



KOFOLA ČESKOSLOVENSKO A.S.
6M 2023
(unaudited)

CONSOLIDATED INTERIM
HALF YEAR FINANCIAL REPORT



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1. KOFOLA AT A GLANCE

KOFOLA GROUP

one of top producers of branded non-alcoholic beverages in Central and Eastern Europe



CZK 4.1 BN 6M23
REVENUES



11
PRODUCTION PLANTS



2,033
EMPLOYEES



LISTED ON
PRAGUE STOCK EXCHANGE

CZECHIA



No. 2
PLAYER IN THE SOFT
DRINKS MARKET

No. 2
WATER BRAND

SLOVAKIA



No. 1
PLAYER IN THE SOFT
DRINKS MARKET

No. 1
WATER BRAND

SLOVENIA



No. 1
PLAYER IN THE SOFT
DRINKS MARKET

No. 1
WATER BRAND

CROATIA



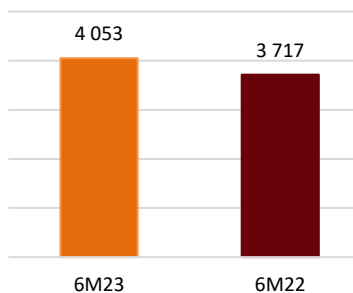
No. 4
PLAYER IN THE SOFT
DRINKS MARKET

No. 2
WATER BRAND

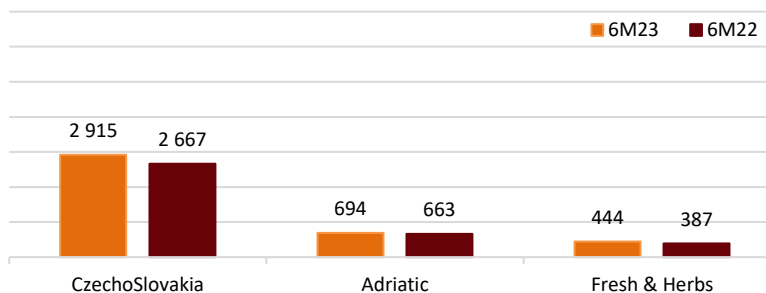
1. KOFOLA AT A GLANCE

FOR THE 6M PERIOD

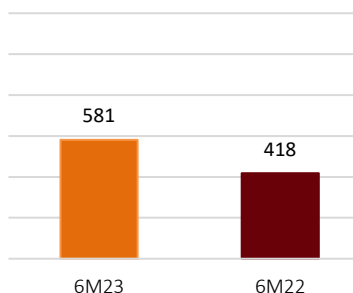
Revenue (CZKm)



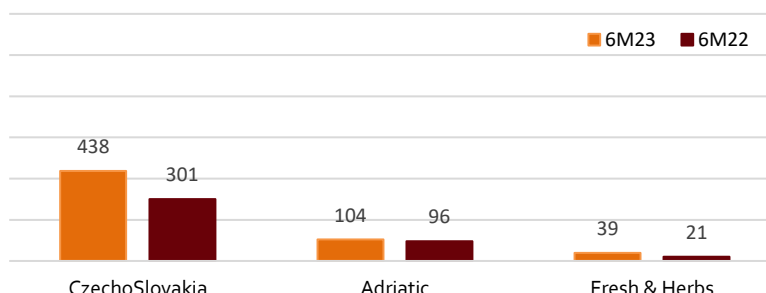
Revenue per main business segments (CZKm)



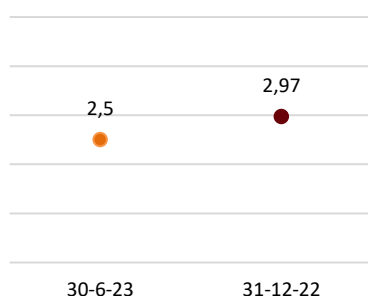
EBITDA (CZKm)



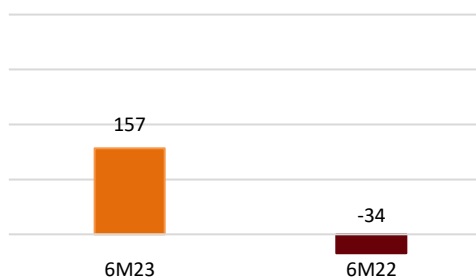
EBITDA per main business segments (CZKm)



Net debt/LTM EBITDA



Profit/(loss) for the period (CZKm)



The results and ratios above are based on adjusted results. For details on financial performance and reconciliation of reported and adjusted results refer to section 3.1.

MAIN INFORMATION IN 6M23:

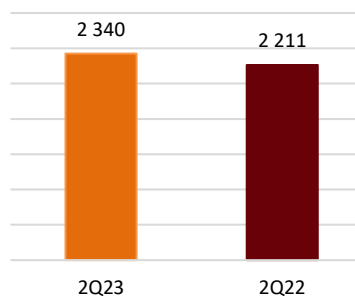
- Group's revenue increased by CZK 335.7 mil. (9.0%).
- Group's EBITDA increased by CZK 163.1 mil. (39.0%).
- EBITDA in line with the target set at the beginning of the year.
- Net profit increased by CZK 191.0 mil.
- Successful finalization of acquisition of 1/3 share in General Plastic, a. s., a Slovak producer of hot-washed PET flakes and PET preforms used to make PET bottles.



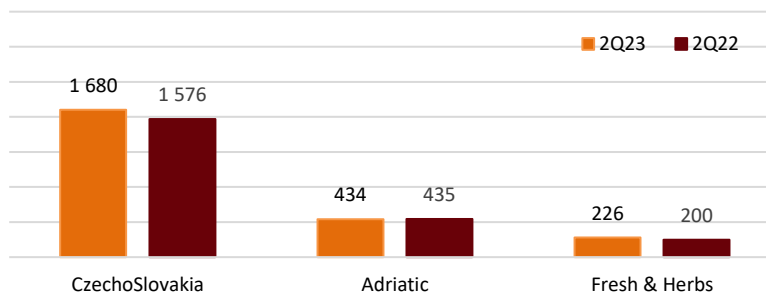
1. KOFOLA AT A GLANCE

FOR THE 2Q PERIOD

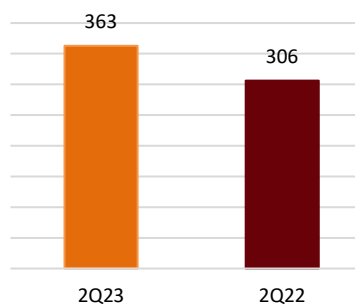
Revenue (CZKm)



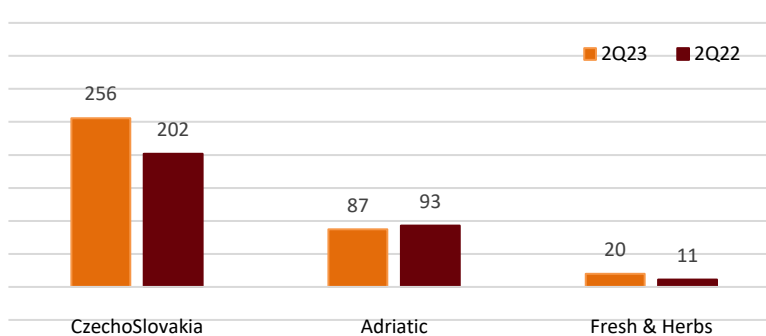
Revenue per main business segments (CZKm)



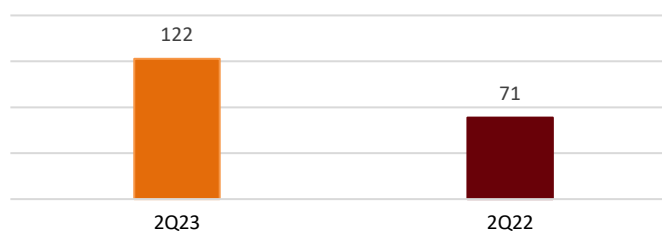
EBITDA (CZKm)



EBITDA per main business segments (CZKm)



Profit/(loss) for the period (CZKm)



The results and ratios above are based on adjusted results. For details on financial performance refer to section 3.1.

