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- **regulated information (financial reports)**

Record-high sales with strong inflationary pressures

All business and distribution units are growing, and significant increases in the prices of raw materials, packaging materials, energy sources and services have had an expected impact on profitability

In 2022, Atlantic Grupa recorded sales of HRK 6.4 billion, which is an 11.8 percent increase compared to the same period of the previous year. Under the influence of significant price increases in the overall spectrum of business activities, earnings before interest, taxes, depreciation and amortization (EBITDA) decreased by 20.6 percent compared to 2021 and amount to HRK 575.4 million, while net profit decreased by 43.2 percent and amounts to HRK 195.7 million.

“Despite many challenges in the environment, in 2022 Atlantic Grupa achieved record sales results, and the growth was achieved in all business and distribution units. After the years of Covid, 2022 was marked by Russia’s aggression against Ukraine, which caused an energy crisis, additional delays and shortages in supply chains, and significant price increases of almost all our strategic raw materials and services. We were only able to partially compensate for these increases in the prices by optimizing internal resources, and to a lesser extent by increasing our selling prices, which, as expected, led to a drop in profitability. Nevertheless, we continued to invest in business development – innovations in our product portfolio, modernization of production capacities and continued digital transformation”, Emil Tedeschi, CEO of Atlantic Grupa pointed out.

Coffee, Beverages and Farmacia leaders in growth

The most significant growth of 20.2 percent was recorded by the Strategic Business Unit (SBU) Beverages, whose leading brand is Cedevita, followed by the SBU Coffee with Barcaffè and Grand kafa brands and the 16.2 percent growth, and the pharmacy business under the Farmacia brand also stands out with the double-digit growth of 10.5 percent. Distribution units are led by Serbia with



a 15.5 percent growth, and Croatia with a 10.7 percent growth. Encouraged by the excellent distribution work, the distribution portfolio was also expanded, through cooperation with the new principal Intersnack (Chio) in Serbia, and the expansion of successful cooperation with Red Bull in Serbia to North Macedonia.

The success of the overall business and approach continues to be confirmed by valuable awards, so last year Atlantic Grupa also won the first prize for investor relations, organized by Poslovni dnevnik and the Zagreb Stock Exchange, and the first prize for the quality of corporate governance of the Croatian Financial Services Supervisory Agency. Also, this year our brands won a number of awards for market communication at regional competitions. Among them, Donat stands out as it was a finalist of the *Global Best of the Best Effie Awards*.

Record-high dividend, share split and strengthening management bodies

Among the important corporate events, it should be noted that the historically highest dividend in the amount of HRK 50 per share was paid, and the split of Atlantic Grupa's shares was carried out, in such a way that one share, with an individual nominal amount of HRK 40, was divided into four new shares with an individual nominal amount of HRK 10.

In December, Mate Štetić, the former general manager of the SBU Coffee, was appointed a new member of the Atlantic Grupa Management Board, whereby this body was expanded to seven members. In his new scope of responsibility, in addition to managing the coffee category, Štetić also took over the management of the chocolate and snacks categories. In the first part of the year, the company's Supervisory Board was expanded to nine members, and this body was strengthened by Vesna Nevistić, PhD, and Zoran Vučinić.

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