



INVESTOR PRESENTATION

Bond Issuance ATGR-O-25CA

ATLANTIC
GRUPA

Zoran Stanković
Vice President for Finance, Procurement and Investment

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December 2020



CONTENT

1. ABOUT ATLANTIC GRUPA

2. KEY DEVELOPMENTS

3. OVERVIEW OF FINANCIAL RESULTS

4. PLANNED BOND ISSUANCE

18 distribution centres

14 production facilities in 5 countries

40 product presence on over 40 markets

5500 employees on 7 markets

- Leading distributor of multinational brands
- Founded in 1991
- FY19 sales revenue: HRK 5,4 bn
- FY19 EBITDA*: HRK 722 m
- MCap (November 25, 2020): HRK 4,6 bn

*Normalized



GROWTH BASED ON INNOVATIONS AND M&A

National company

1990's

- ❖ Distribution centers across Croatia
- ❖ Various distribution cooperations

DISTRIBUTION

Regional company

2000-2004

- ❖ Regional expansion
- ❖ 2001: Acquisition of CEDEVITA

DISTRIBUTION & PRODUCTION

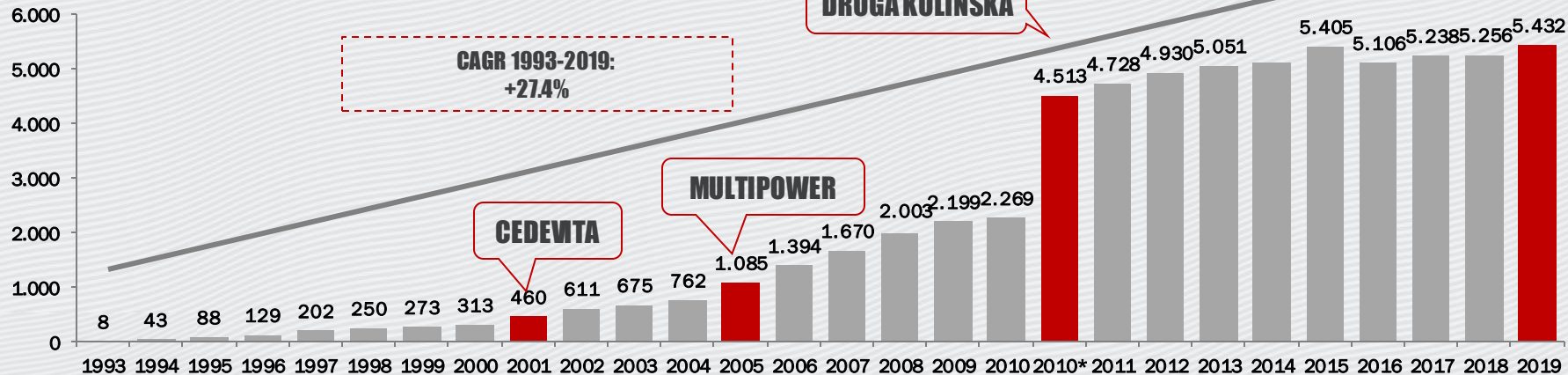
European company

2005-2019

- ❖ 2005: Acquisition of MULTIPOWER
- ❖ 2007: IPO
- ❖ 2010: Acquisition of DROGA KOLINSKA

VERTICAL INTEGRATION

Sales Revenue in HRK m



2010*: Pro-forma consolidated with Droga Kolinska

ORGANIZATIONAL AND OWNERSHIP STRUCTURE

Management Board



Emil Tedeschi
Management Board
President



Zoran Stanković
Vice President
Finance,
Procurement and
Investment



Neven Vranković
Vice President
Corporate Affairs



Lada Tedeschi Fiorio
Vice President
Corporate Strategy
and Development

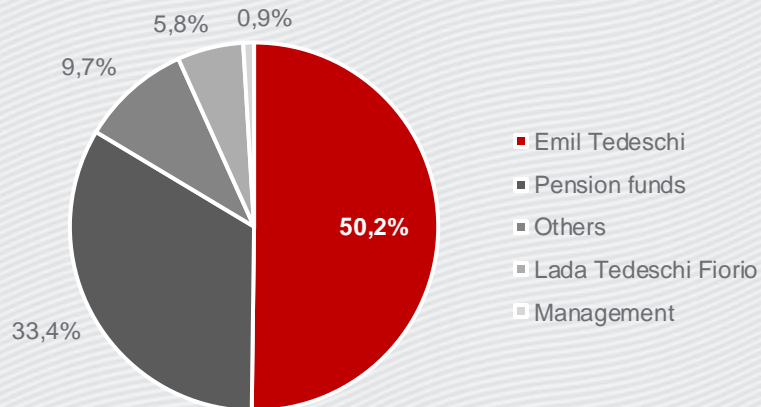


Srećko Nakić
Vice President
Distribution



Enzo Smrekar
Vice President
Savoury spreads,
Donat and
internationalization

Ownership structure as of October 30, 2020



For 10 consecutive years Atlantic Grupa is within top three for Best Investor Relations



