



ATLANTIC

GRUPA

FINANCIAL RESULTS IN 2021 (UNAUDITED)



Zagreb, 24 February 2022

2021 Overview

2021 Financial results

2022 Guidance

HISTORICALLY HIGHEST REVENUE

SALES

HRK 5,702.5m

+8.6%

+9.4%*

NORMALIZED

EBITDA*

HRK 735.0m

-2.7%

* 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 FY21.

2021 Overview

30 years of Atlantic Grupa

Organic sales growth in all segments with record sales of SBU Coffee, Savoury Spreads, BU Donat and Farmacia and all (S)DU*

Numerous awards, including fifth most desirable and third best employer

Successfully launched two new brands: Jimmy Fantastic and Boom Box

Completed divestment of Bebi brand and factory in Mirna

Strategic partnership with Barry Callebaut

Record market capitalization and record-high share price

Distribution of record high dividend in July 2021

Argeta factory near Varaždin

Barcaffé Academy - the first Academy for baristas in Croatia

* Other than DU Russia and CIS – due to divestment of Bebi brand

Success of own brands



New packaging CedeVita

CedeVita OTG
+27% yoy



Donat
+12% yoy



Smoki

+13% vs 2020
+26% vs 2019



Bananica - the fastest
growing brand in 2021
+33% yoy

Success of own brands



Barcaffé
Espresso
+20% yoy



Argeta redesign

+5% vs 2020

+24% vs 2019



Cockta
+14% yoy



Farmacia
+12% yoy



New brands:
Jimmy Fantastic
and Boom Box

2021 Overview

2021 Financial results

2022 Guidance

Organic sales growth of 9.4%***

(HRK million)	2021	2020	2021/2020	2021/2019
SBU Coffee	1,196.2	1,106.9	8.1%	5.3%
SBU Savoury Spreads	885.2	836.1	5.9%	21.9%
SBU Snacks	684.4	644.2	6.2%	1.4%
SBU Beverages	536.4	481.7	11.4%	(0.2%)
SBU Pharma	563.3	539.8	4.4%	5.0%
BU Donat	218.8	196.3	11.5%	14.5%
SDU Croatia	1,403.2	1,250.8	12.2%	4.4%
SDU Serbia	1,335.4	1,231.5	8.4%	5.7%
SDU Slovenia	1,012.8	981.3	3.2%	7.6%
Other segments*	820.8	778.0	5.5%	18.1%
Reconciliation**	(2,954.0)	(2,794.4)	n/a	n/a
Sales	5,702.5	5,252.0	8.6%	8.2%

The comparative period has been adjusted to the reporting for 2021

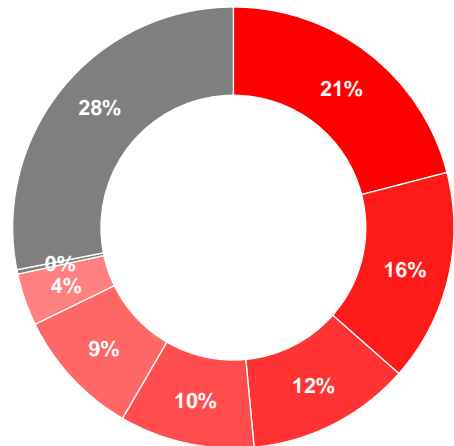
*Other segments include BU New Growth, DU Austria, DU Russia, GDAM and DU Macedonia.

