FINANCIAL RESULTS
FOR THE FIRST HALF OF 2024
(unaudited)

Zagreb, 25 July 2024

COMMENT OF THE PRESIDENT OF THE MANAGEMENT BOARD AND CEO

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

"Atlantic Grupa continues to record excellent business results, with profitability growth exceeding strong sales growth achieved in almost all business and distribution units. The strong sales growth was contributed most by the Strategic business units Coffee, Beverages, and Savoury Spreads, the Strategic distribution units North Macedonia and Croatia, and the significant growth in key European markets. Excellent sales results enabled a strong growth in profitability despite a significant increase in the prices of cocoa and raw coffee, increase in investment in employees and significantly higher marketing investments.

This year was marked by the acquisition of the company Strauss Adriatic, and we are very satisfied with the progress of its integration into Atlantic Grupa. Sustainable development is a priority in Atlantic Grupa's business, and we are especially pleased with the awards for the ESG leader in Slovenia and Serbia. We continue with intensive capital expenditure and innovation in the product portfolio, among which the launch of Argeta meatless and Boom Box smoothies and crackers stand out.

In the period ahead, we remain focused on further successful and sustainable growth."

STRONG SALES AND PROFITABILITY GROWTH

SALES AT EUR 512.5 MILLION
+11.5% compared to the first half of 2023 (+8.4% if we exclude the effect of Strauss Adriatic acquisition)

EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTISATION (**EBITDA***) AT EUR 57.4 MILLION
+29.2% compared to the first half of 2023 (+27.7% if one-off items excluded*)
+30.6% if we exclude the effect of Strauss Adriatic acquisition (+29.1% if one-off items excluded)

EARNINGS BEFORE INTEREST AND TAXES (**EBIT***) AT EUR 35.0 MILLION
+39.7% compared to the first half of 2023 (+38.2% if one-off items excluded*)
+43.6% if we exclude the effect of Strauss Adriatic acquisition (+42.6% if one-off items excluded)

NET PROFIT* AT EUR 24.4 MILLION
+16.5% compared to the first half of 2023 (+12.9% if one-off items excluded*)
+21.3% if we exclude the effect of Strauss Adriatic acquisition (+18.5% if one-off items excluded)

FINANCIAL SUMMARY OF THE FIRST HALF OF 2024

Key figures	H1 2024	H1 2023	H1 2024/ H1 2023
Sales (in EUR million)	**512.5**	459.7	11.5%
Turnover (in EUR million)	**519.4**	464.7	11.8%
Normalized EBITDA margin*	**10.3%**	9.0%	+131 bp
Normalized net income* (in EUR million)	**20.4**	18.1	12.9%
	30 June 2024	**31 Dec 2023**	
Gearing ratio*	**32.1%**	25.2%	-682 bp

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 takes 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.

Atlantic Grupa intends to invest significantly in the development of the coffee business, both in the production and development of technology and brands, their product portfolio and communication, in the retail and HoReCa segments. The development of key product categories (coffee, chocolate and sweet and salty snacks, savoury spreads and soft drinks), organically and through acquisitions of strong brands in these categories, are the foundation of the company's development strategy. The latest acquisition is an important step on the way to the realization of the strategy, as well as a contribution to the growth of the coffee category in Serbia and the region, and to strengthening the competitiveness of the regional coffee industry and local 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 2023 it is defined as an 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 become better 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. UNIQUE RECOGNITION TO ATLANTIC GRUPA – EQUAL PAY CERTIFICATE

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 employed 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.

4. ARGETA PRESENTED ITS NEW LINE – ARGETA MEATLESS

In accordance with the development of nutrition trends, Argeta has designed meatless spreads made from chickpea and pea proteins, which gives them a well-known texture and high nutritional value. At Argeta, they once again proved that they are true masters of creating spreads, because with a unique combination of natural spices and vegetable oils, they managed to create the most meatless meat flavour.

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.

5. NEW CERTIFICATES FOR SMOKI

By listening to the needs and expectations of consumers, Smoki took its first step to contribute to the sustainability of the planet and the preservation of the environment. With this goal, palm oil was 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.

6. 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.

7. GRAND PRIX FOR SOCIALLY RESPONSIBLE BUSINESS TO KALA

The Croatian Association for Public Relations (HUOJ) awarded to Kala the silver Grand PRix for socially responsible business for the campaign to support voluntary fire brigades "One Kala, one thank you". As part of this campaign, Kala donated funds to volunteer fire brigades from all over Croatia and provided them with supplies of bottled water. On every bottle of Kala, there was a code that citizens could scan and go to the jednakala-jednohvala.hr website and leave a thank-you note for the firefighters.

8. 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.

9. 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.

10. 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, 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.

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

In May, the opening of the extended part of the Vukovina logistics and distribution centre was held. The warehouse capacity expansion project was initiated due 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.

12. 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, at the end of the six-month period, 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.

13. 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.

