

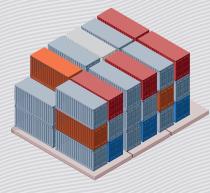
COMPANY OVERVIEW



COMPANY OVERVIEW 2018

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A B O U T U S

DCEAN OF OPPORTUNITIES - OCEAN OF EXCELLENCE

ATLANTIC

ABOUT US

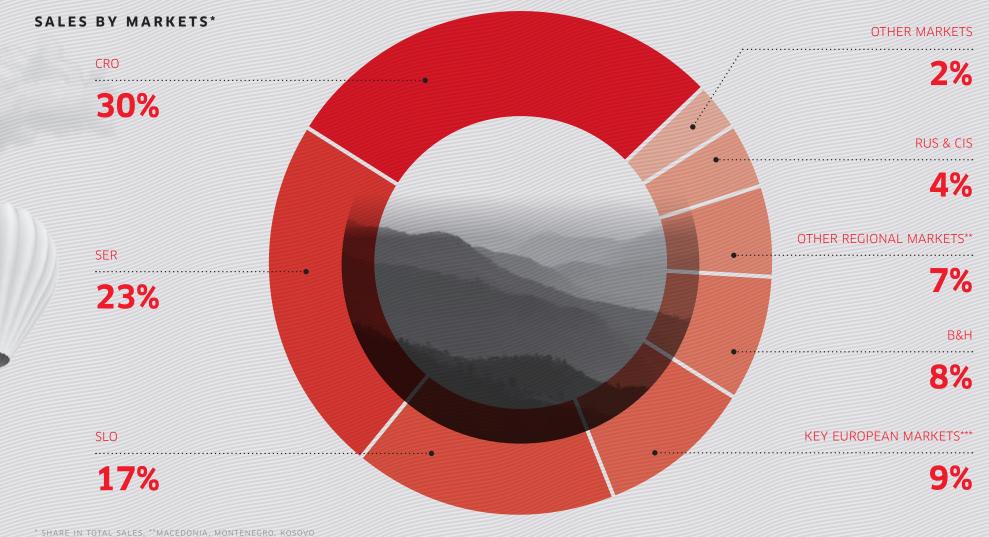
ATLANTIC GRUPA

ATLANTIC GRUPA is a vertically integrated multinational company whose business activities incorporate R&D, production and distribution of fast moving consumer goods in South-East Europe, the West European markets, Russia and the Commonwealth of Independent States (CIS). Atlantic's headquarters are in Zagreb, production plants are situated in Croatia, Slovenia, B&H, Serbia and Macedonia, while operational companies and representative offices are located in 10 countries.



KEY FIGURES 2017

In 2017, Atlantic Grupa recorded total sales of EUR 711 million, which is a 3.9 percent growth compared to the previous year. The overall increase in sales was mainly impacted by the following Strategic Business Units: Beverages, Savoury Spreads and Pharma and Personal Care, as well as the Strategic Distribution Units Croatia and Serbia.



" GERMANY, UNITED KINGMOCEDONIA, MONTENEURO, KOSTRIA, SWEDEN, SPAIN COMPARATIVE PERIOD HAS BEEN ADJUSTED TO REFLECT CURRENT PERIOD REPORTING.

SOURCE: INTERNAL ATLANTIC DATA ATLANTIC GRUPA'S REPORTING CURRENCY HRK, ALL FIGURES TRANSLATED AT EUR/HRK 7.6

PRODUCTION NETWORK

10 COUNTRIES WITH REPRESENTATIVE OFFICES AND FACTORIES

PRODUCTION FACILITIES

– Izola, Slovenia Belgrade, Serbia Glavičice, B&H Skopje, Macedonia

COFFEE

SAVOURY SPREADS -Izola, Slovenia Sarajevo, B&H Zagreb, Croatia BEVERAGES – Apatovec, Croatia Zagreb, Croatia Rogaška Slatina, Slovenia Smederevska Palanka, Serbia SNACKS – Belgrade, Serbia Ljubovija, Serbia

