FINANCIAL RESULTS

IN 2018

(audited)

Zagreb, 29th March 2019

INTRODUCTION
COMMENT OF THE PRESIDENT OF THE MANAGEMENT BOARD AND CEO

“Atlantic Grupa ended 2018 very successfully, both with respect to our business results and awards and recognitions received by the company itself and by our brands. In 2018, the historically highest sales revenue was recorded in all regional markets of Atlantic Grupa. Argeta, as the most international brand, became the absolute European leader, and we are especially proud of the exceptional results of the redesigned Cockta. At the same time, we continued to develop the distribution range through the distribution of new principals, but also through further investments in the existing principal brands.

In the capital market, Atlantic remains one of the most prominent shares and in 2018 we were listed on the Prime market of the Zagreb Stock Exchange as the first issuer. In 2018, Atlantic Grupa won the first award for best investor relations, organised by Poslovni dnevnik and Zagreb Stock Exchange, as the recognition from the investor community for the high level of communication and transparency of investor relations. In 2018, Atlantic Grupa also won the Zagreb Stock Exchange award for the stock with the highest price increase, which is reflected in the historically highest level of market capitalization since Atlantic’s share is traded on the ZSE.

An important strategic determinant of Atlantic Grupa is disinvestment of “non-core” business operations, and in 2018 we concluded the sale agreement for Neva, the leading Croatian cosmetics manufacturer.

Strong cash flow from operating activities enabled us to continue deleveraging, which led to further decrease in finance costs, and the significant profitability growth provides a strong basis for future growth. We enter 2019 with firm financial position, the lowest net debt to EBITDA ratio since the acquisition of Droga Kolinska and strong market shares of our brands. We continue to focus on key own brands and strengthening of the distribution portfolio, on further strengthening of the consumer orientation culture and the implementation of various digital solutions.”, Emil Tedeschi, CEO, pointed out.

ATLANTIC GRUPA

RESULTS IN LINE WITH EXPECTATIONS COUPLED WITH STRONG PROFITABILITY GROWTH

- **SALES** AT HRK 5,255.5 MILLION
  + **0.3%** compared to 2017
  + **4.2%** compared to 2017 if the effect of the sold service production for third parties is excluded

- EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTISATION (**EBITDA**) AT HRK 545.9 MILLION, EXCLUDING ONE-OFF ITEMS HRK 565.6 MILLION
  - 6.2% compared to 2017
  + 9.3% compared to 2017 excluding one-off items*

- EARNINGS BEFORE INTEREST AND TAXES (**EBIT**) AT HRK 366.8 MILLION, EXCLUDING ONE-OFF ITEMS HRK 386.5 MILLION
  - 9.8% compared to 2017
  + 13.1% compared to 2017 excluding one-off items*

- **NET PROFIT** AFTER MINORITIES AT HRK 244.0 MILLION, EXCLUDING ONE-OFF ITEMS HRK 261.5 MILLION
  - 11.5% compared to 2017
  +24.1% compared to 2017 excluding one-off items*

FINANCIAL SUMMARY OF 2018

Key figures	2018	2017	2018/2017
Sales (in HRK million)	**5.255,5**	5.238,2	0,3%
Turnover (in HRK million)	**5.330,6**	5.303,4	0,5%
Normalised EBITDA margin*	**10,8%**	9,9%	+89 bb
Normalised net income after minorities (in HRK million)	**261,5**	210,7	24,1%
Gearing ratio**	**26,5%**	34,5%	- 805 bb

* Net negative effect of one-off items in 2018 amounts to HRK 19.7 million on EBITDA and EBIT level (HRK 17.5m on Net profit level), and it includes profit from the sale of the company Neva and provisions for legal claim related to Neva. In 2017, one-off profit of HRK 64.9 million was recorded, following the sale of factories in the sports and functional food segment and the related service production for third parties.
** Gearing ratio = Net debt / (Total equity + Net debt)
** Condensed consolidated financial statements have been prepared on the basis of the same accounting policies, presentations and calculation methods that were used in the preparation of annual consolidated financial statements of Atlantic Grupa as at 31 December 2017, other than adopted new standards effective for the periods beginning on or after 1 January 2018 The Group applies, for the first time, IFRS 15 Revenues from Contracts with Customers that requires restatement of comparative data. IFRS 15 supersedes IAS 11 Construction Contracts, IAS 18 Revenue and related Interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. The Group adopted IFRS 15 using the full retrospective method of adoption.

1. YEAR OF RECORDS

Atlantic Grupa will remember 2018 as the year of records with respect to results on the Zagreb Stock Exchange and to business and financial results.

In 2018, Atlantic Grupa's share records the highest price since listing on the Zagreb Stock Exchange in November 2007, which is reflected in the historically highest market capitalization of HRK 3,868 million (at the end of 2018). The annual growth of as much as 34.6% received the award for the stock with the highest price increase in 2018 at the Zagreb Stock Exchange award ceremony.

In 2018, the historically highest sales revenue was recorded in all regional markets of Atlantic Grupa. Among financial results, the continuous decrease in financial debt over years should be noted. Consequently, in 2018, the net debt to EBITDA ratio of 1.5 was recorded, which is the lowest ratio since the acquisition of Droga Kolinska in 2010. The deleveraging is enabled by business operations on a solid basis, which is also reflected in the historically highest amount of cash generated through operations of HRK 634 million.

2. SAVOURY SPREAD ARGETA BECAME NUMBER ONE IN EUROPE

Savoury spread Argeta, which has already been number one brand on the markets of Bosnia and Herzegovina, Austria, Switzerland, Montenegro, Kosovo, Slovenia and Croatia and number two on the market of Serbia, due to its perfected recipe and customer relations recorded a double-digit growth in 2018 and became the spread number one in Europe, according to Nielsen market research agency. Argeta, the brand present in 28 countries, thereby confirmed that it has high-quality products to the taste of customers across Europe and confirmed its strong presence beyond the region as well. An additional impact to the Argeta's growth came from continuous investments in the recipe, adapted to local tastes and preferences.

3. EXCELLENT RESULTS OF NEW COCKTA

Due to the refreshed recipe and its new visual identity and successful marketing campaign, the soft drink Cockta recorded exceptional results in the HoReCa segment, with sales in 2018, depending on the market, growing from 39 to 76% compared to 2017. Overall sales results in the HoReca segment are thus as much as 47% better than last year.

The new, modern design, blue colour reminding of "old" times and the new slogan of Cockta are well received by all consumer categories. The original recipe including extracts of herbs, rosehip, lemon and caramel was improved by additional herbal extracts. Artificial aromas were replaced by natural ones, while Cockta's original flavour has remained unchanged for 65 years. The top quality of Cockta was confirmed in 2018 at The International Taste & Quality Institute (iTQi) in Brussels, where Cockta won the Superior Taste Award – Golden Star.

4. REORGANISATION OF DISTRIBUTION AND NEW DISTRIBUTION CONTRACTS

From the beginning of 2018, the entire distribution operations have been reorganised into one single area. The markets within the distribution area where Atlantic Grupa provides complete distribution service are SDU Croatia, SDU Serbia, SDU Slovenia, DU Macedonia and DU Austria, while the markets which we dominantly manage through our distribution partners have been grouped into a single distribution area, Global Distribution Account Management.

The Business Unit Baby Food as an additional program is a part of the Strategic Business Unit Pharma and Personal Care. Components of the Strategic Distribution Region HoReCa have been merged with the existing distribution organisations. In addition, from the beginning of 2019, the Business Unit Gourmet has been merged with the Strategic Business Unit Savoury Spreads, resulting in synergy in further market expansion, innovation and portfolio development.