SALES PROFILE BY STRATEGIC BUSINESS UNITS AND STRATEGIC DISTRIBUTION UNITS

(EUR million)	H1 2024	H1 2023	H1 2024/H1 2023
SBU Coffee	**112.0**	93.9	19.2%
SBU Savoury Spreads	**74.5**	67.6	10.1%
SBU Snacks	**62.1**	58.6	6.0%
SBU Beverages	**55.1**	50.0	10.2%
SBU Pharma	**46.0**	42.1	9.1%
BU Donat	**17.9**	18.8	(4.5%)
SDU Croatia	**123.6**	113.1	9.3%
SDU Serbia	**117.1**	108.6	7.8%
SDU Slovenia	**78.8**	77.0	2.4%
SDU North Macedonia	**29.1**	25.9	12.4%
Other segments*	**47.4**	40.8	16.2%
Reconciliation**	**(251.1)**	(236.7)	n/a
Sales	**512.5**	**459.7**	**11.5%**

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

In the first half of 2024, Atlantic Grupa recorded sales of EUR 512.5 million, which is a significant 11.5% 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 Coffee, Beverages, and Savoury Spreads and the Strategic distribution units North Macedonia and Croatia. If the effect of the company Strauss Adriatic acquisition is excluded, the sales growth of 8.4% 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.

SALES TRENDS
IN THE FIRST HALF OF 2024

ATLANTIC GRUPA

The STRATEGIC BUSINESS UNIT COFFEE recorded a significant double-digit growth due to sales growth in almost all regional markets. The highest growth is recorded in the markets of Serbia and Bosnia and Herzegovina, while all key European markets also record growth. 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 brand. 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 4.3%.

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

The STRATEGIC BUSINESS UNIT SNACKS recorded sales growth in most regional markets, with the most significant growth recorded by the markets of Serbia, and Bosnia and Herzegovina. Also, the markets of Germany and Austria record double-digit growth rates. Analysed by categories, the significant value and volume growth is recorded by the flips category under the Smoki brand. The chocolate category under the Najlepše želje brand records sales value increase, with a mild volume decrease.

A significant 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, Serbia, and Bosnia and Herzegovina. Also, high growth rates are recorded by the markets of Germany and the Netherlands. Analysed by categories, a significant sales growth is recorded by Cockta and Cedevita brands in the HoReCa and retail channels, which record value and volume growth.

The STRATEGIC BUSINESS UNIT PHARMACY BUSINESS records a sales growth of the pharmacy chain Farmacia following the increase in the prices of cosmetics, OTC drugs, and food supplements. At 30 June 2024, the pharmacy chain Farmacia has 102 units, including 56 pharmacies, 45 specialized stores and the web shop.

The BUSINESS UNIT DONAT records a 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 during this year. Analysed by markets, the significant sales increase in the markets of Bosnia and Herzegovina, Russia and Austria largely cancelled out the decrease in sales in most regional markets.

SALES TRENDS
IN THE FIRST HALF OF 2024

The STRATEGIC DISTRIBUTION UNIT CROATIA recorded a significant sales growth as a consequence of growth of own brands, led by espresso and roast and ground coffee under the Barcaffè brand, Argeta in the savoury spreads segment, and Cedevita and Cockta brands in the retail channel. 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 brand, Argeta in the savoury spreads segment, chocolate under the Najlepše želje brand and Smoki in the snacks segment, Cedevita and Cockta in the HoReCa and retail channels, and Boom Box products. Among principal brands, Rauch, Red Bull, and the new principal Badel stand out. The growth of this unit was impacted by the double-digit sales growth in the HoReCa channel.

The STRATEGIC DISTRIBUTION UNIT SLOVENIA recorded a sales growth primarily due to the increase in sales of principal brands, with the highest growth recorded by the new principal Haleon, Ferrero, and Rauch. Among own brands, a significant growth is recorded by espresso coffee under the Barcaffè brand, and Cedevita in the retail channel. Also, the increase in sales of the HoReCa channel contributed to the growth in this unit.

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, and Cedevita in the HoReCa and retail channels stand out. Among principal brands, Ferrero, Beiersdorf and Ficosota especially stand out.

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, and Boom Box products. The new principal Podravka contributed to the growth of this unit.

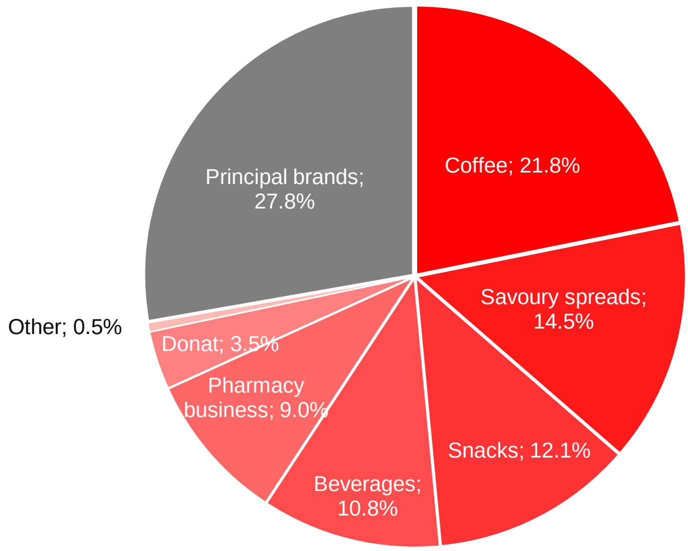
The GLOBAL DISTRIBUTION ACCOUNT MANAGEMENT records a strong increase in sales following the increase on the markets of Germany, Switzerland, France and the USA. Analysed by categories, roast and ground coffee under the Grand kafa brand, Argeta in the savoury spreads segment, Smoki in the snacks segment, and Cedevita and Cockta in the beverages segment contribute 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 functional water Donat.