Igroš, Serbia

Sel Dia

PERSONAL CARE
Zagreb, Croatia
BABY FOOD
Mirna, Slovenia

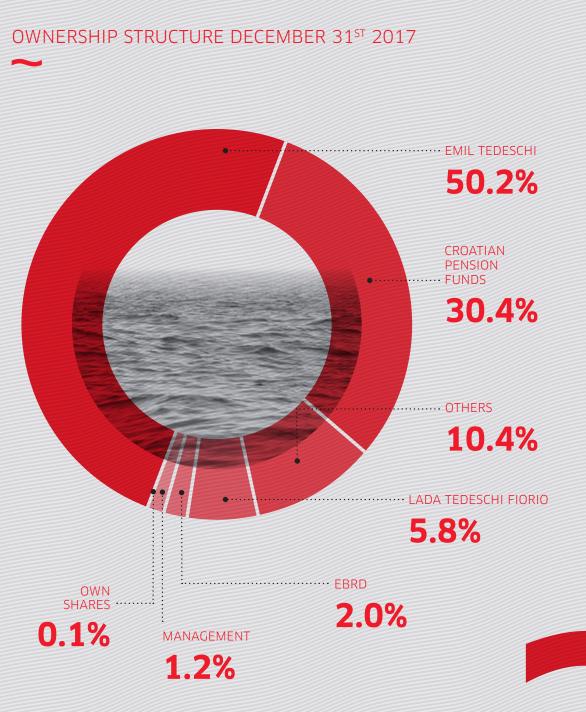
PHARMA &

OFFICES & FACTORIES -Croatia Bosnia & Herzegovina Slovenia Serbia Macedonia COMPANIES

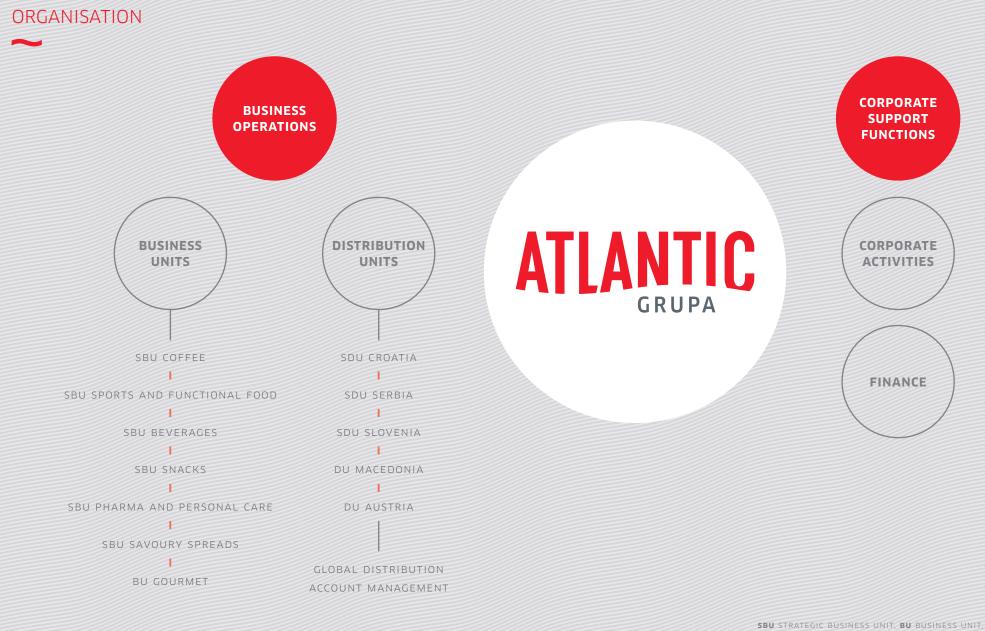
– Russia Germany Austria Montenegro Italy











SDU STRATEGIC BUSINESS UNIT, BU BUSINESS UNIT, SDU STRATEGIC DISTRIBUTION UNIT, DU DISTRIBUTION UNIT

BUSINESS UNITS

FOOD & BEVERAGES COFFEEE

FOOD & BEVERAGES

COFFEE

The Strategic Business Unit **COFFEE** is the leading coffee producer in the region. Following our vision, always the first choice for coffee consumers in the region, we have launched a new range of coffee capsules under the Barcaffè D.O.T. concept. Offering a port-folio of espresso, cappuccino and caffè latte capsules, our blends are well accepted and preferred over the first competitor. Barcaffè espresso scored 75% preference over the first competitor in Croatia and 59% of consumers prefer Barcaffè espresso over the first competitor in Slovenia.