Continuing to expand its distribution portfolio in line with expectations and announcements, in the first quarter of 2018 Atlantic Grupa began the distribution of the entire Mars portfolio on the Croatian market, and the distribution of Red Bull on the Serbian market began in April 2018 In 2019, the distribution of the HIPP principal's products for the Macedonian market was started, following many years of successful distribution on the markets of Croatia and Slovenia.

5. SIGNED SALE AGREEMENT FOR THE COMPANY NEVA

In July 2018, Atlantic Grupa and the company Magdis from Zagreb signed an agreement to sell the company Neva, the largest cosmetics manufacturer in Croatia, with famous brands Rosal, Plidenta and Melem. Magdis is a renowned manufacturer of the Biobaza cosmetic line, pharmaceutical and medical raw materials and products. By expanding the production capacities and portfolio, it becomes an important player in the Croatian and regional markets of cosmetic products. Magdis took over the Neva's production plant in Rakitje and the entire company's portfolio with 52 employees. After the finalisation of the transaction, Atlantic Grupa remains the distributor of the Neva's products portfolio. In 2017, Neva's revenues amounted to approximately HRK 60 million, while earnings before interest, taxes, depreciation and amortisation (EBITDA) amounted to HRK 4.4 million. In addition to one-profit from the sale of Neva, in the results for 2018, Atlantic Grupa recorded provisions for legal claim related to Neva, and net negative effect of one-off items amounts to HRK 19.7 million.

Thus Atlantic Grupa continues to implement its strategic programme of disinvesting "non-core" minor business operations including the cosmetics programme, finding a perfect partner in the company Magdis which shares common values, the desire for further growth and development of renowned Croatian cosmetic brands. The synergy effects of the two companies will create a new space for growth in the domestic market as well as positioning for growth in the region.

6. IMPACT OF THE SALE OF SERVICE PRODUCTION FOR THIRD PARTIES

For the purpose of further restructuring and simplifying the operations of the sports and functional food segment and focus on own brands and the expansion of principal brands distribution, at the end of October 2017 Atlantic Grupa sold the factories in Germany (Bleckede) and Croatia (Nova Gradiška) and the related service production for third parties (private label) to the Belgian company Aminolabs Group. Revenue from the service production for third parties in 2017 amounted to approximately HRK 194 million. This transaction resulted in one-off profit of HRK 64.9 million.

7. ATLANTIC GRUPA THE FIRST ISSUER ON THE ZSE PRIME MARKET

Atlantic Grupa is the first issuer on the Zagreb Stock Exchange to meet very demanding Stock Exchange criteria and it was listed on the Stock Exchange Prime market, representing the most demanding market segment in terms of criteria set for the issuer, especially with respect to transparency and corporate governance. Atlantic Grupa was among the first to adopt the Corporate Governance Code, and later the Code of Ethics in Management, setting from the very beginning the highest business and reporting standards. Also, Atlantic Grupa was among the first to use innovative financing models by launching corporate bonds and to use mezzanine financing. By this move, we set new standards and provide our investors with the highest level of information required to make investment decisions.

8. SETTLEMENT OF AGROKOR GROUP CREDITORS CONFIRMED

Following the signing of the Settlement term sheet on all key structural elements of the settlement at the beginning of April, in June 2018 members of the Temporary Creditors' Council unanimously accepted the settlement plan between the debtors and all creditors. At the hearing held on 4th July 2018, the settlement plan of Agrokor's creditors was voted in favour by 80.2 percent of total claims. On 6th July the Commercial Court in Zagreb adopted the ruling confirming the settlement plan between the creditors and the extraordinary administration of Agrokor. On 26th October 2018, the High Commercial Court confirmed the settlement plan, whereby it has become effective.

According to the agreement with suppliers on the settlement of the so-called border debt, if Konzum realises four-year planned EBITDA, Atlantic Grupa will collect all the remaining receivables from Agrokor Group members from the period prior to the initiation of the extraordinary administration proceedings, amounting to approximately HRK 60 million. Since at the moment it is not possible to assess with certainty the feasibility of the plans, we provided the amount of HRK 30 million for the risk of non-realisation of plans, of which HRK 15 million is recorded in results for 2018

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ATLANTIC GRUPA

SALES PROFILE BY STRATEGIC BUSINESS UNITS AND STRATEGIC DISTRIBUTION UNITS

(HRK million)	2018	2017	2018 / 2017
SBU Coffee	**1.123,6**	1.085,7	3,5%
SBU Beverages	**711,1**	661,2	7,5%
SBU (Sweet and Salted) Snacks	**687,6**	665,7	3,3%
SBU Pharma and Personal Care	**648,0**	687,2	(5,7%)
SBU Savoury Spreads	**638,8**	568,6	12,4%
SBU Sports and Functional Food	**133,7**	400,8	(66,6%)
From which private label production	**0,3**	193,9	(99,8%)
SDU Croatia	**1.265,3**	1.125,9	12,4%
SDU Serbia	**1.253,4**	1.190,6	5,3%
SDU Slovenia	**907,9**	872,3	4,1%
Global distribution network management	**370,6**	398,6	(7,0%)
Other segments*	**333,3**	311,3	7,1%
Reconciliation**	**(2.817,8)**	(2.729,6)	n/p
Sales	**5.255,5**	**5.238,2**	**0,3%**

Comparative period has been adjusted to reflect current period reporting.

In 2018, Atlantic Grupa recorded sales of HRK 5.3 billion. The sales recorded an organic growth of 4.2% compared to the same period of the previous year, while lower nominal growth of 0.3% is the result of last-year's sale of sports food production plants in Germany and Croatia to the Belgian partner and the absence of the related service production income. The revenue growth is recoded in most business and distribution units due to excellent results of the majority of own and principal brands.

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, Strategic Distribution Regions and Distribution Units include both sales of external principals' products and sales of own products. Comparative period has been adjusted to reflect current period reporting.

* Other segments include DU Austria, DU Macedonia, BU Gourmet and business activities not allocated to business and distribution units (headquarters and support functions in Serbia, Slovenia, Bosnia and Herzegovina and Macedonia) which are excluded from the reportable operating segments.

**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 DYNAMICS IN 2018

The STRATEGIC BUSINESS UNIT COFFEE continues to record great results due to the increase in sales on all markets. The growth was led by the markets of Serbia, Slovenia, Croatia, Macedonia and Austria. Analyzed by categories, the growth was recorded by roast and ground coffee as the most significant category, and espresso coffee that continues to record a double-digit growth. All three brands in the roast and ground coffee segment, Barcaffè, Grand kafa and Bonito, contributed to the growth. Instant roast and ground coffee Black'n'Easy recorded a 19% growth compared to the previous year. Promising results are also recorded by the new category of coffee machine capsules. Key innovation in 2018 was brought by Barcaffè D.O.T. capsule line that launched the Barcaffè roast and ground coffee capsule as the first capsule in Europe that gives the opportunity to consume roast and ground coffee. The increase in sales is realised in addition to retaining high market shares in the roast and ground coffee segment. Our brands in Serbia represent 5 of 10 cups of coffee consumed, in Slovenia 8 of 10 cups consumed, while in Croatia Barcaffè holds the second place*.

The STRATEGIC BUSINESS UNIT BEVERAGES recorded a significant revenue growth in all major markets, with the highest increase recorded in the markets of Croatia, Slovenia, Serbia and Bosnia and Herzegovina. Among markets outside the region, a significant contribution came from the Russian, Italian and Austrian markets. The growth is recorded in all categories and in both sales channels, retail and HoReCa. Higher sales were recorded by all brands, led by the vitamin instant drink Cedevita, functional drink Donat Mg, visually refreshed Cockta with a new recipe, and waters under the Kala and Kalnička brands. Natural mineral water Donat Mg celebrated its 110th anniversary in 2018 To mark this jubilee, Atlantic Grupa in cooperation with the Post of Slovenia issued a custom-made postage stamp. This way Donat Mg is one of rare brands in the regional market and beyond that has been depicted on a postage stamp.