The NEW GROWTH achieves double-digit sales growth due to the increase in sales on the markets of Croatia and Serbia, and launching Boom Box on the market of Austria. Analysed by categories, plant-based drinks under the Boom Box brand contribute most to the growth.

SALES PROFILE BY SEGMENTS

1.-6.2024.



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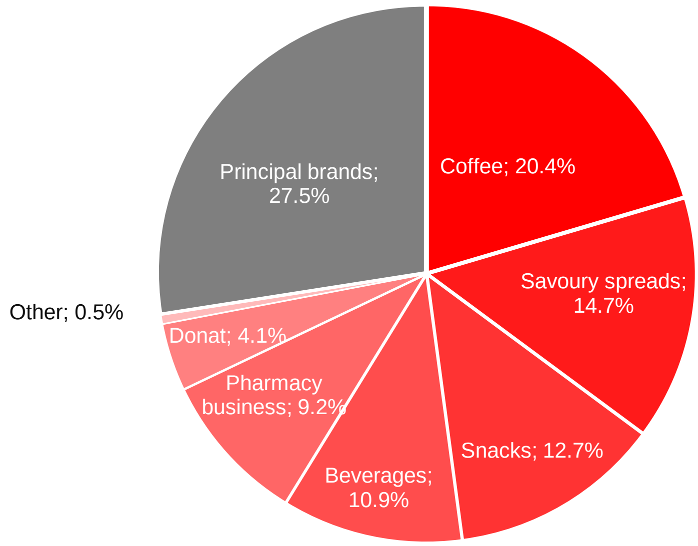


SALES PROFILE BY MARKETS

(in EUR millions)	H1 2024	% of sales	H1 2023	% of sales	H1 2024/ H1 2023
Croatia	**171.8**	33.5%	**156.7**	34.1%	9.7%
Serbia	**132.2**	25.8%	**110.1**	23.9%	20.1%
Slovenia	**79.4**	15.5%	**77.3**	16.8%	2.8%
Bosnia and Herzegovina	**39.3**	7.7%	**35.8**	7.8%	9.9%
Other regional markets*	**44.1**	8.6%	**40.0**	8.7%	10.1%
Key European markets**	**29.3**	5.7%	**23.9**	5.2%	22.7%
Russia and CIS	**7.0**	1.4%	**7.3**	1.6%	(4.1%)
Other markets	**9.3**	1.8%	**8.6**	1.9%	8.5%
Total sales	**512.5**	100.0%	**459.7**	100.0%	11.5%

* 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 strong 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) chocolate under the Najlepše želje brand 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 principal brands, 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 growth of 7.7%.

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

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) instant coffee under the Barcaffè and Grand kafa brands, (iv) Argeta in the savoury spreads segment, (v) chocolate under the Najlepše želje brand and Smoki in the snacks segment, (vi) Cockta in the retail and HoReCa channels, and (vii) functional water Donat.

OTHER REGIONAL MARKETS record a strong increase in sales, due to the growth of all other regional markets. The increase in sales of roast and ground coffee under the Grand kafa brand, Argeta in the savoury spreads segment, 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, Switzerland and Austria. The increase in sales of roast and ground coffee under the Grand kafa brand, Argeta in the savoury spreads segment, and Smoki in the snacks segment especially stand out.

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

OTHER MARKETS record an increase in sales 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)	H1 2024	H1 2023	H1 2024/H1 2023
Sales	**512.5**	459.7	11.5%
EBITDA*	**57.4**	44.4	29.2%
Normalised EBITDA*	**53.0**	41.5	27.7%
EBIT*	**35.0**	25.1	39.7%
Normalised EBIT*	**30.7**	22.2	38.2%
Net profit*	**24.4**	20.9	16.5%
Normalised Net profit*	**20.4**	18.1	12.9%
Profitability margins			
EBITDA margin*	**11.2%**	9.7%	+154 bp
Normalised EBITDA margin*	**10.3%**	9.0%	+131 bp
EBIT margin*	**6.8%**	5.5%	+138 bp
Normalised EBIT margin*	**6.0%**	4.8%	+116 bp
Net profit margin*	**4.8%**	4.6%	+20 bp
Normalised Net profit margin*	**4.0%**	3.9%	+5 bp

In the first half of 2024, EBITDA amounts to EUR 57.4 million, which is a significant 29.2% growth compared to the same period of the previous year, or a 27.7% growth if the effect of one-off items is excluded. The growth in profitability of Strategic business units Coffee, Beverages, and Savoury spreads, and all Strategic distribution units contributed most to the increase in normalised EBITDA. The increase in normalised EBITDA was primarily achieved due to strong sales growth and savings on energy, despite significantly higher investment in employees and higher marketing investments. If we exclude the effect of the acquisition of the company Strauss Adriatic, EBITDA records an increase of 30.6%, and normalised EBITDA an increase of 29.1%. It is important to note that next year we expect to start achieving synergy effects, which will result in a positive impact on profitability.