1. KOFOLA AT A GLANCE

MAIN INFORMATION IN 2Q23:

- Group's revenue increased by CZK 129.2 mil. (5.8%).
- Group's EBITDA increased by CZK 56.7 mil. (18.5%).
- Net result better by CZK 51.0 mil.
- Successful introduction of new products: Semtex Extrem, Targa Florio tonic, Prager's Kombucha, Oraketa vitamin powder, Radenska FunctionALL, UGO's Poke bowls.



2. KOFOLA GROUP

2.1. KOFOLA ČESKOSLOVENSKO

Kofola ČeskoSlovensko a.s. ("the Company") is a joint-stock company and was registered on 12 September 2012 in the Czech Republic. Its registered office is Nad Porubkou 2278/31a, Poruba, 708 00 Ostrava, Czech Republic and the identification number is 24261980. Ostrava is also a Company's principal place of business. The Company is recorded in the Commercial Register kept by the Regional Court in Ostrava (Czech Republic), section B, Insert No. 10735. The Company's websites are <http://www.firma.kofola.cz> and the phone number is +420 595 601 030. LEI: 3157005DO9L5OWHBQ359.

2.2. KOFOLA GROUP

Basic information

Nature of Group's operations and principal activities is production and sale of non-alcoholic beverages.

Kofola ČeskoSlovensko a.s. is part of the Kofola Group, one of the leading producers and distributors of non-alcoholic beverages in Central and Eastern Europe that belongs to the top players in CzechoSlovakia.

The Group produces its products with care and love in eleven production plants located in the Czech Republic (six plants), Slovakia (two plants), Slovenia (one plant), Croatia (one plant) and Poland (one plant).


The Group distributes its products using a wide variety of packaging, including kegs that are used in the HoReCa channel to serve our widely popular drink „Kofola Draught" distributed in KEG which is considered as one of our most environmentally friendly packaging. The Group distributes its products through Retail, HoReCa and Impulse channels.

Key brands

Key own brands include carbonated beverages Kofola and Vinea, waters Radenska, Studenac, Rajec, Ondrášovka, Korunní and Klášterná Kalcia, syrup Jupí, beverages for children Jupík, Semtex energy drink, UGO fresh juices and salads, Leros teas and coffee brands Café Reserva and Trepallini. In selected markets, the Group distributes among others Rauch, Evian, Vincentka or Dilmah products and under the licence produces Royal Crown Cola, Orangina, Rauch or Pepsi. The Group also produces and distributes water, carbonated and non-carbonated beverages and syrups under private labels for third parties, mostly big retail chains.

Despite the fact that the Group's portfolio includes more than 30, mostly well-established and recognisable brands with a wide market, the Group's key brand is Kofola.

Main brands by categories are shown in the visualisation below:

CATEGORY	MAIN OWN BRANDS	DISTRIBUTED AND LICENSED BRANDS
Waters	      	 
Non-carbonated beverages	  	
Carbonated beverages	      	  
Syrups		
Fresh Bars & Salateries		
Other	    	

2. KOFOLA GROUP

2.3. GROUP STRUCTURE

Group structure chart as at 30 June 2023



Description of the Group companies

Name of entity	Place of business	Segment (section C.4.1)	Principal activities	Ownership interest and voting rights	
				30.6.2023	31.12.2022
Holding companies					
Kofola ČeskoSlovensko a.s.	Czech Republic	CzechoSlovakia	top holding company		
Cafe Dorado s.r.o.	Czech Republic	Fresh & Herbs	holding company	50.00%	n/a
Production and trading					
Kofola a.s.	Czech Republic	CzechoSlovakia	production and distribution of non-alcoholic beverages	100.00%	100.00%
Kofola a.s.	Slovakia	CzechoSlovakia	production and distribution of non-alcoholic beverages	100.00%	100.00%
UGO trade s.r.o.	Czech Republic	Fresh & Herbs	operation of Fresh bars chain, production of salads	90.00%	90.00%
RADENSKA d.o.o.	Slovenia	Adriatic	production and distribution of non-alcoholic beverages	100.00%	100.00%
Studenac d.o.o.	Croatia	Adriatic	production and distribution of non-alcoholic beverages	100.00%	100.00%
Premium Rosa Sp. z o.o.	Poland	Fresh & Herbs	production and distribution of syrops and jams	100.00%	100.00%
LEROS, s.r.o.	Czech Republic	Fresh & Herbs	production and distribution of products from medicinal plants and quality natural teas	100.00%	100.00%
Leros Slovakia, s.r.o.	Slovakia	Fresh & Herbs	distribution of products from medicinal plants and quality natural teas	100.00%	100.00%
F.H.Prager s.r.o.	Czech Republic	CzechoSlovakia	production and distribution of ciders	100.00%	100.00%
Semtex Republic s.r.o.	Czech Republic	CzechoSlovakia	marketing activities	100.00%	100.00%
General Plastic, a. s.	Slovakia	CzechoSlovakia	production of hot-washed PET flakes and PET preforms	33.33%	n/a
Transportation					
SANTA-TRANS s.r.o.	Czech Republic	CzechoSlovakia	road cargo transport	100.00%	100.00%

2. KOFOLA GROUP

2.4. SUCCESSES AND AWARDS

PROKOP

PROKOP PR awards

The Public Relations Association of the Slovak Republic has announced the winning entries of the 13th annual PROKOP competition, which recognizes the best Slovak PR projects and campaigns of the past year. Kofola received 6 awards, including the main prize of Client of the Year.

UGO Czech Superbrands

Consumers and the expert jury of the Superbrands Brand Council of the Czech Republic awarded the UGO brand with the Czech Superbrands 2023 award. Superbrands is the most respected worldwide brand evaluation programme. The evaluation and nomination of brands for Superbrands awards is based on identical criteria in more than 90 countries worldwide, including the Czech Republic.



CZECH TOP 100

Kofola has once again been ranked among the 100 admired companies in the Czech Republic.

3. BUSINESS OVERVIEW AND OTHER MATTERS

3.1. BUSINESS OVERVIEW

Development in 6M23

The first half of 2023 was, as expected, connected with decrease of volumes sold due to increased prices. The total volume decrease for the Group in 6M23 was 11%. Decline in the first quarter was 7%, in the second quarter it was around 13%. The volume decline is close to our expectations and in combination with other factors (such as increased material costs or increased salaries) lead to 6M23 EBITDA of CZK 581.1 million which represents year over year increase by CZK 163.1 million or 39%, in the first quarter the increase was by CZK 106.4 million or 95.2%, in the second quarter by CZK 56.7 million or 18.5%.

Development in the particular business segments is presented further in this interim report within section 3.1.2. CzechoSlovakia business segment is growing the most in absolute terms (by CZK 137.1 million in 6M23) and Fresh & Herbs segment is growing the most in relative terms (by 80.9%) which is mainly due to excellent performance of UGO which was even able to end up in black numbers on a net result level in 2Q23.

Information in relation to Ukraine crisis is described in section C.4.17.

Up to date results are better than our expectations which leads us to believe that the overall annual results could be at top end of our annual EBITDA estimated range (CZK 1,200 - 1,250 million). Higher volume decrease in the second quarter could however indicate a negative trend which is why we remain focused on top business delivery through both existing and new products (such as Targa Florio tonics, Prager's Kombucha or Semtex Extrem in CzechoSlovakia, Oraketa vitamin powder drink or FunctionALL waters in Adriatic, Poke bowls in UGO).

Adjustments of reported performance and position

Presented below is a description of the financial performance and financial position of Kofola Group in 6M23. It should be read along with the financial statements and with other financial information contained in the attached consolidated financial statements. The Board of Directors is presenting and commenting on the consolidated financial results adjusted for one-off events in the following sections of part A.

3. BUSINESS OVERVIEW AND OTHER MATTERS

3.1.1 ADJUSTED CONSOLIDATED FINANCIAL RESULTS

Adjusted consolidated financial results	6M23	One-off adjustments	6M23 adjusted
	CZK'000 000	CZK'000 000	CZK'000 000
Revenue	4,052.8	-	4,052.8
Cost of sales	(2,270.5)	-	(2,270.5)
Gross profit	1,782.3	-	1,782.3
Selling, marketing and distribution costs	(1,177.1)	-	(1,177.1)
Administrative costs	(313.3)	-	(313.3)
Other operating income/(costs), net	(47.1)	68.5	21.4
Operating profit/(loss)	244.8	68.5	313.3
Depreciation and amortisation	269.5	(1.7)	267.8
EBITDA	514.3*	66.8	581.1**
Finance income/(costs), net	(90.3)	-	(90.3)
Income tax	(66.6)	0.2	(66.4)
Profit/(loss) for the period	87.9	68.7	156.6
- attributable to owners of Kofola ČeskoSlovensko a.s.	88.3	68.7	157.0

* EBITDA refers to operating profit/(loss) plus depreciation and amortisation.