Atlantic Grupa is the winner of the Golden Balance Sheet Award for the Most successful long-standing entrepreneur in 2019

STRATEGIC BUSINESS UNITS AND BUSINESS UNIT



COFFEE

barcaffé

grand
KAFA

Bonito
prava kafa



SAVOURY SPREAD

ARGETA

montana

Bakina
Tajna

Amfissa



SNACKS



Smoki

Banarica

Integrino



PHARMA

farmacia

Bebi



BEVERAGES

CEDEVITA

Coekta

Kala



DONAT MG

Donat
Mg

ATLANTIC GRUPA DISTRIBUTION

STRENGTH OF DISTRIBUTION

- The leading distributors of high-quality top FMCG brands (both own and principal) in SEE
 - Developed network with 18 distribution centers
 - Direct access on over 60,000 sales points
 - Over 1,000 delivery vehicles



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KEY DEVELOPMENTS IN 2020

COVID-19 pandemic

Cedevita – the most desirable brand in Croatia and Slovenia*

Atlantic Grupa fifth most desirable employer**

Signed the agreement to sell the Bebi brand

Paid the dividend in July 2020

* According to the survey conducted by IPSOS in 2020

**According to the survey of Employers of the first choice conducted by MojPosao during 2019 and 2020

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2020 9M: NORMALIZED EBITDA* INCREASE DESPITE THE PANDEMIC

SALES REVENUE
HRK 3,887.4 m
-0.1%* normalized

NORMALIZED
EBITDA*
HRK 624.3 m
+2.4%

* Certain financial measures are not defined by International Financial Reporting Standards (IFRSs). For more details on the Alternative Performance Measures (APM) used, see the document „Definition and reconciliation of Alternative Performance Measures“ within financial results for 9M 2020.

2020 9M: CONFIRMATION OF BUSINESS MODEL STABILITY

(HRK million)	9M 2020	9M 2019	9M 2020/ 9M 2019
SBU Coffee	801,9	817,8	(1,9%)
SBU Savoury Spreads	648,1	565,8	14,5%
SBU Snacks	452,7	475,6	(4,8%)
SBU Beverages	396,0	456,2	(13,2%)
SBU Pharma	394,2	468,4	(15,8%)
BU Donat Mg	145,3	140,8	3,2%
SDU Croatia	955,4	1.032,2	(7,4%)
SDU Serbia	876,0	902,0	(2,9%)
SDU Slovenia	716,9	682,1	5,1%
Other segments*	583,7	548,4	6,4%
Reconciliation**	-2.082,9	-2.077,0	n/a
Sales	3.887,4	4.012,4	(3,1%)