The STRATEGIC BUSINESS UNIT SNACKS recorded growth primarily due to the increase in sales in the Serbian market, which brings almost two thirds of revenues to this business unit. The growth was also recorded in other markets such as Slovenia, Montenegro and Bosnia and Herzegovina. In the sweets segment, the biggest growth was recorded by chocolates under the Najlepše želje and Bananica brands (which celebrated its 80th anniversary) and wafers, while in the salty segment growth was recorded by Prima salty sticks and flips under the Smoki brand. During 2018, 124 new products were launched, of which 17 with completely new recipes. Most innovation was made in the chocolate, flips and biscuits categories.

The STRATEGIC BUSINESS UNIT PHARMA AND PERSONAL CARE recorded a decrease in sales primarily in the Russian market, as a consequence of the decrease in sales of baby food under the Bebi brand, which is a part of this business unit from the beginning of 2018 The decrease in sales was also largely impacted by the significant depreciation of the ruble (the decrease in average ruble exchange rate of 13% compared to the previous year). The revenue decrease was partly compensated by the increase in sales recorded in the most significant market – Croatian, due to a significant revenue growth of the pharmacy chain Farmacia. If the effect of the baby food sales decrease is excluded, the sales grew by 2.2%.

The double-digit sales growth of the STRATEGIC BUSINESS UNIT SAVOURY SPREADS is a result of the increase in sales of products under the Argeta brand in all regional markets and of the increase in sales in the significant Western European markets (Germany, Austria, Switzerland and Sweden) and in the United States of America. After the markets of Bosnia and Herzegovina, Austria, Switzerland, Montenegro, Kosovo and Slovenia, as of August 2018 Argeta also holds the leading position in the value share on the market of Croatia**.

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* SKU Performance Monitor, AC Nielsen, October-November 2018
** SKU Performance Monitor, AC Nielsen, August-November 201

In the savoury spreads segment, the growth was recorded by meat and fish segments and vegetable spreads launched to the Slovenian market this year and already holding over 12%* of the category. By increasing sales and strengthening market shares on all markets, this year Argeta became meat savoury spread number one in Europe.**

The expected decrease in sales of the STRATEGIC BUSINESS UNIT SPORTS AND FUNCTIONAL FOOD was largely caused by the sale of service production for third parties to the Belgian company Aminolabs but also by lower sales of own brands, primarily Multipower, and partly by changed methods of distribution. The most significant decrease was recorded in the German market, which makes two thirds of revenues of this business unit, and in the markets of the United Kingdom and Italy.

The STRATEGIC DISTRIBUTION UNIT CROATIA recorded a sales growth following the growth of both own and principal brands. Own brands recorded growth in all product categories, led by Argeta from the savoury spreads segment, Barcaffè from the coffee segment (roast and ground coffee and espresso), Cedevita from the vitamin instant drinks segment, redesigned Cockta and Kala and Kalnička in the waters segment. Among principal brands, the biggest growth was recorded by Philips, SAB Miller, Ferrero and the new principal Mars. Sales growth of 9% was also recorded by the HoReCa channel, due to great sales of the redesigned Cockta, but also due to the growth in sales of principal and own brands led by Cedevita, Barcaffè espresso and Kala.

The increase in sales of the STRATEGIC DISTRIBUTION UNIT SERBIA is recorded due to the increase in sales of own and principal brands, but also to the positive effect of the strengthening of the Serbian dinar. The growth of own brands is recorded in almost all sales categories, led by roast and ground coffee under the Grand kafa and Bonito brands, instant roast and ground coffee Black'n'Easy, Najlepše želje, Smoki, Bananica and Sweet brands from the snacks segment, Argeta from the savoury spreads segment, Cedevita and Donat Mg from the beverages segment and Granny's Secret from the gourmet segment. The HoReCa channel recorded an exceptional 35% growth, mainly due to the increase in sales of the redesigned Cockta, Cedevita, Barcaffè espresso and the new principal Red Bull.

The growth in sales of the STRATEGIC DISTRIBUTION UNIT SLOVENIA is based on the increase in sales of all product categories, led, among own brands, by savoury spreads under the Argeta brand, roast and ground coffee under the Barcaffè brand, vitamin instant drink under the Cedevita brand and functional water under the Donat Mg brand. Among principal brands, the biggest growth is recorded by Ferrero and Rauch. HoReCa segment continues to record double-digit growth rates, primarily due to the success of the redesigned Cockta with new recipe, good results of espresso coffee under the Barcaffè brand and vitamin instant drinks under the Cedevita brand.

GLOBAL DISTRIBUTION ACCOUNT MANAGEMENT recorded a decrease in sales primarily in the Russian market caused by the decrease in sales of baby food under the Bebi brand, partly compensated by the sales increase in the markets of the United States of America, Germany, Italy and Switzerland. If the effect of the decrease in the baby food segment is excluded, the sales grew 9.0%.

OTHER SEGMENTS record an increase in sales following the increase in sales in all three segments (DU Macedonia, BU Gourmet and DU Austria).

* SKU Performance Monitor, AC Nielsen, November 2018

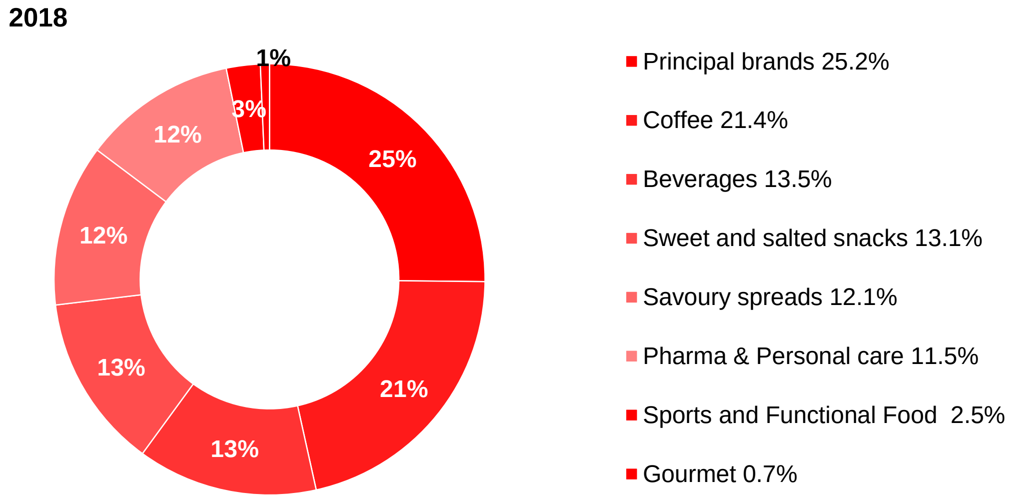
** SKU Performance Monitor, AC Nielsen, June-July 2018