**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,

***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 FY21.

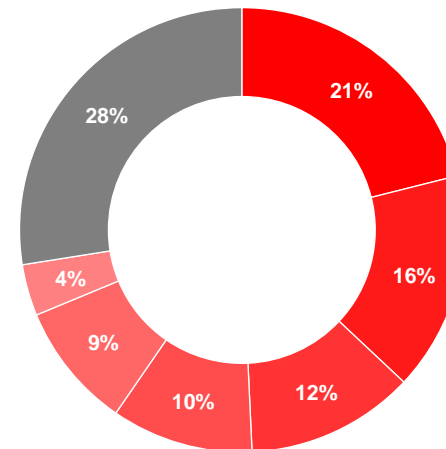
Sales by segments

2021



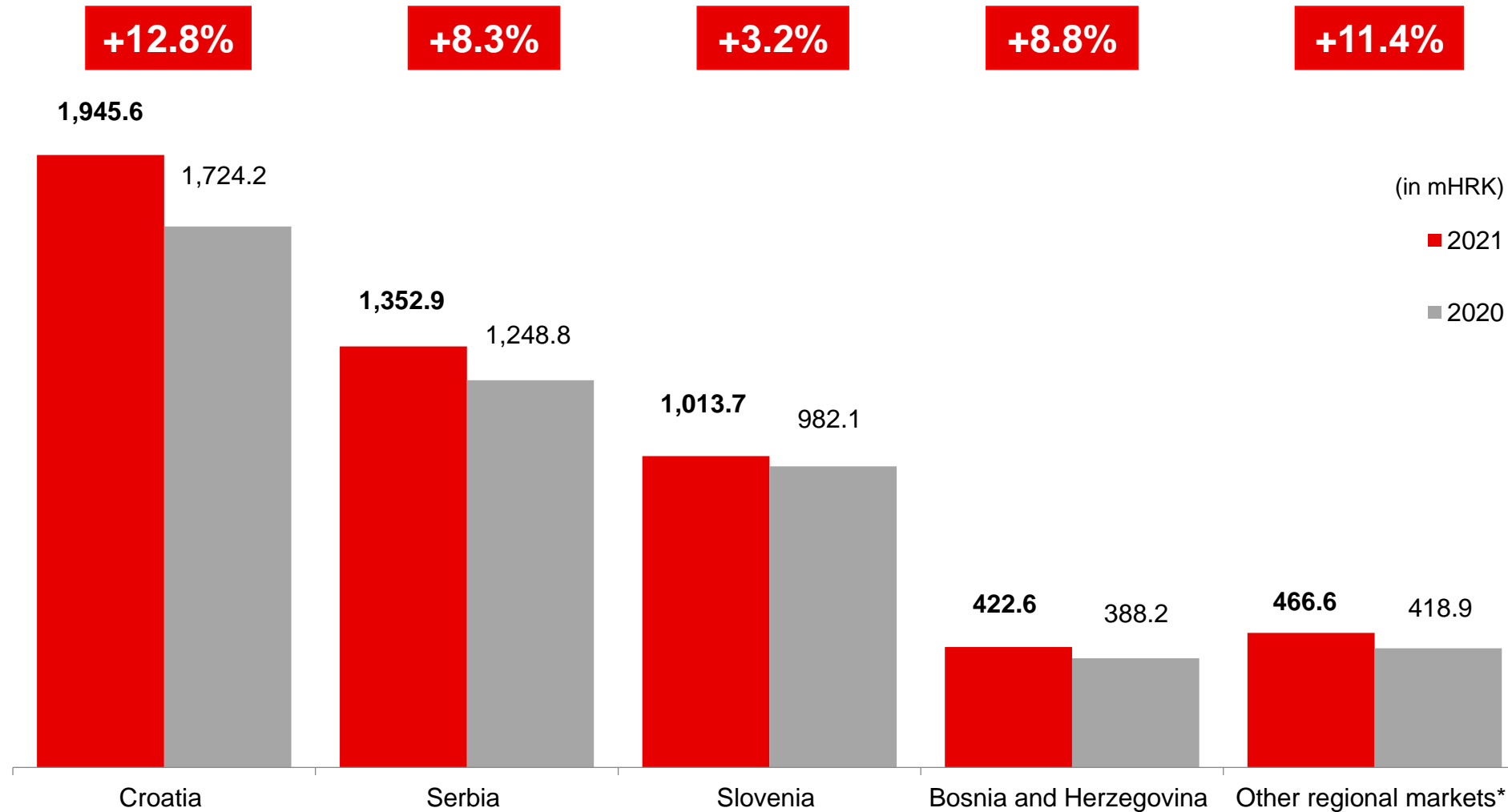
- Coffee 21.0%
- Savoury spreads 15.5%
- Sweet and salted snacks 12.0%
- Pharma 9.9%
- Beverages 9.4%
- Donat 3.8%
- New growth 0.3%
- Principal brands 28.1%

