FINANCIAL RESULTS

FOR THE FIRST NINE MONTHS OF 2024

(unaudited)

Zagreb, 24 October 2024

COMMENT OF THE PRESIDENT OF THE MANAGEMENT BOARD AND CEO

Commenting on the financial results for the first nine months of 2024, **Emil Tedeschi**, CEO of Atlantic Grupa, pointed out:

"In the first nine months of 2024, Atlantic Grupa continues to achieve excellent results. The significant growth of our business performance was driven by sales growth in almost all business and distribution units, especially the Strategic Business Units Savoury Spreads, Beverages, and Coffee, the Strategic Distribution Units North Macedonia, Croatia and Serbia, and sales growth in the markets of Germany, Austria and Switzerland. Thanks to excellent sales results and energy savings, we managed to achieve a strong growth in profitability, despite the significant increase in the prices of raw coffee and cocoa and higher investments in employees and marketing. We expect the biggest negative impact of the higher prices of cocoa and raw coffee on profitability in the last quarter of this year.

In March this year, we acquired the company Strauss Adriatic and we are extremely satisfied with its integration into Atlantic Grupa so far. Next year, we expect the beginning of synergistic effects that will certainly additionally positively impact the Group's business performance. We continue to encourage the growth of our brands with new campaigns, innovations and partnerships, and sustainable growth, especially in the segment of environmental impact reduction and decarbonization, remains one of the main strategic determinants of Atlantic Grupa's business.

In further business development, we focus on strengthening competitiveness, innovation, profitable growth and sustainable development."

KEY DEVELOPMENTS
IN THE FIRST NINE MONTHS OF 2024

STRONG REVENUE AND PROFITABILITY GROWTH

SALES AT EUR 798.5 MILLION
+10.6% compared to the first nine months of 2023 (+7.8% if we exclude the effect of Strauss Adriatic acquisition)

EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTISATION (**EBITDA***) AT EUR 97.3 MILLION
+33.1% compared to the first nine months of 2023 (+29.3% if one-off items excluded*)
+33.1% if we exclude the effect of Strauss Adriatic acquisition (+29.4% if one-off items excluded)

EARNINGS BEFORE INTEREST AND TAXES (**EBIT***) AT EUR 63.2 MILLION
+44.1% compared to the first nine months of 2023 (+38.5% if one-off items excluded*)
+45.7% if we exclude the effect of Strauss Adriatic acquisition (+40.2% if one-off items excluded)

NET PROFIT* AT EUR 44.7 MILLION
+22.3% compared to the first nine months of 2023 (+14.5% if one-off items excluded*)
+24.5% if we exclude the effect of Strauss Adriatic acquisition (+16.9% if one-off items excluded)

FINANCIAL SUMMARY OF THE FIRST NINE MONTHS OF 2024

Key figures	9M 2024	9M 2023	9M 2024/ 9M 2023
Sales (in EUR million)	**798.5**	721.6	10.6%
Turnover (in EUR million)	**810.7**	729.2	11.2%
Normalized EBITDA margin*	**11.3%**	9.7%	+164 bb
Normalized net income* (in EUR million)	**38.3**	33.4	14.5%
	30 Sept 2024	**31 Dec 2023**	
Gearing ratio*	**29.3%**	25.2%	-410 bb

The comparative period has been adjusted to the reporting for 2024.

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

1. ATLANTIC GRUPA ACQUIRED STRAUSS ADRIATIC

On 1 March, Atlantic Grupa concluded the transaction by which it acquires the company Strauss Adriatic, the owner of the Serbian coffee brands Doncafe and C kafa. By this acquisition, these brands join the regional leaders Grand kafa and Barcaffe in a wider portfolio. In addition to well-known brands, Atlantic also took over a modern production facility in the Šimanovci industrial zone near Belgrade and 220 employees. The transaction was previously conditionally approved by the Commission for the Protection of Competition in the Republic of Serbia.

More than 30 members of the integration team worked dedicatedly during the past period to lay solid foundations for achieving synergies and further development and strengthening the company's market position. Special attention was focused on the integration of teams, the care of employees, as well as the integration of the production and storage location in Šimanovci, which is planned to be developed into a regional centre of excellence for coffee. As of 1 July, Atlantic Brands took over the distribution of Doncafe, C kafa, Beanz and Java brands.

2. ATLANTIC GRUPA “ESG LEADER” IN SLOVENIA AND SERBIA

Sustainable development has been an important priority in Atlantic Grupa's business for years, and since 2013 we have been reporting on progress in that area in the joint Atlantic Grupa sustainability report. Sustainability is achieved uniformly in all three principles: environment, social, governance – ESG, and from 2020, when the AG Sustainability Index was established, it is defined as an especially important strategic priority for the development of all companies operating within Atlantic Grupa. Atlantic Droga Kolinska was declared the ESG champion of Slovenia for 2024, confirming that Atlantic uniformly fulfils ESG obligations in all three areas – environment, social and governance.

In addition, for the first time in Serbia, the "ESG Leaders" awards were given to companies and organizations that have shown commitment to the application of ESG principles and that encourage a responsible approach in every segment of business. Atlantic Grupa won the award in the "Transition to circular economy" subcategory and in the "Educational programme" category. The award for the educational programme is a recognition of Atlantic's internal "Green Wave" programme within which Atlantic wants to expand knowledge and practices so that we live sustainably in every aspect – from the business environment to our homes. The Green Wave project wants to lead the Atlantic crew on the path of sustainability, and the goal is to improve individuals and organization through sustainable practices. During this year, a set of trainings on sustainability was prepared, which will fit into the existing training programmes.

3. ARGETA PRESENTED ITS NEW LINE – ARGETA MEATLESS

In accordance with the development of nutrition trends, Argeta has developed meatless spreads based on chickpea and pea proteins, designed as a tasty and nutritionally rich choice for those who prefer a plant-based diet or are looking for an alternative to traditional meat spreads.

Argeta's experts recreated two of the most popular classic flavours and presented "Taste like Meat Spread" and "Taste like Spicy Meat Spread" as the first flavours of the new line. Both flavours recently won the Superior Taste Awards – certificates awarded by the International Taste Institute to food products and beverages according to the evaluations of the committee made up of top chefs and sommeliers.

4. NEW CERTIFICATES FOR SMOKI

By listening to the needs and expectations of consumers, Smoki took an additional step to contribute to the sustainability and the preservation of the environment. In line with this goal, palm oil was fully replaced with 100% sunflower oil from local sources. With this change, Smoki opened the door to new consumers and markets. In addition, although Smoki has always been a product made from ingredients of plant origin, the recognizable quality is further confirmed by Vegan and Halal certificates, which are now highlighted on the packaging itself. These certificates are an additional guarantee of quality, which plays an increasingly important role among our consumers.

5. BOOM BOX PRESENTS NEW CAMPAIGN AND NEW CATEGORIES AND FLAVOURS

Our oat-based brand Boom Box continues to develop. Smoothies and salty mini crackers join the existing product range, which contains porridges, granolas, biscuits and plant-based drinks based on oats and plant ingredients. Boom Box Smoothie contains only fruit and oats, without added sugars and preservatives, and comes in three flavours. Boom Box enters the snacks category with Boom Box mini crackers that are oaty-crunchy, salty and baked, with no added colours or flavour enhancers. Since May, we have been communicating the growth of our oat-based brand through a new platform: “Feed on the positive”, in which we communicate our proven classics – drinks and granolas, and two new categories – smoothies and crackers.

6. THREE EFFIE AWARDS FOR NAJLEPŠE ŽELJE AND SMOKI

Najlepše želje Cookies and Smoki WOW are the biggest innovations of these two big brands and their importance and success have been recognized by the marketing community in Serbia. At the seventh Effie Serbia award, the Najlepše želje and Smoki brands won as many as 3 Effie awards. Smoki Wow was awarded the Silver Effie in the “New Product or Service Introduction & New Product or Service Line Extension” category. Two awards were given for Najlepše želje Cookies, namely the Silver Effie in the “Artificial Intelligence (AI)” category and the Bronze Effie in the “Social Media/Influencer Marketing/Engaged Community: Products, Services” category.

7. PRESTIGIOUS DIGITAL CUP AWARD FOR ARGETA, CEDEVITA AND GRAND KAFA

At the third edition of the Social Media Summit, the Digital Cup awards were awarded to companies and brands that stood out for their exceptional contribution and achievements in using social media and implementing campaigns through these channels. Argeta won the Digital Cup award for innovation in the use of new technologies for the “Discover your movie alter ego” campaign, which skilfully used artificial intelligence. Cedevita received the award for the best new product launch campaign – “Cedevita vitamin water - Say as it is”, confirming the success of Cedevita's comprehensive approach to communication on digital channels. The hard work and efforts of our Grand kafa team have been rewarded twice. Grand kafa won two Digital Cup awards at the Summit, for the best innovative campaign for the “Create a festival mug” competition, within the campaign for the Sarajevo Film Festival, and the best CSR campaign for the – “Let's make time for what really matters” initiative.

