

ATLANTIC GRUPA d.d. Miramarska 23 10 000 Zagreb

SECURITY: ATGR / ISIN: HRATGRRA0003 3ATG2 / ISIN: HRATGRO25CA5 LEI: 3157002G3ENYCZEB1A25 HOME MEMBER STATE: Croatia REGULATED MARKET SEGMENT: Prime Market of the Zagreb Stock Exchange

Zagreb, 27 October 2022

- regulated information (financial reports)

Significant revenue growth with strong inflationary pressures

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

In the first nine months of 2022, Atlantic Grupa recorded sales of HRK 4.7 billion, which is a 10.8 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 20.3 percent compared to the first nine months of 2021 and amount to HRK 532.2 million, while net profit decreased by 32.1 percent and amounts to HRK 271.3 million.

"In the first nine months of 2022, Atlantic Grupa continues to record a significant revenue growth despite the challenges we face, and the revenue growth was achieved in all business units and distribution units due primarily to excellent sales results. During the year, there was a significant increase in the prices of a large portion of our raw materials and packaging materials, logistics and other services and energy that we only partially cancelled out by increasing the selling prices, as we consider it appropriate that in the conditions of high inflation and strong impacts on the living standards of our consumers we absorb a significant portion of this. Accordingly, as expected, we are also recording lower levels of profitability. In the rest of the year, we also expect a smooth flow of production and supply to our customers and consumers, but the continued problems in supply chains, the increase in interest rates, the record high inflation and the global uncertainty will postpone the expected beginning of profit margins recovery for 2024", Emil Tedeschi, CEO of Atlantic Grupa pointed out.

ATLANTIC GRUPA d.d., Joint Stock Company for Domestic and Foreign Trade, Miramarska 23, 10000 Zagreb, Croatia, tel: +385 (1) 24 13 900, fax: +385 (1) 24 13 901, www.atlanticgrupa.com. The Company is registered with the Commercial Court of Zagreb, Company Registration Number (MBS): 080245039; Company Identification Number (MB): 1671910; Personal Identification Number (PIN): 71149912416, IBAN: HR2624840081101427897, Raiffeisenbank Austria d.d., Magazinska cesta 69, 10000 Zagreb; IBAN: HR9223600001101842569,Zagrebačka banka d.d., Trg bana Josipa Jelačića 10, 10000 Zagreb; IBAN: HR4624020061100280870, Erste&Steiermarkische Bank d.d., Jadranski trg 3a, 51000 Rijeka; IBAN: HR7423400091110356539, Privredna banka Zagreb d.d.,

Radnička cesta 50, 10000 Zagreb; IBAN: HR7625030071100076424, Sberbank d.d., Varsavska 9, 10000 Zagreb. The number of shares and their nominal value: 13,337,200 shares, each in the nominal amount of HRK 10,00. Share capital: 133,372,000.00 HRK, paid in full.

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Coffee, Beverages and Farmacia leaders in growth, distribution expanding

The most significant growth of 19 percent was recorded by the Strategic Business Unit (SBU) Beverages, whose leading brand is Cedevita, followed by the SBU Coffee with Barcaffe and Grand kafa brands and the 15.9 percent growth, and the pharmacy chain Farmacia also stands out with the double-digit growth of 13.2 percent. Distribution units are led by Serbia with a 15.3 percent growth, and Croatia with a 10.3 percent growth. Overall, sales of principal brands in the first nine months grew by 10.2 percent. 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 company continued to invest in business development, so in the third quarter the new brand Ziggy's Coffee was launched, a new concept of the coffee shop chain, currently in Zagreb. The quarter was also marked by the hundredth anniversary of Atlantic Štark, one of the components of Atlantic Grupa.

Record-high dividend, share split and gold for investor relations

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 decision to split Atlantic Grupa's shares was adopted, in such a way that one existing share, with an individual nominal amount of HRK 40, was divided into four new ordinary shares with an individual nominal amount of HRK 10.

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, an experienced expert in banking, restructuring processes and corporate development, and Zoran Vučinić, a proven global manager with an exceptionally successful international career in the field of consumer goods. The beginning of the last quarter was marked by the winning of the first prize for investor relations, organized by Poslovni dnevnik and the Zagreb Stock Exchange. This is the third year in a row that Atlantic Grupa is in first place in the prestigious ranking. Over the past ten years, it has won the first prize as many as six times, and every year it was among the three award-winning companies.

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