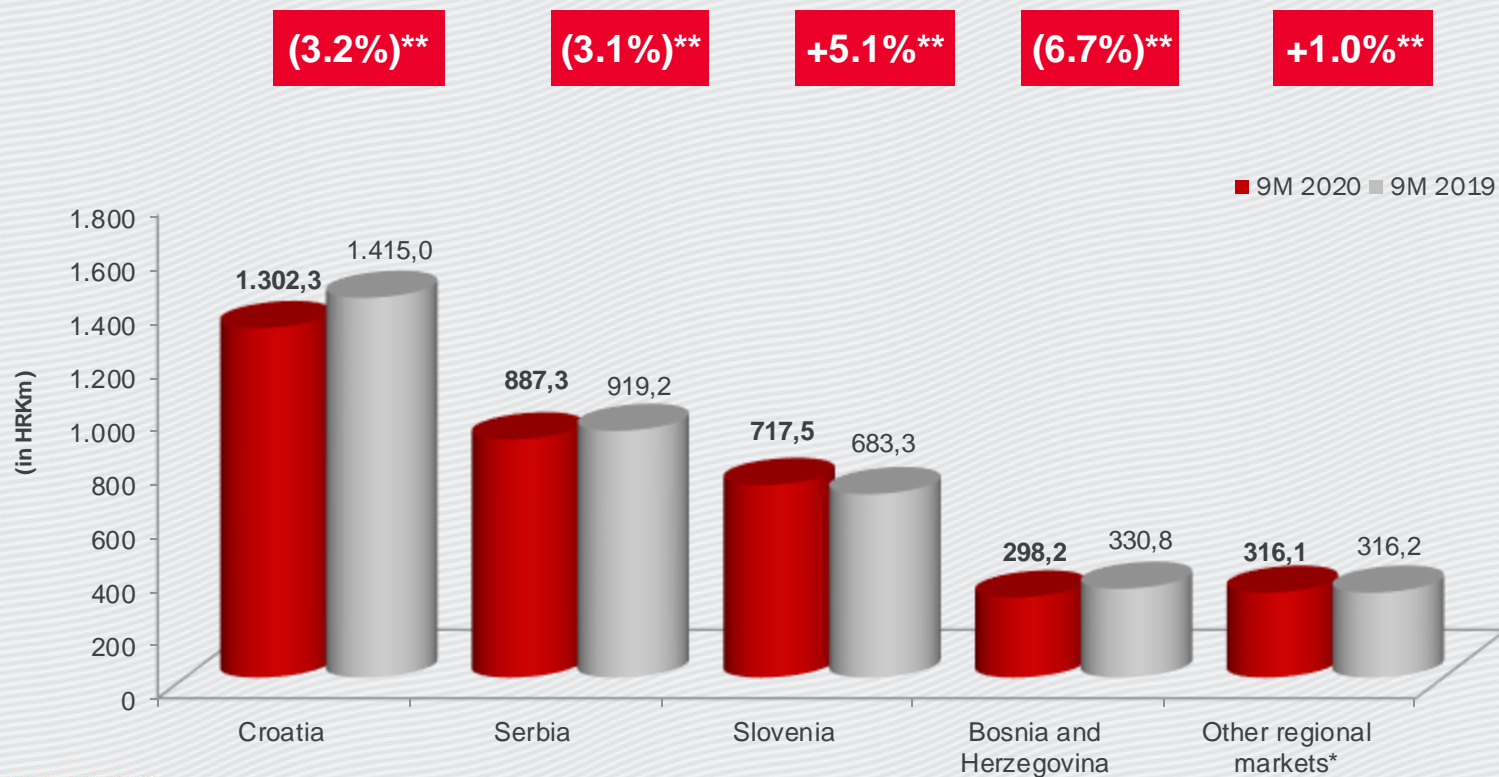
The comparative period has been adjusted to the reporting for 2020.

* Other segments include SBU Sports and functional food, DU Austria, DU CIS, GDAM and DU Macedonia and business activities not allocated to business and distribution units (headquarters and support functions in Serbia, Slovenia, Bosnia and Herzegovina and Macedonia) which are excluded from the reportable operating segments.