THE REGION WAKES UP WITH US

BARCAFFÈ The most loved coffee aroma and taste in Slovenia for more than 47 years. Barcaffè is market leader in the Turkish coffee segment and still the strongest FMCG brand in Slovenia (source: Valicon, 2017), with top quality products. In 2018 its extensive product portfolio was enriched by the new Barcaffè Single origin line. Its products consist of 100% arabica coffee from a single country of origin.

More than 47 years of tradition





GRAND KAFA Thanks to its quality and originality, Grand kafa won the trust of Serbian coffee drinkers from its beginnings in the year 1997. Expanding to neighbouring countries Bosnia and Herzegovina and Macedonia, it managed to become the number-one Turkish coffee on these markets as well, and a synonym for the category. The Grand kafa portfolio consists of different subbrands with different products, each one carefully made for its own group of coffee consumers.



SALES BY COUNTRIES



MARKET POSITIONS

NO.1

· STANDARD FRESH GROUND COFFEE (TURKISH COFFEE) AND ESPRESSO IN SLOVENIA · STANDARD FRESH GROUND COFFEE (TURKISH COFFEE) IN SERBIA

NO.3

· INSTANT WHITE CUP IN SERBIA AND SLOVENIA

SOURCE: INTERNAL ATLANTIC DATA

22,471 TONNES COFFEE VOLUME SOLD IN 2017

ATLANTIC GRUPA COMPANY OVERVIEW 2018

FOOD & BEVERAGES BEVERAGES BEVERAGES







FOOD & BEVERAGES BEVERAGES

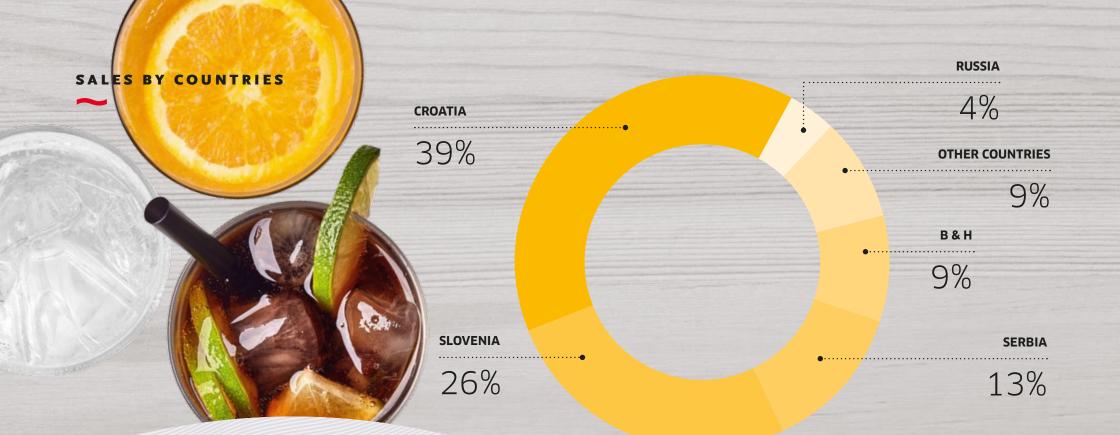
Cedevita, Cockta and Donat Mg are the flagship brands of the Atlantic **BEVERAGES** portfolio and appreciated by consumers in the region and beyond. Research of consumer needs, consequent marketing strategies, as well as the continuous development of new, and innovation of existing products have secured the leading market positions of these brands in the region. PERFECT COMBINATION OF NATURE AND VITAMINS CEDEVITA IS THE MARKET LEADER IN THE VITAMIN INSTANT DRINK CATEGORY IN THE REGION DONAT MG CONTINUES WITH OUTSTANDING WITTY COMMUNICATION IN 2017 AGAIN, AND THE RESULT OF IT ARE 5 PRESTIGIOUS COMMUNICATION AWARDS