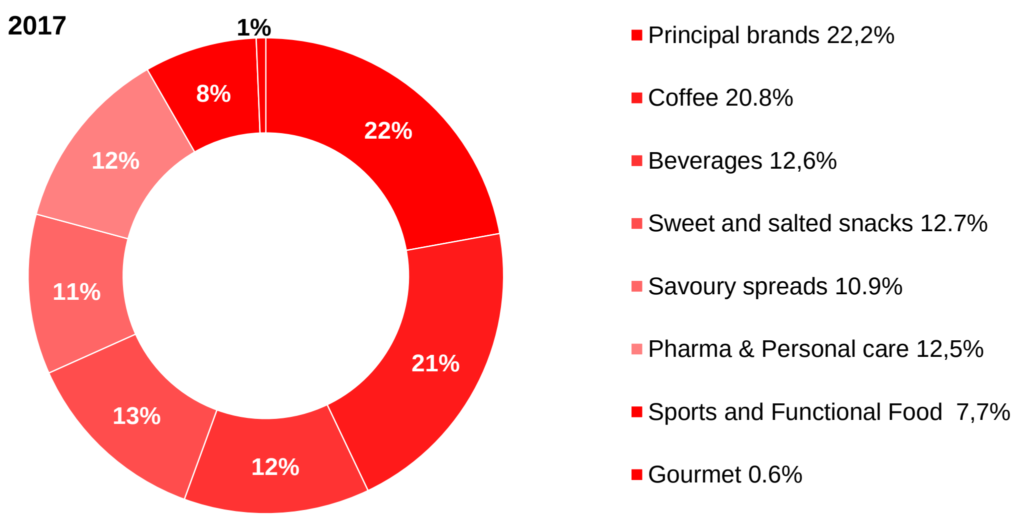
The DISTRIBUTION UNIT MACEDONIA recorded a 5.5% sales growth due to the growth of own and principal brands. Among own brands, Argeta in the savoury spreads segment and Grand kafa in the roast and ground coffee segment stand out, while among principal brands, the most significant growth continues to be recorded by Fererro. HoReCa channel recorded a 4.7% sales growth on the back of better sales results of Barcaffè espresso, new Cockta and Cedevita.

The DISTRIBUTION UNIT AUSTRIA recorded a 12.4% sales growth, with the growth of majority of own brands in the retail channel, led by Argeta, coffee, beverages and products from the snacks portfolio.

The BUSINESS UNIT GOURMET recorded a 6.0% sales growth mainly due to good results recorded in regional markets (primarily Serbia and Croatia) and in the market of the United States of America. The growth was recorded primarily due to the *ajvar* category and new premium jams with honey.

SALES PROFILE BY SEGMENTS





ATLANTIC GRUPA

SALES PROFILE BY MARKETS

(HRK million)	2018	% of Sales	2017	% of Sales	2018/2017
Croatia	**1.735,7**	33,0%	1.566,1	29,9%	10,8%
Serbia	**1.275,4**	24,3%	1.210,3	23,1%	5,4%
Slovenia	**908,7**	17,3%	873,1	16,7%	4,1%
Bosnia and Herzegovina	**421,7**	8,0%	409,6	7,8%	2,9%
Other regional markets*	**351,9**	6,7%	334,8	6,4%	5,1%
Key European markets**	**275,2**	5,2%	424,6	8,1%	(35,2%)
Russia and CIS	**178,3**	3,4%	229,4	4,4%	(22,3%)
Other markets	**108,6**	2,1%	190,3	3,6%	(42,9%)
Total sales	**5.255,5**	100,0%	5.238,2	100,0%	0,3%

*Other regional markets: Macedonia, Montenegro, Kosovo

**Key European markets: Germany, Switzerland, Austria, Sweden

Comparative period has been adjusted to reflect current period reporting.

The MARKET OF CROATIA recorded a 10.8% sales growth due to the increase in sales of: (i) the pharmacy chain Farmacia, (ii) own brands, with growth recorded by all brands from the beverages segment (primarily Cedevita, Kala, Cockta in the HoReCa channel), Argeta in the savoury spreads segment, Barcaffè in the coffee segment, and (iii) external principals, among which the biggest growth was recorded by Philips, Ferrero, SAB Miller, Duracell and the new principal Mars.

The MARKET OF SERBIA recorded a 5.4% sales growth following the good sales results of own brands, arising from the increase in sales of: (i) roast and ground coffee under the Bonito and Grand kafa brands, espresso coffee under the Barcaffè brand and instant roast and ground coffee under the Black'n'Easy brand, (ii) Najlepše želje, Smoki, Bananica and Sweet in the snacks segment, (iii) Argeta in the savoury spreads segment, (iv) Cedevita, Cockta and Donat Mg in the beverages segment, and (v) Granny's Secret in the gourmet segment. Among principal brands, the most significant growth was recorded by Rauch and Beam Suntory, and the new principal Red Bull also contributed to the sales growth.

The increase in sales of 4.1% in the MARKET OF SLOVENIA was recorded following: (i) the increase in sales of Cockta, Cedevita and Donat Mg in the beverages category, (ii) the increase in sales of Argeta in the savoury spreads category, (iii) the increase in sales of coffee under the Barcaffè brand, and (iv) the increase in sales of principal brands Ferrero and Rauch.

The 2.9% increase in sales in the MARKET OF BOSNIA AND HERZEGOVINA was recorded due to the increase in sales of: (i) savoury spreads under the Argeta brand, (ii) Cockta and vitamin instant drinks under the Cedevita brand, and (iii) espresso coffee under the Barcaffè brand.

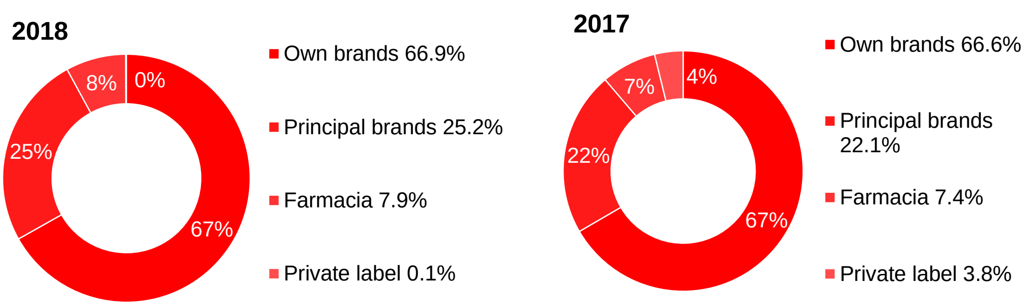
The increase in sales of 5.1% in OTHER REGIONAL MARKETS was recorded primarily due to the increase in sales in the markets of Macedonia and Montenegro.

A significant decrease in sales in KEY EUROPEAN MARKETS is a result of the decrease in sales in all markets except Austria, caused by lower sales of the sport and function food segment. If we exclude the effect of the decrease in the sports and functional food segment, sales grew by 19.5%.

The decrease in sales in the MARKET OF RUSSIA AND THE COMMONWEALTH OF INDEPENDENT STATES was primarily caused by the decrease in sales of baby food under the Bebi brand, partly compensated for by the increase in sales of the functional drink Donat Mg and savoury spreads under the Argeta brand.

OTHER MARKETS record a significant sales decrease due to the drop in sales in the sports and functional food segment. If we exclude the effect of the decrease in the sports and functional food segment, sales grew by 6.0%.

SALES PROFILE BY PRODUCT CATEGORY



In 2018, OWN BRANDS recorded sales of HRK 3,513.7 million, which is a 0.7% growth compared to 2017 The growth was recorded by almost all business segments, and the greatest contribution was made by: (i) Argeta in the savoury spreads segment, (ii) Cedevita, Donat Mg and Cockta in the beverages segment, (iii) Barcaffè, Grand and Bonito in the coffee segment, and (iv) Najlepše želje, Smoki, Bananica and Prima salty sticks in the snacks segment. The decrease in sales was recorded by brands from the sports and functional food portfolio and baby food under the Bebi brand. If we exclude the effect of the decrease in own brands from the sports and functional food segment and baby food, the revenue increased by 4.4%.

With HRK 1,323.9 million, PRINCIPAL BRANDS recorded an increase in sales of 14.3%. The growth is mainly based on the increase in sales of principals Ferrero, Rauch, SAB Miller and Philips, and the sales of products from the portfolio of new principals Mars and Red Bull.