** Adjusted EBITDA refers to EBITDA adjusted for the effects of events and transactions that are non-recurring, extraordinary or unusual in nature, including in particular results from the sale of non-current assets and financial assets, costs not arising from ordinary operations, such as those associated with the impairment of property, plant and equipment, financial assets, goodwill and intangible assets, relocation costs and the costs of Group layoffs.

The result of the Kofola Group for the 6-month period ended 30 June 2023 was affected by the following one-off items:

In Other operating income/(costs), net:

- Impairment of CZK 69.4 million in relation to plant Grodzisk Wielkopolski (Fresh & Herbs segment).
- Advisory costs of CZK 2.7 million (Czechoslovakia and Adriatic segment).
- Net costs connected with the closed Grodzisk Wielkopolski plant of CZK 0.7 million (Fresh & Herbs segment).
- Net gain on sold items of Property, plant and equipment of CZK 4.3 million recognized in all business segments.

3. BUSINESS OVERVIEW AND OTHER MATTERS

Adjusted consolidated financial results	6M22	One-off adjustments	6M22 adjusted
	CZK'000 000	CZK'000 000	CZK'000 000
Revenue	3,717.1	-	3,717.1
Cost of sales	(2,173.6)	-	(2,173.6)
Gross profit	1,543.5	-	1,543.5
Selling, marketing and distribution costs	(1,162.8)	-	(1,162.8)
Administrative costs	(261.0)	-	(261.0)
Other operating income/(costs), net	2.0	3.7	5.7
Operating profit/(loss)	121.7	3.7	125.4
Depreciation and amortisation	296.8	(4.2)	292.6
EBITDA	418.5*	(0.5)	418.0**
Finance income/(costs), net	9.0	(126.6)	(117.6)
Income tax	(42.0)	(0.2)	(42.2)
Profit/(loss) for the period	88.7	(123.1)	(34.4)
- attributable to owners of Kofola ČeskoSlovensko a.s.	91.8	(123.1)	(31.3)

* EBITDA refers to operating profit/(loss) plus depreciation and amortisation.

** Adjusted EBITDA refers to EBITDA adjusted for the effects of events and transactions that are non-recurring, extraordinary or unusual in nature, including in particular results from the sale of non-current assets and financial assets, costs not arising from ordinary operations, such as those associated with the impairment of property, plant and equipment, financial assets, goodwill and intangible assets, relocation costs and the costs of Group layoffs.

The result of the Kofola Group for the 6-month period ended 30 June 2022 was affected by the following one-off items:

In Other operating income/(costs), net:

- Advisory costs of CZK 2.7 million (mainly Czechoslovakia segment).
- Net costs connected with the closed Grodzisk Wielkopolski plant of CZK 2.4 million (Fresh & Herbs segment).
- Costs connected with the support provided to parties impacted by the Ukraine war of CZK 1.2 million (Czechoslovakia segment).
- Restructuring costs of CZK 0.3 million (Fresh & Herbs segment).
- Costs arising on integration of acquired subsidiaries of CZK 0.1 million (Czechoslovakia segment).
- Net gain on sold items of Property, plant and equipment of CZK 3.0 million recognized in all business segments (mainly Czechoslovakia).

In Finance income/(costs), net:

- Gain on terminated derivatives of CZK 126.6 million (Czechoslovakia segment).

3. BUSINESS OVERVIEW AND OTHER MATTERS

3.1.2 FINANCIAL PERFORMANCE

Adjusted consolidated financial results	6M23	6M22	Change	Change
	CZK'000 000	CZK'000 000	CZK'000 000	%
Revenue	4,052.8	3,717.1	335.7	9.0%
Cost of sales	(2,270.5)	(2,173.6)	(96.9)	4.5%
Gross profit	1,782.3	1,543.5	238.8	15.5%
Selling, marketing and distribution costs	(1,177.1)	(1,162.8)	(14.3)	1.2%
Administrative costs	(313.3)	(261.0)	(52.3)	20.0%
Other operating income/(costs), net	21.4	5.7	15.7	275.4%
Operating profit/(loss)	313.3	125.4	187.9	149.8%
EBITDA	581.1	418.0	163.1	39.0%
Finance income/(costs), net	(90.3)	(117.6)	27.3	(23.2%)
Income tax	(66.4)	(42.2)	(24.2)	57.3%
Profit/(loss) for the period	156.6	(34.4)	191.0	555.2%
- attributable to owners of Kofola ČeskoSlovensko a.s.	157.0	(31.3)	188.3	601.6%

Revenue

Increase of Group's revenue demonstrates the strength of its brands in their local markets where the customers' demand acted well on our well managed focus on our strong brands. The increase is caused by price increase, volume-wise there is a decrease by 11%.

Business segments	6M23		6M22		Change	
	Revenue	Share	Revenue	Share	Change	
	CZK'000 000	%	CZK'000 000	%	CZK'000 000	%
CzechoSlovakia	2,915.3	71.9%	2,666.7	71.7%	248.6	9.3%
Adriatic	693.8	17.1%	663.2	17.8%	30.6	4.6%
Fresh & Herbs	443.7	11.0%	387.2	10.5%	56.5	14.6%
Total	4,052.8	100.0%	3,717.1	100.0%	335.7	9.0%

CzechoSlovakia segment sales grew the most in the On premise (drinks in KEGs and glass bottles) and On the go category (drinks in cans and 1l- packaging). At home (syrups and drinks in 1.5l+ packaging) format sales grew as well, with only single digit growth rate. Kofola, Korunní, Klášterná Kalcia, Rajec and Royal Crown Cola brands grew the most.

The biggest sales increase in Adriatic was achieved by Radenska, Ora, Studena and Pepsi brands. The sales growth from formats perspective was similar to CzechoSlovakia business segment. Price and volume variations were lower in the Adriatic segment.

Fresh & Herbs segment revenue was driven by UGO and LEROS. UGO is on a very positive trajectory overall. LEROS has experienced good performance in export, e-shop and gastro segment.

Product lines	6M23		6M22		Change	
	Revenue	Share	Revenue	Share	Change	
	CZK'000 000	%	CZK'000 000	%	CZK'000 000	%
Carbonated beverages	1,503.8	37.1%	1,340.5	36.1%	163.3	12.2%
Waters	1,350.0	33.3%	1,259.8	33.9%	90.2	7.2%
Non-carbonated beverages	351.2	8.7%	332.3	8.9%	18.9	5.7%
Syrups	265.9	6.6%	284.0	7.6%	(18.1)	(6.4%)
Fresh bars & Salads	230.8	5.7%	190.3	5.1%	40.5	21.3%
Other	351.1	8.6%	310.2	8.4%	40.9	13.2%
Total	4,052.8	100.0%	3,717.1	100.0%	335.7	9.0%

The activities of the Group concentrate on the production of beverages in four market categories: carbonated beverages (including cola beverages), non-carbonated beverages, types of bottled water and syrups. Together these categories accounted for 85.7% of the Group's revenue in 6M23 (in 6M22: 86.5%).

Syrups category was connected with the highest increase of material prices.

3. BUSINESS OVERVIEW AND OTHER MATTERS

Sales by countries (per end customer)	6M23		6M22		Change	
	Revenue	Share	Revenue	Share		
	CZK'000 000	%	CZK'000 000	%	CZK'000 000	%
Czech Republic	2,306.2	56.9%	2,119.3	57.0%	186.9	8.8%
Slovakia	972.0	24.0%	865.9	23.3%	106.1	12.3%
Slovenia	441.8	10.9%	414.5	11.2%	27.3	6.6%
Croatia	193.5	4.8%	193.3	5.2%	0.2	0.1%
Poland	48.4	1.2%	37.5	1.0%	10.9	29.1%
Other	90.9	2.2%	86.6	2.3%	4.3	5.0%
Total	4,052.8	100.0%	3,717.1	100.0%	335.7	9.0%

The allocation of revenue to a particular country segment is based on the geographical location of customers.