> Donat Mg

CEDEVITA is considered in the region to be a synonym for a unique, smart and functional refreshment. Many generations grew up with Cedevita. Throughout its 49 years of existence, Cedevita showed its innovative nature with successful launches in the HoReCa and on-the-go channel, as well as major brand relaunches which turned out to be loved by our consumers. Join the orange attitude! NEW LOOK, LEGENDARY TASTE OF LOCAL COLA, WHICH GOES INTO GLOBAL TREND OF CRAFT, NATURAL INGREDIENTS AND PREMIUMISATION

COCKTA: a cola drink that was born authentic and has conquered all generations in its 65 years of existence. The secret of the special Cockta taste lies in a unique blend of eleven herbs and special aroma of dog rose, combined with the freshness of lemon and natural CO_2 . On her 65th birthday we upgraded its original recipe and appearance with a unique premium look, in blue, which pays homage to her first appearance. **DONAT Mg** A natural multifunctional mineral water with the highest level of magnesium in the EU, clinically proven to help regulate digestion. Its incomparable composition distinguishes Donat Mg worldwide. With over 400 years of tradition, Donat Mg alleviates the problems of modern life such as heartburn, muscle cramps, balances the proportion of acids and bases in the body, and much, much more.

Cat HCO; SO,



MARKET POSITIONS

NO.1

· VITAMIN INSTANT DRINKS IN SLOVENIA, CROATIA, B&H AND SERBIA

NO.2 · COLA CARBONATED SOFT DRINKS IN SLOVENIA

NO.3 · COLA CARBONATED SOFT DRINKS IN CROATIA AND SERBIA

SOURCE: INTERNAL ATLANTIC DATA



FOOD & BEVERAGES SNACKS

FOOD & BEVERAGES

SNACKS

Whether you like them salty or sweet, the **SNACKS** Business Unit will offer you a perfect snack for every occasion, any time. Our Štark brands Smoki, Najlepše želje, Bananica and Prima enjoy great popularity and a leading position in the SEE region.

SALTY OR SWEET - A PERFECT SNACK FOR EVERYBODY





CREATED IN 1972, THESE WERE THE FIRST FLIPS PRODUCED IN THE SEE REGION



BANANICA The famous soft chocolate foamy dessert, the first of its kind in the SEE region, is a product with 80 years of tradition and a brand loved by all generations. Since 2016 Bananica had its first product innovation: Skroz čoko Bananica, which has gained the most popularity of the Bananica brand.

NAJLEPŠE ŽELJE, a delightful dessert, offers a wide selection of flavours. Incredibly luring for chocolate gourmets, irresistibly amusing for children, a precious ingredient for cooks, your daily chocolate must or the perfect gift. Its special texture and long-lasting taste give "Najlepše želje" chocolates a luxurious note that is hard to resist.



BANANICA - THE ONE AND ONLY ORIGINAL CHOCOLATE COATED FOAMY DESSERT **SMOKI** Entering the new, non-peanut segment, Smoki launched a fresh new sub-brand: Smoki Fun! With Cheesy Pizza Balls and Hot Dog Sticks, the youngest family member brings even more Fun! to the newest generation of flips consumers. Unexpected non-Smoki shapes, unusual non-Smoki tastes, innovative packaging and wacky communication tailor-made for young audiences' needs, further strengthen the leading position of the "one & only" Smoki brand.

SALES BY COUNTRIES

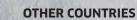
SERBIA

65%





SLOVENIA





MONTENEGRO

5%

6%

ван 13%

MARKET POSITIONS

NO.1 · FLIPS IN SERBIA AND CROATIA · BARS AND WAFERS IN SERBIA

NO.2 · STICKS AND CHOCOLATE TABLETS IN SERBIA

SOURCE: INTERNAL ATLANTIC DATA

ATLANTIC GRUPA COMPANY OVERVIEW 2018

28,688 TONNES

SNACKS VOLUME SOLD IN 2017

SAVOURY SPREADS

FOOD & BEVERAGES

SAVOURY SPREADS

SBU SAVOURY SPREADS offers convenient and nutritious meals for all occasions, especially ideal when you lack time. Argeta, the SBU's flagship brand, is a modern, high quality, and innovative brand of premium savoury spread products, present in more than 30 countries worldwide. Montana is a premium sandwich brand in Croatia and Slovenia offering numerous sandwich tastes and on-the-go products such as salads and pancakes (crepes).

