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In the first nine months of 2017, Atlantic recorded revenue and profitability growth

The company grew on all major markets and through business units

In the first nine months of 2017, Atlantic Grupa recorded total sales of HRK 4.0 billion, which is a 4.4 percent growth compared to the same period of 2016. Earnings before interest, taxes, depreciation and amortisation (EBITDA) amount to HRK 440.7 million and are 5.1 percent higher, while net profit after minorities increased by 2.8 percent to HRK 237.5 million. Until the end of the year, the company expects additional extension of the distribution portfolio and a continued stable growth of overall business.

Focus on brands and top-quality management

In addition to excellent business results, the first nine months were marked by disinvesting the sports food production segment and focusing on the development of branded operations. In both factories, in German Bleckede and in Nova Gradiška, taken over by the Belgian company Aminolabs, Atlantic's sports food range continues to be contractually produced.

Problems faced by our major individual customer, Agrokor, are fully annulled by extended cooperation with other retail partners. The collection of receivables from Agrokor companies in Serbia, Slovenia and Croatia is regular, except for a portion of the so-called borderline debt in Croatia (covered by the scope of the so-called Lex Agrokor). Uncollected portion of this debt will be fully settled, according to the expressed intention of the Extraordinary Commissioner, and as expected by Atlantic.

"In the first nine months of this year, Atlantic Grupa continues to achieve exceptional business results, primarily by improving revenues and profitability, where the growth was recorded in almost all business segments and in all major markets. The strategic partnership with the Belgian company Aminolabs enabled us to additionally focus on own brands and to continue the restructuring of the Strategic Business Unit Sports and Functional Food, and numerous activities on a more profitable and focused approach to Western European markets have also

been initiated. Overall business growth, excellent liquidity management and continuous decrease in debt provide us with an excellent basis for an even faster and stronger growth,” Emil Tedeschi, the President of the Management Board of Atlantic Grupa said.

Growth of Business and Distribution Units

The overall increase in Atlantic Grupa’s sales in the first nine months was mainly impacted by the following Strategic Business Units: Beverages with the 8.1 percent growth, Savoury Spreads with the 7.9 percent growth, Pharma and Personal Care with the 6.8 percent growth and Snacks with the 5.7 percent growth, as well as the Strategic Distribution Unit Croatia, that grew by 7.2 percent and the Strategic Distribution Unit Serbia with the 3.7 percent growth. With 20.1 percent share in the total sales, Coffee stands out as the largest individual category with sales of HRK 792.1 million. Own brands of Atlantic Grupa participate in sales with 67.5 percent, the distribution of principal brands’ products with 20.8 percent, the pharmacy chain Farmacia with 7.3 percent, while products produced by Atlantic Grupa as private labels for large business systems in the country and abroad participate with 4.4 percent.

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At the end of the quarter, following the aesthetics of modern minimalism, Atlantic Grupa introduced a new, simplified company logo. The new logo is inspired by the shape of the Atlantic Ocean that connects the old and the new world, just as Atlantic Grupa connects the existing and new markets through the growth and discovery of new business opportunities. The S-curve extending from the north to the south of Earth inspired the wave shape that easily transforms the logo into a powerful corporate symbol. In addition to the wave, the recognisable red and grey colours, the elements already established as the company’s trademark, have been retained as an integral part of the logo.