



ATLANTIC

GRUPA

FINANCIAL RESULTS IN 2022 (UNAUDITED)



Zagreb, 28 February 2023

2022 Overview

2022 Financial results

2023 Outlook

RESULTS IN ACCORDANCE WITH GUIDANCE

SALES

HRK 6,373.0m

EUR 846.2m

+11.8%

+12.4%*

NORMALIZED

EBITDA*

HRK 571.4m

EUR 75.9m

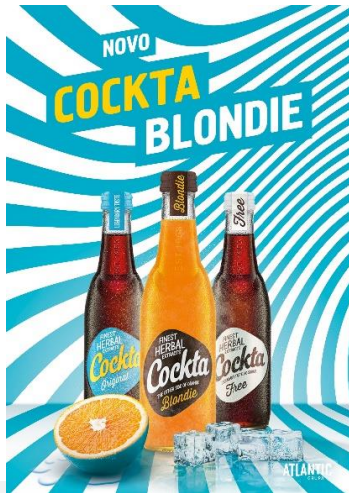
-22.3%

* Certain financial measures are not defined by International Financial Reporting Standards (IFRSs), for more details on the Alternative Performance Measures (APM) used, see the document „Definition and reconciliation of Alternative Performance Measures” within financial results for FY22.

2022 Overview

- Two new members of the Supervisory board and new member of the Management board
- New principals Intersnack and Red Bull
- Record capital investments and numerous products innovations
- Sale of Palanački kiseljak
- Record dividend and share split
- Digital transformation of Atlantic Grupa
- 100 years of Stark
- Numerous recognitions and awards

Success of own brands



New Cockta Blondie
Cockta + 34% yoy



Redesign of Kala and
Kalnička



No 2 in CRO&SLO (outmeal)
No 1 in CRO&SRB and No 2 in SLO
(granola)
No 2 in CRO&SLO (plant based
drinks)



Donat +10% yoy



CedeVita +15% yoy



+11% yoy
100 locations

Success of own brands



OOH coffee +35% yoy



Instants +28% yoy



100 years of Stark
Najlepše želje +13% yoy



Redesign of Bakina
Tajna



Argeta +10% yoy



New Argeta Veggie

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Organic sales growth of 12.4%***

(HRK million)	2022	2021	2022/2021
SBU Coffee	1,389.9	1,196.2	16.2%
SBU Savoury Spreads	973.6	885.2	10.0%
SBU Snacks	731.7	684.4	6.9%
SBU Beverages	644.6	536.4	20.2%
SBU Pharma	587.5	531.5	10.5%
BU Donat	239.9	218.8	9.7%
SDU Croatia	1,553.4	1,403.2	10.7%
SDU Serbia	1,542.2	1,335.4	15.5%
SDU Slovenia	1,094.8	1,012.8	8.1%
Other segments*	929.7	855.1	8.7%
Reconciliation**	(3,314.3)	(2,956.5)	n/a
Sales	6,373.0	5,702.5	11.8%

The comparative period has been adjusted to the reporting for 2022

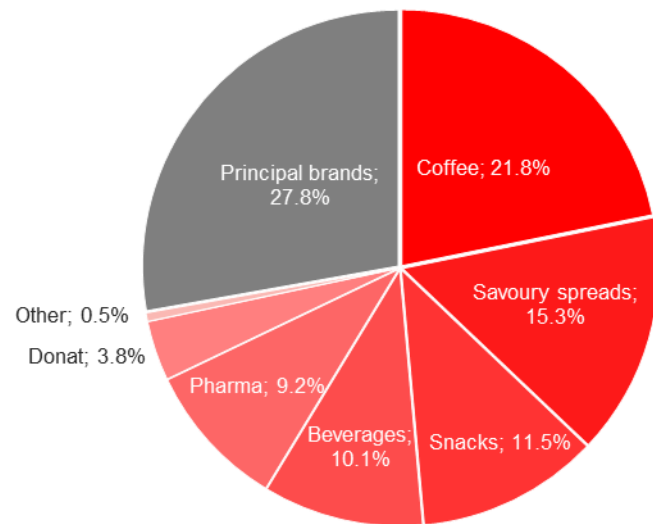
*Other segments include divested baby food business Bebi, BU New Growth, DU Austria, DU Russia, GDAM and DU Macedonia.

**Line item "Reconciliation" relates to the sale of own brands which is included in the appropriate SBU and BU and in SDUs, DUs and GDAM through which the products were distributed.