In addition to the above, normalized net profit records a 12.9% 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 21.3%, and normalised net profit by 18.5%.

* 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)	H1 2024	% of sales	H1 2023	% of sales	H1 2024/ H1 2023
Cost of goods sold	**147.1**	28.7%	**131.0**	28.5%	12.3%
Change in inventory	**4.4**	0.9%	**(2.5)**	(0.5%)	n/a
Production materials	**158.0**	30.8%	**151.9**	33.1%	4.0%
Energy	**7.1**	1.4%	**9.1**	2.0%	(22.9%)
Services	**31.0**	6.0%	**27.6**	6.0%	12.1%
Staff costs	**80.5**	15.7%	**71.3**	15.5%	12.9%
Marketing and selling expenses	**24.7**	4.8%	**20.3**	4.4%	21.5%
Other operating expenses	**11.2**	2.2%	**13.7**	3.0%	(18.8%)
Other (gains)/losses, net	**(1.8)**	(0.3%)	**(2.2)**	(0.5%)	(20.1%)
Depreciation and amortisation	**22.3**	4.4%	**19.3**	4.2%	15.7%
Total operating expenses*	**484.4**	**94.5%**	**439.7**	**95.6%**	**10.2%**

The cost of goods sold records a significant 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, which were largely compensated by the more favourable prices of edible oils, sugar and dairy products.

Energy costs are significantly lower primarily due to lower energy prices 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 at 30 June 2024, Atlantic Grupa had 5,847 employees, or 255 employees more than in the comparative period, as a consequence of the acquisition of the company Strauss Adriatic.

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

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

* 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 RESULT OF STRATEGIC BUSINESS UNITS AND STRATEGIC DISTRIBUTION UNITS

(EUR million)	H1 2024	H1 2023	H1 2024/H1 2023
SBU Coffee	**10.9**	6.9	57.8%
SBU Savoury Spreads	**12.4**	11.1	11.9%
SBU Snacks	**7.9**	7.3	8.2%
SBU Beverages	**9.6**	6.5	48.1%
SBU Pharmacy business	**6.0**	5.1	17.6%
BU Donat	**8.7**	8.8	(1.0%)
SDU Croatia	**7.5**	6.5	15.3%
SDU Serbia	**5.1**	4.3	18.2%
SDU Slovenia	**3.4**	3.2	6.7%
SDU North Macedonia	**1.9**	1.6	22.6%
Other segments*	**(16.2)**	(16.9)	4.6%
Group EBITDA**	**57.4**	**44.4**	**29.2%**

STRATEGIC BUSINESS UNITS AND BUSINESS UNIT: The SBU Coffee and the SBU Savoury spreads record significant profitability growth due to higher sales, despite higher staff costs and marketing investments. If we exclude the effect of the acquisition of Strauss Adriatic, the SBU Coffee records an increase in EBITDA of 66.2%. The SBU Snacks achieved an increase in profitability due to higher sales, despite higher staff cots and the increase in cocoa prices, the greatest pressure of which we expect in the second half of the year. The SBU Beverages recorded a strong double-digit increase in profitability as a result of improved gross profit margin due to higher sales and lower prices of production materials, despite the increase in staff costs and marketing investments. The SBU Pharmacy business achieved significantly higher profitability due to higher sales of the pharmacy chain Farmacia, despite significantly higher staff costs. The BU Donat records a mild decrease in profitability due to lower sales and higher marketing investments.

STRATEGIC DISTRIBUTION UNITS: All strategic distribution units recorded an increase in profitability primarily due to sales growth, despite higher transportation and logistics costs and investment in employees.

OTHER SEGMENTS: If we exclude one-off items, Other segments record a decrease in profitability as a consequence of higher costs of central functions and the decrease in profitability of the DU Russia, primarily caused by the depreciation of the Ruble against the Euro.

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

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

** 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)".

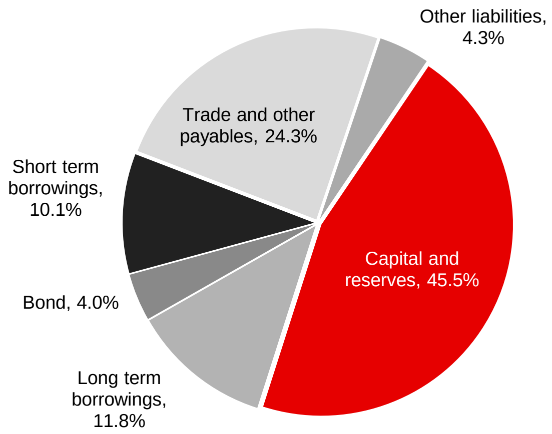
FINANCIAL INDICATORS

(in EUR millions)	30.06.2024.	31.12.2023.
Net debt*	**213.9**	150.7
Total assets	**996.4**	907.7
Total Equity	**453.2**	446.3
Current ratio*	**1.3**	1.4
Gearing ratio*	**32.1%**	25.2%
Net debt/EBITDA*	**2.3**	1.8
(in EUR millions)	**H1 2024**	H1 2023
Interest coverage ratio*	**11.7**	19.2
Capital expenditure*	**26.5**	15.9
Free cash flow*	**(8.4)**	(5.4)
Cash flow from operating activities	**18.1**	10.5

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

- The gearing ratio increased by 682 basis points due to the EUR 63.2 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 2.3 at the end of the first half of 2024.
- Free cash flow records a decrease due to significantly higher capital expenditure, despite higher cash flow from operating activities.