8. ARGETA WON PRESTIGIOUS GO GREEN STAR AWARD FOR RESPONSIBLE CONSUMPTION AND PRODUCTION

At the third I BIH GREEN event, Argeta won the prestigious GO GREEN STAR award in the Responsible Consumption and Production category. This event brings together leaders of sustainable business, environmental protection and socially responsible business. The GO GREEN STAR Award is awarded for the second year in a row to companies and brands for their excellence, innovation and commitment to sustainability goals. This recognition serves as an example and inspiration to others in the business sector on this market, and this year it was Argeta that was recognized as a leader in responsible consumption and production, thereby once again confirming its commitment to sustainable development.

9. OUR 13 WEBSI AWARDS

WEBSI is a festival of Slovenian digital communication, which presents new trends, business opportunities and interesting stories from the digital field, and hosts experts from various fields as lecturers. Our brands; Argeta, Barcaffè, Cockta and Donat stood out and won numerous awards in the categories of Best Digital Campaign, Video, Content Marketing, Global Digital Projects, Login, Product and Destination Websites, Websites, Innovative Future Creators and Artificial Intelligence.

10. CEDEVITA SUPPORTS SOS CHILDREN'S VILLAGE CROATIA

Cedevita, the favourite regional brand of all generations, presents the socially responsible campaign Be HERE. Be CE. as part of which it supports the creative children of SOS Children's Village Croatia. We have recognized that taking care of children's mental health, as well as that of society as a whole, is a hot topic today, which is why for several years we share expert advice to our loyal readers on our educational platform Be WELL. Be CE. Now we have decided to go one step further and, in cooperation with experts and artists, we have decided to show the public what kind of creative people SOS Children's Village Croatia creates, and at the same time discover what effect creativity has on our mental health.
As part of this praiseworthy campaign, the children's works created at the workshops were printed to Cedevita glasses, which, along with the special Cedevita edition, are available at all points of sale. By choosing our favourite flavour, we can all support the creative children of SOS Children's Village Croatia.

11. ARGETA, KONZUM AND MLINAR JOINED FORCES – CROATIAN BREAD PRESENTED

Argeta proudly announces the beginning of a special partnership with Konzum and Mlinar, which celebrates the rich tradition of Croatian baking industry, but also emphasizes the importance of preserving local seeds and supporting the local economy. The crown of this cooperation is "Croatian bread" – a symbol of a joint promise to support institutions and initiatives that work to protect and preserve local seeds for future generations. By connecting Argeta's long-standing slogan "The good side of bread" and the rich tradition of bread making in Croatia, in cooperation with Konzum and Mlinar, an initiative was launched that goes beyond ordinary bakery products, and its goal is to preserve local seeds as a cultural heritage and one of the key local resources. A bread symbolizing domestic origin was created, made from white wheat flour, rye flour, steamed corn flour and sourdough of own production. Selected cereals from Croatian farmers are ground in Croatian mills, mixed and baked in the Mlinar bakery, and bread baked in this way is available exclusively in Konzum stores.

12. ATLANTIC TRADE ZAGREB INTRODUCED AUTOMATION IN THE EXTENDED PART OF THE WAREHOUSE

In May, the ceremonial opening of the extended part of the Vukovina logistics and distribution centre was held. The warehouse capacity expansion was initiated in response to continuous sales growth. The goal was to maximally expand the existing location in Velika Gorica in order to meet the increasing demand and the amount of products that need to be stored both for Atlantic Trade Zagreb and for Cedevita's production locations. The project began in 2022, and was officially launched in April last year. Along with the need for larger storage capacities, it was necessary to find a solution to the labour shortage. 2D shuttle technology was introduced, which enables storage of full pallets and full integration with all existing digital solutions. It is a warehouse automation technology that was implemented for the first time in this part of Europe and represents a new major step forward in Atlantic Grupa's business.

13. PAYMENT OF BORDER DEBT BY AGROKOR

As part of the ownership transformation of the company Fortenova grupa, on the basis of the Settlement concluded in the procedure of extraordinary administration over the company Agrokor d.d., the company Fortenova Group TopCo B.V. from the Netherlands, on the basis of the Supplier Loan Memorandum, paid EUR 86 million to the Association of Agrokor suppliers.

On 16 July 2024, Atlantic Grupa collected EUR 7.1 million of Agrokor's border debt and the corresponding interest in the amount of EUR 1.5 million. As a result of the above, the previously stated impairment of receivables in the balance sheet and other operating expenses in the income statement were reduced by the amount of EUR 4.4 million, while interest income was recorded in July, upon collection.

14. DIVIDEND DISTRIBUTION

According to the decision of the Company's General Assembly held on 27 June 2024, the dividend distribution in the amount of EUR 1.20 per share, or a total of EUR 15,914 thousand, was approved, which is more than 50% of the company's consolidated net profit. The dividend was paid on 12 July 2024.

15. ATLANTIC GRUPA AMONG THE 10% OF THE MOST SUCCESSFUL COMPANIES IN HUMAN RESOURCE MANAGEMENT

Atlantic Grupa once again received the prestigious *Above and Beyond* award for quality in human resources management, awarded by Selectio Group as part of the Employer Partner project. In order to obtain the most prestigious certificate in the HR world, an organization must achieve above-average results in the certification, and in addition confirm top HR practices in at least one of five categories. Atlantic Grupa, which has been holding the Employer Partner certificate since 2008, was once again awarded the *Above and Beyond* certificate in as many as four categories: "Impact", "Satisfaction", "Innovation" and "Future". In the awarding, the certification team emphasized continuous work on improving HR practices, which is largely based on feedback from all colleagues at Atlantic. They praised the high employee satisfaction indexes, which are higher than the previous year.

In addition, this year Atlantic Grupa won the important recognition "Equal Pay Champion", i.e. the certificate on the equal pay (Equality gap) awarded by the selection company Selectio. The analysis of Atlantic Grupa showed the company's commitment to monitoring gender diversity and correcting the global lack of representation of women in management positions. Currently, in Atlantic Grupa, there are 55% of women in managerial positions, 58% in development programs and 52% are promoted through internal competitions. In addition, it was established that in Atlantic Grupa there is no Gender gap (difference in salaries), that is, it is insignificant and amounts to only 2.6 percent, in favour of women. Also, Atlantic Grupa was awarded the ACCA (the Association of Chartered Certified Accountants) Approved Employer certificate in the category of professional development of its employees. The ACCA Approved Employer program recognizes and rewards quality training and development of employees, ensuring that the highest standards are met.

16. THE VALUE DAY HELD

This year, the Day of Values brought together over 800 hard-working Atlantic people who devoted part of their working day to socially responsible activities. The central activity this year was support for the SOS Children's Village under the patronage of Cedevita. We helped children's villages, institutions for the education of the blind, we planted trees, renovated children's playgrounds, painted woodwork and much more. We were also involved in other activities that included landscaping, cleaning parks, planting new plants and creating more beautiful and healthier spaces for all of us, and especially those in need.

17. INNOVATIVE INVESTMENTS IN IZOLA

The area where the factory in Izola is located faces the risk of water shortages due to increasingly frequent extreme droughts. Water supply is essential for the operation of the factory, as water is used in cleaning, production and cooling processes. Water resource management is one of our five priority ESG goals. Extensive renovation works were carried out at the factory, including replacement of certain equipment in the production plant, modernization of air conditioning and lighting in the Argeta production plant. A special innovation is the installation of a new system for processing technological cooling water that uses patented adiabatic cooling (free cooling) technology. This innovation makes it possible to reduce water consumption by 95% compared to the previous system. Since the old cooling technology used as much as 15% of the total amount of water at that location, this investment is proof of our efforts and commitment to sustainable development and reducing water consumption per tonne of production.

18. SBU BEVERAGES STOPS PRODUCTION AND DISTRIBUTION OF KALA AND KALNIČKA IN NOVEMBER

In accordance with the business strategy of the SBU Beverages, a decision was made to significantly reorganize the existing product range of this strategic business unit. As part of these changes, it was decided to stop the production and distribution of the Kala and Kalnička water brands in November of this year. This decision will not have an impact on the lines and employees, except in terms of additional development and investment, since the final idea of the reorganization is the utilization of production capacity and the placing on the market of new products of higher added value. We believe that this reorganization, with an increased focus on innovation and profitable growth, will bring freshness to our range and ensure even better business results.

SALES PROFILE BY STRATEGIC BUSINESS UNITS AND STRATEGIC DISTRIBUTION UNITS

(EUR million)	9M 2024	9M 2023	9M 2024/9M 2023
SBU Coffee	**174.9**	145.4	20.3%
SBU Savoury Spreads	**116.4**	105.4	10.4%
SBU Snacks	**88.5**	87.3	1.4%
SBU Beverages	**90.8**	82.2	10.4%
SBU Pharma	**70.5**	64.3	9.7%
BU Donat	**27.0**	27.5	(1.8%)
SDU Croatia	**204.1**	187.6	8.8%
SDU Serbia	**184.7**	169.1	9.2%
SDU Slovenia	**121.7**	117.3	3.8%
SDU North Macedonia	**47.0**	41.8	12.3%
Other segments*	**70.2**	60.3	16.3%
Reconciliation**	**(397.3)**	(366.5)	n/a
Sales	**798.5**	**721.6**	**10.6%**

The comparative period has been adjusted to the reporting for 2024.