THE GOOD SIDE OF BREAD



ARGETA IS NOW PRODUCED ALSO IN THE US AND HAS NEW MARKET ENTRIES IN THE NETHERLANDS AND FRANCE

ÀRGETA®

ARGETA, the number 1 pate in Europe, is a delicious premium savoury spread brand, made from top-quality ingredients and seasoned with all-natural spices, without preservatives, artificial colors, artificial flavour enhancers and gluten. In its more than 55 years of existence, Argeta has become an essential brand in households in the SEE region and has achieved remarkable success in other European countries; among others, Argeta is market leader in Austria and Switzerland. Argeta's strong market position is demonstrated also by its brand strength as it is ranked as the 5th strongest brand in the region and is among 0,03% of brands world-wide that have their unique colour code legally protected. In 2017, Argeta next to its meat and fish spreads launched also vegetable spreads, which proved to be an immediate success and was warmly received by consumers.

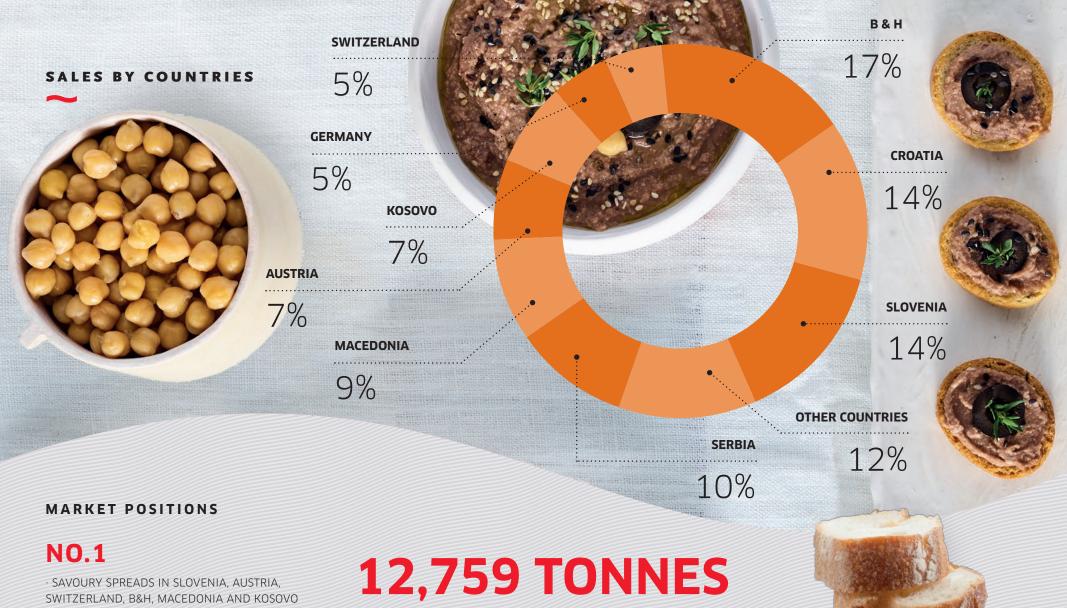


MONTANA+ is a synonym for a super tasty sandwich for over 17 years in Croatia, available at more than 1000 points of sale, mostly petrol stations. In 2014 it entered the Slovenian market as a unique triangle sandwich brand. Montana sandwiches are prepared in Croatia in a modern facility with care and love, just like homemade sandwiches from the best quality ingredients sourced locally, making them the best and tasty snacking choice on-the-go.

super tasty



montana⁺



NO.2

· SAVOURY SPREADS IN CROATIA, SERBIA AND MONTENEGRO

SOURCE: INTERNAL ATLANTIC DATA

ARGETA VOLUME SOLD IN 2017

2,008,000 UNITS MONTANA VOLUME SOLD IN 2017

PHARMA & PERSONAL CARE PHARMA & A PHARMA

WE TAKE CARE OF YOUR HEALTH AND BEAUTY FROM THE FIRST DAY

PHARMA & PERSONAL CARE

The **PERSONAL CARE** unit has almost 100 years of tradition and experience in the production of cosmetic and hygienic products. Neva is the first Croatian company to introduce an integrated business system due to norms ISO 9001-2000 QAS / ISO 14001-2003 EMS. We are one of the biggest producers of private label lip balms, toothpastes and creams in the region. Melem, Plidenta and Rosal are top brands in the Personal Care portfolio with a wide range of products that have been dermatologically tested and created according to pharmaceutical principles, formula creation and modern technology.