The pharmacy chain FARMACIA recorded sales of HRK 413.1 million, which is a 6.2% growth compared to 2017, due to the increase in sales of the existing Farmacia locations and a newly-opened specialised store. In 2018, Farmacia consists of 85 pharmacies and specialised stores. In 2018, the Farmacia chain marked its 10th anniversary and 85 locations marked this jubilee by special activities and events for patients and customers: by combining traditional public health actions and sports, nutritional and beauty counselling across Croatia.

With sales of HRK 4.8 million, PRIVATE LABELS recorded a 97.6% decrease in sales, following the disinvestment of service production in the sports and functional food segment at the end of October 2017, which had accounted for the largest portion of the overall production of private labels, and in smaller part by disinvestment of Neva.

PROFITABILITY DYNAMICS

(HRK million)	2018	2017	2018/ 2017
Sales	**5.255,5**	5.238,2	0,3%
EBITDA	**545,9**	582,2	(6,2%)
Normalised EBITDA	**565,6**	517,4	9,3%
EBIT	**366,8**	406,5	(9,8%)
Normalised EBIT	**386,5**	341,6	13,1%
Net profit	**244,2**	276,2	(11,6%)
Normalised Net profit	**261,7**	211,4	23,8%
Profitability margins			
EBITDA margin	**10,4%**	11,1%	-73 bb
Normalised EBITDA margin	**10,8%**	9,9%	+89 bb
EBIT margin	**7,0%**	7,8%	-78 bb
Normalised EBIT margin	**7,4%**	6,5%	+83 bb
Net profit margin	**4,6%**	5,3%	-63 bb
Normalised Net profit margin	**5,0%**	4,0%	+94 bb

Earnings before interest, taxes, depreciation and amortisation (**EBITDA**) adjusted for one-off items amounts to HRK 565.6 million and is 9.3% higher compared to the previous year. One-off items relate to the following:

- In 2018, normalised EBITDA was increased by HRK 19.7 million of net effects from Neva, related to the one-off profit from the sale of Neva and provision for legal claim related to Neva.
- In 2017, normalised EBITDA was decreased by HRK 64.9 of one-off profit from the sale of factories in the sports and functional food segment.

The increase in EBITDA was mainly impacted by higher sales in most business units, lower costs of production materials and lower operating expenses, despite the increase in cost of goods sold and higher investments in marketing.

Normalised net profit increased following the increase in EBIT and lower tax expense, while finance cost is at the same level as in the previous year, despite significantly lower interest expense due to lower foreign exchange gains.

OPERATING EXPENSES STRUCTURE

(HRK million)	2018	% of Sales	2017	% of Sales	2018/2017
Cost of goods sold	**1.505,8**	28,7%	1.317,4	25,1%	14,3%
Change in inventory	**13,2**	0,3%	6,6	0,1%	n/a
Production materials	**1.392,4**	26,5%	1.635,5	31,2%	(14,9%)
Energy	**58,3**	1,1%	57,8	1,1%	0,9%
Services	**412,5**	7,8%	409,5	7,8%	0,7%
Staff costs	**843,0**	16,0%	828,5	15,8%	1,7%
Marketing and selling expenses	**338,3**	6,4%	309,5	5,9%	9,3%
Other operating expenses	**208,2**	4,0%	221,2	4,2%	(5,9%)
Other (gains)/losses, net	**13,1**	0,2%	-64,9	(1,2%)	n/a
Depreciation and amortisation	**179,1**	3,4%	175,8	3,4%	1,9%
Total operating expenses	**4.963,9**	**94,5%**	**4.897,0**	**93,5%**	**1,4%**

The increase in cost of goods sold of 14.3% is a consequence of the product mix, i.e. higher sales of principal brands and transferring the production in the sports and functional food segment to a service partner, following the mentioned sale of two factories in Germany and Croatia.

Costs of production materials are 14.9% lower, as a result of the above mentioned production transfer and lower prices of raw materials, primarily raw coffee, sugar and cocoa.

Costs of services are slightly higher, and the increase in costs of transport and logistics services in Croatia was largely compensated by lower services following the restructuring of the sports and functional food segment.

Staff costs increased due to a larger number of employees caused by the sales growth, and partly due to payments of additional rewards to our employees following excellent business results. As at 31st December 2018, Atlantic Grupa had 5,354 employees, 86 employees more than at the end of 2017

Marketing expenses increased by 9.3%, primarily due to higher investments in marketing in the beverages, coffee, savoury spreads and snacks segments.

Other operating expenses decreased mainly due to restructuring of the sports and functional food segment and better collection control in the market of Russia compared to 2017

Other (gains)/losses – net: mainly relate to the previously described one-off items.

OPERATING RESULT OF STRATEGIC BUSINESS UNITS AND STRATEGIC DISTRIBUTION UNITS

(HRK million)	2018	2017	2018/2017
SBU Coffee	**259,9**	210,2	23,6%
SBU Beverages	**170,6**	161,6	5,5%
SBU (Sweet and Salted) Snacks	**131,2**	119,9	9,4%
SBU Pharma and Personal Care	**44,8**	68,0	(34,1%)
SBU Savoury Spreads	**147,0**	131,1	12,1%
SBU Sports and Functional Food	**(64,3)**	(58,8)	(9,2%)
SDU Serbia	**31,0**	27,7	12,1%
SDU Croatia	**31,1**	27,9	11,3%
DU Slovenia	**52,2**	48,8	6,9%
Global Distribution Network Management	**14,8**	12,0	22,6%
Other segments*	**(272,3)**	(166,2)	(63,8%)
Group EBITDA	**545,9**	**582,2**	**(6,2%)**

SBU Coffee: significant profitability growth follows the increase in sales and lower costs of raw coffee, despite higher investments in marketing.

SBU Beverages: profitability growth mainly arises from the revenue increase and higher gross profit margin, despite higher investments in marketing.

SBU Snacks: the increase in profitability is a consequence of the increase in sales revenue coupled with lower prices of production materials and consequently better gross profit margin, despite higher investments in marketing and higher staff costs.

SBU Pharma and Personal Care: despite very good business results and the increase in profitability of the pharmacy chain Farmacia, the decrease in profitability is the result of the decrease in sales revenue and profitability of the baby food brand Bebi and the Multivita segment in Russia.

SBU Savoury Spreads: profitability growth was recorded following a significant revenue growth and higher gross profit margin, despite higher investments in marketing and higher staff costs.

Comparative period has been adjusted to reflect current period reporting.

* Other segments include DU Macedonia, DU Austria, BU Gourmet and business activities not allocated to business and distribution units (headquarters and support functions in Serbia, Slovenia, Bosnia and Herzegovina and Macedonia) which are excluded from the reportable operating segments.

SBU Sports and Functional Food: the increase in loss is a result of the decrease in sales revenue and the restructuring process this segment is subjected to.

SDU Serbia: profitability growth as a consequence of the sales growth in retail and HoReCa segments.

SDU Croatia: profitability growth as a consequence of the significant increase in sales and increase in distribution efficiency coupled with optimum cost management.

SDU Slovenia: profitability growth as a result of an increase in sales and good cost control.

Global Distribution Account Management: despite the decrease in sales, primarily caused by the decrease in revenue from baby food under the Bebi brand in the Russian market, improvement in profitability is a result of lower staff costs and costs of services and lower other operating expenses.

Other segments with DU Macedonia, BU Gourmet and DU Austria, include costs of corporate functions and support services, but also the previously described one-off items that are also the main reason for negative movements. The DU Macedonia records a profitability growth following the increase in sales, despite higher staff costs. The increase in loss of the BU Gourmet is a result of lower gross profit margin. The DU Austria records a profitability decrease due to slightly higher costs of services.