In the first nine months of 2024, Atlantic Grupa recorded sales of EUR 798.5 million, which is a significant 10.6% growth compared to the same period of the previous year. The revenue growth is recorded in almost all business and distribution units following excellent sales results of own and principal brands. The highest percentage growth was recorded by the Strategic business units Savoury Spreads, Beverages, and Coffee, and the Strategic distribution units North Macedonia, Croatia, and Serbia. If the effect of the company Strauss Adriatic acquisition is excluded, the sales growth of 7.8% is recorded.

Atlantic Grupa records sales by business segments in a way that sales of individual Strategic Business Units and Business Units represent the total sales to third parties in the markets (either directly from a Strategic Business Unit (SBU) or Business Unit (BU), or through a Strategic Distribution Unit (SDU), Distribution Unit (DU) or Global Distribution Account Management (GDAM)), while sales of Strategic Distribution Units, Distribution Units and Global Distribution Account Management include both sales of external principals' products and sales of own products.

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

** 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.

The STRATEGIC BUSINESS UNIT COFFEE recorded a significant double-digit growth due to sales growth in all regional markets. The highest growth is recorded in the markets of Serbia, Bosnia and Herzegovina, and Croatia, and in the markets of Germany, Austria and Switzerland. Analysed by categories, growth was recorded by all categories, with the most significant growth recorded by roast and ground coffee as a consequence of the acquisition of Strauss Adriatic, which generates most sales in this category, and the growth of roast and ground coffee under the Grand kafa and Barcaffè brands. In addition, at the comparable level, the roast and ground coffee category records both value and volume growth. The espresso and instant coffee categories continue to grow, and both categories record a significant volume and value growth. If we exclude the impact of the Strauss Adriatic acquisition, this unit records sales growth of 6.1%.

The STRATEGIC BUSINESS UNIT SAVOURY SPREADS recorded a significant sales growth, where the strong growth was recorded in all regional markets. The most significant growth was recorded in the markets of Croatia, Serbia, Bosnia and Herzegovina, and the market of Germany. Significant value and volume growth is recorded by the meat and the fish segments of savoury spreads. Also, jams and *ajvar* under the Granny's Secret brand record value and volume growth.

The STRATEGIC BUSINESS UNIT SNACKS recorded a mild sales growth, with the most significant growth recorded by the markets of Serbia, Bosnia and Herzegovina, and North Macedonia. The markets of Germany and Austria record double-digit growth rates. Analysed by categories, the value and volume growth are recorded by flips under the Smoki brand, Prima sticks, and the growth is also recorded by the biscuits category. The chocolate category under the Najlepše želje brand records sales volume decrease and a mild value decrease, following the increase in prices as a consequence of the significant increase in the price of cocoa.

Double-digit growth is recorded by the STRATEGIC BUSINESS UNIT BEVERAGES following the sales growth in all regional markets, with the most significant growth recorded by the markets of Croatia, Slovenia, and Bosnia and Herzegovina. Also, high growth rates are recorded on the key European markets. Analysed by categories, a significant value and volume sales growth is recorded by Cockta and Cedevita brands in the HoReCa and retail channels.

The STRATEGIC BUSINESS UNIT PHARMACY BUSINESS records an increase in the sales of cosmetics, OTC drugs, and food supplements, as a result of numerous promotional and educational activities for patients and higher sales of prescription drugs due to a greater number of prescriptions and an increase in the dispensing service fee. As of 30 September 2024, the pharmacy chain Farmacia has 102 units, including 56 pharmacies, 45 specialized stores and the web shop.

The BUSINESS UNIT DONAT records a mild decrease in sales primarily as a result of a drop in the available amount of Donat due to a test well failure that occurred at the end of last year. The unavailability will be gradually compensated in the following period. Analysed by markets, the sales increase in the markets of Bosnia and Herzegovina, Russia, Germany and Austria largely cancelled out the decrease in sales in most regional markets.

The STRATEGIC DISTRIBUTION UNIT CROATIA recorded a significant sales growth as a consequence of growth of own and principal brands. Among own brands, espresso, roast and ground coffee and instant coffee under the Barcaffè brand, Argeta in the savoury spreads segment, and Cedevita and Cockta brands in the retail channel especially stand out. Among principal brands, Ferrero, Mars, and Unilever recorded the most significant growth. A double-digit growth was recorded by the HoReCa channel, primarily due to espresso coffee under the Barcaffè brand, and Cedevita and Cockta brands in the beverages segment.

The STRATEGIC DISTRIBUTION UNIT SERBIA recorded a significant sales growth as a result of the increase in sales of own and principal brands. Among own brands, the following stand out: roast and ground coffee under the Grand kafa and Bonito brands, Argeta in the savoury spreads segment, Štark biscuits and Smoki in the snacks segment, Cedevita and Cockta in the HoReCa and retail channels, and Boom Box products. Among principal brands, Red Bull, Rauch, and the new principal Badel stand out. The growth of this unit was impacted by the double-digit sales growth in the HoReCa channel. If we exclude the impact of the Strauss Adriatic acquisition, this unit records sales growth of 5.4%.

The STRATEGIC DISTRIBUTION UNIT SLOVENIA recorded a sales growth primarily due to the increase in sales of principal brands, where the new principal Haleon, Ferrero, and Rauch especially stand out. The growth of own brands was most impacted by the significant growth of espresso and instant coffee under the Barcaffè brand, Argeta in the savoury spreads segment, and Cockta and Cedevita in the retail and HoReCa channels.

Double-digit sales growth rates were recorded by the STRATEGIC DISTRIBUTION UNIT NORTH MACEDONIA due to the increase in sales of own and principal brands. Among own brands, roast and ground coffee under the Grand kafa brand, Argeta in the savoury spreads segment, chocolate under the Najlepše želje brand, Cedevita in the HoReCa and retail channels, and Boom Box products stand out. Among principal brands, significant growth was recorded by Ferrero, Beiersdorf and Ficosota.

OTHER SEGMENTS record a strong sales growth due to the increase in sales of all components.

Double-digit sales growth rates are recorded by the DISTRIBUTION UNIT AUSTRIA, due to the increase in sales of roast and ground coffee under the Grand kafa brand, Smoki in the snacks segment, Argeta in the savoury spreads segment, Cedevita in the beverages segment, and functional water Donat. The new principal Podravka also contributed to the growth of this unit.

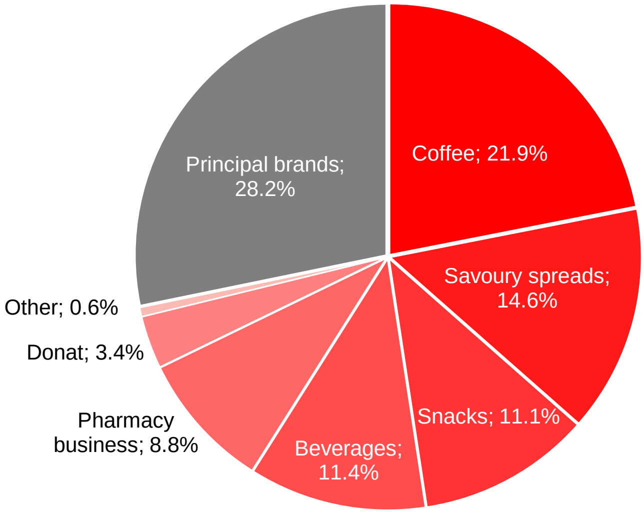
The GLOBAL DISTRIBUTION ACCOUNT MANAGEMENT records a significant increase in sales following the double-digit growth on the markets of Germany, Switzerland, France and the USA. Analysed by categories, roast and ground coffee under the Grand kafa brand, Argeta in the savoury spreads segment, Smoki in the snacks segment, and Cedevita and Cockta in the beverages segment contribute most to the growth.

The DISTRIBUTION UNIT RUSSIA records an increase in sales as a consequence of the increase in sales of Argeta in the savoury spreads segment, and the functional water Donat.

The NEW GROWTH records double-digit sales growth due to the increase in sales on all its markets, especially the markets of Croatia, Serbia, and North Macedonia. Analysed by categories, plant-based drinks and launching of new categories: smoothies and crackers under the Boom Box brand contribute most to the growth.

SALES PROFILE BY SEGMENTS

1.-9.2024.



