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- **regulated information (financial reports)**

Strong sales growth in all units and all markets

All business and distribution units are growing; the prices of raw materials, packaging materials, energy sources and logistics are still extremely high

In the first six months of 2023, Atlantic Grupa recorded sales of EUR 459.7 million, which is a 15.8 percent increase compared to the same period of the previous year. Earnings before interest, taxes, depreciation and amortization (EBITDA) remained at the level of the first six months of the last year and amount to EUR 44.4 million, while net profit decreased by 5.5 percent and amounts to EUR 20.9 million.

“In the first half of 2023, Atlantic Grupa recorded strong sales growth in all business and distribution units and in all significant markets. The growth largely compensated for the negative impact of the still high prices of raw materials and packaging materials, logistics and other services, and energy. In addition, the slight decrease in profitability was impacted by a significant increase in staff costs, which is a consequence of the increase in salaries implemented over the past year. We are particularly satisfied with the strengthening of the distribution foundations by the expansion of the principal network in Slovenia and the opening of a modern LDC in North Macedonia, the perspective of growth in the coffee category on the Serbian market and the results of the launch of new products”, Emil Tedeschi, CEO of Atlantic Grupa pointed out.

Snacks, Beverages and Donat leaders in growth

The most significant growth of 32.2 percent was recorded by the Strategic Business Unit (SBU) Snacks, whose leading brands are Smoki and Najlepše želje, under the impact of the range optimization, intensified marketing activities and the successful launch of new products. It is followed

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by the SBU Beverages with the leading brand Cedevita and 20.0 percent growth, also with the successful launch of Cedevita vitamin waters, and the BU Donat with the 15.7 percent growth. Distribution units are led by Croatia with a 19.8 percent growth, Serbia with a 19.1 percent growth, and North Macedonia with an 18.0 percent growth.

In Atlantic Grupa's total sales, principal brands account for 27.5 percent, pharmacy chain Farmacia accounts for 9.2 percent, while own brands account for 63.3 percent of sales revenue. With a share of 20.4 percent in total sales, coffee stands out as the largest individual category.

New logistics and distribution centre in Skoplje opened, first solar power plant at Croatian LDC Zagreb

In the first half of the year, Atlantic Grupa and the Podravka Group agreed on cooperation that gives excellent results, and includes Atlantic's distribution of Podravka's products on the Austrian market, with Podravka's simultaneous distribution of Atlantic's product range on the US market. In Slovenia, a significant step forward was achieved in business development through cooperation with the new principal Haleon (Sensodyne, Corega, Parodontax, Aquafresh), while in Skoplje, long-term development is guaranteed by the conclusion of an investment in the newly opened logistics and distribution centre, worth EUR 12 million. In May, Atlantic submitted a binding offer for the purchase of Strauss Adriatic, the company known in the Serbian market for the Doncafe and C kafa brands, and the conclusion of the transaction is subject to the prior approval of the Commission for the Protection of Competition in the Republic of Serbia. On the Croatian market, green energy production started with the construction of the first solar photovoltaic power plant at the central logistics and distribution centre Zagreb, which reduces carbon dioxide emissions by 3,250 tons annually.

Among important corporate events, we should mention the election of former member of the Supervisory Board, Zoran Vučinić, to the position of the chairman of the Supervisory Board. Also, following the decision of the General Assembly from June, in July Atlantic Grupa shareholders were paid a dividend in the amount of one euro per share, i.e. a total of EUR 13.3 million.

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