatia with an 11.3 percent growth, and Serbia with a 10.7 percent growth. Encouraged by the excellent distribution work, the distribution portfolio is expanding, primarily through cooperation with the new principal Intersnack (Chio) in Serbia, and the announcement of the expansion of successful cooperation with Red Bull in Serbia to North Macedonia. Principal brands participate in Atlantic Grupa's total sales with 26.9 percent, own brands with 62.7 percent, and Farmacia holds a 10.4 percent share in sales.

Among significant corporate developments, it should be noted that in January the company's Supervisory Board was expanded from the previous seven to nine members; this body was strengthened by Vesna Nevistić, PhD, an experienced expert in banking, restructuring process and corporate development, and Zoran Vučinić, a proven global manager with an exceptionally successful international career in the field of consumer goods.

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