FINANCIAL INDICATORS
IN 2018

FINANCIAL INDICATORS

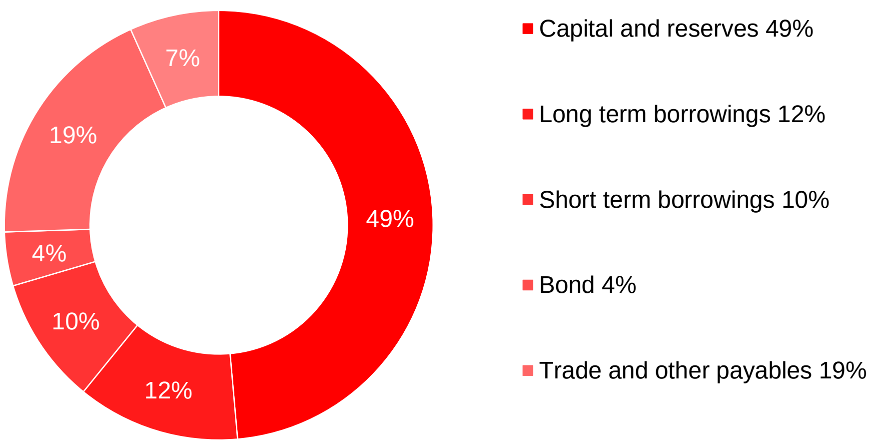
(HRK millions)	2018	2017
Net debt	**862,9**	1.185,4
Total assets	**4.935,3**	5.168,9
Total Equity	**2.398,4**	2.249,9
Current ratio	**1,44**	1,46
Gearing ratio	**26,5%**	34,5%
Net debt/EBITDA	**1,5**	2,3
Interest coverage ratio	**11,3**	8,8
Capital expenditure	**140,6**	129,2
Cash flow from operating activities	**462,1**	346,3

Comparative period has been adjusted to reflect current period reporting.
*Excluding one-off items

Among the key determinants of the Atlantic Grupa's financial position in 2018, the following should be pointed out:

- Due to the decrease in net debt of HRK 322.5 million compared to the end of 2017, the gearing ratio decreased by as much as 805 basis points.
- The debt measured as the net debt to normalised EBITDA ratio dropped from 2.3 at the end of 2017 to 1.5 at the end of 2018
- At the same time, the coverage of interest expense by normalised EBITDA in the comparative period increased from 8.8 times in 2017 to 11.3 times.
- In addition to the continuous improvement in the Group's financial position, the stability of operations is best reflected in the increase in cash flow from operating activities of HRK 115.8 million to HRK 462.1 million in 2018.

EQUITY AND LIABILITIES STRUCTURE AS AT 31 DECEMBER 2018



OVERVIEW OF KEY ITEMS IN THE CONSOLIDATED CASH FLOW STATEMENT

The increase in cash flow from operating activities in 2018 compared to the same period of the previous year is primarily the result of the business operations growth, significantly more favourable effect of the working capital and lower finance costs.

Capital expenditure in 2018 primarily relates to investments in the production equipment of business units for the purpose of increasing the efficiency of production processes, in the development of new products and the development of IT infrastructure, business systems and applications.

Among significant investments, we should mention:

- SBU SNACKS: investment in automatisation and improved production efficiency (primarily for Smoki and Bananica brands) and in retail points of sale;

- SBU COFFEE: purchase of espresso machines, investment in production equipment for the purpose of improving production efficiency;

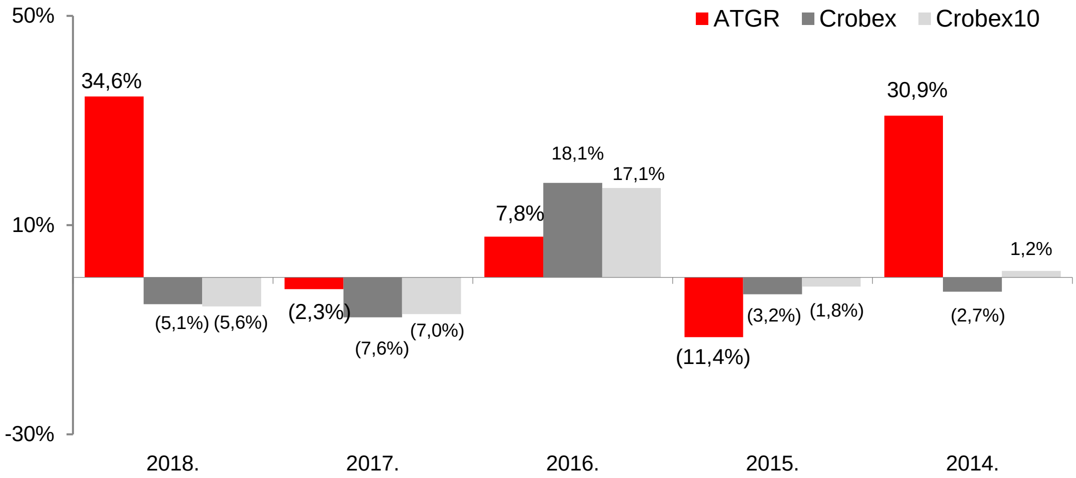
- SBU BEVERAGES: investment in Cockta redesign, the line for rigid packaging of Cedevita and redesign of the existing products;

- SDU CROATIA: investment in the new logistics and distribution centre in Velika Gorica adjusted to contemporary requirements of technology and warehouse efficiency;

- IT: investment in infrastructure, digital technologies and implementation of business applications and the replacement of equipment. Among significant projects the implementation of the SAP system in distribution operations on the market of Serbia stands out. The project of the implementation of SAP, application for mobile sales, application for marketing expenses management, Cognos BI solution, with integration with the existing solutions for warehouse management, routing, invoice management and human resources management system brings to the Serbian market many innovative business processes and improvements.

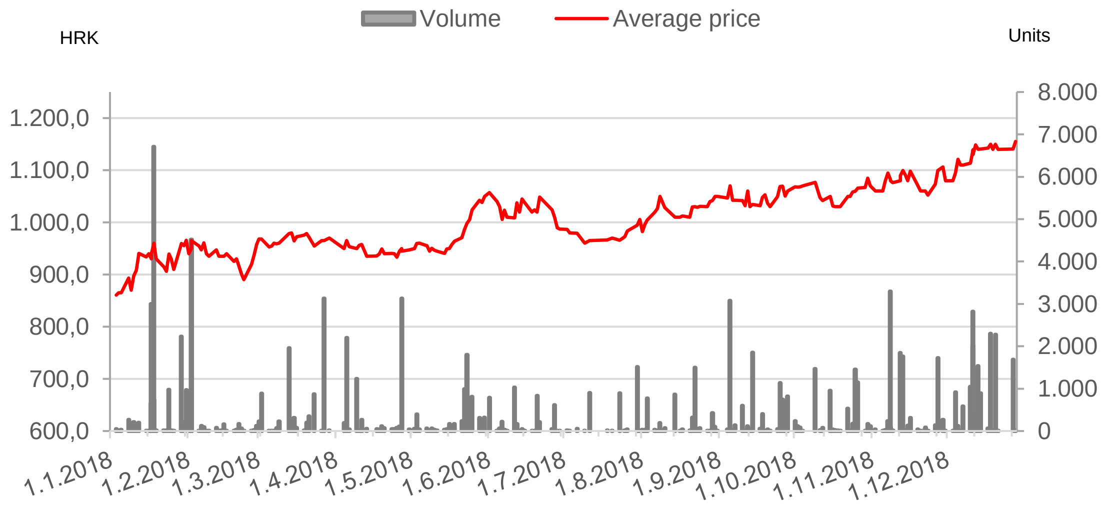
STOCK MARKET PERFORMANCE: RECORD HIGH MARKET CAPITALIZATION

Developments on the Zagreb Stock Exchange in 2018 were similar to those in the previous year. After an apparently optimistic beginning of the year and significantly increased turnover in January, in February, after trading shares from the Agrokor concern was suspended, there was a significant decrease in turnover and index value. The situation improved only before the year end, however, the CROBEX and CROBEX10 indices entered the year in the negative area, recording minuses of 5.1% and 5.6%, respectively. Despite negative market developments, due to good business results, the Atlantic Grupa's share recorded a growth of as much as 34.6%.