THE ATLANTIC GRUPA'S EQUITY AND LIABILITIES STRUCTURE AS AT 30 JUNE 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 financing costs and tax expense.

Capital expenditure in the first half 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 half of 2024:

- SDU Croatia:
    - An investment project to expand the warehouse capacity of LDC Zagreb and implement fully automated warehouse operations completed
- SBU Savoury Spreads:
    - Investment projects of meat and bone separators and cutters at the Izola location
    - Cooling system project at the Izola location
    - Photovoltaic power plant project at the Hadžići location
- 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 projects on bars lines continued
    - Project of a new additional line for the production and packaging of sticks continued
    - Project to increase the production capacity for Smoki initiated

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, or, more precisely, to exceed EUR 1.050 million.

In addition to the already announced pressures on profitability due to the increase in salaries and services, strong additional pressure comes due to the drastic increase in the price of cocoa and further volatility of raw coffee and logistics challenges that started at the end of 2023 and are expected to remain similar throughout 2024. Therefore, we expect to achieve mid-single-digit growth in normalized operating earnings before interest, taxes, depreciation and amortization (EBITDA), with achieving the last-year's level of the normalized EBITDA margin. We expect the biggest negative impact of rising cocoa and raw coffee prices on profitability in the second half of this 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 and expect capital investments in the amount of approximately EUR 50 million. Almost half of this amount refers to investments at 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)	H1 2024	H1 2023	H1 2024/H1 2023
Operating profit	35.0	25.1	39.7%
Depreciation, amortisation and impairment	22.3	19.3	15.7%
EBITDA	57.4	44.4	29.2%
Other one off (income)/costs, net	(4.4)	(2.9)	
Normalized EBITDA	53.0	41.5	27.7%
Sales	512.5	459.7	
EBITDA margin	11.2%	9.7%	
Normalized EBITDA margin	10.3%	9.0%	

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)	H1 2024	H1 2023	H1 2024/H1 2023
Operating profit	**35.0**	**25.1**	**39.7%**
EBIT	**35.0**	**25.1**	**39.7%**
Other one off (income)/costs, net	(4.4)	(2.9)	
Normalized EBIT	**30.7**	**22.2**	**38.2%**
Sales	512.5	459.7	
EBIT margin	**6.8%**	**5.5%**	
Normalized EBIT margin	**6.0%**	**4.8%**	

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 June 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)	H1 2024	H1 2023	H1 2024/H1 2023
Net profit	**24.4**	**20.9**	**16.5%**
Other one off (income)/costs, net	(4.0)	(2.9)	
Normalized Net profit	**20.4**	**18.1**	**12.9%**
Sales	512.5	459.7	
Net profit margin	**4.8%**	**4.6%**	
Normalized Net profit margin	**4.0%**	**3.9%**	

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 June 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 June 2024. The Group uses capital expenditure as APM to ensure that the cash spending is in line with overall strategy of the Group.

DEFINITION AND RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES (APM)

ATLANTIC GRUPA

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 June 2024, as shown below:

(in EUR millions)	30 June 2024	31 Dec 2023
Non current borrowing	91.9	86.3
Non current lease liabilities	65.9	49.4
Current borrowings	84.7	73.4
Current lease liabilities	15.8	13.5
Derivative financial instruments, net	(0.7)	0.6
Cash and cash equivalents	(43.7)	(72.6)
Net debt	**213.9**	**150.7**
Normalized EBITDA*	93.9	82.4
Net debt/Normalized EBITDA	**2.3**	**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 June 2024. The current ratio is a liquidity ratio that measures the Group's ability to cover its short-term debt with its current assets.

in EUR million	30 June 2024	31 Dec 2023
Current assets	459.9	421.9
Current liabilities	357.3	297.6
Current ratio	**1.3**	**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 June 2024	31 Dec 2023
Net debt	213.9	150.7
Total equity	453.2	446.3
Gearing ratio	**32.1%**	**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 June 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	H1 2024	H1 2023
Normalized EBITDA	53.0	41.5
Total interest expense	4.5	2.2
Adjusted interest coverage ratio	**11.7**	**19.2**

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 June 2024.

in EUR million	H1 2024	H1 2023
Net cash flow from operating activities	18.1	10.5
Capex	26.5	15.9
Free cash flow	**(8.4)**	**(5.4)**

ATLANTIC GRUPA d.d.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024 (UNAUDITED)

ATLANTIC GRUPA d.d.