SBU PHARMA includes the operations of pharmacies and specialised stores for medicinal products joined in the Farmacia chain and the production of dietary supplements and medical devices in Fidifarm under common brand name Dietpharm and Premium green. **BEBI** brand was born almost forty years ago as a baby cereals brand. Since then Bebi's R&D department is constantly developing new products and expanding their portfolio to other baby food categories: IMF, teas and biscuits, along with new category for adults entrance – MOM's cereals launch. Product quality and safety are the most important guidelines for Bebi's R&D, so only natural high quality ingredients are used in our production. To underline the long presence on the Russian market and the confidence in high quality products we provide our consumers with, a new communication campaign was launched with the slogan "Over 35 years of love and care". The campaign aimed to focus on our heritage and expertise.





ROSAL is a renowned Croatian brand in the cosmetics segment, with a long lasting and successful tradition on the market. The first ROSAL cosmetics line was created in 1961, and today the range includes five segments with over 30 products designed to provide complete care for all body parts. All products are carefully designed to provide the optimal level of care for the entire family thanks to natural ingredients and their beneficial properties.

ROSAL

V HANDS

ALMOND OF

ROSAL

camil

BODY

UNIVERZALINA

REFERENCE IN THE

NEVA IS THE CATEGORY LEADER IN THE LIP CARE CATEGORY IN CROATIA, HOLDING THE NO. 1 POSITION WITH ITS 2 BRANDS, ROSAL LIP BALM AND MELEM

ROSAI

O LIPBALM

FURAL

MELEM is a lovemark. Depicted through the loyalty of it's users, it is developed with and by them. With it's new collections and categories based on pure essential and precious oils, Melem stays a symbol of love, care and wellbeing. Melem represents an indulging moment just for me. Carefully crafted with ingredients that excite or relax the mind and soothe the skin, it continues to create precious moments of skin care.

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MELEM

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PLIDENTA is created for healthy and beautiful teeth. Its long-standing tradition on the Croatian market and own know-how, together with modern production and management methods, meets the needs of the most demanding consumers and satisfies all EU quality certificates and health regulations. Plidenta toothpastes are carefully designed over the years in accordance with the leading trends in oral hygiene.

PLIDENTA REMAINS ONE OF THE LEADING CROATIAN BRANDS



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In 2017, the **DIETPHARM** brand retained the first position in the Croatian market of food supplements with 19% market share and thanks to consumer's trust and satisfaction it has been a proud holder of the Superbrands Award for many years. Under the brand Dietpharm, there is a portfolio of as many as 90 products which are the result of carefully selected raw materials, highly developed technology, and highest standards in line with the strictest European and global requirements. With its name and reputation, and through constant laboratory control, Dietpharm guarantees top-quality composition, purity and organic origin of raw materials. In the following years, as until now, Dietpharm will persist in developing inovative and unique products. Along with Dietpharm, Fidifarm is pleased to announce the launch of a new high-quality brand of food supplements with top quality active substances - Premium green. The first three premium products, developed in line with global trends, are Marine Magnesium, Detox Liver and Beauty Complex.

FARMACIA Farmacia is the largest and most successfull pharmacy chain in Croatia with 49 community pharmacies and 36 green pharmacies. Our strength are our employees who are continually trained in our own Education Centre so they can offer our patients complete tailor-made solutions and services at any time. For the past few years Farmacia pharmacy chain is the most rewarded health institutions with written professional recognitions in the field of pharmacovigilance. According to a wide range of our services users can get counselling in cooperation with experts from specific areas, such as dermatology, sport nutrition, paediatrics, nutrition, phyto-aromatherapy and cardiology at Farmacia locations across the country. These are unique services for one pharmacy chain not just in Croatia, but in the broader region as well.