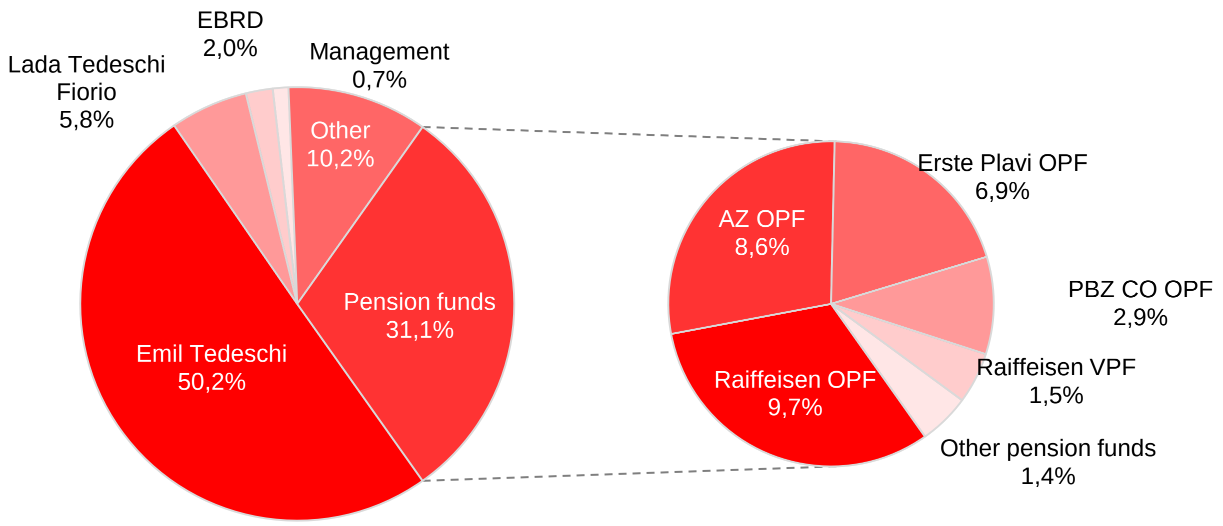


The average daily turnover amounted to HRK 436.3 thousand, or even 22.5% more than in 2017 Among the components of CROBEX10, with the average market capitalization of HRK 3,867.8 million, Atlantic Grupa holds the fourth place. At the end of 2018, the Atlantic Grupa's share recorded the historically highest level of market capitalization since its listing in November 2007. According to the total turnover in 2018, the Atlantic Grupa's share holds the fifth place compared to all the shares quoted on the Zagreb Stock Exchange, with a turnover of HRK 74.7 million.

MOVEMENTS IN THE AVERAGE PRICE AND VOLUME OF THE ATLANTIC GRUPA'S SHARE IN 2018



OWNERSHIP STRUCTURE AS AT 31 DECEMBER 2018



Atlantic Grupa has a stable ownership structure: 50.2% of the company is owned by Emil Tedeschi and 5.8% by Lada Tedeschi Fiorio, while pension funds hold 31.1% of Atlantic Grupa.

Valuation	2018	2017
Last price in reporting period	**1.160,0**	862,0
Market capitalization* (in HRK millions)	**3.867,8**	2.874,2
Average daily turnover (in HRK thousands)	**436,3**	356,2
EV (in HRK millions)	**4.734,6**	4.063,2
EV/EBITDA**	**8,4**	7,9
EV/EBIT**	**12,2**	11,9
EV/sales	**0,9**	0,8
EPS (in HRK)**	**78,4**	63,2
P/E**	**14,8**	13,6

Normalised data

*Closing price multiplied by the total number of shares

ATLANTIC GRUPA

MANAGEMENT'S VIEW ON MACROECONOMIC EXPECTATIONS

In 2018, for the fourth consecutive year the Croatian economy recorded a good economic growth, due to the successful tourist season, the increase in personal and public consumption and exports, and the generally increasing optimism. Atlantic Grupa's management expects positive trends in the Croatian economy in 2019; however it takes cautious standpoint following the expected slowdown of the eurozone.

In countries in the region, management also expects economic growth to continue in 2019, but at slower rates than in 2018 It is expected that Slovenian and Serbian economies will grow, but at more moderate rates compared to 2018, where the growth will be backed by the increase in personal consumption, investments and decrease in unemployment. We do not expect significant movements in the Serbian dinar exchange rate in 2019.

After the significant growth of the eurozone countries in 2017, in 2018 lower but still positive growth rates were recorded. In 2019, Atlantic Grupa's management expects the growth rate to slow down following slowdown of personal consumption and foreign demand.

After the beginning of the Russian economy recovery in 2017, based on the increase in oil prices that positively affected the growth in domestic demand, similar movements continued in 2018 In 2019, fiscal and structural reforms are planned to be continued, but the uncertainty caused by sanctions will affect the slowdown of economic activities.

ATLANTIC GRUPA'S MANAGEMENT STRATEGIC GUIDANCE FOR 2019

In 2019, management will focus on (i) strengthening the position of prominent regional brands, (ii) internationalisation of certain brands, (iii) development of distribution operations by strengthening the existing and acquiring new principals, and (iv) further disinvestment of non-core business operations that do not have a significant growth potential.

In 2019, Atlantic Grupa's management expects lower average prices of raw coffee on global commodity markets, which will be partly negatively affected by the EUR/USD exchange rate.

In 2019, we expect payments related to capital expenditure in the amount of approximately HRK 230 million.

The effects of disinvestments of non-core business operations and potential acquisitions are not included in the stated expectations.

Accordingly, management's expectations for 2019 are as follows:

(HRK millions)	2019. plan	2018*	2019./2018
Sales	**5.400**	5.256	2,7%
EBITDA	**615**	566	8,7%
EBIT	**430**	386	11,3%
Interest expense	**30**	38	(20,8%)

*Normalised

Plan for 2019 is comparable to data for 2018 and does not include the implementation of new IFRS 16.**.

** In 2019, Atlantic Grupa will prepare financial statements based on the same accounting policies, overviews and calculation methods used in the preparation of the annual consolidated financial statements of Atlantic Grupa in 2018, except for the implementation of the new standard IFRS 16. The standard defines a single lessee accounting model for leases and requires a lessee to recognise assets and liabilities for all leases, other than leases with a term of 12 months or less, or if the leased asset is of low value.

ATLANTIC GRUPA d.d.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018 (AUDITED)

ATLANTIC GRUPA d.d.

CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2018

(all amounts expressed in thousands of HRK)	**Note**	**2018**	**2017**
Revenues	5	5,330,624	5,303,426
Cost of trade goods sold		(1,505,820)	(1,317,355)
Change in inventories of finished goods and work in progress		(13,195)	(6,644)
Material and energy costs		(1,450,652)	(1,693,309)
Staff costs	6	(842,955)	(828,533)
Marketing and promotion costs	7	(338,293)	(309,522)
Depreciation, amortisation and impairment	2.24, 13, 14, 15	(179,113)	(175,758)
Other operating costs	8	(620,714)	(630,696)
Other (losses)/gains - net	9	(13,115)	64,859
Operating profit		**366,767**	**406,468**
Finance income	10	12,028	28,559
Finance costs	10	(62,237)	(78,118)
Finance costs - net	10	(50,209)	(49,559)
Profit before tax		**316,558**	**356,909**
Income tax expense	11	(72,340)	(80,685)
Profit for the year		**244,218**	**276,224**
Attributable to:			
Owners of the parent		243,970	275,529
Non-controlling interests		248	695
		244,218	276,224
Earnings per share for profit attributable to the equity holders of the Company during the year (in HRK)	12		
- basic		73.19	82.69
- diluted		73.19	82.69

ATLANTIC GRUPA d.d.