CONSOLIDATED INCOME STATEMENT

in thousands of EUR, unaudited	Jan - Jun 2024	Jan - Jun 2023	Index	Apr - Jun 2024	Apr - Jun 2023	Index
Revenues	**519,429**	**464,744**	**111.8**	**279,783**	**247,540**	**113.0**
Sales revenues	512,524	459,708	111.5	275,913	244,129	113.0
Other income	6,905	5,036	137.1	3,870	3,411	113.5
Operating expenses	**(484,400)**	**(439,669)**	**110.2**	**(259,252)**	**(233,925)**	**110.8**
Cost of trade goods sold	(147,144)	(130,984)	112.3	(78,580)	(73,476)	106.9
Change in inventories of finished goods and work in progress	(4,362)	2,468	n/a	(4,596)	3,256	n/a
Material and energy costs	(165,029)	(161,091)	102.4	(87,438)	(82,960)	105.4
Staff costs	(80,480)	(71,261)	112.9	(44,361)	(39,159)	113.3
Marketing and promotion expenses	(24,668)	(20,307)	121.5	(13,311)	(11,412)	116.6
Depreciation, amortization and impairment	(22,338)	(19,312)	115.7	(11,651)	(9,835)	118.5
Other operating costs	(42,131)	(41,373)	101.8	(21,181)	(22,638)	93.6
Other gains - net	1,752	2,191	80.0	1,866	2,299	81.2
Operating profit	**35,029**	**25,075**	**139.7**	**20,531**	**13,615**	**150.8**
Finance costs - net	(4,460)	(2,141)	208.3	(2,318)	(1,319)	175.7
Profit before tax	**30,569**	**22,934**	**133.3**	**18,213**	**12,296**	**148.1**
Income tax	(6,078)	(1,935)	314.1	(3,613)	(912)	396.2
Net profit for the period	**24,491**	**20,999**	**116.6**	**14,600**	**11,384**	**128.3**
Attributable to:						
Owners of the parent	24,376	20,931	116.5	14,517	11,374	127.6
Non-controlling interests	115	68	169.1	83	10	830.0
Earnings per share for profit attributable to the equity holders of the Company during the period (in EUR)						
- basic	1.84	1.57		1.10	0.85	
- diluted	1.84	1.57		1.10	0.85	

ATLANTIC GRUPA d.d.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in thousands of EUR, unaudited	Jan-Jun 2024	Jan-Jun 2023	Index	Apr-Jun 2024	Apr-Jun 2023	Index
Net profit for the period	**24,491**	**20,999**	**116.6**	**14,600**	**11,384**	**128.3**
Other comprehensive income:						
Items that may be subsequently reclassified to profit or loss						
Currency translation differences, net of tax	597	(806)	n/a	510	(292)	n/a
Cash flow hedges, net of tax	981	923	106.3	101	666	15.2
Total other comprehensive income for the period, net of tax	**1,578**	**117**	**1,348.7**	**611**	**374**	**163.4**
Total comprehensive income for the period	**26,069**	**21,116**	**123.5**	**15,211**	**11,758**	**129.4**
Attributable to:						
Equity holders of the Company	25,943	21,051	123.2	15,128	11,747	128.8
Non-controlling interests	126	65	193.8	83	11	754.5
Total comprehensive income for the period	26,069	21,116	123.5	15,211	11,758	129.4

ATLANTIC GRUPA d.d.

CONSOLIDATED BALANCE SHEET

in thousands of EUR, unaudited	30 June 2024	31 December 2023
ASSETS		
Non-current assets		
Property, plant, and equipment	196,764	174,963
Right-of-use assets	78,012	59,724
Investment property	11,321	15,796
Intangible assets	232,287	214,394
Deferred tax assets	6,277	5,527
Financial assets at fair value through other comprehensive income	142	161
Trade and other receivables	11,744	15,299
	536,547	485,864
Current assets		
Inventories	135,601	102,023
Trade and other receivables	267,947	237,553
Prepaid income tax	4,467	1,958
Derivative financial instruments	804	384
Cash and cash equivalents	43,659	72,553
	452,478	414,471
Assets held for sale	7,392	7,392
Total current assets	459,870	421,863
TOTAL ASSETS	**996,417**	**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	(4,186)	(2,510)
Reserves	(1,172)	(712)
Retained earnings	321,682	312,987
	451,992	445,223
Non-controlling interests	1,161	1,035
Total equity	**453,153**	**446,258**
Non-current liabilities		
Borrowings	91,875	86,338
Lease liabilities	65,884	49,368
Deferred tax liabilities	20,082	20,091
Other non-current liabilities	52	52
Provisions	8,083	8,070
	185,976	163,919
Current liabilities		
Trade and other payables	242,213	198,206
Borrowings	84,687	73,435
Lease liabilities	15,800	13,508
Derivative financial instruments	79	988
Current income tax liabilities	8,625	2,949
Provisions	5,884	8,464
	357,288	297,550
Total liabilities	**543,264**	**461,469**
TOTAL EQUTIY AND LIABILITIES	**996,417**	**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	(4,497)	295,680	424,138	1,028	425,166
Effect of currency conversion from HRK to EUR	-	39	(39)	-	-	-
Comprehensive income:						
Net profit for the period	-	-	20,931	20,931	68	20,999
Other comprehensive income/(loss)	-	120	-	120	(3)	117
Total comprehensive income	-	120	20,931	21,051	65	21,116
Transactions with owners:						
Share based payment	2,594	-	-	2,594	-	2,594
Purchase of treasury shares	(1,525)	-	-	(1,525)	-	(1,525)
Shares granted	-	(1,531)	-	(1,531)	-	(1,531)
Dividends	-	-	(13,308)	(13,308)	-	(13,308)
Balance at 30 June 2023	**134,024**	**(5,869)**	**303,264**	**431,419**	**1,093**	**432,512**
Balance at 1 January 2024	132,948	(712)	312,987	445,223	1,035	446,258
Comprehensive income:						
Net profit for the period	-	-	24,376	24,376	115	24,491
Other comprehensive income	-	1,567	-	1,567	11	1,578
Total comprehensive income	-	1,567	24,376	25,943	126	26,069
Transactions with owners:						
Share based payment	3,437	-	-	3,437	-	3,437
Purchase of treasury shares	(4,903)	-	-	(4,903)	-	(4,903)
Shares granted	-	(1,794)	-	(1,794)	-	(1,794)
Transfer	-	(233)	233	-	-	-
Dividends	-	-	(15,914)	(15,914)	-	(15,914)
Balance at 30 June 2024	**131,482**	**(1,172)**	**321,682**	**451,992**	**1,161**	**453,153**