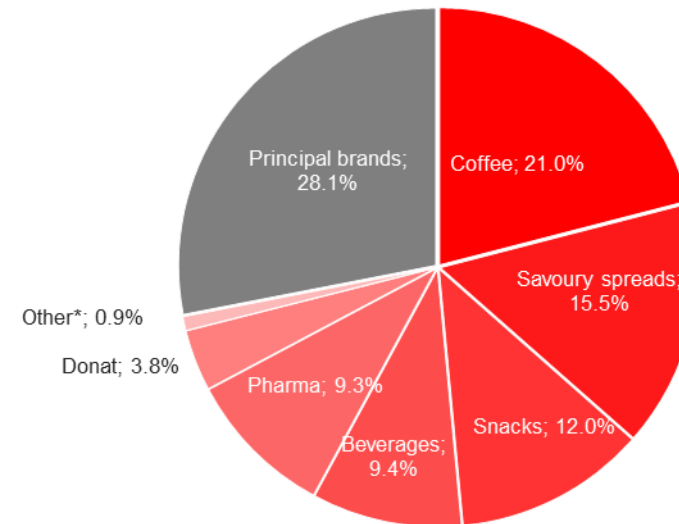
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Sales by segments

2022

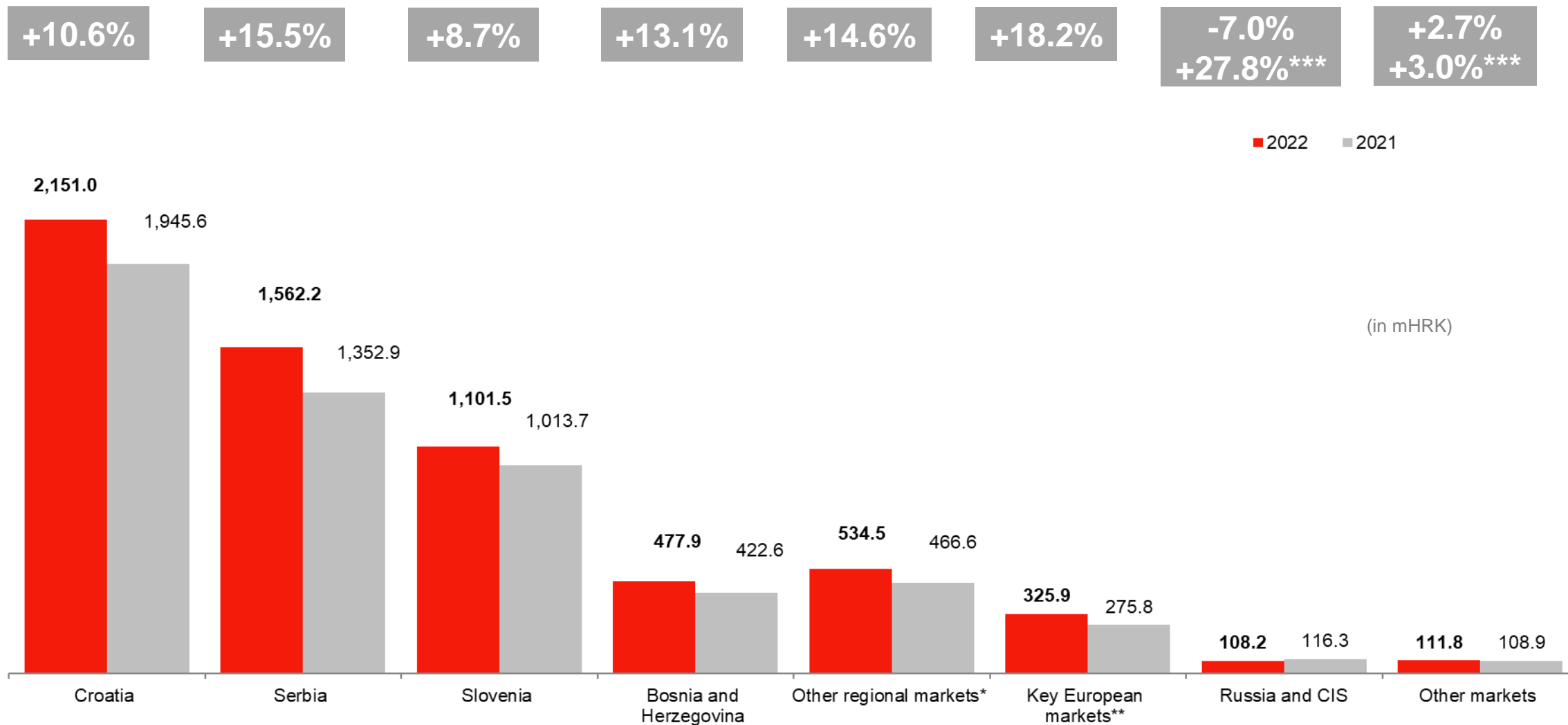


2021



* Includes divested baby food business Bebi

Sale profile by markets

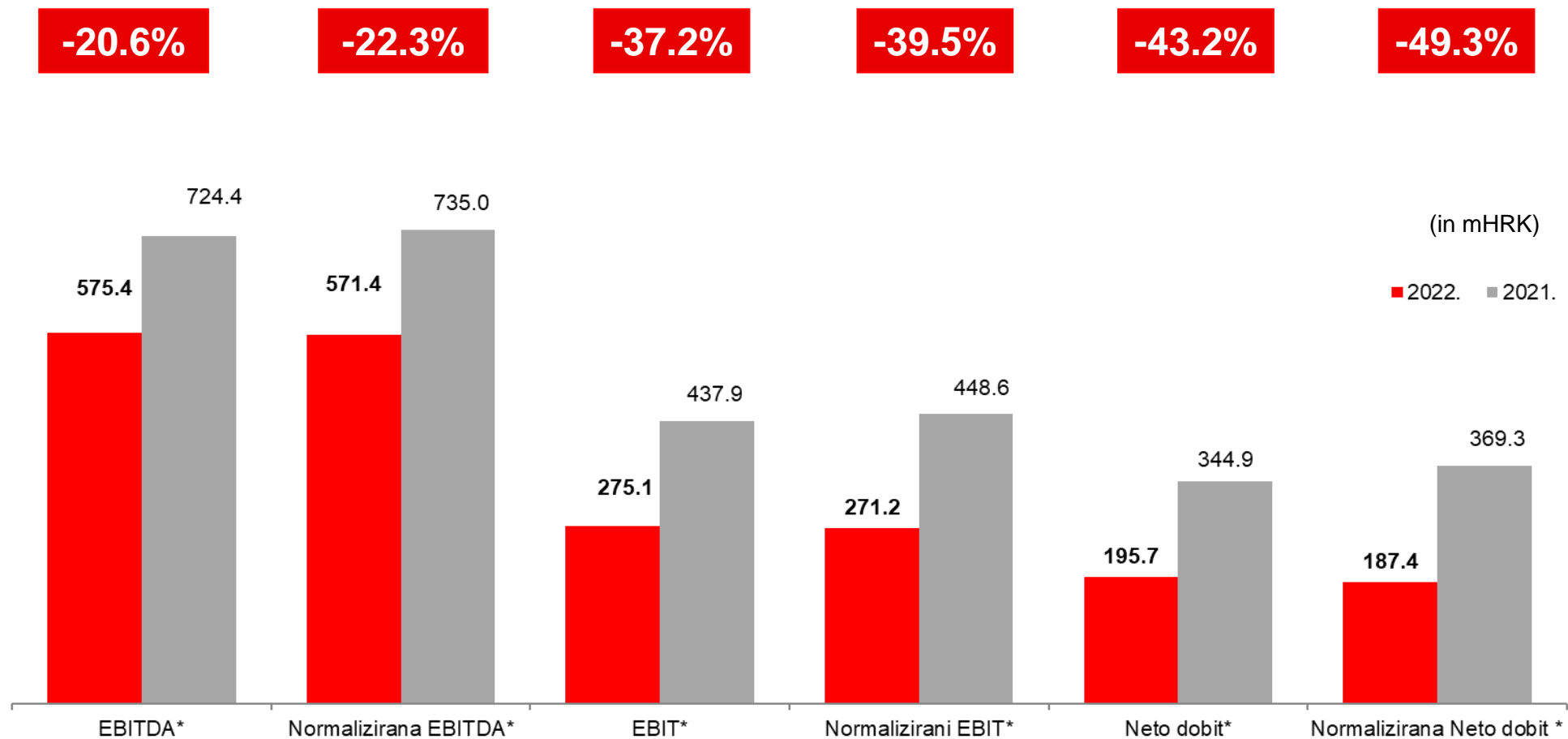


* Macedonia, Montenegro, Kosovo

** Germany, Switzerland, Austria, Sweden

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Normalized EBITDA* decrease



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Operating results of SBUs and SDUs

(HRK million)	2022	2021	2022/2021
SBU Coffee	189.4	278.8	(32.0%)
SBU Savoury Spreads	144.7	182.7	(20.8%)
SBU Snacks	44.0	114.6	(61.6%)
SBU Beverages	100.9	111.6	(9.6%)
SBU Pharma	69.2	59.2	16.8%
BU Donat	108.2	101.5	6.6%
SDU Croatia	84.9	88.0	(3.6%)
SDU Serbia	71.6	62.6	14.3%
SDU Slovenia	62.1	62.8	(1.2%)
Other segments*	(299.6)	(337.4)	11.2%
Group EBITDA**	575.4	724.4	(20.6%)

The comparative period has been adjusted to the reporting for 2022.