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2018

(all amounts expressed in thousands of HRK)	**Note**	**2018**	**2017**
Profit for the year		**244,218**	**276,224**
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Actuarial gains from defined benefit plan, net of tax		97	1,033
		97	**1,033**
Items that may be subsequently reclassified to profit of loss			
Currency translation differences, net of tax	22	(33,081)	21,411
Cash flow hedges, net of tax	22	2,422	(15,466)
		(30,659)	**5,945**
Other comprehensive (loss)/ gain for the year, net of tax		**(30,562)**	**6,978**
Total comprehensive income for the year		**213,656**	**283,202**
Attributable to:			
Owners of the parent		213,450	282,520
Non-controlling interests		206	682
Total comprehensive income for the year		213,656	283,202

ATLANTIC GRUPA d.d.

CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER 2018

(all amounts expressed in thousands of HRK)	**Note**	**31 December 2018**	**31 December 2017**
ASSETS			
Non-current assets			
Property, plant and equipment	13	966,860	999,866
Investment property		1,152	1,209
Intangible assets	15	1,706,820	1,750,216
Deferred tax assets	25	31,943	32,165
Financial assets through OCI	17	1,027	948
Trade and other receivables	18	52,168	95,239
		2,759,970	2,879,643
Current assets			
Inventories	19	493,910	547,278
Trade and other receivables	18	1,247,478	1,233,565
Prepaid income tax		13,052	5,029
Derivative financial instruments	16	1,689	-
Cash and cash equivalents	20	413,663	497,079
		2,169,792	2,282,951
Non-current assets held for sale	14	5,583	6,336
Total current assets		2,175,375	2,289,287
TOTAL ASSETS		**4,935,345**	**5,168,930**
EQUITY AND LIABILITIES			
Capital and reserves attributable to owners of the Company			
Share capital	21	133,372	133,372
Share premium	21	881,275	881,089
Treasury shares	21	(92)	(1,514)
Reserves	22	(81,628)	(52,428)
Retained earnings		1,461,644	1,285,668
		2,394,571	2,246,187
Non-controlling interests		3,869	3,663
Total equity		2,398,440	2,249,850
Non-current liabilities			
Borrowings	24	805,882	1,135,191
Deferred tax liabilities	25	160,437	162,652
Other non-current liabilities		2,656	3,017
Provisions	26	58,761	50,456
		1,027,736	1,351,316
Current liabilities			
Trade and other payables	23	926,188	945,667
Borrowings	24	472,386	546,060
Derivative financial instruments	16	-	1,226
Current income tax liabilities		10,174	21,341
Provisions	26	100,421	53,470
		1,509,169	1,567,764
Total liabilities		2,536,905	2,919,080
TOTAL EQUITY AND LIABILITIES		**4,935,345**	**5,168,930**

ATLANTIC GRUPA d.d.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2018

	Attributable to owners of the Company					
(in thousands of HRK)	**Share Capital, Premium and Treasury shares**	**Reserves**	**Retained earnings**	**Total**	**Non-controlling interest**	**Total**
Balance at 1 January 2017	1,014,773	(80,964)	1,079,698	2,013,507	2,981	2,016,488
Comprehensive income:						
Net profit for the year	-	-	275,529	275,529	695	276,224
Other comprehensive (loss)/income	-	5,958	1,033	6,991	(13)	6,978
Total comprehensive income	-	5,958	276,562	282,520	682	283,202
Transaction with owners:						
Acquisition of non-controlling interests (Note 28)	-	-	(1,126)	(1,126)	-	(1,126)
Share based payment (Note 21)	5,605	-	-	5,605	-	5,605
Purchase of treasury shares (Note 21)	(7,431)	-	-	(7,431)	-	(7,431)
Transfer	-	22,578	(22,578)	-	-	-
Dividends relating to 2016 (Note 21)	-	-	(46,888)	(46,888)	-	(46,888)
Balance at 31 December 2017	**1,012,947**	**(52,428)**	**1,285,668**	**2,246,187**	**3,663**	**2,249,850**
Comprehensive income:						
Net profit for the year	-	-	243,970	243,970	248	244,218
Other comprehensive (loss)/income	-	(30,617)	97	(30,520)	(42)	(30,562)
Total comprehensive income	-	(30,617)	244,067	213,450	206	213,656
Transaction with owners:						
Share based payment (Note 21)	3,772	-	-	3,772	-	3,772
Purchase of treasury shares (Note 21)	(2,164)	-	-	(2,164)	-	(2,164)
Transfer	-	1,417	(1,417)	-	-	-
Dividends relating to 2017 (Note 21)	-	-	(66,674)	(66,674)	-	(66,674)
Balance at 31 December 2018	**1,014,555**	**(81,628)**	**1,461,644**	**2,394,571**	**3,869**	**2,398,440**

ATLANTIC GRUPA d.d.

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2018

(all amounts expressed in thousands of HRK)	**Note**	**2018**	**2017**
Cash flows from operating activities:			
Cash generated from operations	29	633,824	505,076
Interest paid		(61,860)	(100,391)
Income tax paid		(109,858)	(58,345)
		462,106	346,340
Cash flows (used in)/from investing activities			
Purchase of property, plant and equipment and intangible assets	13,14,15	(140,626)	(129,193)
Proceeds from sale of property, plant and equipment and non-current assets held for sale		1,512	8,799
Proceeds from sale of subsidiary – net of cash disposed	28	59,511	129,342
Proceeds from sale of tea business		-	18,750
Acquisition of subsidiary – net of cash acquired	28	-	(2,207)
Loans granted and deposits placed	18	(43,154)	(22,640)
Repayments of loan and deposits granted	18	34,614	22,002
Interest received		1,604	4,584
		(86,539)	29,437
Cash flows used in financing activities			
Purchase of treasury shares	21	(2,164)	(7,431)
Proceeds from borrowings, net of fees paid	24	80,064	120,394
Repayments of borrowings	24	(466,298)	(437,715)
Acquisition of interest in a subsidiary from non-controlling interests	28	-	(1,906)
Dividends paid to Company shareholders	21	(66,674)	(44,984)
		(455,072)	(371,642)
Net (decrease)/increase in cash and cash equivalents		**(79,505)**	**4,135**
Exchange (losses)/gains on cash and cash equivalents		(3,911)	2,214
Cash and cash equivalents at beginning of year		497,079	490,730
Cash and cash equivalents at end of year	20	**413,663**	**497,079**

CONTACT

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ATLANTIC GRUPA
Joint Stock Company for Domestic and Foreign Trade
Miramarska 23, 10000 Zagreb, Hrvatska
tel: +385 (1) 24 13 900
fax: +385 (1) 24 13 901

The Company is registered with the Commercial Court of Zagreb
MBS: 080245039
MB: 1671910
PIN: 71149912416
Broj računa: HR4624020061100280870 Raiffeisenbank Austria d.d., Zagreb, Petrinjska 59
The number of shares and their nominal value: 3,334,300 shares, each in the nominal amount of HRK 40.00
Share capital: HRK 133,372,000.00, paid in full.

Management Board: Emil Tedeschi, N. Vranković, Z. Stanković
President of the Supervisory Board: Z. Adrović