2020



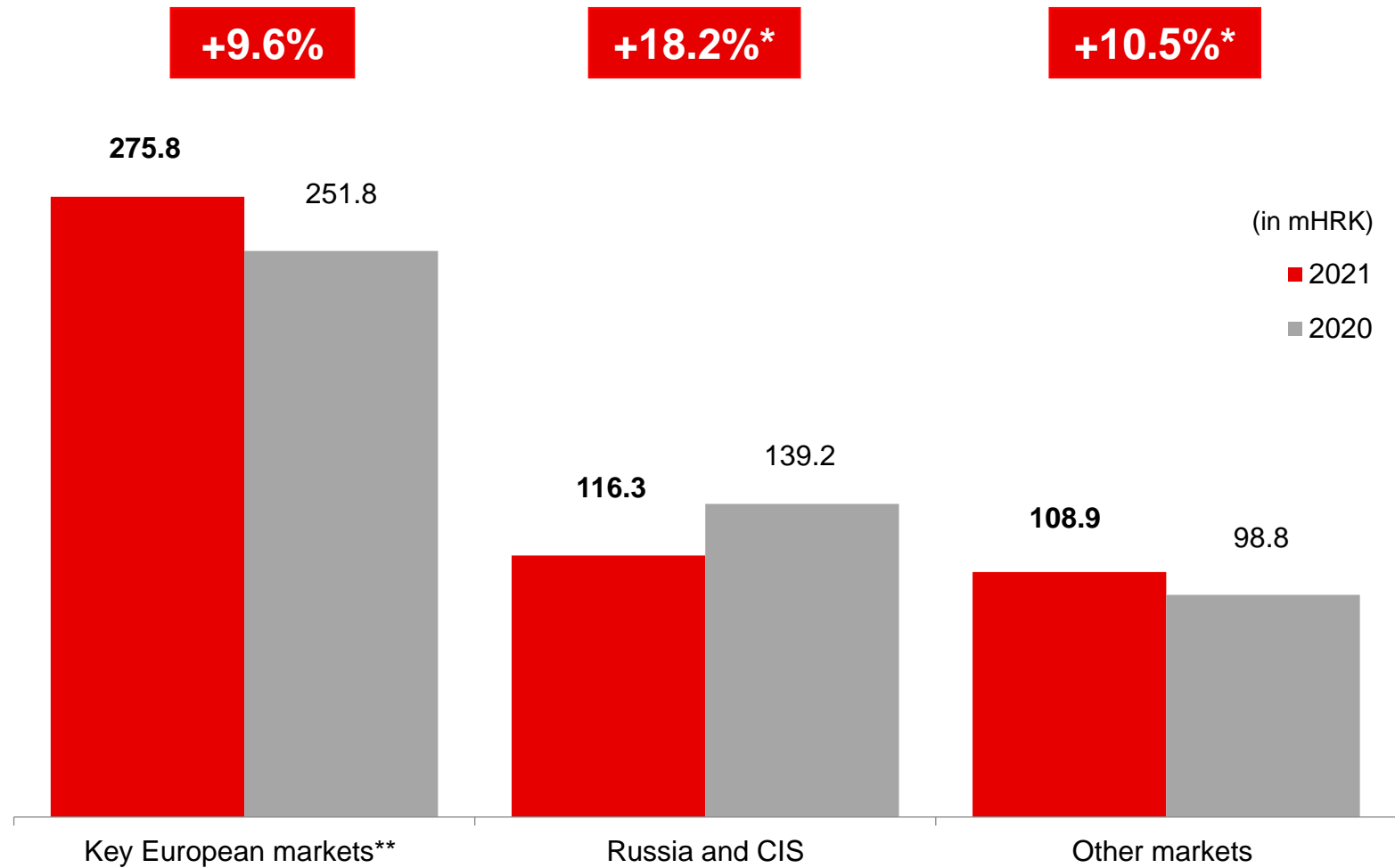
- Coffee 21.1%
- Savoury spreads 15.9%
- Sweet and salted snacks 12.3%
- Pharma 10.3%
- Beverages 9.2%
- Donat 3.7%
- Principal brands 27.5%

