



ATLANTIC GRUPA d.d.
Miramarska 23
10 000 Zagreb

SECURITY: ATGR / ISIN: HRATGRRRA0003
3ATG2 / ISIN: HRATGRO25CA5

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HOME MEMBER STATE: Croatia

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Zagreb, 13 December 2023

Atlantic Štark and German DEG signed agreement on financing in Serbia

The signed loan agreement in the amount of EUR 20 million is part of an investment cycle of Atlantic Grupa worth more than EUR 100 million, planned for the following three years across Atlantic's operations in the Republic of Serbia.

Atlantic Štark d.o.o., member of Atlantic Grupa, and German development finance institution DEG (Deutsche Investitions- und Entwicklungsgesellschaft), signed a loan agreement in the amount of EUR 20 million in order to secure the funding of investment in the development of Atlantic Štark. This is part of a robust investment cycle planned by Atlantic Grupa for the entire business operation of the Company across the Republic of Serbia. This particular funding package is primarily focused on the modernisation and capacity increase of Atlantic Štark. Atlantic has additional investment plans for new factories and the establishment of a regional coffee production and development centre.

Atlantic Grupa plans to invest more than EUR 100 million in the Serbian market over the course of the following three years. This investment cycle is already underway and so far, more than EUR 15 million have been invested. The largest planned investment is focused on the production and logistic capacities of Atlantic Štark, primarily when it comes to the new Smoki factory, which will receive an investment of nearly EUR 53 million. This also marks the largest investment in the history of Atlantic Grupa. Additionally, investments in the amount of approximately EUR 50 million are planned for other factories and businesses of Atlantic Grupa in Serbia, namely the consumer goods distribution business – in which Atlantic is one of the market leaders – and the coffee business. Atlantic Grupa is a renown regional producer of coffee with a goal of building its regional centre for the development of coffee in Serbia. To this end, the acquisition of Strauss Adriatic, worth more than EUR 40 million, is planned, subject to the approval of the Commission for Protection of Competition.

DEG and Atlantic Grupa have a long history of successful cooperation in the area of business development, which started with Atlantic's first acquisition of Cedevita in 2001. Another key event was the 2006 recapitalisation of Atlantic Grupa by DEG prior to the company's IPO at the Zagreb Stock Exchange. DEG remained a shareholder until 2014.

Atlantic Grupa d.d.