Only a marginal growth in Croatia was influenced by rainy and fairly cold weather which meant delayed start of the tourist season. In case of both Slovenia and Croatia, there is also a negative FX impact on translation to Czech Crowns. The same is applicable also to Kofola (SK).

Cost of sales

Group's Cost of sales increased less than sales mainly due to lower than expected energy prices and also due to fixed part of Cost of sales (such as depreciation) which remains relatively stable or even decreases (as is the case in 6M23 due to ended depreciation of selected production machinery) despite revenue growth.

Selling, marketing and distribution costs

Selling, marketing and distribution costs remained relatively stable which is due to savings in logistics costs.

Administrative costs

Administrative costs increased mainly due to increased salaries, provisions for employee bonuses and increase of the share based payments reserve.

EBITDA

Adjusted EBITDA	6M23	6M22
	CZK'000 000/%	CZK'000 000/%
EBITDA*	581.1	418.0
EBITDA margin**	14.3%	11.2%

* EBITDA refers to operating profit/(loss) plus depreciation and amortisation.

** Calculated as (EBITDA/Revenue)*100%.

Adjusted EBITDA by business segments	6M23		6M22		Change	
	EBITDA	EBITDA margin	EBITDA	EBITDA margin		
	CZK'000 000	%	CZK'000 000	%	CZK'000 000	%
CzechoSlovakia	437.8	15.0%	300.7	11.3%	137.1	45.6%
Adriatic	104.4	15.0%	95.8	14.4%	8.6	9.0%
Fresh & Herbs	38.9	8.8%	21.5	5.6%	17.4	80.9%
Total	581.1	14.3%	418.0	11.2%	163.1	39.0%

Positive revenue development, savings in logistics but also above expectation performance of UGO lead to overall EBITDA increase.

3. BUSINESS OVERVIEW AND OTHER MATTERS

Finance income/(costs), net

Better financial result was influenced mainly by FX gains from EUR payables (total FX impact was better by CZK 45.9 million). There was lower gain from derivatives in 6M23 by CZK 12.0 million.

Income tax

Higher Income tax is a result of higher taxable profits in Group companies.

3.1.3 FINANCIAL PERFORMANCE IN 2Q

Adjusted consolidated financial results	2Q23	2Q22	Change	Change
	CZK'000 000	CZK'000 000	CZK'000 000	%
Revenue	2,340.4	2,211.2	129.2	5.8%
Cost of sales	(1,273.3)	(1,263.9)	(9.4)	0.7%
Gross profit	1,067.1	947.3	119.8	12.6%
Selling, marketing and distribution costs	(668.5)	(661.2)	(7.3)	1.1%
Administrative costs	(172.4)	(130.6)	(41.8)	32.0%
Other operating income/(costs), net	2.8	5.3	(2.5)	(47.2%)
Operating profit/(loss)	229.0	160.8	68.2	42.4%
EBITDA	362.9	306.2	56.7	18.5%
Finance income/(costs), net	(63.7)	(54.7)	(9.0)	16.5%
Income tax	(43.1)	(34.9)	(8.2)	23.5%
Profit/(loss) for the period	122.2	71.2	51.0	71.6%
- attributable to owners of Kofola ČeskoSlovensko a.s.	121.9	72.0	49.9	69.3%

Development in 2Q23 is similar as in 6M23 in operating result. The sold volume decreased by 13%, At home formats were impacted the most.

Finance costs were higher in 2Q23, mainly because there is not such significant FX effect in place as it was in 6M23.

Business segments	Revenue	2Q23 Share	Revenue	2Q22 Share	Change
	CZK'000 000	%	CZK'000 000	%	CZK'000 000
CzechoSlovakia	1,680.4	71.8%	1,576.1	71.3%	104.3
Adriatic	434.0	18.5%	435.3	19.7%	(1.3)
Fresh & Herbs	226.0	9.7%	199.8	9.0%	26.2
Total	2,340.4	100.0%	2,211.2	100.0%	129.2

Decline of revenue in Adriatic was caused by unfavourable weather conditions and also by the translation of their local revenues (in EUR) to CZK because the average FX rate has decreased between the comparable periods. The same is applicable also to Kofola (SK).

Product lines	Revenue	2Q23 Share	Revenue	2Q22 Share	Change
	CZK'000 000	%	CZK'000 000	%	CZK'000 000
Carbonated beverages	884.0	37.8%	814.8	36.8%	69.2
Waters	806.9	34.5%	772.4	34.9%	34.5
Non-carbonated beverages	189.2	8.1%	190.5	8.6%	(1.3)
Syrups	136.2	5.8%	157.9	7.1%	(21.7)
Fresh bars & Salads	127.0	5.4%	109.3	4.9%	17.7
Other	197.1	8.4%	166.3	7.7%	30.8
Total	2,340.4	100.0%	2,211.2	100.0%	129.2

Decrease of Syrups sales is described in 6M period comparison above. Non-carbonated beverages slightly decreased which is caused by lower FX rates (sales of Kofola (SK), RADENSKA and Studenac) but also by slightly lower sales of Rauch juices. For other categories, the development of revenue by product lines is in line with the information already presented above.

3. BUSINESS OVERVIEW AND OTHER MATTERS

Sales by countries (per end customer)	2Q23		2Q22		Change	
	Revenue	Share	Revenue	Share		
	CZK'000 000	%	CZK'000 000	%	CZK'000 000	%
Czech Republic	1,305.4	55.8%	1,232.6	55.7%	72.8	5.9%
Slovakia	560.8	24.0%	508.2	23.0%	52.6	10.4%
Slovenia	269.1	11.5%	269.7	12.2%	(0.6)	(0.2%)
Croatia	129.7	5.5%	132.1	6.0%	(2.4)	(1.8%)
Poland	20.6	0.9%	15.0	0.7%	5.6	37.3%
Other	54.8	2.3%	53.6	2.4%	1.2	2.2%
Total	2,340.4	100.0%	2,211.2	100.0%	129.2	5.8%

Sales in Adriatic are more dependent on the main season which was connected with the worse weather. There is also negative FX impact. For other countries, the development of revenue is in line with the information already presented above. Other represents export and is a minor part of Group's revenue.

Adjusted EBITDA		2Q23	2Q22
		CZK'000 000/%	CZK'000 000/%
EBITDA*		362.9	306.2
EBITDA margin**		15.5%	13.8%

* EBITDA refers to operating profit/(loss) plus depreciation and amortisation.
 ** Calculated as (EBITDA/Revenue)*100%.

Adjusted EBITDA by business segments	2Q23		2Q22		Change	
	EBITDA	EBITDA margin	EBITDA	EBITDA margin		
	CZK'000 000	%	CZK'000 000	%	CZK'000 000	%
CzechoSlovakia	255.7	15.2%	201.7	12.8%	54.0	26.8%
Adriatic	87.2	20.1%	92.9	21.3%	(5.7)	(6.1%)
Fresh & Herbs	20.0	8.8%	11.6	5.8%	8.4	72.4%
Total	362.9	15.5%	306.2	13.8%	56.7	18.5%

Segments' results for 2Q23 are in line with the information already presented above.