Sales profile by markets



*Macedonia, Montenegro, Kosovo

Sales profile by markets

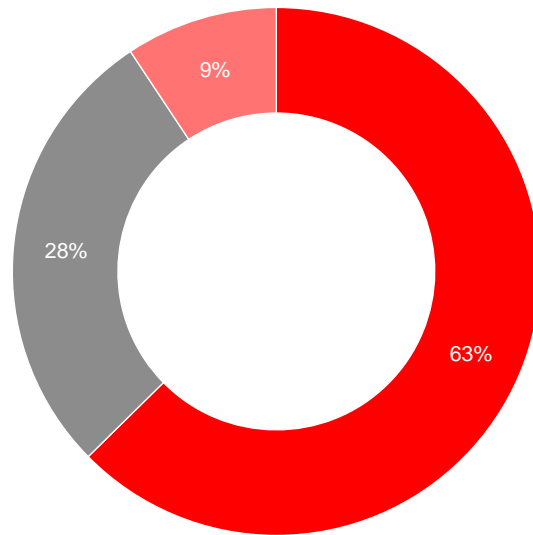


*Certain financial measures are not defined by International Financial Reporting Standards (IFRSs), For more details on the Alternative Performance Measures (APM) used, see the document „Definition and reconciliation of Alternative Performance Measures” within financial results for FY21.

** Germany, Switzerland, Austria, Sweden

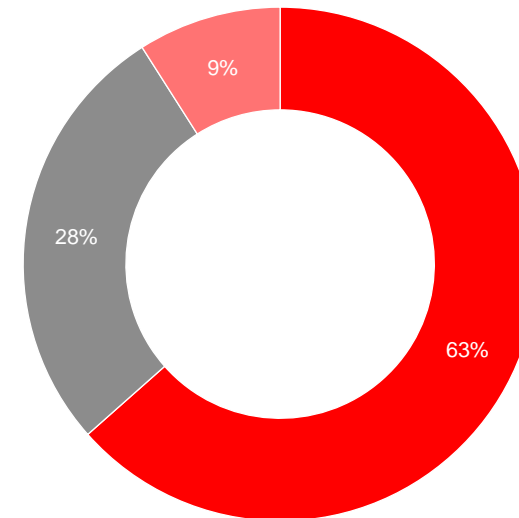
Sales profile by categories

2021



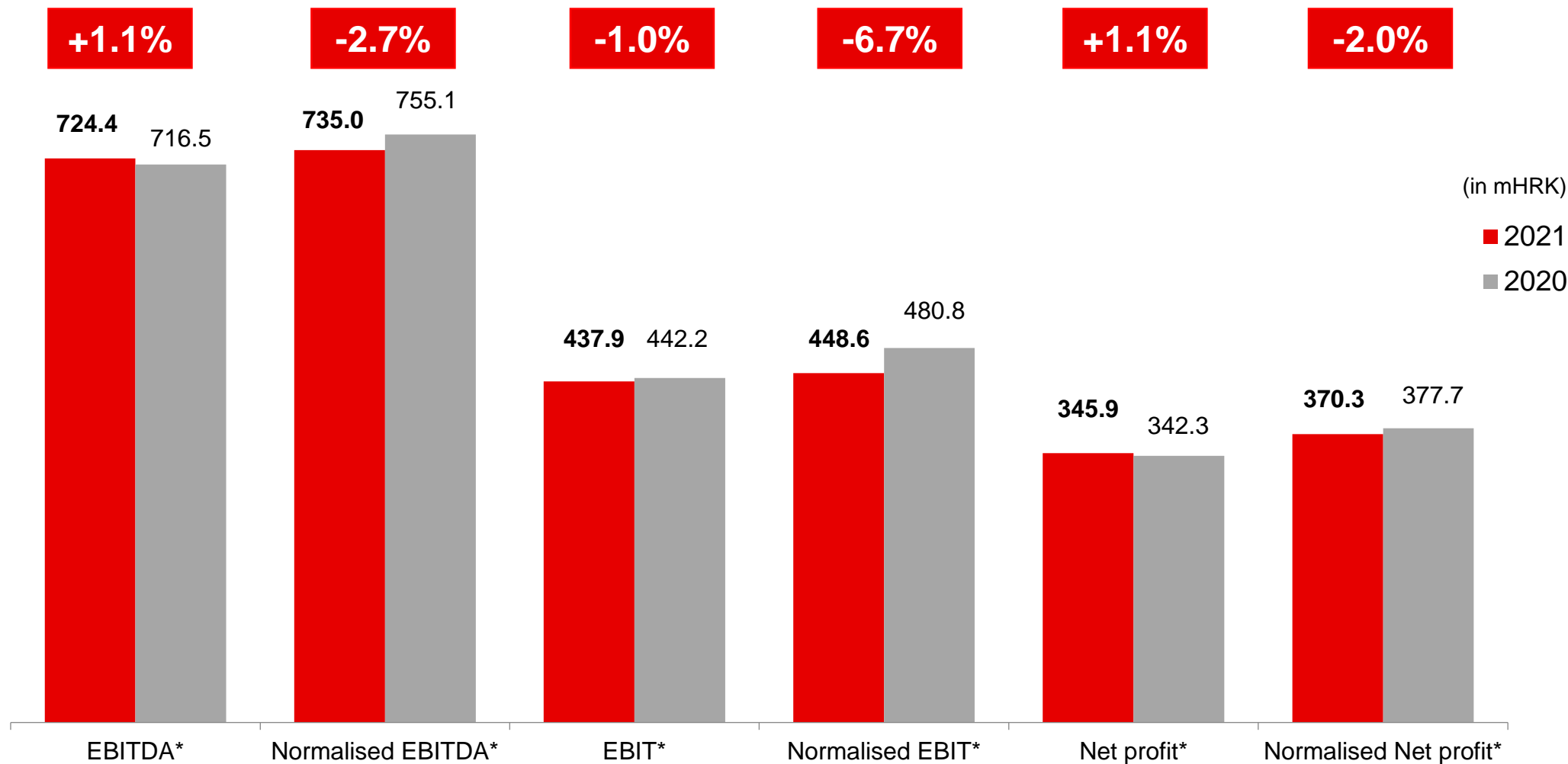
- Own brands 62.6%
- Principal brands 28.1%
- Farmacia 9.3%