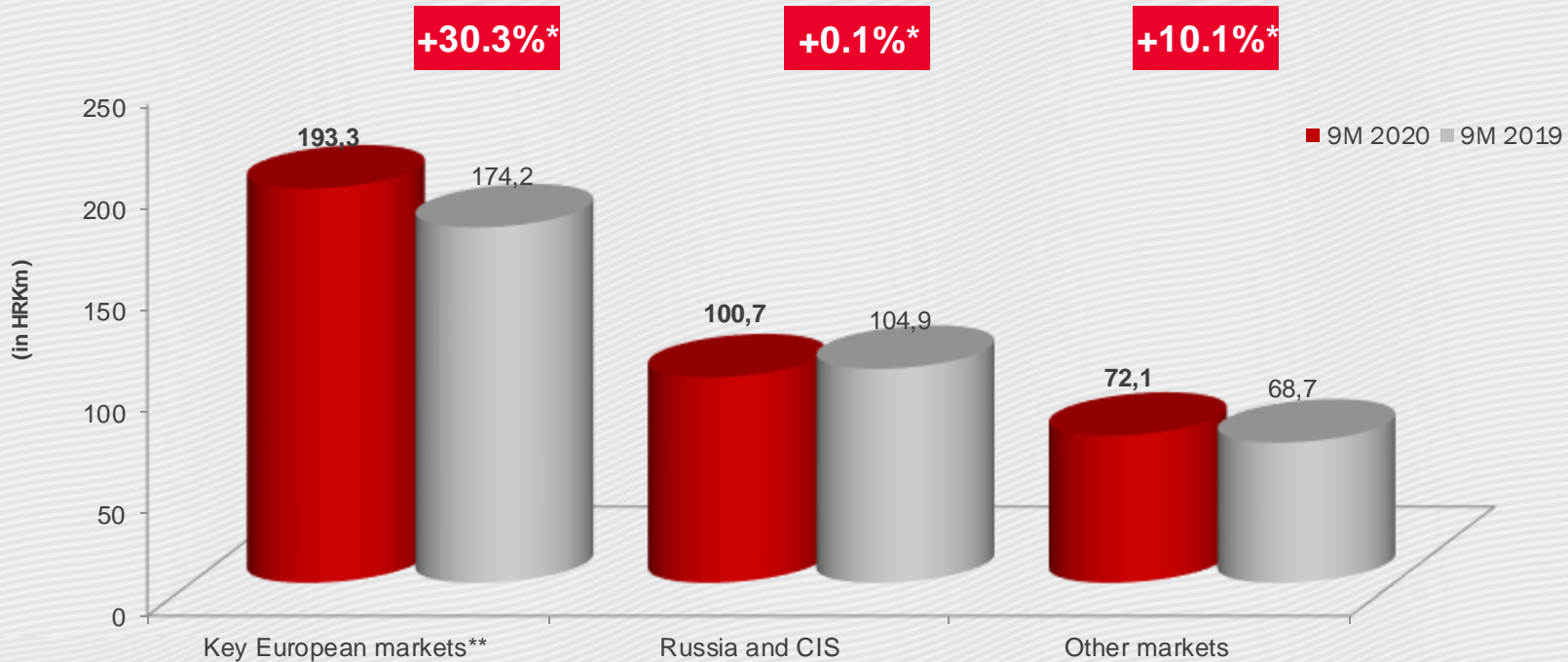
**Line item "Reconciliation" relates to the sale of own brands which is included in the appropriate SBU and BU and in SDUs, DUs and GDAM through which the products were distributed.

Note: Certain financial measures are not defined by International Financial Reporting Standards (IFRSs). For more details on the Alternative Performance Measures (APM) used, see the document „Definition and reconciliation of Alternative Performance Measures“ within financial results for 9M 2020.

2020 9M: SALES REVENUE PROFILE BY MARKETS



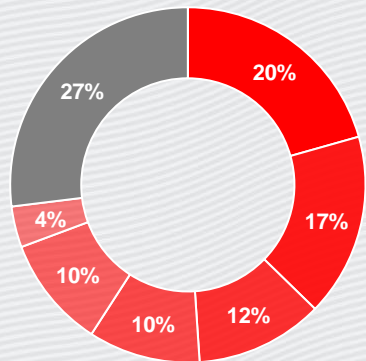
2020 9M: SALES REVENUE PROFILE BY MARKETS



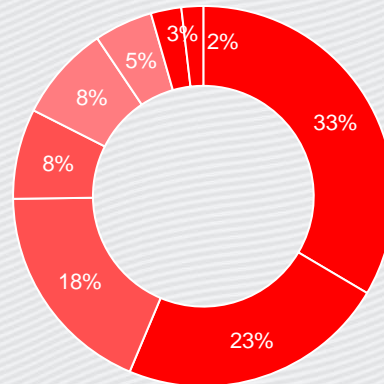
* Organic growth. Certain financial measures are not defined by International Financial Reporting Standards (IFRSs). For more details on the Alternative Performance Measures (APM) used, see the document „Definition and reconciliation of Alternative Performance Measures“ within financial results for 9M 2020.

** Germany, Switzerland, Austria, Sweden

2020 9M: SALES REVENUE BY SEGMENTS AND MARKETS



- Coffee 20.6%
- Savoury spreads 16.7%
- Sweet and salted snacks 11.7%
- Pharma 10.2%
- Beverages 10.2%
- Donat Mg 3.7%
- Principal brands 26.9%