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

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Operating costs structure

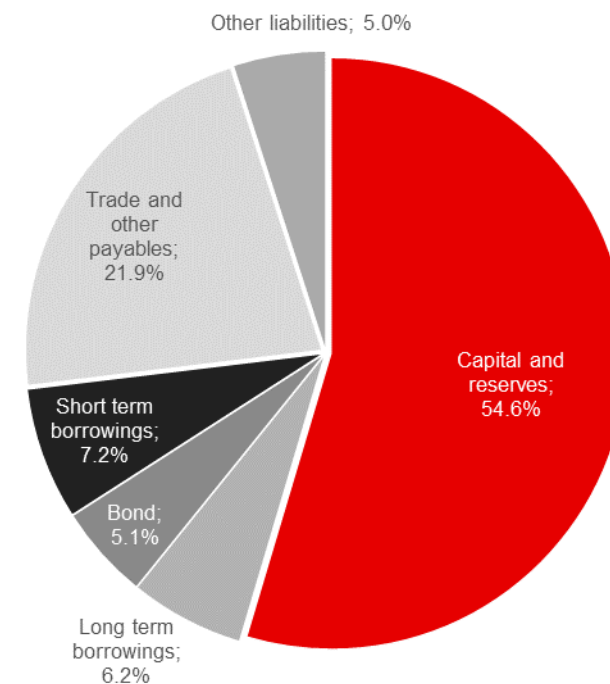
(in HRK millions)	2022	% of sales	2021	% of sales	2022/2021
Cost of goods sold	1,915.3	30.1%	1,729.8	30.3%	10.7%
Change in inventory	(24.0)	(0.4%)	(22.8)	(0.4%)	n/a
Production materials	2,036.0	31.9%	1,496.0	26.2%	36.1%
Energy	114.9	1.8%	60.9	1.1%	88.9%
Services	397.1	6.2%	358.2	6.3%	10.9%
Staff costs	984.0	15.4%	937.4	16.4%	5.0%
Marketing and selling expenses	294.7	4.6%	329.8	5.8%	(10.6%)
Other operating expenses	203.0	3.2%	176.2	3.1%	15.2%
Other (gains)/losses, net	(32.6)	(0.5%)	(4.0)	(0.1%)	n/a
Depreciation and amortisation	300.3	4.7%	286.4	5.0%	4.9%
Total operating expenses*	6,188.9	97.1%	5,347.8	93.8%	15.7%

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Financial indicators: Record capital investments

(in HRK millions)	12/31/2022	12/31/2021
Net debt*	657.9	459.9
Total assets	5,869.7	5,452.9
Total Equity	3,203.4	3,152.5
Current ratio*	1.5	1.5
Gearing ratio*	17.0%	12.7%
Net debt/EBITDA*	1.2	0.6
Interest coverage ratio*	30.6	41.2
Capital expenditure*	263.4	233.3
Free cash flow*	80.1	502.5
Cash flow from operating activities	343.5	735.8

31.12.2022



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- We expect record sales of approx. EUR 900 million
- Normalized EBTIDA margin lower for 100 to 150 basic points compared to 2022
- The negative effects will be most pronounced in the first part of the year
- CAPEX from EUR 35 to 40 million