2020



- Own brands 63.5%
- Principal brands 27.5%
- Farmacia 9.0%

Normalized EBITDA* decrease



*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 FY21.

Operating results of SBUs and SDUs

(HRK million)	2021	2020	2021/2020
SBU Coffee	280.1	279.5	0.2%
SBU Savoury Spreads	183.0	196.8	(7.0%)
SBU Snacks	116.2	113.9	2.0%
SBU Beverages	110.3	104.4	5.6%
SBU Pharma	49.4	34.7	42.5%
BU Donat	97.0	92.8	4.6%
SDU Croatia	87.8	66.0	33.0%
SDU Serbia	58.5	56.6	3.3%
SDU Slovenia	70.6	64.3	9.9%
Other segments*	(328.7)	(292.5)	(12.4%)
Group EBITDA**	724.4	716.5	1.1%

The comparative period has been adjusted to the reporting for 2021,

*Other segments include BU New Growth, DU Austria, DU Russia, GDAM, DU Macedonia and business activities not allocated to business and distribution units (headquarters and support functions in Croatia, Serbia, Slovenia, Bosnia and Herzegovina and North Macedonia) which are excluded from the reportable operating segments.

**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 FY21.

Operating costs structure

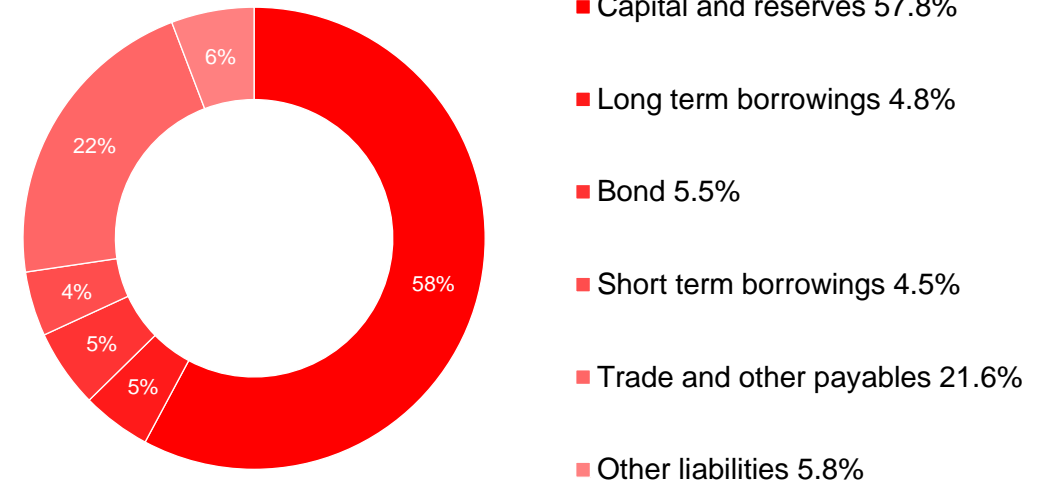
(in HRK millions)	2021	% of sales	2020	% of sales	2021/2020
Cost of goods sold	1,729.8	30.3%	1,564.5	29.8%	10.6%
Change in inventory	(22.8)	(0.4%)	(26.7)	(0.5%)	n/a
Production materials	1,496.0	26.2%	1,374.9	26.2%	8.8%
Energy	60.9	1.1%	58.5	1.1%	4.0%
Services	358.2	6.3%	317.4	6.0%	12.9%
Staff costs	937.4	16.4%	855.6	16.3%	9.6%
Marketing and selling expenses	329.8	5.8%	267.1	5.1%	23.5%
Other operating expenses	176.2	3.1%	197.8	3.8%	(10.9%)
Other (gains)/losses, net	(4.0)	(0.1%)	2.9	0.1%	n/a
Depreciation and amortisation	286.4	5.0%	274.3	5.2%	4.4%
Total operating expenses*	5,347.8	93.8%	4,886.5	93.0%	9.4%

*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 FY21.

Financial indicators: continued deleveraging

(in HRK millions)	31 Dec 2021	31 Dec 2020
Net debt*	459.9	740.1
Total assets	5,452.9	5,413.4
Total Equity	3,152.5	2,948.0
Current ratio*	1.5	1.3
Gearing ratio*	12.7%	20.1%
Net debt/EBITDA*	0.6	1.0
Interest coverage ratio*	41.2	29.4