3. BUSINESS OVERVIEW AND OTHER MATTERS

3.1.4 FINANCIAL POSITION

Consolidated statement of financial position	30.06.2023	31.12.2022	Change	Change
	CZK'000 000	CZK'000 000	CZK'000 000	%
Total assets	7,774.2	7,503.4	270.8	3.6%
Non-current assets	4,957.6	5,089.0	(131.4)	(2.6%)
Property, plant and equipment	2,970.3	3,098.5	(128.2)	(4.1%)
Intangible assets	1,149.6	1,177.7	(28.1)	(2.4%)
Goodwill	647.9	648.0	(0.1)	(0.0%)
Investments in equity accounted investees	38.8	-	38.8	n/a
Other	151.0	164.8	(13.8)	(8.4%)
Current assets	2,816.6	2,414.4	402.2	16.7%
Inventories	892.1	766.4	125.7	16.4%
Trade and other receivables	1,231.0	998.0	233.0	23.3%
Cash and cash equivalents	683.0	626.4	56.6	9.0%
Other	10.5	23.6	(13.1)	(55.5%)
Total equity and liabilities	7,774.2	7,503.4	270.8	3.6%
Equity	1,399.8	1,287.6	112.2	8.7%
Non-current liabilities	3,564.9	3,664.0	(99.1)	(2.7%)
Bank credits and loans	2,991.0	3,058.2	(67.2)	(2.2%)
Lease liabilities	232.0	252.6	(20.6)	(8.2%)
Deferred tax liabilities	289.8	303.8	(14.0)	(4.6%)
Other	52.1	49.4	2.7	5.5%
Current liabilities	2,809.5	2,551.8	257.7	10.1%
Bank credits and loans	508.8	491.8	17.0	3.5%
Lease liabilities	132.0	118.9	13.1	11.0%
Trade and other payables	2,047.8	1,832.8	215.0	11.7%
Other	120.9	108.3	12.6	11.6%

ASSETS

Property, plant and equipment decreased as a net result of additions of CZK 196.2 million, depreciation charge of CZK 237.8 million and impairment charge of CZK 69.4 million in relation to closed Grodzisk Wielkopolski plant (downward revaluation due to long-term unsuccessful sale effort). The most significant additions realized by the Group in 6M23 were represented by investments into the production machinery, vehicles and returnable packages.

Intangible assets decreased mainly as a result of amortization charge of CZK 36.8 million.

Investments in equity accounted investees represent mainly 1/3 share in General Plastic, a. s., a Slovak producer of hot-washed PET flakes and PET preforms used for production of PET bottles.

Other non-current assets contain mainly prepayments, deferred expenses and receivable from derivatives. Decrease is attributable mainly to revaluation of derivatives (by CZK 15.2 million).

Trade and other receivables increased mainly due to higher trade receivables (by CZK 275.1 million) which was driven by increased sales (seasonality).

Inventories increased due to higher purchases and also due to increased material prices.

LIABILITIES

Decrease of the Bank credits and loans is a result of the regular loan repayments (CZK 91.1 million), overdraft and CAPEX tranche drawing (CZK 75.5 million) and downward FX revaluation (CZK 30.9 million).

Lease liabilities decreased mainly as a net result of lease additions (CZK 60.5 million) and lease repayments (CZK 65.3 million).

The Group's provisions increased mainly due to provision for employee bonuses.

Trade and other payables increased mainly due to higher trade payables (CZK 103.9 million), trade payables balance is comparable with balance as of 30 June 2022. There were also higher advances received for returnable packages due to seasonality (by CZK 41.3 million).

The Group's consolidated net debt (calculated as total non-current and current liabilities relating to credits, loans, leases and other debt instruments less cash and cash equivalents) amounted to CZK 3,180.8 million as at 30 June 2023, which represents a decrease by CZK 114.2 million. Decrease is influenced by the better operating cash flows.

3. BUSINESS OVERVIEW AND OTHER MATTERS

The Group's consolidated net debt / Adjusted LTM EBITDA as at 30 June 2023 was of 2.50 (as of 31 December 2022: 2.97).

3.1.5 CASHFLOWS

Cash flows from operating activities were higher by CZK 98.5 million mainly due to better operating result.

Cash flows from investing activities were higher by CZK 14.9 million mainly due to lower CAPEX in 6M23 (CZK 146.2 million in 6M23 as compared to CZK 202.3 million in 6M22). There were cash outflows connected with the acquisition of 1/3 share in General Plastic of CZK 38.7 million.

Cash flows from financing activities were lower by CZK 128.1 million mainly due to cash inflows from sold derivatives in 6M22 (CZK 126.6 million).

From the total balances in relation to repayments and drawings of loans and bank credits presented within the Consolidated statement of cash flows, amount of CZK 9.7 million represents the drawing of Group's overdraft (in 6M22: drawing of CZK 127.0 million).

3.1.6 TRANSACTIONS WITH RELATED PARTIES THAT SUBSTANTIALLY INFLUENCED FINANCIAL PERFORMANCE

There were no transactions with related parties that substantially influenced financial performance for the reported period ended 30 June 2023.

3.1.7 MAIN RISKS AND UNCERTAINTIES IN SUBSEQUENT 6 MONTHS

The continuance of war keeps risks and uncertainties for our daily operations and foreseeable future on the table. We have seen historical increases of energy prices that impact not only our production costs. Due to increasing prices of our inputs, we have already significantly increased prices to our customers. Higher prices reflected in higher inflation rate have many adverse effects. As they decrease the value of savings and change purchasing habits, our consumers can be expected to further decrease the amount of their non-mandatory expenses (e.g. by less visits of pubs and restaurants).

Higher inflation led also to a significant increase of interest rates. As a reaction, we have transferred 60% of our bank credits and loans to EUR in mid 2022 from which we already realized significant savings on interest expense. The substantial part however remains in Czech Crowns and as such is subject to risk of interest rate fluctuation.

Currently, we have very solid financial position. We have sufficient cash balances and flexibility in our expenses. We also closely monitor the situation and create scenarios during our regular top management meetings. Still, we believe that the war ends soon and with it also risks of continuing price increases, and the uncertainty about upcoming development in general.

3.1.8 EXPECTED DEVELOPMENT IN SUBSEQUENT 6 MONTHS

In next 6 months, the CzechoSlovakia segment will continue to build and further enhance its competence of being comprehensive supplier with the complete offer of beverages. In the Retail channel, CzechoSlovakia segment will mainly support its most significant brands Kofola, Rajec, Jupí and others while the focus will also be given on the further development of mineral waters Klášťorná Kalcia and redesigned Ondrášovka and Korunní. A special care will be taken of the new products represented by Rajec Ice Tea introduced in Slovakia, Targa Florio tonic in cans or energy drink Semtex Extrem. In the HoReCa channel, the priority will again be given to draught Kofola, further support will be provided to coffee business with brands Café Reserva and Trepallini, as well as the latest portfolio innovations represented by Prager's kombucha and Targa Florio tonic. The CzechoSlovakia segment will manage continuously increasing costs translating them into sales prices and seeking further internal optimizations.

For the second half of the year we expect a progressive reach of our financial targets for Adriatic. We are noticing some cooling in the market regarding demand for our products due to rising prices of all types of FMCG and our efforts are dedicated to maintaining our market shares in Slovenia and Croatia, still we are noticing lower consumption level and a slight shift towards more low-price products in the Retail channel. Our main season has not been as successful as we have predicted due to weather conditions (thunderstorms, floods), but we plan to compensate for it with operating expense savings and more promotional campaigns. Slovenia has been badly impacted with floods in August which has contributed to high decline in Horeca channel, but has seen rise in sales in Retail because of the need for drinking water.

3. BUSINESS OVERVIEW AND OTHER MATTERS

LEROS has big ambitions for the second half of the year, but we are very well prepared. Christmas specials are on stock and in much higher quantities than last year. Our gastro segment is oriented on higher gastro where the demand is still strong and we believe this will continue also in the second half of the year. In December, we will open first LEROS concept store for tea and coffee - this is a key milestone for us - own retail should be next pillar for our revenues.

In Premium Rosa, we have introduced key changes in the sales team (new commercial manager) and we are well prepared for the key season (September-December). We expect to deliver the budgeted results at the end of the year.

After a couple of years of consolidation and qualitative growth, after achieving profitability level, UGO is back on the development track. In the second half of 2023, UGO in the QSR (Quick Service Restaurants) division is planning to open at least one or two franchised freshbars. And in the division of packaged fresh healthy drinks and salads is planning to start export into the Hungarian market.

We will further continue in our significant contributions to the environmental protection and we take ESG as a very important part of our business. We plan to further support a development of our own brands and also a distribution of our partners' brands with focus on CEE region.

There can still be some unexpected challenges in place because of the war at Ukraine.

3.1.9 ALTERNATIVE PERFORMANCE INDICATORS

Even though ESMA (European Securities and Markets Authority) does not require a reconciliation of Alternative Performance Indicators (APM) to financial statements if the APM can be defined from the financial statements, we add such a reconciliation for better understanding of our calculation of EBITDA and Net debt.