SALES BY COUNTRIES

CROATIA

82%

RUSSIA

<u>.</u>....

· · · ·

7%

B&H

4%

OTHER COUNTRIES

7%

MARKET POSITIONS

NO.1 • LIP CARE IN CROATIA NO.3 • TOOTHPASTE IN CROATIA

NO.1

· FOOD SUPPLEMENTS IN CROATIA

13 MILLION ITEMS

OF PHARMA&PERSONAL CARE SOLD IN2017

SOURCE: INTERNAL ATLANTIC DATA

ATLANTIC GRUPA COMPANY OVERVIEW 2018

SALES BY COUNTRIES

UKRAINE

8%

RUSSIA

84%

Bebi

ДЕТСКАЯ МОЛОЧНАЯ

КАША

Рисовая

беби

OTHER CIS

8%

MARKET POSITIONS

NO.2 · IN LITHUANIA IN CEREALS AND BISCUITS SEGMENT

NO.4

· IN RUSSIA IN CEREALS SEGMENT

5,626 TONNES

BEBI VOLUME SOLD IN 2017

ONLINE SALES INTEGRATION TO WWW.BEBI.RU

SOURCE: INTERNAL ATLANTIC DATA

FOOD & BEVERAGES **SPORTS & FUNCTIONAL FOOD**

FOOD & BEVERAGES

SPORTS & FUNCTIONAL FOOD

SBU SPORTS AND FUNCTIONAL FOOD specialises in the development, production and sale of a wide portfolio of food for athletes, including recreational sports and health food products. Over 40 years of tradition and a leadership role in the industry have resulted in a complete portfolio under the leading brands Multipower, Multaben and Champ. In order to reach a variety of consumers, the products are offered across a wide range of channels: fitness centres, sports shops, online, drugstores and pharmacies, covering over 35000 outlets across Europe.

PASSION FOR PERFORMANCE

BEST TASTE & OVER 40 YEARS EXPERIENCE

Champ



MULTIPOWER A leading European sports food brand with a passion for performance. Multipower offers advanced nutrition for savvy athletes, created to fuel their ambitious goals and drive their performance to the max. The products, which deliver superior taste and texture and an excellent nutritional profile, are backed by over 40 years' experience, and are co-created with professional athletes. Starting in 2018, the brand has started to expand its portfolio into functional indulgence – with new flavours and formats to entice, while still providing high-quality fuel.

CHAMP Easy protein solutions for less-involved consumers. Offered in the mass market, Champ is an affordable and easy-to-understand line, for consumers who are starting to supplement with sports nutrition. The bars and powders are organized into functional segments for ease of selection and use.

MULTABEN Dietetic products for the purpose of supporting weight loss, balance of the organism, and personal well-being. According to its functional purposes, Multaben is categorised as a dietary brand.





FOOD & BEVERAGES GOURMET

FOOD & BEVERAGES

GOURMET became a separate Business Unit in 2015, following the successful acquisition of the Foodland company by Atlantic Grupa. The Foodland company was established in 1998 and headquartered in Belgrade, with a production facility located 250 km south of Belgrade, at the foot of the Kopaonik mountain, an ecologically preserved environment extremely rich in berries. In 2013, a new production unit in Igros was put into operation. The Amfissa brand was created in 1999, while the development of Granny's Secret began in 2003. The company has over time become synonymous with top quality - and nature's best.

FOOD FOR THE SOUL

Granny's Secret Ajvar is awarded with prestigious international awards for taste and quality and classified as a product of superior taste.

GRANNY'S SECRET products are cooked in the same way as our grandmothers and their grandmothers used to do – they use carefully chosen fruits and vegetables and don't use any additives, preservatives, artificial colours and flavours. Everything is cooked slowly, at low temperatures. That's why the taste of Granny's Secret pepper products, jams, spreads and natural juices will remind you of the warmth of your grandma's kitchen. Granny's Secret is present in 28 markets on 5 continents. Products are available in most prestigious shops like El Corte Ingles, La Grande Epicerie, Les Galeries Lafayette or Selfridges. In 2018 Granny's Secret will have a new and unique sugar-free category, a fruit spread sweetened only with honey, for consumers who strive to conduct healthy lives.