Capital expenditure*	233.3	242.7
Free cash flow*	502.5	334.4
Cash flow from operating activities	735.8	577.1

31.12.2021



*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 FY21.

2021 Overview

2021 Financial results

2022 Guidance

2022 Guidance

- Expecting to exceed HRK 6 billion in sales revenue for the first time
- Significant increase in the prices of a large portion of our raw materials and packaging materials, logistics and other services and energy
- Further investment in people and continued marketing investment
- Expecting more than 50% higher average prices of raw coffee on the global commodity markets combined with the unfavourable US dollar exchange rate
- Normalized EBITDA margin to be approximately 170-230 basis points lower than it was in 2021
- CAPEX of HRK 320 to 370 million

APPENDIX



Consolidated income statement

(in HRK thousands)	2021	% of sales	2020	% of sales	2021/2020
Revenues	5,785,771	101.5%	5,328,674	101.5%	8.6%
Sales revenues	5,702,479	100.0%	5,252,029	100.0%	8.6%
Other revenues	83,292	1.5%	76,645	1.5%	8.7%
Operating expenses	5,061,383	88.8%	4,612,174	87.8%	9.7%
Cost of trade goods sold	1,729,758	30.3%	1,564,512	29.8%	10.6%
Change in inventories	(22,831)	(0.4%)	(26,659)	(0.5%)	(14.4%)
Production material and energy	1,556,908	27.3%	1,433,412	27.3%	8.6%
Services	358,245	6.3%	317,360	6.0%	12.9%
Staff costs	937,376	16.4%	855,631	16.3%	9.6%
Marketing and promotion expenses	329,776	5.8%	267,113	5.1%	23.5%
Other operating costs	176,168	3.1%	197,824	3.8%	(10.9%)
Other gains/(losses) - net	(4,019)	(0.1%)	2,982	0.1%	n/a
EBITDA*	724,388	12.7%	716,499	13.6%	1.1%
Amortization and depreciation	286,444	5.0%	274,315	5.2%	4.4%
EBIT*	437,945	7.7%	442,184	8.4%	(1.0%)
Finance cost - net	17,749	0.3%	30,536	0.6%	(41.9%)
EBT	420,196	7.4%	411,648	7.8%	2.1%
Income tax	74,304	1.3%	69,378	1.3%	7.1%
Net profit*	345,892	6.1%	342,270	6.5%	1.1%
Minority interest	1,035	0.0%	540	0.0%	91.5%
Net profit after minority interest	344,857	6.0%	341,730	6.5%	0.9%

* 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 FY21.

