

**ATLANTIC GRUPA d.d.**  
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HOME MEMBER STATE: Croatia

REGULATED MARKET SEGMENT: Prime Market of the Zagreb Stock Exchange

**Zagreb, 25 April 2024**

- **regulated information (financial reports)**

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

*An excellent start to the year with the completion of the acquisition of the company Strauss Adriatic and strong growth in sales and profitability*

In the first quarter of 2024, Atlantic Grupa recorded sales of EUR 236.6 million, which is a 9.8 percent increase compared to the same period of the previous year. Earnings before interest, taxes, depreciation and amortization (EBITDA) increased 20.3 percent, to EUR 25.2 million, while net profit increased by 3.2 percent and amounts to EUR 9.9 million.

“Excellent sales results at the beginning of the year enabled a strong growth in profitability despite a significant increase in the cocoa and raw coffee prices and logistics challenges that still persist, as well as higher investments in our people and marketing. By concluding the acquisition of Strauss Adriatic, we have confirmed Atlantic Grupa’s strategic determination to strengthen our core business, specifically the growth of the coffee category and the strengthening of the competitiveness of the regional industry and local brands. We continue with significant capital investments, as well as innovations in the product portfolio, among which the launch of Argeta’s meatless range stands out. Despite the challenging geopolitical and macroeconomic environment, we remain confident that we will continue the growth of our business, in a sustainable manner”, Emil Tedeschi, CEO of Atlantic Grupa pointed out.

*Beverages, Farmacia and Coffee leaders in growth*

The most significant growth was recorded by the Strategic Business Units (SBU) Beverages (16.0 percent), Pharmacy Business (11.8 percent) and Coffee (9.4 percent). Coffee, as the largest individual category, accounts for 20.1 percent share in total sales. In terms of distribution, the Strategic Distribution Unit (SDU) North Macedonia leads with a growth of 11.6 percent, followed by the SDU Croatia with a 10.6 percent growth and Serbia with a 9.0 percent growth. In Atlantic Grupa’s total sales, own brands account for 61.9 percent, pharmacy business accounts for 9.5 percent, while principal brands account for 28.6 percent of sales.



On 1 March Atlantic Grupa concluded the acquisition of Strauss Adriatic, the owner of the Serbian coffee brands Doncafe and C kafa, which with this acquisition join the regional leaders Grand kafa and Barcaffè. Atlantic also took over a modern production facility in the Šimanovci industrial zone near Belgrade and 220 employees, and the transaction was previously conditionally approved by the Commission for the Protection of Competition in the Republic of Serbia. A significant innovation in the product range was brought by Argeta in the first quarter with the launch of meatless spreads with a meat flavour, in line with the developments of nutrition trends.

*Pioneer of reporting according to ESRS standards and champion of gender equality*

Atlantic Grupa's annual report for 2023 was published in compliance with the new legal regulations on non-financial reporting, which means that, in addition to the usual items, it applies ESRS (European Sustainability Reporting Standards) in the framework of sustainability, thus establishing Atlantic Grupa as one of the first companies in the region which applies new standards. In addition, Atlantic Droga Kolinska was declared the ESG champion of Slovenia for 2024, confirming that Atlantic uniformly fulfils ESG obligations in all three areas - environmental, social and governance. All indicators are combined in the sustainability index of a company, which indicates the success of the company in achieving annual goals, and the commitment to sustainable development was especially visible in the fact that Atlantic Grupa exceeded the set goals of the sustainability index for 2023.

Speaking of responsible practices, it should also be noted that Atlantic Grupa won the important recognition "Equal Pay Champion", a certificate of equal pay from the selection company Selectio. Analysing Atlantic Grupa, a commitment to monitoring gender diversity within the company and correcting the share of women in management positions where such deficiencies exist was established. Thus, in Atlantic Grupa, 55 percent of women are in managerial positions, 58 percent in development programs and 52 percent of women are employed through internal competitions, and there is no gender pay gap, i.e. it is insignificant and amounts to 2.6 percent in favour of women.

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