> (Granny's Secret





DISTRIBUTION

WE MAKE A DIFFERENCE

DISTRIBUTION

ATLANTIC GRUPA with its partner Ataco is the leading distributor of fast moving consumer goods in the region of South Eastern Europe, with 17 distribution centres in these markets, over 500 delivery vehicles and direct access to over 70 thousand sales points, and highly developed know-how in key account management, category management, logistics and trade marketing. Our experienced management and distribution operations are matched with excellent service, customer relations and market expertise.

ORGANISATION

GLOBAL DISTRIBUTION ACCOUNT MANAGEMENT SYSTEM - RESPONSIBLE FOR MANAGING THE PARTNER DISTRIBUTION NETWORK ON A GLOBAL LEVEL - DIVIDED INTO FOUR MAIN REGIONS: DU CIS, DACH & BENELUX, EUROPE & OVERSEAS MARKETS AND EASTERN EUROPE

COOPERATION WITH PARTNER DISTRIBUTION COMPANY ATACO STRONG DISTRIBUTION OPERATION IN CIS COUNTRIES

DEVELOPED NETWORK OF 17 DISTRIBUTION CENTRES

KEY BENEFITS

THROUGH ITS UNIQUE COMMERCIAL APPROACH, ATLANTIC MAKES A REAL DIFFERENCE BY PROVIDING:

- Negotiation power through the strength of a superstrong Atlantic distribution portfolio
- Benefits from regional negotiation
 synergy
- Fast implementation of new listings, must-have assortment, fair share of shelf and trade marketing activities
- "Perfect Store" visibility concept
- Strong in-house trade marketing capability and service
- Organisation flexibility and category/ channel focused teams
- POS direct visit and strong merchandising team
- Goal oriented/incentivised team and KPI driven-based service model
- Supervised execution using state-ofthe-art hardware/software tool and reporting platform

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LEADING DISTRIBUTOR OF TOP FMCG BRANDS

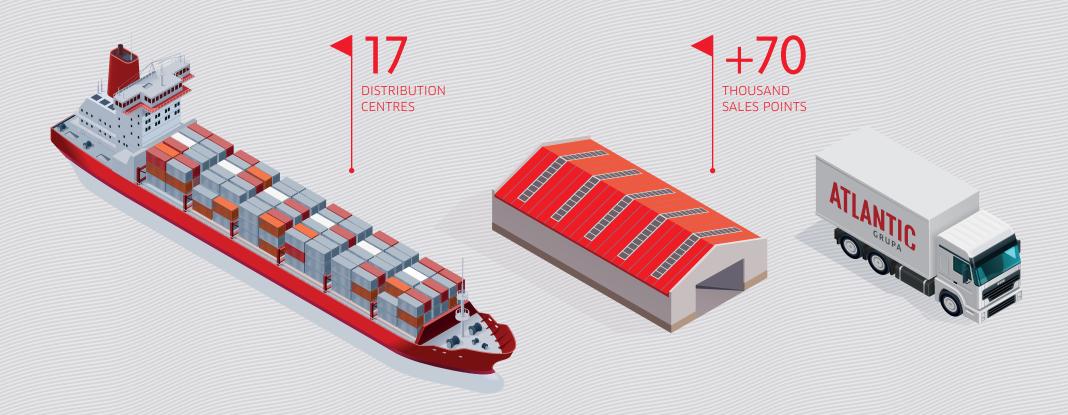
 ATLANTIC is the leading full-service distribution provider in the SEE region and CIS of both international and local top-quality FMCG brands that are global or regional category leaders.

STRENGTH OF DISTRIBUTION

- Deepest and detailed direct coverage in the SEE region.
- Multiple Channel coverage (Retail, Petrol, HoReCa, Pharma, B2B, B2C).
- Largest supplier to regional key accounts with must-have brands in portfolio.

EXPERIENCE AND EXPERTISE TO RELY ON

- Highly developed key account and brand operation management.
- Organisation, operating principles, know-how across the region.
- Operational synergies across markets.
- 27 years of experience in the distribution and development of premium brands.



THE GOOD SIDE OF THE FUTURE.

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