Definition and reconciliation of APM to the financial statements (FS)		FS		Line in FS
Revenue	A	Statement of Profit or Loss		Revenue
Cost of sales	(B)	Statement of Profit or Loss		Cost of sales
Gross profit	A+B=C	Statement of Profit or Loss		Gross profit
Selling, marketing and distribution costs	(D)	Statement of Profit or Loss	Selling, marketing and distribution costs	
Administrative costs	(E)	Statement of Profit or Loss	Administrative costs	
Other operating income/(costs), net	F	Statement of Profit or Loss	Other operating income + Other operating expenses	
Operating profit/(loss)	C+D+E+F=G	Statement of Profit or Loss		Operating profit/(loss)
Depreciation and amortisation	H	Statement of Cash Flows	Depreciation and amortisation	
EBITDA	G+H=I	-		-
Bank credits and loans	J	Statement of Financial Position	Bank credits and loans*	
Lease liabilities	K	Statement of Financial Position	Lease liabilities*	
Cash and cash equivalents	L	Statement of Financial Position	Cash and cash equivalents	
Net debt	J+K-L=M	-		-
Net debt/EBITDA	M/I	-		-

* In both current and non-current liabilities.

Purpose of APM:

A. EBITDA

The Company uses EBITDA because it is an important economic indicator showing a business's operating efficiency comparable to other companies, as it is unrelated to the Company's depreciation and amortisation policy, capital structure and tax treatment. EBITDA indicator is also treated as a good approximation for operating cash flow. Additionally, it is one of the fundamental indicators used by companies worldwide to set their key financial and strategic objectives.

The Company uses EBITDA indicator also in budgeting process, benchmarking with its peers and as a basis for remuneration for key management staff. Such indicator is also used by stock exchange and bank analysts.

B. Net debt

The Company uses Net debt indicator because it shows the real level of a Company's financial debt, i.e. the nominal amount of debt net of cash, cash equivalents, and highly liquid financial assets held by the Company. The indicator allows assessing the overall indebtedness of the Company.

3. BUSINESS OVERVIEW AND OTHER MATTERS

C. Net debt/EBITDA

The Company uses Net debt/EBITDA indicator because it indicates a Company's capability to pay back its debt as well as its ability to take on additional debt to grow its business. Additionally, the Company uses this indicator to assess the adequacy of its capital structure and stability of its expected cash flows. Such indicator is also used by stock exchange and bank analysts.

3.1.10 DIVIDEND POLICY

On 21 October 2021, the Board of Directors of the Company approved the Company's dividend policy for the periods of 2021 to 2023. The intention of the Board of Directors is to maintain the current trend and distribute approximately CZK 300 million to shareholders in each financial year. This currently represents approximately CZK 13.46 per share before tax. The realisation of this intention is conditional on sufficient funds being available for distribution (distributable resources) without jeopardising the Company's financial stability. This dividend policy was announced at the General Meeting on 29 November 2021.

3.1.11 OTHER INFORMATION

The Czech National Bank and Company were informed by NN Group N.V. about the inaccurate reportings of their shareholdings in 2018 and 2020.

The holdings were 3.89% as per 20 September 2018 and 2.79% as per 17 February 2020 due to the fact that two entities were not added in the disclosure filed then.

3.2. SUBSEQUENT EVENTS

No events have occurred after the end of the reporting period that would require disclosures in the Board of directors' report.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

6M 2023

(unaudited)

Kofola ČeskoSlovensko a.s.



1. CONSOLIDATED FINANCIAL STATEMENTS

1.1. CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the 6-month period ended 30 June 2023 and 30 June 2022 in CZK thousand.

Consolidated statement of profit or loss	Note	6M23	6M22	2Q23	2Q22
		CZK'000	CZK'000	CZK'000	CZK'000
Revenue	4.2	4,052,810	3,717,120	2,340,389	2,211,230
Cost of sales	4.3	(2,270,539)	(2,173,623)	(1,273,293)	(1,263,888)
Gross profit		1,782,271	1,543,497	1,067,096	947,342
Selling, marketing and distribution costs	4.3	(1,177,051)	(1,162,827)	(668,456)	(661,247)
Administrative costs	4.3	(313,330)	(261,009)	(172,421)	(130,632)
Other operating income	4.4	31,506	16,366	10,252	9,007
Other operating expenses	4.5	(78,610)	(14,339)	(5,969)	(7,636)
Operating profit/(loss)		244,786	121,688	230,502	156,834
Finance income	4.6	35,031	143,189	3,813	136,628
Finance costs	4.7	(125,358)	(134,154)	(67,512)	(64,734)
Share of profit/(loss) of equity accounted investees		(1)	-	(1)	-
Profit/(loss) before income tax		154,458	130,723	166,802	228,728
Income tax (expense)/benefit	4.8	(66,584)	(42,126)	(43,296)	(34,484)
Profit/(loss) for the period	1.2	87,874	88,597	123,506	194,244
<i>Attributable to:</i>					
Owners of Kofola ČeskoSlovensko a.s.	1.5	88,224	91,738	123,145	195,100
Non-controlling interests	1.5	(350)	(3,141)	361	(856)
Earnings/(loss) per share for profit/(loss) attributable to the ordinary equity holders of the Company (in CZK)					
Basic earnings/(loss) per share	4.9	3.96	4.12	5.52	8.75

The above consolidated statement of profit or loss should be read in conjunction with the accompanying notes.

1. CONSOLIDATED FINANCIAL STATEMENTS

1.2. CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

for the 6-month period ended 30 June 2023 and 30 June 2022 in CZK thousand.

Consolidated statement of other comprehensive income	Note	6M23	6M22	2Q23	2Q22
		CZK'000	CZK'000	CZK'000	CZK'000
Profit/(loss) for the period	1.1	87,874	88,597	123,506	194,244
Other comprehensive income					
<i>Items that may be reclassified to profit or loss:</i>					
Exchange differences		(23,488)	(6,515)	5,347	16,722
Exchange differences on translation of foreign subsidiaries		(23,643)	(6,515)	5,192	16,722
Exchange differences on translation of foreign equity accounted investees		155	-	155	-
Derivatives accounted through Other comprehensive income		(1,872)	(102,169)	11,721	(112,451)
Derivatives - Cash flow hedges		(2,311)	(126,135)	14,471	(138,829)
Deferred tax from Cash flow hedges	4.8	439	23,966	(2,750)	26,378
Other comprehensive income/(loss) for the period, net of tax		(25,360)	(108,684)	17,068	(95,729)
Total comprehensive income/(loss) for the period	1.5	62,514	(20,087)	140,574	98,515
<i>Attributable to:</i>					
Owners of Kofola ČeskoSlovensko a.s.	1.5	62,864	(16,946)	140,213	99,371
Non-controlling interests	1.5	(350)	(3,141)	361	(856)

The above consolidated statement of other comprehensive income should be read in conjunction with the accompanying notes.

1. CONSOLIDATED FINANCIAL STATEMENTS

1.3. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2023 and 31 December 2022 in CZK thousand.

Assets	Note	30.6.2023	31.12.2022
		CZK' 000	CZK' 000
Non-current assets		4,957,550	5,088,930
Property, plant and equipment	4.10	2,970,256	3,098,477
Goodwill	4.11	647,904	647,969
Intangible assets	4.11	1,149,608	1,177,692
Investments in equity accounted investees	4.16	38,758	-
Other receivables		151,024	164,792
Current assets		2,816,680	2,414,503
Inventories		892,114	766,437
Trade and other receivables		1,231,010	997,989
Income tax receivables		10,518	23,635
Cash and cash equivalents		683,038	626,442
Total assets		7,774,230	7,503,433

Liabilities and equity	Note	30.6.2023	31.12.2022
		CZK' 000	CZK' 000
Equity attributable to owners of Kofola ČeskoSlovensko a.s.	1.5	1,444,911	1,332,365
Share capital	1.5	1,114,597	1,114,597
Share premium and capital reorganisation reserve	1.5	(1,962,871)	(1,962,871)
Other reserves	1.5	2,564,552	2,516,742
Foreign currency translation reserve	1.5	(53,563)	(30,075)
Own shares	1.5	(467,382)	(467,382)
Retained earnings/(Accumulated deficit)	1.5	249,578	161,354
Equity attributable to non-controlling interests	1.5	(45,086)	(44,736)
Total equity	1.5	1,399,825	1,287,629
Non-current liabilities		3,564,942	3,664,098
Bank credits and loans	4.12	2,990,980	3,058,226
Lease liabilities		232,045	252,594
Provisions		35,943	32,613
Other liabilities		16,137	16,825
Deferred tax liabilities	4.8	289,837	303,840
Current liabilities		2,809,463	2,551,706
Bank credits and loans	4.12	508,770	491,799
Lease liabilities		132,045	118,863
Provisions		103,297	100,509
Trade and other payables		2,047,777	1,832,832
Income tax liabilities		17,574	7,703
Total liabilities		6,374,405	6,215,804
Total liabilities and equity		7,774,230	7,503,433

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

1. CONSOLIDATED FINANCIAL STATEMENTS

1.4. CONSOLIDATED STATEMENT OF CASH FLOWS

for the 6-month period ended 30 June 2023 and 30 June 2022 in CZK thousand.