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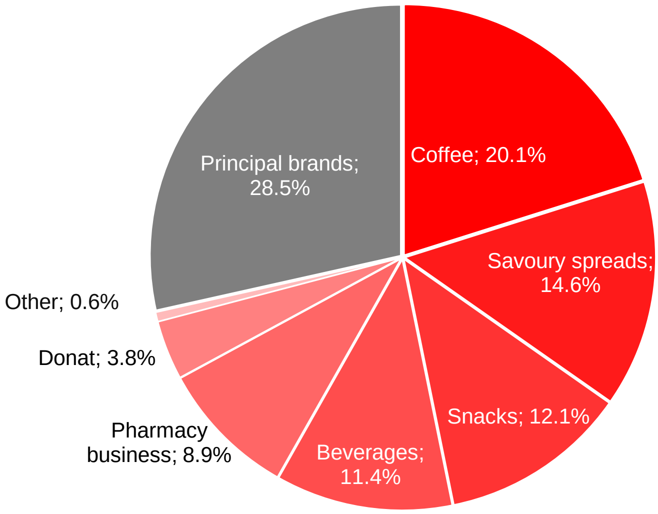

SALES PROFILE BY MARKETS

(in EUR millions)	9M 2024	% of sales	9M 2023	% of sales	9M 2024/ 9M 2023
Croatia	**279.0**	34.9%	**255.6**	35.4%	9.2%
Serbia	**200.3**	25.1%	**171.0**	23.7%	17.1%
Slovenia	**122.4**	15.3%	**117.7**	16.3%	4.0%
Bosnia and Herzegovina	**60.3**	7.6%	**55.2**	7.6%	9.3%
Other regional markets*	**69.2**	8.7%	**63.2**	8.8%	9.6%
Key European markets**	**43.0**	5.4%	**36.3**	5.0%	18.4%
Russia and CIS	**11.0**	1.4%	**11.0**	1.5%	(0.6%)
Other markets	**13.3**	1.7%	**11.7**	1.6%	13.9%
Total sales	**798.5**	100.0%	**721.6**	100.0%	10.6%

* Other regional markets: North Macedonia, Montenegro, Kosovo
**Key European markets: Germany, Switzerland, Austria, Sweden
The comparative period has been adjusted to the reporting for 2024.

The MARKET OF CROATIA recorded a significant sales growth due to the increase in sales of: (i) own brands, of which the following stand out: espresso, roast and ground coffee and instant coffee under the Barcaffè brand, Argeta in the savoury spreads segment, Smoki in the snacks segment, and Cockta and Cedevita brands in the retail and HoReCa channels, (ii) the pharmacy chain Farmacia, and (iii) external principals, among which Ferrero, Mars, and Unilever contribute most to the growth.

The double-digit sales growth was recorded in the MARKET OF SERBIA due to the strong growth of own brands, of which the following stand out: (i) instant and roast and ground coffee under the Grand kafa brand, (ii) Argeta in the savoury spreads segment, (iii) Štark biscuits and Smoki in the snacks segment, (iv) Cedevita and Cockta in the beverages segment, and (v) Boom Box products. Also, the sales growth was impacted by the significant increase in sales of external principals, among which Rauch, Red Bull, and the new principal Badel stand out. If we exclude the effect of the acquisition of Strauss Adriatic, this market records a growth of 5.3%

The MARKET OF SLOVENIA records a sales growth due to the increase in sales of: (i) espresso and instant coffee under the Barcaffè brand, (ii) Argeta in the savoury spreads segment, (iii) Cedevita and Cockta in the beverages segment, and (iv) principal brands led by Haleon, Ferrero, and Philips.

A strong sales growth is recorded in the MARKET OF BOSNIA AND HERZEGOVINA due to the increase in sales of: (i) espresso coffee under the Barcaffè brand, (ii) roast and ground coffee under the Grand kafa brand, (iii) Argeta in the savoury spreads segment, (iv) Smoki in the snacks segment, (v) Cockta in the retail and HoReCa channels.

OTHER REGIONAL MARKETS record a strong increase in sales, due to the growth of all their components. The increase in sales of roast and ground coffee under the Grand kafa brand, Argeta in the savoury spreads segment, chocolate under the Najlepše želje brand, and Cedevita and Cockta in the beverages segment contributed most to the growth.

KEY EUROPEAN MARKETS recorded a double-digit sales growth, due to the strong growth on the markets of Germany, Austria, and Switzerland. Analysed by categories, the increase in sales of roast and ground coffee under the Grand kafa brand, Argeta in the savoury spreads segment, Smoki in the snacks segment, and Cockta in the beverages segment especially stand out.

The MARKET OF RUSSIA AND THE COMMONWEALTH OF INDEPENDENT STATES recorded a mild decrease in sales as a result of the decrease in sales of chocolate under the Najlepše želje brand in the snacks segment, which was almost fully cancelled out by the increase in sales of Argeta in the savoury spreads segment and the functional water Donat.

OTHER MARKETS record a double-digit growth due to the significant increase in sales in the markets of France, the Netherlands, the USA and Canada. The growth was mainly affected by the increase in sales of Argeta in the savoury spreads segment and roast and ground coffee under the Grand kafa brand.

PROFITABILITY TRENDS

(in EUR millions)	9M 2024	9M 2023	9M 2024/9M 2023
Sales	**798.5**	721.6	10.6%
EBITDA*	**97.3**	73.1	33.1%
Normalised EBITDA*	**90.6**	70.0	29.3%
EBIT*	**63.2**	43.9	44.1%
Normalised EBIT*	**56.4**	40.8	38.5%
Net profit*	**44.7**	36.5	22.3%
Normalised Net profit*	**38.3**	33.4	14.5%
Profitability margins			
EBITDA margin*	**12.2%**	10.1%	+206 bp
Normalised EBITDA margin*	**11.3%**	9.7%	+164 bp
EBIT margin*	**7.9%**	6.1%	+184 bp
Normalised EBIT margin*	**7.1%**	5.6%	+142 bp
Net profit margin*	**5.6%**	5.1%	+54 bp
Normalised Net profit margin*	**4.8%**	4.6%	+16 bp

In the first nine months of 2024, EBITDA amounts to EUR 97.3 million, which is a significant double-digit 33.1% growth compared to the same period of the previous year, or a 29.3% growth if the effect of one-off items is excluded. The significant growth in profitability of Strategic business units Beverages, Savoury spreads, and Coffee and Strategic distribution units Croatia and Serbia contributed most to the increase in normalised EBITDA. Despite significantly higher costs of raw coffee and cocoa and higher investments in employees and higher marketing investments, the increase in normalised EBITDA was achieved due to strong sales growth and savings on energy. It is important to note that the biggest negative impact of the significant increase in the prices of raw coffee and cocoa is expected in the last quarter of this year and in the following year. The effect of the acquisition of the company Strauss Adriatic on EBITDA and normalized EBITDA is almost neutral. It should be noted that next year we expect to start achieving synergistic effects, which will certainly result in our improved business performance.

In addition to the above, normalized net profit records a 14.5% increase despite the higher depreciation of own non-current assets (as a consequence of higher capital expenditure) and right-of-use assets, and significantly higher interest expense and tax expense. If we exclude the effect of the acquisition of Strauss Adriatic, the net profit increased by 24.5%, and normalised net profit by 16.9%.

* Certain financial measures are not defined by International Financial Reporting Standards (IFRSs). For more details on the Alternative Performance Measures (APM) used, see chapter "Definition and reconciliation of Alternative Performance Measures (APM)".

OPERATING EXPENSES STRUCTURE

(in EUR millions)	9M 2024	% of sales	9M 2023	% of sales	9M 2024/ 9M 2023
Cost of goods sold	**236.0**	29.6%	**216.9**	30.1%	8.8%
Change in inventory	**3.2**	0.4%	**5.6**	0.8%	(42.8%)
Production materials	**246.4**	30.9%	**222.0**	30.8%	11.0%
Energy	**10.3**	1.3%	**13.2**	1.8%	(21.6%)
Services	**48.4**	6.1%	**43.0**	6.0%	12.5%
Staff costs	**121.9**	15.3%	**106.3**	14.7%	14.6%
Marketing and selling expenses	**33.0**	4.1%	**29.2**	4.0%	13.2%
Other operating expenses	**18.3**	2.3%	**21.3**	3.0%	(14.4%)
Other (gains)/losses, net	**(4.1)**	(0.5%)	**(1.5)**	(0.2%)	177.3%
Depreciation and amortisation	**34.1**	4.3%	**29.3**	4.1%	16.6%
Total operating expenses*	**747.5**	**93.6%**	**685.3**	**95.0%**	**9.1%**

The cost of goods sold records an increase due to higher sales of principal brands.

Costs of production materials record growth as a consequence of the increase in production and sales of own products, and significantly higher prices of cocoa and raw coffee, which were largely compensated by the more favourable prices of edible oils, sugar and dairy products. Here, too, it is important to note that the biggest negative impact of the significant increase in the prices of raw coffee and cocoa is expected in the last quarter of this year and in the following year.

Energy costs are significantly lower primarily due to lower prices of electricity compared to the same period of the previous year.