Consolidated balance sheet

(in HRK thousands)	31.12.2021.	% of total assets	31.12.2020.	% of total assets
Property, plant and equipment	1,108,725	20.3%	1,070,338	19.8%
Right of use asset	329,894	6.0%	338,838	6.3%
Investment property	807	0.0%	316	0.0%
Intangible assets	1,640,348	30.1%	1,658,758	30.6%
Financial assets through OCI	1,384	0.0%	1,404	0.0%
Long-term receivables	42,750	0.8%	47,999	0.9%
Deferred tax assets	41,469	0.8%	36,285	0.7%
Non-current assets	3,165,377	58.0%	3,153,938	58.3%
Inventories	639,201	11.7%	572,274	10.6%
Trade and other receivables	1,287,982	23.6%	1,248,658	23.1%
Non-current assets held for sale	3,759	0.1%	5,382	0.1%
Prepaid income tax	6,995	0.1%	6,661	0.1%
Derivative financial instruments	2,972	0.1%	-	-
Cash and cash equivalents	346,635	6.4%	426,513	7.9%
Current assets	2,287,544	42.0%	2,259,488	41.7%
Total assets	5,452,921	100.0%	5,413,426	100.0%
Capital and reserves attributable to owners of the Company	3,145,548	57.7%	2,942,033	54.3%
Non-controlling interest	6,982	0.1%	5,952	0.1%
Borrowings	299,657	5.5%	299,528	5.5%
Lease liabilities	263,065	4.8%	263,479	4.9%
Deferred tax liabilities	148,344	2.7%	151,822	2.8%
Other non-current liabilities	6,135	0.1%	9,356	0.2%
Provisions	69,807	1.3%	66,782	1.2%
Non-current liabilities	787,008	14.4%	790,967	14.6%
Trade and other payables	1,174,825	21.5%	954,458	17.6%
Borrowings	159,932	2.9%	511,696	9.5%
Lease liabilities	86,844	1.6%	84,824	1.6%
Current income tax liabilities	6,417	0.1%	8,677	0.2%
Derivative financial instruments	-	-	7,132	0.1%
Provisions	85,365	1.6%	107,687	2.0%
Current liabilities	1,513,383	27.8%	1,674,474	30.9%
Total liabilities	2,300,391	42.2%	2,465,441	45.5%
Total equity and liabilities	5,452,921	100.0%	5,413,426	100.0%

Consolidated cash flow

(in HRK thousands)	2021	2020
Cash generated from operations	840,236	674,371
Interest paid	(17,074)	(22,896)
Income tax paid	(87,361)	(74,355)
Cash flow from operating activities	735,801	577,120
Purchase of property, plant and equipment and intangible assets	(233,284)	(242,727)
Proceeds from sale of property, plant and equipment	17,504	1,031
Proceeds from sale and acquisition of subsidiaries, net	(5,937)	26,876
Repayment of loans granted and deposits placed	18,117	3,305
Loans granted and deposits placed	(5,543)	(10,353)
Interest received	1,571	5,060
Cash flow used in investing activities	(207,572)	(216,808)
Purchase of treasury shares	(30,558)	(11,022)
Proceeds from borrowings, net of fees paid	-	748,642
Repayment of borrowings	(350,799)	(983,571)
Redemption of bonds	-	(43,796)
Proceeds from bonds issued	-	140,025
Dividend paid to Company shareholders	(133,094)	(83,186)
Principal elements of lease payments	(93,502)	(86,999)
Cash flow used in financing activities	(607,953)	(319,907)
Net decrease in cash and cash equivalents	(79,724)	40,405
Exchange gains/(losses) on cash and cash equivalents	(154)	1,582
Cash and cash equivalents at beginning of period	426,513	384,526
Cash and cash equivalents at end of period	346,635	426,513

THANK YOU FOR YOUR ATTENTION

