

**ATLANTIC GRUPA d.d.**  
**Miramarska 23**  
**10 000 Zagreb**

SECURITY: ATGR / ISIN: HRATGRRRA0003  
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HOME MEMBER STATE: Croatia

REGULATED MARKET SEGMENT: Prime Market of the Zagreb Stock Exchange

**Zagreb, 27 February 2024**

- **regulated information (financial reports)**

### **Strong growth in sales and profitability**

*Excellent sales results in all business segments enabled a significant growth in profitability, despite the still challenging environment and high operating expenses*

In 2023, Atlantic Grupa recorded sales of EUR 973.9 million, which is a 15.1 percent increase compared to the previous year. Earnings before interest, taxes, depreciation and amortization (EBITDA) increased 13.3 percent compared to 2022 and amount to EUR 86.6 million, while net profit increased by 20.0 percent and amounts to EUR 31.2 million.

"In a still unstable and challenging environment, Atlantic Grupa achieved strong sales growth in all business segments and in all major markets. Excellent sales results enabled a strong growth in profitability, despite the still high costs of raw materials and packaging materials, logistics and other services, as well as significant investment in employees. Also, we continued with investments in business development, including production portfolio innovations, modernization of production capacities and the green and digital transformation of Atlantic Grupa, as well as with the efforts for growth through acquisitions. I am especially grateful to our employees for their commitment, as well as to our customers and partners for their long-term support. Although we expect the geopolitical and macroeconomic environment to continue to be challenging, we remain confident that we will continue with successful operations and sustainable growth", Emil Tedeschi, CEO of Atlantic Grupa pointed out.

*Snacks, Beverages and Donat leaders in growth*

The most significant growth was recorded by the Strategic Business Units (SBU) Snacks (26.3 percent), and Beverages (18.6 percent) which, in addition to the value growth also achieved a significant volume sales growth. Double-digit growth is also recorded by the Business Unit (BU) Donat with 12.5 percent and SBU Pharmacy business with 12.2 percent growth. In terms of distribution, the Strategic Distribution Unit (SDU) North Macedonia leads with a growth of 19.3 percent, followed by the SDU Croatia with a 19.0 percent growth and Serbia with a 16.2 percent growth.

In Atlantic Grupa's total sales, own brands account for 62 percent, pharmacy business accounts for 9 percent, while principal brands account for 29 percent of sales. With EUR 199.9 million, i.e. a share of 20.5 percent in total sales, coffee stands out as the largest individual category.

### *High sustainability index and corporate governance awards*

During 2023, Atlantic Grupa successfully started the operation of two solar power plants, at the central logistics distribution center Zagreb and at the production location in Rogaška Slatina. Atlantic Grupa's sustainability index, which represents an internally defined measure for assessing and reporting on the achievement of sustainable business and social responsibility goals, exceeded the target value in 2023. The Atlantic Grupa sustainability index consists of five key priorities: reduction of greenhouse gas emissions, responsible management of water resources, employee care, use of recycled and recyclable materials and specific sustainable innovations in products.

In October, a sales and purchase agreement was signed with the Strauss Group for the takeover of Strauss Adriatic, 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. In the field of distribution, cooperation has been agreed with the Podravka Group, which includes Atlantic's distribution of Podravka's products on the Austrian market and Podravka's distribution of Atlantic's range on the US market. In Slovenia, a significant step forward was achieved in the field of distribution through cooperation with the new principal Haleon, while in Skopje, an investment in a new logistics distribution center worth EUR 12 million was concluded.

Among important awards, for the fourth year in a row Atlantic Grupa is the winner of the first prize for investor relations, which is awarded in cooperation of Poslovni dnevnik and the Zagreb Stock Exchange (ZSE), and for the third year it is the winner of the prize for best compliance with the Corporate Governance Code in the ZSE Prime Market category, awarded by HANFA. At the end of the year, Atlantic Grupa bought the company Eurocenter d.o.o., which owns the Eurocenter office building at Miramarska cesta 23 in Zagreb, where the company's headquarters are located for many years, from S IMMO AG, a renowned real estate management agency.

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