ATLANTIC GRUPA d.d.

CONSOLIDATED CASH FLOW STATEMENT

in thousands of EUR, unaudited	January - June 2024	January - June 2023
Cash flow from operating activities		
Net profit for the period	**24,491**	**20,999**
Income tax	6,078	1,935
Depreciation, amortization, and impairment	22,338	19,312
Gain on sale of property, plant, and equipment and intangible assets	(274)	(3,137)
Provision for current assets and collection of previously impaired receivables - net	(3,201)	1,084
Foreign exchange differences - net	(59)	(18)
Decrease in provisions for risks and charges	(5,346)	(2,133)
Fair value gain on financial assets	(52)	(165)
Share based payment	3,437	2,594
Interest income	(788)	(105)
Interest expense	4,519	2,159
Other non-cash items - net	314	(422)
Changes in working capital:		
Increase in inventories	(27,906)	(29,429)
Increase in current receivables	(22,461)	(40,590)
Increase in trade and other payables	24,549	42,876
Cash generated from operations	**25,639**	**14,960**
Interest paid	(3,993)	(1,764)
Income tax paid	(3,554)	(2,660)
	18,092	**10,536**
Cash flow used in investing activities		
Purchase of property, plant and equipment and intangible assets	(26,522)	(15,895)
Proceeds from sale of property, plant, and equipment and intangible assets	794	2,228
Acquisition of subsidiaries and proceeds from sale of subsidiary - net of cash acquired/disposed	(35,332)	(777)
Loans granted and deposits placed	(454)	(2,107)
Repayments of loan and deposits placed	10,466	213
Acquisition of financial assets at fair value through OCI	(22)	-
Interest received	743	96
	(50,327)	**(16,242)**
Cash flow from financing activities		
Purchase of treasury shares	(4,903)	(1,525)
Proceeds from borrowings, net of fees paid	38,008	30,000
Repayment of borrowings	(21,784)	(12,225)
Principal elements of lease payments	(7,980)	(7,042)
	3,341	**9,208**
Net (decrease)/ increase in cash and cash equivalents	**(28,894)**	**3,502**
Cash and cash equivalents at beginning of period	72,553	58,987
Cash and cash equivalents at end of period	43,659	62,489

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 six-month period ended 30 June 2024 were approved by the Management Board of the Company in Zagreb on 24 July 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 six-month period ended 30 June 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 six-month period ended 30 June 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 six-month period ended 30 June 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

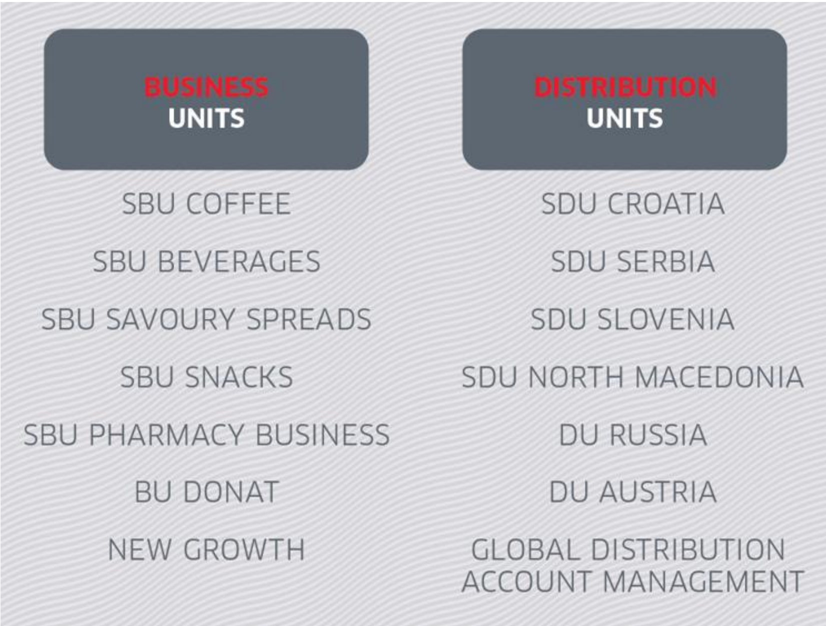
There were no changes in critical accounting estimates used for preparation of condensed consolidated financial statements for the six-month period ended 30 June 2024 comparing to those used for the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023.