Q&A



APPENDIX



Consolidated income statement

(in HRK thousands)	2022	% of sales	2021	% of sales
Revenues	6,463,975	101.4%	5,785,771	101.5%
Sales revenues	6,372,984	100.0%	5,702,479	100.0%
Other revenues	90,991	1.4%	83,292	1.5%
Operating expenses	5,888,533	92.4%	5,061,383	88.8%
Cost of trade goods sold	1,915,267	30.1%	1,729,758	30.3%
Change in inventories	(23,950)	(0.4%)	(22,831)	(0.4%)
Production material and energy	2,150,961	33.8%	1,556,908	27.3%
Services	397,129	6.2%	358,245	6.3%
Staff costs	983,997	15.4%	937,376	16.4%
Marketing and promotion expenses	294,739	4.6%	329,776	5.8%
Other operating costs	202,978	3.2%	176,168	3.1%
Other gains/(losses) - net	(32,588)	(0.5%)	(4,018)	(0.1%)
EBITDA*	575,442	9.0%	724,388	12.7%
Amortization and depreciation	300,340	4.7%	286,444	5.0%
EBIT*	275,101	4.3%	437,945	7.7%
Finance cost - net	19,796	0.3%	17,749	0.3%
EBT	255,305	4.0%	420,196	7.4%
Income tax	58,842	0.9%	74,304	1.3%
Net profit*	196,463	3.1%	345,892	6.1%
Minority interest	734	0.0%	1,035	0.0%
Net profit after minority interest	195,729	3.1%	344,857	6.0%

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Consolidated balance sheet

(in HRK thousands)	31.12.2022.	% of total assets	31.12.2020.	% of total assets
Property, plant and equipment	1,196,205	20.4%	1,108,725	20.3%
Right of use asset	327,398	5.6%	329,894	6.0%
Investment property	472	0.0%	807	0.0%
Intangible assets	1,623,779	27.7%	1,640,348	30.1%
Financial assets through OCI	1,275	0.0%	1,384	0.0%
Long-term receivables	34,716	0.6%	42,750	0.8%
Deferred tax assets	38,747	0.7%	41,469	0.8%
Non-current assets	3,222,593	54.9%	3,165,377	58.0%
Inventories	769,153	13.1%	639,201	11.7%
Trade and other receivables	1,411,232	24.0%	1,287,982	23.6%
Non-current assets held for sale	0	0.0%	3,759	0.1%
Prepaid income tax	17,850	0.3%	6,995	0.1%
Derivative financial instruments	4,407	0.1%	2,972	0.1%
Cash and cash equivalents	444,439	7.6%	346,635	6.4%
Current assets	2,647,080	45.1%	2,287,544	42.0%
Total assets	5,869,673	100.0%	5,452,921	100.0%
Capital and reserves attributable to owners of the Company	3,195,662	54.4%	3,145,549	57.7%
Non-controlling interest	7,742	0.1%	6,982	0.1%
Borrowings	410,981	7.0%	299,657	5.5%
Lease liabilities	256,345	4.4%	263,065	4.8%
Deffered tax liabilities	146,700	2.5%	148,344	2.7%
Other non-current liabilities	908	0.0%	6,135	0.1%
Provisions	53,896	0.9%	69,807	1.3%
Non-current liabilities	868,830	14.8%	787,007	14.4%
Trade and other payables	1,285,581	21.9%	1,174,825	21.5%
Borrowings	329,024	5.6%	159,931	2.9%
Lease liabilities	91,680	1.6%	86,844	1.6%
Current income tax liabilities	11,694	0.2%	6,417	0.1%
Derivative financial instruments	18,670	0.0%	0	0.0%
Provisions	60,790	1.0%	85,365	1.6%
Current liabilities	1,797,440	30.6%	1,513,382	27.8%
Total liabilities	2,666,269	45.4%	2,300,389	42.2%
Total equity and liabilities	5,869,673	100.0%	5,452,921	100.0%

Consolidated cash flow

(in HRK thousands)	2022	2021
Cash generated from operations	435,133	840,235
Interest paid	(15,622)	(17,074)
Income tax paid	(76,001)	(87,361)
Cash flow from operating activities	343,510	735,800
Purchase of property, plant and equipment and intangible assets	(263,425)	(233,284)
Proceeds from sale of property, plant and equipment	3,611	17,504
Proceeds from sale and acquisition of subsidiaries, net of cash received/ disposed	11,029	(5,937)
Repayment of borrowings, net	4,787	12,574
Interest received	8,225	1,571
Cash flow used in investing activities	(235,773)	(207,572)
Purchase of treasury shares	(22,389)	(30,557)
Proceeds from borrowings, net of fees paid	309,286	-
Repayment of borrowings	(30,000)	(350,799)
Dividend paid to Company shareholders	(166,322)	(133,094)
Principal elements of lease payments	(101,407)	(93,502)
Cash flow used in financing activities	(10,832)	(607,952)
Net increase/(decrease) in cash and cash equivalents	96,905	(79,724)
Exchange gains/(losses) on cash and cash equivalents	899	(154)
Cash and cash equivalents at beginning of period	346,635	426,513
Cash and cash equivalents at end of period	444,439	346,635

THANK YOU FOR YOUR ATTENTION