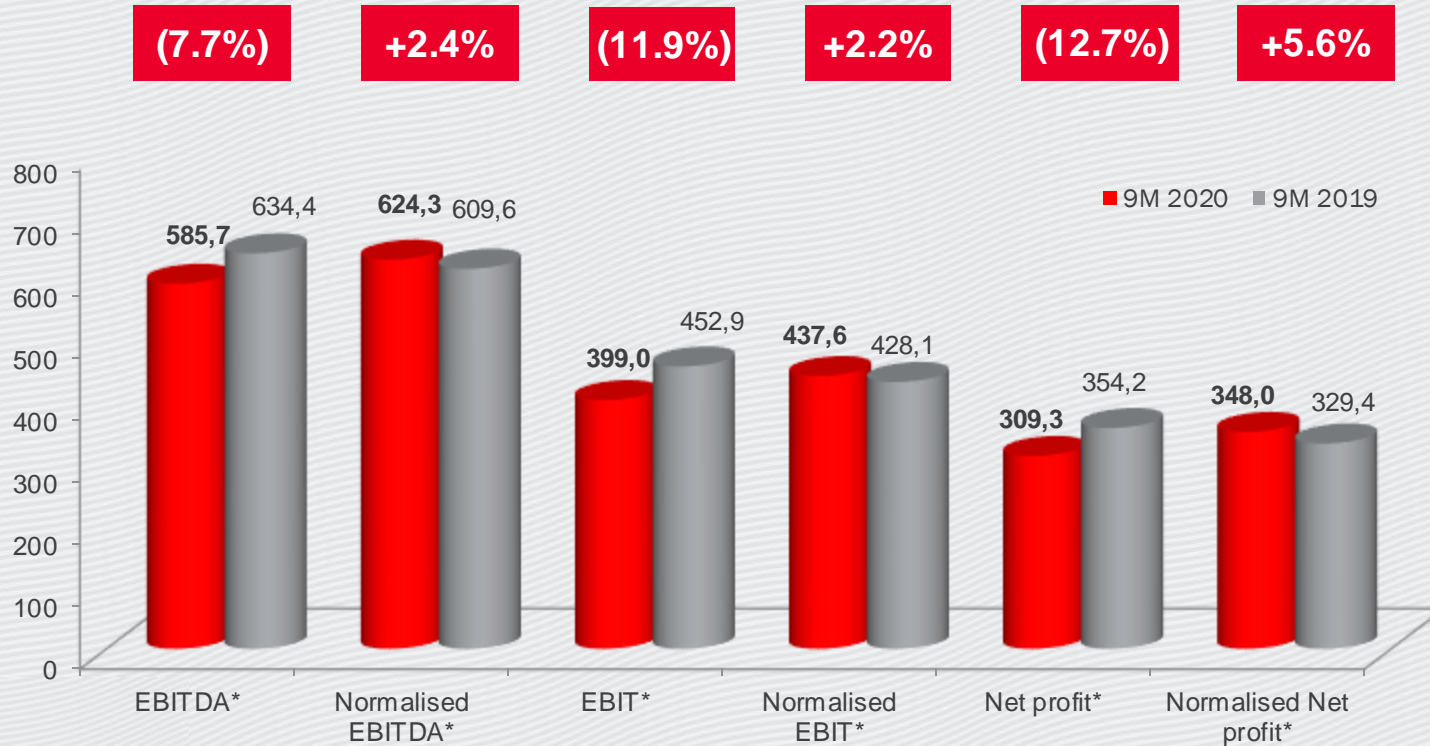


- Croatia 33.5%
- Serbia 22.8%
- Slovenia 18.5%
- Bosnia and Herzegovina 7.7%
- Other regional markets* 8.1%
- Key European markets** 5.0%
- Russia and CIS 2.6%
- Other markets 1.9%

*Other regional markets: Macedonia, Montenegro, Kosovo

**Key European markets: Germany, Switzerland, Austria, Sweden

2020 9M: NORMALIZED EBITDA* INCREASE DESPITE THE PANDEMIC

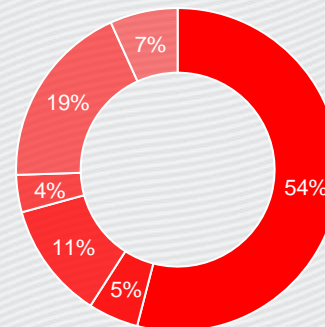


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FINANCIAL INDICATORS: CONTINUED DELEVERAGING

(in HRK millions)	30.9.2020	31.12.2019
Net debt*	683,8	922,7
Total assets	5.405,9	5.247,3
Total Equity	2.921,2	2.669,8
Current ratio*	1,2	1,3
Gearing ratio*	19,0%	25,7%
Net debt/EBITDA*	0,9	1,3
(in HRK millions)	9M 2020	9M 2019
Interest coverage ratio*	31,3	24,3
Capital expenditure*	172,8	166,7
Free cash flow*	370,3	263,9
Cash flow from operating activities	543,1	430,6

30.09.2020.