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 six-month period ended 30 June 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 - Jun 2024**	**Jan - Jun 2023**
SBU Coffee	111,982	93,911
SBU Savoury Spreads	74,473	67,645
SBU Snacks	62,100	58,559
SBU Beverages	55,122	50,018
SBU Pharmacy business	45,964	42,113
BU Donat	17,905	18,755
SDU Croatia	123,635	113,125
SDU Serbia	117,114	108,648
SDU Slovenia	78,834	76,982
SDU North Macedonia	29,103	25,894
Other segments	47,416	40,805
Reconciliation	(251,124)	(236,747)
Total	**512,524**	**459,708**

* Comparative period has been adjusted to reflect current period reporting

NOTE 4 – SEGMENT INFORMATION (continued)

Business results	**EBITDA***	
(in thousands of EUR)	**Jan - Jun 2024**	**Jan – Jun 2023**
SBU Coffee	10,932	6,930
SBU Savoury Spreads	12,388	11,069
SBU Snacks	7,868	7,273
SBU Beverages	9,620	6,498
SBU Pharmacy business	6,040	5,136
BU Donat	8,711	8,800
SDU Croatia	7,499	6,504
SDU Serbia	5,121	4,331
SDU Slovenia	3,423	3,207
SDU North Macedonia	1,921	1,566
Other segments	(16,156)	(16,927)
Total	**57,367**	**44,387**

* 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*)	24,376	20,931
Weighted average number of ordinary shares in issue	13,273,435	13,296,318
Basic earnings per share *(in EUR)*	1.84	1.57

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 six-month period ended 30 June 2024, Group invested EUR 24,423 thousand in purchase of property, plant and equipment and intangible assets (2023: EUR 12,608 thousand).

NOTE 7 - INVENTORIES

During the six-month period ended 30 June 2024, the Group wrote down inventories in the amount of EUR 1,031 thousand due to damage and short expiry dates (2023: EUR 782 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 and at the 30 June 2024 dividend payable was stated in the balance sheet under “Trade and other payables” position.

NOTE 9 – FINANCE COSTS – NET

(in thousands of EUR)	**Jan - Jun 2024**	**Jan - Jun 2023**
Finance income		
Foreign exchange gains on borrowings and lease liabilities	71	35
	71	35
Finance costs		
Interest expense on bank borrowings	2,981	1,094
Interest expense on lease liabilities	1,280	792
Interest expense on bonds	190	190
Other interest expense	68	83
Total interest expense	4,519	2,159
Foreign exchange loss on borrowings and lease liabilities	12	17
	4,531	2,176
Finance costs - net	**4,460**	**2,141**

NOTE 10 – RELATED PARTY TRANSACTIONS

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

(in thousands of EUR)	**30 June 2024**	**31 December 2023**
RECEIVABLES		
Non-current trade and other receivables		
Other entities	755	534
Current trade and other receivables		
Other entities	20,189	13,355
LIABILITIES		
Trade and other payables		
Other entities	372	308

	Jan - Jun 2024	**Jan - Jun 2023**
REVENUES		
Sales revenues		
Other entities	48,190	43,628
Other income		
Other entities	26	12
EXPENSES		
Marketing and promotion costs		
Other entities	1,004	499
Other operating costs		
Other entities	180	135

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 10,594 thousand has been recognized.

Cash paid for acquisition of subsidiary
(in thousands of EUR)

Cash paid	38,612
Carrying value of net assets acquired	(28,018)
Provisional goodwill	**10,594**

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 14,824 thousand of revenues and EUR 1,017 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.

NOTE 12 - EVENTS AFTER THE REPORTING PERIOD

On July 16, 2024, as part of the ownership transformation of the company Fortenova grupa (ex Agrokor), on the basis of the Settlement concluded in the procedure of extraordinary administration over the company Agrokor d.d., the Group collected EUR 7,135 thousand of the border debt of Agrokor and the related interest in the amount of EUR 1,541 thousand. Consequently, at the end of the six-month period, the previously stated bad debt allowance in the balance sheet and other operating expenses in the income statement were reduced by the amount of EUR 4,422 thousand, while the interest income was booked in July, upon collection.

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 six-month period ended 30 June 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 June 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 six-month period ended 30 June 2024 were approved by the Management Board of the company Atlantic Grupa d.d. on 24 July 2024.

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

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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