Consolidated statement of cash flows	Note	6M23 CZK' 000	6M22 CZK' 000
Cash flows from operating activities*			
Profit/(loss) before income tax	1.1	154,458	130,723
Adjustments for:			
Non-cash movements			
Depreciation and amortisation	4.3	269,455	296,763
Net interest	4.6, 4.7	118,967	113,724
Share of equity accounted investees result		1	-
Impairment/(Release of impairment) of non-current assets	4.5	69,405	-
Change in the balance of provisions		6,889	(36,305)
Change in the balance of other impairments		4,932	(11,426)
Derivatives	4.6, 4.7	(4,022)	(142,738)
Realised (gain)/loss on sale of Property, plant and equipment and Intangible assets	4.4, 4.5	(4,261)	(3,003)
Net exchange differences		(34,485)	14,253
Other		65,552	33,782
Cash movements			
Income taxes paid		(55,973)	(73,080)
Change in operating assets and liabilities			
Change in receivables		(234,375)	(357,528)
Change in inventories		(127,703)	(148,518)
Change in payables		207,921	521,634
Net cash inflow/(outflow) from operating activities		436,761	338,281
Cash flows from investing activities			
Sale of Property, plant and equipment		3,805	5,811
Acquisition of Property, plant and equipment and Intangible assets		(146,156)	(202,258)
Acquisition of equity accounted investees		(38,703)	-
Interest received		52	14
Loans granted		(500)	-
Net cash inflow/(outflow) from investing activities		(181,502)	(196,433)
Cash flows from financing activities			
Lease payments		(65,260)	(62,975)
Proceeds from loans and bank credits		75,536	126,963
Repayment of loans and bank credits		(91,059)	(150,664)
Dividends paid to Company's shareholders		-	(13,516)
Interest paid		(117,693)	(112,252)
Realised derivatives	4.6, 4.7	4,022	16,116
Terminated derivatives	4.6	-	126,622
Dividends not drawn		-	4,900
Other		531	(969)
Net cash inflow/(outflow) from financing activities		(193,923)	(65,775)
Net increase/(decrease) in cash and cash equivalents		61,336	76,073
Cash and cash equivalents at the beginning of the period	1.3	626,442	391,517
Effects of exchange rate changes on cash and cash equivalents		(4,740)	(1,265)
Cash and cash equivalents at the end of the period	1.3	683,038	466,325

* The Group has elected to present cash flows from operating activities using the indirect method.

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

1. CONSOLIDATED FINANCIAL STATEMENTS

1.5. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the 6-month period ended 30 June 2023 and 30 June 2022 in CZK thousand.

Consolidated statement of changes in equity	Note	Equity attributable to owners of Kofola ČeskoSlovensko a.s.						Equity attributable to non-controlling interests	Total equity	
		Share capital	Share premium and capital reorganisation reserve	Other reserves	Foreign currency translation reserve	Own shares	Retained earnings/ (Accumulated deficit)	Total		
		CZK'000	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000	
Balance as at 1 January 2023		1,114,597	(1,962,871)	2,516,742	(30,075)	(467,382)	161,354	1,332,365	(44,736)	1,287,629
Profit/(loss) for the period	1.1	-	-	-	-	-	88,224	88,224	(350)	87,874
Other comprehensive income/(loss)	1.2	-	-	(1,872)	(23,488)	-	-	(25,360)	-	(25,360)
Total comprehensive income/(loss) for the period		-	-	(1,872)	(23,488)	-	88,224	62,864	(350)	62,514
Option scheme		-	-	49,682	-	-	-	49,682	-	49,682
Transactions with owners in their capacity as owners		-	-	49,682	-	-	-	49,682	-	49,682
Balance as at 30 June 2023		1,114,597	(1,962,871)	2,564,552	(53,563)	(467,382)	249,578	1,444,911	(45,086)	1,399,825

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

1. CONSOLIDATED FINANCIAL STATEMENTS

Consolidated statement of changes in equity	Note	Equity attributable to owners of Kofola ČeskoSlovensko a.s.						Equity attributable to non-controlling interests	Total equity
		Share capital	Share premium and capital reorganisation reserve	Other reserves	Foreign currency translation reserve	Own shares	Retained earnings/ (Accumulated deficit)		
		CZK'000	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000
Balance as at 1 January 2022		1,114,597	(1,962,871)	2,533,344	(730)	(477,333)	129,457	1,336,464	(39,505)
Profit/(loss) for the period	1.1	-	-	-	-	-	91,738	91,738	(3,141)
Other comprehensive income/(loss)	1.2	-	-	(102,169)	(6,515)	-	-	(108,684)	-
Total comprehensive income/(loss) for the period		-	-	(102,169)	(6,515)	-	91,738	(16,946)	(3,141)
Shares transfer to option scheme participants		-	-	(9,951)	-	9,951	-	-	-
Option scheme		-	-	16,247	-	-	-	16,247	-
Transactions with owners in their capacity as owners		-	-	6,296	-	9,951	-	16,247	-
Balance as at 30 June 2022		1,114,597	(1,962,871)	2,437,471	(7,245)	(467,382)	221,195	1,335,765	(42,646)

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

2. GENERAL INFORMATION

2.1. CORPORATE INFORMATION

KOFOLA GROUP

Kofola Group is one of the leading producers and distributors of non-alcoholic beverages in Central and Eastern Europe that belongs to the top players in CzechoSlovakia.

The Group produces its products with care and love in eleven production plants located in the Czech Republic (six plants), Slovakia (two plants), Slovenia (one plant), Croatia (one plant) and Poland (one plant).

The Group distributes its products using a wide variety of packaging, including kegs that are used in the HoReCa channel to serve our widely popular drink „Kofola Draught” distributed in KEG which is considered as one of our most environmentally friendly packaging. The Group distributes its products through Retail, HoReCa and Impulse channels.

Key own brands include carbonated beverages Kofola and Vinea, waters Radenska, Studenac, Rajec, Ondrášovka, Korunní and Klášterná Kalcia, syrup Jupí, beverages for children Jupík, Semtex energy drink, UGO fresh juices and salads, Leros teas and coffee brands Café Reserva and Trepallini. In selected markets, the Group distributes among others Rauch, Evian, Vincentka or Dilmah products and under the licence produces Royal Crown Cola, Orangina, Rauch or Pepsi. The Group also produces and distributes water, carbonated and non-carbonated beverages and syrups under private labels for third parties, mostly big retail chains.

Despite the fact that the Group's portfolio includes more than 30, mostly well-established and recognisable brands with a wide market, the Group's key brand is Kofola.

Main brands by categories are shown in the visualisation below:

CATEGORY	MAIN OWN BRANDS	DISTRIBUTED AND LICENSED BRANDS
Waters	      	 
Non-carbonated beverages	  	
Carbonated beverages	      	  
Syrups		
Fresh Bars & Salateries		
Other	    	

KOFOLA ČESKOSLOVENSKO

Kofola ČeskoSlovensko a.s. (“the Company”) is a joint-stock company registered on 12 September 2012. Its registered office is Nad Porubkou 2278/31a, Ostrava, 708 00, Czech Republic and the identification number is 24261980. The Company is recorded in the Commercial Register kept by the Regional Court in Ostrava, section B, Insert No. 10735, in the Czech Republic. The Company's websites are <https://www.kofola.cz/> and the phone number is +420 595 601 030. LEI: 3157005DO9L5OWHQB359. Company's principal place of business is Ostrava.

Main area of activity of Kofola ČeskoSlovensko a.s. in 6M23 was holding of the subsidiaries and providing certain services for the other companies in Kofola Group, e.g. strategic services, services related to products, shared services and holding of licences and trademarks.