- Capital and reserves 54.1%
- Long term borrowings 5.0%
- Short term borrowings 11.7%
- Bond 3.7%
- Trade and other payables 18.7%
- Other liabilities 6.8%

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PRESENCE OF ATLANTIC GRUPA ON THE CAPITAL MARKET

Corporate Bond Issues

1st bond

- **Amount:** HRK 15.0 m
- **Issue date:** July 13, 2004
- **Maturity date:** July 13, 2007
- **Interest rate:** 5.750%

2nd bond

- **Amount:** HRK 115.0 m
- **Issue date:** December 6, 2006
- **Maturity date:** December 6, 2011
- **Interest rate:** 5.750%

3rd bond

- **Amount:** HRK 115.0 m
- **Issue date:** September 20, 2011
- **Maturity date:** September 20, 2016
- **Interest rate:** 6.750%

4th bond

- **Amount:** HRK 200.0 m
- **Issue date:** June 17, 2016
- **Maturity date:** June 17, 2021
- **Interest rate:** 3.125%

Commercial Papers Issues

1st tranche

- **Amount:** HRK 20.0 m
- **Issue date:** May 16, 2003
- **Tenor:** 182 days

2nd tranche

- **Amount:** HRK 45.0 m
- **Issue date:** July 30, 2003
- **Tenor:** 364 days

3rd tranche

- **Amount:** HRK 30,0 m
- **Issue date:** July 14, 2006
- **Tenor:** 91 days

4th tranche

- **Amount:** HRK 15.0 m
- **Issue date:** November 11, 2006
- **Tenor:** 91 days

TERMS & CONDITIONS OF THE NEW BOND ISSUE

Issuer	Atlantic Grupa d.d.			
Ranking	Non-subordinated and unsecured bond			
Repayment of Principal	Bullet, at maturity			
Maturity	5 years			
Targeted Nominal Amount of the Issue	Up to HRK 300,000,000.00			
Denomination	HRK 1,000.00			
Interest Rate	Fixed, semi-annual coupon interest payment			
Call Option	Time elapsed after the issue date	2 yr.	3 yr.	4 yr.
	Clean price	100.50%	100.25%	100.00%
Minimum Subscription Amount	HRK 100,000.00			
Reference Interest Rate	Interpolated bid yield of RHMF-O-257A and RHMF-O-26CA			
Risk Premium	0.50 p.p.			
Joint Lead Managers and Bookrunners	ERSTE, OTP, PBZ, RBA and ZABA			
Orderbook	"Pot orderbook"			
Listing	Official Market of the Zagreb Stock Exchange			
Clearing and Settlement	Central Depository and Clearing Company Inc. ("CDCC")			
Governing Law	Croatian			

CONDITIONS OF REDEMPTION/SWAP OF EXISTING BONDS AND TIMELINE OF THE NEW ISSUE

Existing Bond	3ATG (ATGR-O-216A)
Clean Price and/or Swap Price of the Existing Bonds	100,00%
Total Redemption Price and/or Swap Price of the Existing Bonds	The Clean redemption and/or the Swap price increased by the full amount of interest earned for the period from, and including, June 17, 2020 to, but excluding, December 17, 2020, i.e. by 1.5625%, and the Total redemption price/Total swap price will amount to 101.5625%.
Start of the Offering Period	December 8, 2020 at 9 a.m.
End of the Offering Period	December 8, 2020 at 2 p.m.
Allocation Notice and Payment Instructions	December 9, 2020 (No later than on the first working day after the expiration of the Offering period)
Date of Issue and Admission of the Bonds in CDCC	December 11, 2020 (No later than 3 (three) working days after the expiration of the Offering period)
Listing of the Bonds on the Official Market of the Zagreb Stock Exchange	Upon approval of listing by the Zagreb Stock Exchange, expected by no later than December 15, 2020
Reference Document	Registration document was approved by HANFA, by its resolution class number: UP/I 976-02/20-01/07, UR number: 326-01-60-62-20-9 on November 4, 2020 and is available at the websites of the Zagreb Stock Exchange and the Issuer ; Summary and Securities Note for issuance by public offering and listing of bonds was approved by HANFA, by its resolution class number: UP/I 976-02/20-01/09, UR number: 326-01-60-62-20-6 on 26 November 2020 and is available on the websites of the Zagreb Stock Exchange and the Issuer .

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