Costs of services increased due to higher transport and logistics services, maintenance costs, but also other expenses caused by higher sales and the increase in the prices of services.

Staff costs record a significant increase due to the increase in basic salaries and higher variable payments as a result of higher sales. As of 30 September 2024, Atlantic Grupa has 5,827 employees, or 219 employees more than in the comparative period, primarily as a consequence of the acquisition of the company Strauss Adriatic.

Marketing expenses are significantly higher due to higher marketing investments in the segments of Coffee, Savoury Spreads and Beverages.

Other operating expenses record a significant decrease, primarily due to the effect of the one-off item related to the borderline debt of Agrokor (income from collection of impaired receivables).

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

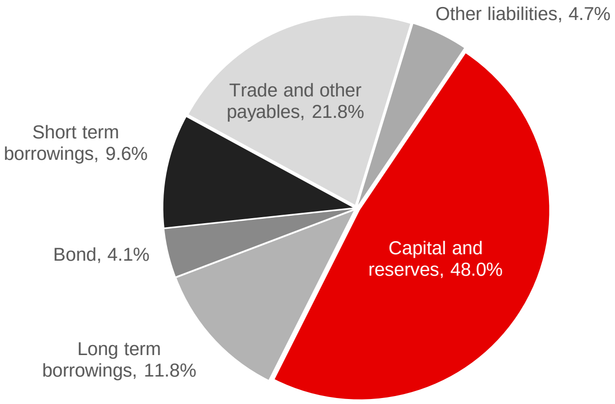
FINANCIAL INDICATORS

(in EUR millions)	30.09.2024.	31.12.2023.
Net debt*	196.7	150.7
Total assets	986.9	907.7
Total Equity	473.7	446.3
Current ratio*	1.4	1.4
Gearing ratio*	29.3%	25.2%
Net debt/EBITDA*	1.9	1.8
(in EUR millions)	9M 2024	9M 2023
Interest coverage ratio*	12.5	18.7
Capital expenditure*	36.0	26.7
Free cash flow*	15.9	(6.6)
Cash flow from operating activities	51.9	20.1

Among key determinants of the Atlantic Grupa's financial position in the first nine months of 2024, the following should be pointed out:

- The gearing ratio increased by 410 basis points due to the EUR 46.0 million increase in net debt compared to the end of 2023. The increase in net debt was impacted by the payment for the acquisition of Strauss Adriatic in the amount of EUR 38.6 million.
- The indebtedness measured as the net debt to normalized EBITDA ratio increased from 1.8 at the end of 2023 to 1.9 at the end of the first nine months of 2024.
- Free cash flow records an increase due to significantly higher cash flow from operating activities, despite higher capital expenditure.

THE ATLANTIC GRUPA'S EQUITY AND LIABILITIES STRUCTURE AS AT 30 SEPTEMBER 2024



* Certain financial measures are not defined by International Financial Reporting Standards (IFRSs). For more details on the Alternative Performance Measures (APM) used, see chapter "Definition and reconciliation of Alternative Performance Measures (APM)".

OVERVIEW OF KEY ITEMS IN THE CONSOLIDATED CASH FLOW STATEMENT

Cash flow from operating activities records a significant increase as a result of a better business result, movements in the working capital, primarily a lower increase in receivables in relation to the comparative period, despite higher paid interest and income tax.

Capital expenditure in the first nine months of 2024 is marked by the implementation of projects in line with the Atlantic Grupa's Strategic Guidelines for 2024 and the beginning of implementation of the investment cycle of coffee production integration at the Šimanovci location in Serbia.

Significant investment projects in the first nine months of 2024:

- SDU Croatia:
  - An investment project to expand the warehouse capacity of LDC Zagreb and implement fully automated warehouse operations completed in one part of the LDC

- SBU Savoury Spreads:
  - Cooling system project at the Izola location completed
  - Photovoltaic power plant project implementation at the Hadžići location started

- SBU Coffee:
  - An investment project to expand the capacity for the production and packaging of instant coffee at the Belgrade location completed

- SBU Beverages:
  - An investment project to replace the granulator and a new system for receiving and distributing sugar completed
  - A project to upgrade the beverages filling line at the Apatovec location completed
  - A project of renovation and adaptation of the production facility at the Rogaška location initiated

- SBU Snacks
  - Packaging automation project on bars lines completed
  - Project of a new additional line for the production and packaging of sticks continued
  - Projects to increase the production capacity for Smoki, which precede the construction of the new Smoki factory, completed

ATLANTIC GRUPA'S MANAGEMENT STRATEGIC GUIDANCE FOR 2024

The European Union's economy in 2024 expects only mild economic growth with slowing inflation. In relation to the EU, the countries of the region expect higher economic growth, which is supported by significant inflows from EU funds (Croatia) and the strengthening of private and public consumption due to continuous good results on the labour market and increasing wages.
This forecast is surrounded by uncertainty amid lingering geopolitical tensions and the risk of further spread of conflicts in Ukraine and in the Middle East. It is expected that the increase in transport costs following the disruption of shipping in the Red Sea will have only a marginal impact on inflation. However, further disruptions could put renewed stress on supply chains, disrupting production and increasing price pressures.

Surrounded by uncertainty, with clearly defined strategic goals and priorities, in 2024 we expect to exceed one billion euros in sales for the first time, and come close to sales of EUR 1.1 billion.

In addition to the already announced pressures on profitability due to the increase in salaries and prices of services provided, strong additional pressure comes due to the drastic increase in the prices of cocoa and raw coffee and logistics challenges that started at the end of 2023 and a similar situation is expected in the following period as well. Therefore, we expect to achieve normalized operating earnings before interest, taxes, depreciation and amortization (EBITDA) in the amount of EUR 93 million to EUR 98 million. We expect the biggest negative impact of rising cocoa and raw coffee prices on profitability in the last quarter of this year and in the following year. It is important to note that these projections include the effects of the acquisition of Strauss Adriatic.

This year, we continue with intensive capital expenditure the value of which will exceed EUR 50 million. The largest single investment refers to the Štark production location (SBU Snacks), specifically to investments in logistics facilities and logistics equipment, as well as to investments in new production lines and automation of production/packaging equipment.

In 2024, management will focus on (i) strengthening leadership positions, (ii) selective investment in new opportunities to expand the product portfolio and markets, (iii) increasing productivity through improving operational excellence, and (iv) further strengthening the organization through care and responsible business.

ATLANTIC GRUPA d.d.

DEFINITION AND RECONCILIATION OF

ALTERNATIVE PERFORMANCE MEASURES (APM)

The Annual report, half-year report, quarterly report and other communication to investors contain certain financial performance measures, which are not defined by International financial reporting standards (IFRS). We believe these measures, along with comparable IFRS measurements, are useful to investors because they provide a basis for measuring our operating and financial performance.
The main APMs used by Atlantic Grupa are defined and/or reconciled with our IFRS measures in this document.

EBITDA and NORMALIZED EBITDA, EBITDA margin and NORMALIZED EBITDA margin

EBITDA (Earnings before interest, tax, depreciation and amortization) equals to operating profit in the financial statements (see Note 2 – Summary of significant accounting policies in the latest published audited Consolidated Financial statements) increased for depreciation, amortisation and impairment (see Notes 13, 14, 16 in the latest published audited Consolidated Financial statements).

The Group also presents Normalized EBITDA which is calculated as EBITDA excluding the impact of one-off items. One-off items represent all one-off expenses/income arising from these transactions, and other one-off income and expenses. The Group's Management Board monitors normalized EBITDA to evaluate business performance of the Group and to allocate resources accordingly. Additionally, Group's management believes that normalized EBITDA provides information that enables investors to better compare Group's performance across periods.

The Group also presents EBITDA margin and Normalized EBITDA margin, which are defined as EBITDA/Normalized EBITDA as percentage of sales.

(in EUR millions)	9M 2024	9M 2023	9M 2024/9M 2023
Operating profit	63.2	43.9	44.1%
Depreciation, amortisation and impairment	34.1	29.3	16.6%
EBITDA	97.3	73.1	33.1%
Other one off (income)/costs, net	(6.8)	(3.1)	
Normalized EBITDA	90.6	70.0	29.3%
Sales	798.5	721.6	
EBITDA margin	12.2%	10.1%	
Normalized EBITDA margin	11.3%	9.7%	

EBIT and NORMALIZED EBIT, EBIT margin and NORMALIZED EBIT margin

EBIT (Earnings before interest and tax) equals operating profit in the financial statements (see Note 2 Summary of significant accounting policies in the latest published audited Consolidated Financial statements).

The Group also presents Normalized EBIT which is calculated as EBIT excluding the impact of one-off items.

The Group also presents EBIT margin, which is defined as EBIT as percentage of sales.

(in EUR millions)	9M 2024	9M 2023	9M 2024/9M 2023
Operating profit	63.2	43.9	44.1%
EBIT	63.2	43.9	44.1%
Other one off (income)/costs, net	(6.8)	(3.1)	
Normalized EBIT	56.4	40.8	38.5%
Sales	798.5	721.6	
EBIT margin	7.9%	6.1%	
Normalized EBIT margin	7.1%	5.6%	

NET PROFIT, NORMALIZED NET PROFIT and NET PROFIT MARGIN

Net profit is a subtotal which is reported in the Consolidated Income statement in the attached Condensed consolidated financial statements for the period ended 30 September 2024.
The Group also presents Normalized Net profit which is calculated as Net profit excluding the impact of one-off items.
Additionally, the Group also presents Net profit margin and Normalized Net profit margin, which are defined as Net profit/Normalized Net profit as percentage of sales.

(in EUR millions)	9M 2024	9M 2023	9M 2024/9M 2023
Net profit	44.7	36.5	22.3%
Other one off (income)/costs, net	(6.4)	(3.1)	
Normalized Net profit	38.3	33.4	14.5%
Sales	798.5	721.6	
Net profit margin	5.6%	5.1%	
Normalized Net profit margin	4.8%	4.6%	

TOTAL OPERATING EXPENSES

Total operating expenses are a subtotal of the following items which are reported in the Consolidated Income statement in the attached Condensed consolidated financial statements for the period ended 30 September 2024: cost of trade goods sold, change in inventories of finished goods and work in progress, material and energy costs, staff costs, marketing and promotion expenses, other operating expenses, other gains/losses-net and depreciation, amortization and impairment.

CAPITAL EXPENDITURE (CAPEX)

Capital expenditure includes payments made to acquire property, plant and equipment and intangible assets, as reported in the Consolidated Cash flow statement in the attached Condensed consolidated financial statements for the period ended 30 September 2024. The Group uses capital expenditure as APM to ensure that the cash spending is in line with overall strategy of the Group.

NET DEBT and NET DEBT to EBITDA

Net debt is used by management to evaluate the Group's financial capacity. Net debt is defined as sum of current and non-current borrowings, current and non-current lease liabilities and derivative financial instruments decreased for cash and cash equivalents which are reported in the Consolidated Balance sheet in the attached Condensed consolidated financial statements for the period ended 30 September 2024, as shown below:

(in EUR millions)	30 Sept 2024	31 Dec 2023
Non current borrowing	91.9	86.3
Non current lease liabilities	64.6	49.4
Current borrowings	78.9	73.4
Current lease liabilities	16.1	13.5
Derivative financial instruments, net	0.0	0.6
Cash and cash equivalents	(54.8)	(72.6)
Net debt	**196.7**	**150.7**
Normalized EBITDA*	102.9	82.4
Net debt/Normalized EBITDA	**1.9**	**1.8**

* Normalized EBITDA for last 12 months.

The Group also uses the net debt to EBITDA ratio, which is net debt divided by EBITDA, to access its level of net debt in comparison with underlying earnings generated by the Group. This measure reflects the Group's ability to service and repay its financial liabilities.

CURRENT RATIO

The current ratio compares all Group's current assets to its current liabilities which are reported in the Consolidated Balance sheet in the attached Condensed consolidated financial statements for the period ended 30 September 2024. The current ratio is a liquidity ratio that measures the Group's ability to cover its shortterm debt with its current assets.

in EUR million	30 Sept 2024	31 Dec 2023
Current assets	449.8	421.9
Current liabilities	328.7	297.6
Current ratio	**1.4**	**1.4**

GEARING RATIO

The gearing ratio compares net debt to total equity increased for net debt. Gearing ratio is a measurement of the Group's financial leverage that demonstrates the degree to which a firm's operations are funded by equity capital versus debt financing.

in EUR million	30 Sept 2024	31 Dec 2023
Net debt	196.7	150.7
Total equity	473.7	446.3
Gearing ratio	**29.3%**	**25.2%**

INTEREST COVERAGE RATIO

The interest coverage ratio is calculated by dividing Group's normalized EBITDA by total interest expense (see Note 9 – Finance cost-net in the attached Condensed consolidated financial statements for the period ended 30 September 2024), as shown below. Interest coverage ratio is used to determine how easily the Group can pay interest on its outstanding debt.

in EUR million	9M 2024	9M 2023
Normalized EBITDA	90.6	70.0
Total interest expense	7.2	3.7
Adjusted interest coverage ratio	**12.5**	**18.7**

FREE CASH FLOW

Free cash flow shows the ability of the Group to generate cash to repay financial liabilities, finance possible acquisitions, pay dividends, etc. Free cash flow equals net cash flow from operating activities less capital expenditure, items included in the Consolidated Cash Flow Statement in the attached Condensed consolidated financial statements for the period ended 30 September 2024.

in EUR million	9M 2024	9M 2023
Net cash flow from operating activities	51.9	20.1
Capex	36.0	26.7
Free cash flow	**15.9**	**(6.6)**

ATLANTIC GRUPA d.d.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024 (UNAUDITED)

ATLANTIC GRUPA d.d.

CONSOLIDATED INCOME STATEMENT

in thousands of EUR, unaudited	Jan - Sep 2024	Jan - Sep 2023	Index	Jul - Sep 2024	Jul – Sep 2023	Index
Revenues	**810,716**	**729,206**	**111.2**	**291,287**	**264,462**	**110.1**
Sales revenues	798,480	721,645	110.6	285,956	261,937	109.2
Other income	12,236	7,561	161.8	5,331	2,525	211.1
Operating expenses	**(747,518)**	**(685,347)**	**109.1**	**(263,118)**	**(245,678)**	**107.1**
Cost of trade goods sold	(235,972)	(216,917)	108.8	(88,828)	(85,933)	103.4
Change in inventories of finished goods and work in progress	(3,203)	(5,601)	57.2	1,159	(8,069)	n/a
Material and energy costs	(256,707)	(235,146)	109.2	(91,678)	(74,055)	123.8
Staff costs	(121,865)	(106,319)	114.6	(41,385)	(35,058)	118.0
Marketing and promotion expenses	(33,018)	(29,174)	113.2	(8,350)	(8,867)	94.2
Depreciation, amortization and impairment	(34,127)	(29,269)	116.6	(11,789)	(9,957)	118.4
Other operating costs	(66,685)	(64,384)	103.6	(24,554)	(23,011)	106.7
Other gains - net	4,059	1,463	277.4	2,307	(728)	n/a
Operating profit	**63,198**	**43,859**	**144.1**	**28,169**	**18,784**	**150.0**
Finance costs - net	(7,183)	(3,718)	193.2	(2,723)	(1,577)	172.7
Profit before tax	**56,015**	**40,141**	**139.5**	**25,446**	**17,207**	**147.9**
Income tax	(11,143)	(3,518)	316.7	(5,065)	(1,583)	320.0
Net profit for the period	**44,872**	**36,623**	**122.5**	**20,381**	**15,624**	**130.4**
Attributable to:						
Owners of the parent	44,674	36,514	122.3	20,298	15,583	130.3
Non-controlling interests	198	109	181.7	83	41	202.4
Earnings per share for profit attributable to the equity holders of the Company during the period (in EUR)						
- basic	3.37	2.75		1.53	1.18	
- diluted	3.37	2.75		1.53	1.18	

ATLANTIC GRUPA d.d.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in thousands of EUR, unaudited	Jan-Sep 2024	Jan-Sep 2023	Index	Jul-Sep 2024	Jul-Sep 2023	Index
Net profit for the period	**44,872**	**36,623**	**122.5**	**20,381**	**15,624**	**130.4**
Other comprehensive income/(loss):						
Items that may be subsequently reclassified to profit or loss						
Currency translation differences, net of tax	97	(1,056)	n/a	(500)	(250)	200.0
Cash flow hedges, net of tax	174	2,493	7.0	(807)	1,570	n/a
Total other comprehensive income/(loss) for the period, net of tax	**271**	**1,437**	**18.9**	**(1,307)**	**1,320**	**n/a**
Total comprehensive income for the period	**45,143**	**38,060**	**118.6**	**19,074**	**16,944**	**112.6**
Attributable to:						
Equity holders of the Company	44,934	37,952	118.4	18,991	16,901	112.4
Non-controlling interests	209	108	193.5	83	43	193.0
Total comprehensive income for the period	45,143	38,060	118.6	19,074	16,944	112.6

ATLANTIC GRUPA d.d.

CONSOLIDATED BALANCE SHEET

in thousands of EUR, unaudited	**30 September 2024**	**31 December 2023**
ASSETS		
Non-current assets		
Property, plant, and equipment	198,866	174,963
Right-of-use assets	76,839	59,724
Investment property	11,295	15,796
Intangible assets	232,236	214,394
Deferred tax assets	5,993	5,527
Financial assets at fair value through other comprehensive income	142	161
Trade and other receivables	11,761	15,299
	537,132	485,864
Current assets		
Inventories	129,454	102,023
Trade and other receivables	251,194	237,553
Prepaid income tax	6,333	1,958
Derivative financial instruments	682	384
Cash and cash equivalents	54,756	72,553
	442,419	414,471
Assets held for sale	7,392	7,392
Total current assets	449,811	421,863
TOTAL ASSETS	**986,943**	**907,727**
EQUITY AND LIABILITIES		
Capital and reserves attributable to owners of the Company		
Share capital	106,698	106,698
Share premium	28,970	28,760
Treasury shares	(4,049)	(2,510)
Reserves	(1,179)	(712)
Retained earnings	341,980	312,987
	472,420	445,223
Non-controlling interests	1,244	1,035
Total equity	**473,664**	**446,258**
Non-current liabilities		
Borrowings	91,876	86,338
Lease liabilities	64,634	49,368
Deferred tax liabilities	19,967	20,091
Other non-current liabilities	52	52
Provisions	8,095	8,070
	184,624	163,919
Current liabilities		
Trade and other payables	214,996	198,206
Borrowings	78,885	73,435
Lease liabilities	16,075	13,508
Derivative financial instruments	692	988
Current income tax liabilities	13,103	2,949
Provisions	4,904	8,464
	328,655	297,550
Total liabilities	**513,279**	**461,469**
TOTAL EQUTIY AND LIABILITIES	**986,943**	**907,727**

ATLANTIC GRUPA d.d.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company					
in thousands of EUR, unaudited	Share capital, Share premium and Treasury shares	Reserves	Retained earnings	Total	Non-controlling interests	Total
Balance at 1 January 2023	132,955	(4,498)	295,680	424,137	1,028	425,165
Effect of currency conversion from HRK to EUR	-	39	(39)	-	-	-
Comprehensive income:						
Net profit for the period	-	-	36,514	36,514	109	36,623
Other comprehensive income/(loss)	-	1,438	-	1,438	(1)	1,437
Total comprehensive income	-	1,438	36,514	37,952	108	38,060
Transactions with owners:						
Share based payment	2,594	-	-	2,594	-	2,594
Purchase of treasury shares	(1,525)	-	-	(1,525)	-	(1,525)
Shares granted	-	2,035	-	2,035	-	2,035
Transfer	-	291	(291)	-	-	-
Dividends	-	-	(13,308)	(13,308)	-	(13,308)
Balance at 30 September 2023	**134,024**	**(695)**	**318,556**	**451,885**	**1,136**	**453,021**
Balance at 1 January 2024	132,948	(712)	312,987	445,223	1,035	446,258
Comprehensive income:						
Net profit for the period	-	-	44,674	44,674	198	44,872
Other comprehensive income	-	260	-	260	11	271
Total comprehensive income	-	260	44,674	44,934	209	45,143
Transactions with owners:						
Share based payment	3,574	(3,574)	-	-	-	-
Purchase of treasury shares	(4,903)	-	-	(4,903)	-	(4,903)
Shares granted	-	3,080	-	3,080	-	3,080
Transfer	-	(233)	233	-	-	-
Dividends	-	-	(15,914)	(15,914)	-	(15,914)
Balance at 30 September 2024	**131,619**	**(1,179)**	**341,980**	**472,420**	**1,244**	**473,664**

ATLANTIC GRUPA d.d.

CONSOLIDATED CASH FLOW STATEMENT

in thousands of EUR, unaudited	January - September 2024	January - September 2023
Cash flow from operating activities		
Net profit for the period	**44,872**	**36,623**
Income tax	11,143	3,518
Depreciation, amortization, and impairment	34,127	29,269
Gain on sale of property, plant, and equipment and intangible assets	(448)	(3,151)
Provision for current assets and collection of previously impaired receivables - net	(2,157)	2,022
Foreign exchange differences - net	(56)	(21)
(Decrease) / increase in provisions for risks and charges	(5,015)	59
Fair value gain on financial assets	(30)	(143)
Share based payment	3,574	2,594
Interest income	(2,981)	(234)
Interest expense	7,239	3,739
Other non-cash items - net	(403)	(586)
Changes in working capital:		
Increase in inventories	(22,497)	(17,046)
Increase in current receivables	(15,676)	(51,814)
Increase in trade and other payables	13,346	22,692
Cash generated from operations	**65,038**	**27,521**
Interest paid	(7,512)	(3,150)
Income tax paid	(5,644)	(4,274)
	51,882	**20,097**
Cash flow used in investing activities		
Purchase of property, plant and equipment and intangible assets	(35,962)	(26,705)
Proceeds from sale of property, plant, and equipment and intangible assets	3,215	2,252
Proceeds from sale of financial assets through other comprehensive income	-	8
Acquisition of subsidiaries and proceeds from sale of subsidiary - net of cash acquired/disposed	(35,332)	(777)
Loans granted and deposits placed	(514)	(2,176)
Repayments of loan and deposits placed	17,744	1,216
Acquisition of financial assets at fair value through OCI	(22)	-
Interest received	3,069	229
	(47,802)	**(25,953)**
Cash flow (used in) / from financing activities		
Purchase of treasury shares	(4,903)	(1,525)
Proceeds from borrowings, net of fees paid	60,015	76,000
Repayment of borrowings	(48,783)	(19,195)
Principal elements of lease payments	(12,292)	(10,698)
Dividends paid to Company shareholders	(15,914)	(13,308)
	(21,877)	**31,274**
Net (decrease) / increase in cash and cash equivalents	**(17,797)**	**25,418**
Cash and cash equivalents at beginning of period	72,553	58,987
Cash and cash equivalents at end of period	54,756	84,405

NOTE 1 – GENERAL INFORMATION

Operating as a vertically integrated multinational company, Atlantic Grupa d.d. ("the Company") and its subsidiaries ("the Group") have business activities that incorporate R&D, production, and distribution of fast-moving consumer goods in Southeast Europe, the European markets and Russia. With its modern production network, the Group stands out as one of the leading foods & beverage producers in Southeast Europe with prominent coffee brands Grand Kafa and Barcaffe, beverage brands Cockta and Cedevita, a portfolio of sweet and salted snacks brands Smoki, Najlepše želje and Bananica, a savoury spread brand Argeta and natural mineral water Donat. Additionally, the Group owns the leading pharmacy chain in Croatia under the Farmacia brand. With its own distribution network in Croatia, Slovenia, Serbia, Austria, North Macedonia and Russia, the Group also distributes a range of products from external partners. The Group has manufacturing plants in Croatia, Slovenia, Serbia, Bosnia and Herzegovina and North Macedonia with companies and representative offices in 11 countries. The Group exports its products to more than 40 markets worldwide.

The Company is domiciled in Zagreb, Miramarska 23, Croatia.

The Company's shares are listed on the Prime market of the Zagreb Stock Exchange.

The condensed consolidated financial statements of the Group for the nine-month period ended 30 September 2024 were approved by the Management Board of the Company in Zagreb on 23 October 2024.

The condensed consolidated financial statements have not been audited.

NOTE 2 – BASIS OF PREPARATION AND ACCOUNTING POLICIES

2.1. BASIS OF PREPARATION

The condensed consolidated financial statements for the nine-month period ended 30 September 2024 have been prepared in accordance with IAS 34 – Interim Financial Reporting, as endorsed by the European Union (EU).

The condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements as of 31 December 2023. The Group's annual consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by EU.

2.2. GOING CONCERN

The Company's management believes that the Group has sufficient resources to continue operating in the foreseeable future and has not identified significant uncertainties related to business events and conditions that may cast doubt on the indefinite duration of the Group's operations. Accordingly, the condensed consolidated financial statements for the nine-month period ended 30 September 2024 have been prepared on a going concern basis.

NOTE 2 – BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the condensed consolidated financial statements for the nine-month period ended 30 September 2024 are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023.

2.4. SEASONALITY

The Group is not exposed to significant seasonal or cyclical changes in its operations.

NOTE 3 – CRITICAL ACCOUNTING ESTIMATES

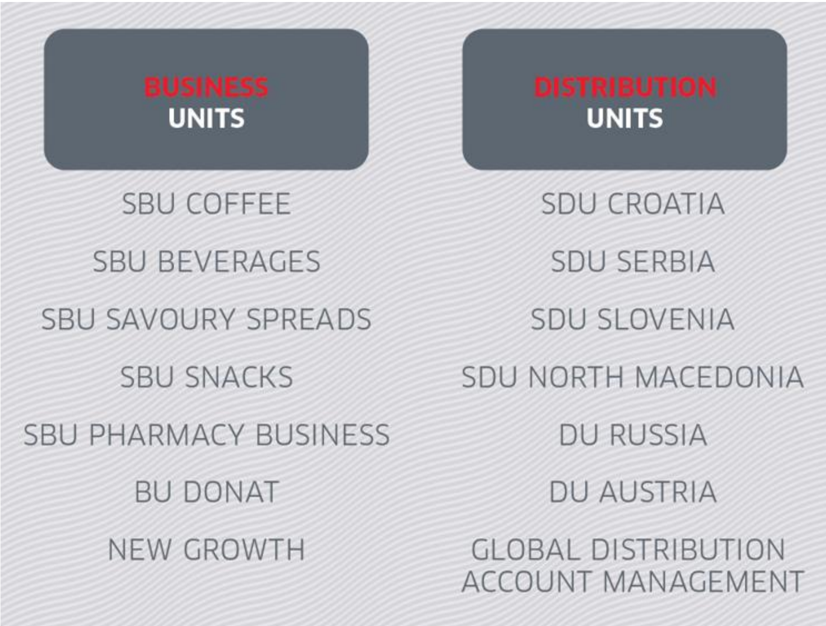
There were no changes in critical accounting estimates used for preparation of condensed consolidated financial statements for the nine-month period ended 30 September 2024 comparing to those used for the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023.

The Group has made assessment whether there are indications of impairment of intangible assets, including changes in discount rates that reflect the current risk premiums on certain markets and for the nine-month period ended 30 September 2024 no impairment was recognised.

NOTE 4 – SEGMENT INFORMATION

The business model of the Group is organized through five strategic business units and one business unit. In addition to business units, separate department – New Growth is established, which is focused on the development of new brands of Atlantic Grupa.

The distribution business is organized to cover six largest markets – Croatia, Serbia, Slovenia, North Macedonia, Russia and Austria and department of Global Distribution Account Management covering the markets dominantly managed by distribution partners.



SBU – Strategic business unit
SDU – Strategic distribution unit
BU – Business unit
DU – Distribution unit

For more efficient management of individual business and distribution units, the organization unites similar business activities or products, shared markets, or channels, together.

NOTE 4 – SEGMENT INFORMATION (continued)

Since DU Russia, DU Austria, Global distribution network management and New Growth do not meet quantitative thresholds, required by IFRS 8 for reportable segments, they are reported within “Other segments”. “Other segments” category comprises also of non-allocable business activities (headquarters and support functions in all markets of Atlantic Grupa) which are excluded from the reportable operating segments.

Segment performance is evaluated based on operating profit or loss. Group financing and income taxes are managed on Group basis and are not allocated to operating segments.

Sales of individual business units represent in market sales made to third parties (either directly through business units or through distribution units). Distribution units’ sales includes sales of own products also reported as business units’ sales. This double counting of own product sales is eliminated in the “Reconciliation” line. For segmental profit calculation, sales between operating segments are carried out at arm's length.

Sales revenues* *(in thousands of EUR)*	**Jan - Sep 2024**	**Jan - Sep 2023**
SBU Coffee	174,854	145,362
SBU Savoury Spreads	116,381	105,375
SBU Snacks	88,501	87,269
SBU Beverages	90,801	82,238
SBU Pharmacy business	70,534	64,286
BU Donat	26,987	27,476
SDU Croatia	204,131	187,591
SDU Serbia	184,725	169,099
SDU Slovenia	121,733	117,326
SDU North Macedonia	46,956	41,803
Other segments	70,166	60,319
Reconciliation	(397,289)	(366,499)
Total	**798,480**	**721,645**

* Comparative period has been adjusted to reflect current period reporting

NOTE 5 – EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share is calculated by dividing the net profit of the Group by the weighted average number of ordinary shares in issue during the period, excluding ordinary shares purchased by the Company and held as treasury shares.

	2024	**2023**
Net profit attributable to shareholders of the Company (*in thousands of EUR*)	44,674	36,514
Weighted average number of ordinary shares in issue	13,270,292	13,300,543
Basic earnings per share *(in EUR)*	3.37	2.75

Diluted earnings per share

Diluted earnings per share is the same as basic earnings per share as there were no convertible dilutive potential ordinary shares.

NOTE 6 – PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

During the nine-month period ended 30 September 2024, Group invested EUR 33,763 thousand in purchase of property, plant and equipment and intangible assets (2023: EUR 25,292 thousand).

NOTE 7 - INVENTORIES

During the nine-month period ended 30 September 2024, the Group wrote down inventories in the amount of EUR 1,770 thousand due to damage and short expiry dates (2023: EUR 1,405 thousand). The amount is recognized in the income statement within position “Other operating costs”.

NOTE 8 – DIVIDEND DISTRIBUTION

According to the decision of the Company's General Assembly from 27 June 2024, distribution of dividend in the amount of EUR 1.20 per share, or EUR 15,914 thousand in total was approved (2023: EUR 1.00 per share, or EUR 13,308 thousand in total). Dividend was paid out in July 2024.

NOTE 9 – FINANCE COSTS – NET

(in thousands of EUR)	**Jan – Sep 2024**	**Jan - Sep 2023**
Finance income		
Foreign exchange gains on borrowings and lease liabilities	73	42
	73	42
Finance costs		
Interest expense on bank borrowings	4,877	2,091
Interest expense on lease liabilities	1,955	1,252
Interest expense on bonds	287	279
Other interest expense	120	117
Total interest expense	7,239	3,739
Foreign exchange loss on borrowings and lease liabilities	17	21
	7,256	3,760
Finance costs - net	**7,183**	**3,718**

NOTE 10 – RELATED PARTY TRANSACTIONS

Related party transactions that relate to balance sheet as at 30 September 2024 and 31 December 2023 and transactions recognized in the Income statement for the nine-month period ended 30 September are as follows:

(in thousands of EUR)	**30 September 2024**	**31 December 2023**
RECEIVABLES		
Non-current trade and other receivables		
Other entities	755	534
Current trade and other receivables		
Other entities	18,310	13,355
LIABILITIES		
Trade and other payables		
Other entities	456	308

	Jan - Sep 2024	**Jan - Sep 2023**
REVENUES		
Sales revenues		
Other entities	66,538	66,101
Other income		
Other entities	40	7
EXPENSES		
Marketing and promotion costs		
Other entities	1,565	1,025
Other operating costs		
Other entities	326	219

NOTE 11 – ACQUISTION OF SUBSIDIARY

/i/ On March 1 Atlantic Grupa finalised transaction of acquiring Strauss Adriatic d.o.o., Šimanovci, the owner of Serbian coffee brands Doncafe and C kafa. Along with the brands, Atlantic Grupa takes over Strauss Adriatic's modern production facility in Šimanovci industrial zone, near Belgrade, and its 220 employees. As a result of this transaction, the provisional goodwill in the amount of EUR 10,999 thousand has been recognized.

Cash paid for acquisition of subsidiary *(in thousands of EUR)*	
Cash paid	38,612
Carrying value of net assets acquired	(27,613)
Provisional goodwill	**10,999**

Cash flow from acquisitions of subsidiary *(in thousands of EUR)*	
Cash paid	38,612
Cash in subsidiary acquired	(3,465)
Payments for acquisition of subsidiary	**35,147**

Acquired subsidiary in 2024 contributed EUR 23,323 thousand of revenues and EUR 615 thousand of loss to the Group.

/ii/ In 2024, the Group paid additional EUR 185 thousand related to the final purchase price for the acquisition of the subsidiary Eurocenter d.o.o., Zagreb, which was merged to Atlantic Grupa d.d. in June.

STATEMENT OF PERSONS RESPONSIBLE FOR PREPARING FINANCIAL STATEMENTS

In accordance with provisions of Law on Capital Market, Zoran Stanković, Group Vice President for Finance, Procurement and Investment and Tatjana Ilinčić, Director of Corporate Reporting and Consolidation, person responsible for corporate accounting, reporting and consolidation, together as persons responsible for the preparation of condensed consolidated financial statements of the company Atlantic Grupa d.d. Zagreb, Miramarska 23, OIB 71149912416 (hereinafter: "the Company"), hereby make the following

STATEMENT:

According to our best knowledge the condensed consolidated financial statements for the nine-month period ended 30 September 2024 are prepared in accordance with applicable standards of financial reporting and give true and fair view of the assets and liabilities, profit and loss, financial position and operations of the Company and its subsidiaries (together – "the Group").

Report of the Company's Management board for the period from 1 January to 30 September 2024 contains the true presentation of development, results, and position of the Group, with description of significant risks and uncertainties which the Group is exposed.

Condensed consolidated unaudited financial statements of the Group for the nine-month period ended 30 September 2024 were approved by the Management Board of the company Atlantic Grupa d.d. on 23 October 2024.

Zoran Stanković
Group Vice President for Finance, Procurement, and Investment

Tatjana Ilinčić
Director of Corporate Reporting and Consolidation

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ATLANTIC GRUPA
Joint Stock Company for Domestic and Foreign Trade
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The Company is registered with the Commercial Court of Zagreb
MBS: 080245039
MB: 1671910
PIN: 71149912416
Bank account: 2484008-1101427897 Raiffeisenbank Austria d.d., Zagreb, Petrinjska 59
The number of shares and their nominal value: 13,337,200 shares, each in the nominal value of 8.00 EUR
Share capital: 106,697,600.00 EUR, paid in full.

Management Board: Emil Tedeschi, Neven Vranković, Zoran Stanković, Lada Tedeschi Fiorio, Srećko Nakić, Enzo Smrekar, Mate Štetić
President of the Supervisory Board: Zoran Vučinić