Kofola ČeskoSlovensko Group

Interim consolidated financial statements for the period of six months ended 30 June 2023

In accordance with IAS 34 as adopted by EU

2. GENERAL INFORMATION



Based on the information known to the Board of Directors of the Company acting with due care, the ultimate parent of the Company is AETOS a.s. AETOS a.s. is also an ultimate parent of the Group. The ownership structure is described in section 4.14.1.

Stock exchange listing

Kofola ČeskoSlovensko a.s. is listed on Prague Stock Exchange (ticker KOFOL).

MANAGEMENT

As at 30 June 2023, the composition of the Board of Directors, Supervisory Board and Audit Committee was as follows:

BOARD OF DIRECTORS

- Janis Samaras – Chair
- René Musila – Vice-Chair
- Daniel Buryš – Vice-Chair
- Martin Pisklák
- Martin Mateáš
- Marián Šefčovič

SUPERVISORY BOARD

- René Sommer – Chair
- Tomáš Jendřejek
- Moshe Cohen-Nehemia
- Alexandros Samaras
- Ladislav Sekerka

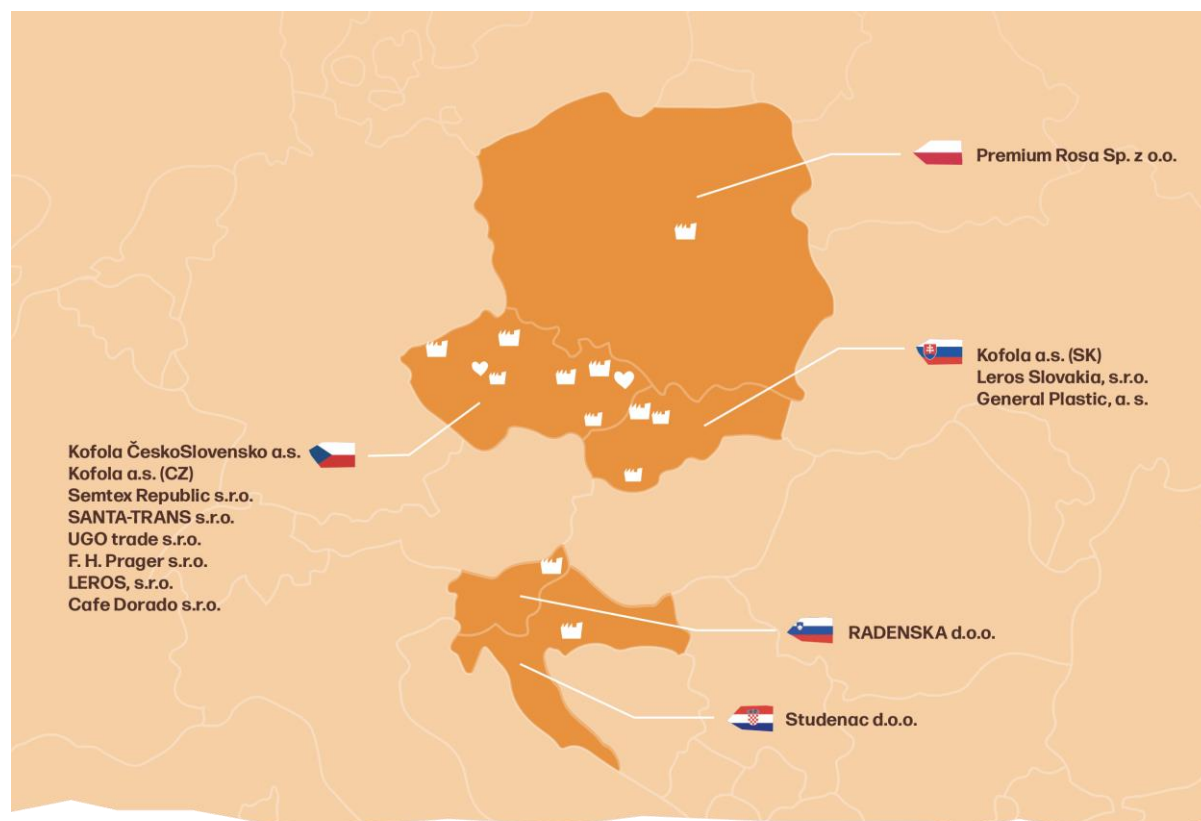
AUDIT COMMITTEE

- Petr Šobotník – Chair
- Zuzana Prokopcová
- Lenka Frostová

2. GENERAL INFORMATION

2.2. GROUP STRUCTURE

Group structure chart as at 30 June 2023



Description of the Group companies

Name of entity	Place of business	Segment (section 4.1)	Principal activities	Ownership interest and voting rights	
				30.6.2023	31.12.2022
Holding companies					
Kofola ČeskoSlovensko a.s. Cafe Dorado s.r.o.	Czech Republic Czech Republic	CzechoSlovakia Fresh & Herbs	top holding company holding company	50.00%	n/a
Production and trading					
Kofola a.s.	Czech Republic	CzechoSlovakia	production and distribution of non-alcoholic beverages	100.00%	100.00%
Kofola a.s.	Slovakia	CzechoSlovakia	production and distribution of non-alcoholic beverages	100.00%	100.00%
UGO trade s.r.o.	Czech Republic	Fresh & Herbs	operation of Fresh bars chain, production of salads	90.00%	90.00%
RADENSKA d.o.o.	Slovenia	Adriatic	production and distribution of non-alcoholic beverages	100.00%	100.00%
Studenac d.o.o.	Croatia	Adriatic	production and distribution of non-alcoholic beverages	100.00%	100.00%
Premium Rosa Sp. z o.o.	Poland	Fresh & Herbs	production and distribution of syrops and jams	100.00%	100.00%
LEROS, s.r.o.	Czech Republic	Fresh & Herbs	production and distribution of products from medicinal plants and quality natural teas	100.00%	100.00%
Leros Slovakia, s.r.o.	Slovakia	Fresh & Herbs	distribution of products from medicinal plants and quality natural teas	100.00%	100.00%
F.H.Prager s.r.o.	Czech Republic	CzechoSlovakia	production and distribution of ciders	100.00%	100.00%
Semtex Republic s.r.o.	Czech Republic	CzechoSlovakia	marketing activities	100.00%	100.00%
General Plastic, a. s.	Slovakia	CzechoSlovakia	production of hot-washed PET flakes and PET preforms	33.33%	n/a
Transportation					
SANTA-TRANS s.r.o.	Czech Republic	CzechoSlovakia	road cargo transport	100.00%	100.00%

3. SIGNIFICANT ACCOUNTING POLICIES

3.1. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with the laws binding in the Czech Republic and with International Financial Reporting Standards ("IFRS"), as well as the interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") adopted by the European Union, published and effective for reporting periods beginning 1 January 2023.

The consolidated financial statements have been prepared on a going concern basis and in accordance with the historical cost method, except for financial assets and liabilities measured at fair value, employee benefits measured at fair value and the assets, liabilities and contingent liabilities of the acquiree which are measured at their acquisition-date fair values as required by IFRS 3.

The consolidated financial statements include the consolidated statement of the financial position, consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and explanatory notes.

The Group's consolidated financial statements cover the period of six months ended 30 June 2023 and contain comparatives for the period of six months ended 30 June 2022 and as of 31 December 2022 (in case of the consolidated statement of financial position). Consolidated statement of profit or loss and consolidated statement of other comprehensive income are presented also for the periods of 3 months ended 30 June 2023 and 30 June 2022.

The consolidated financial statements are presented in Czech crowns ("CZK"), and all values, unless stated otherwise, are presented in CZK thousand.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires that management exercises its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in section 3.7.

3.2. FUNCTIONAL AND PRESENTATION CURRENCY

The consolidated financial statements are presented in Czech crowns (CZK), which is the Company's functional and presentation currency.

3.3. FOREIGN CURRENCY TRANSLATION

The financial statements items of the Group entities are measured using their functional currency. Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions.

Monetary assets and liabilities expressed as at the balance sheet date in foreign currencies are translated using the closing exchange rate announced by the National Bank for the end of the reporting period, and all foreign exchange gains or losses are recognized in profit or loss under:

- operating income and expense – for trading operations,
- finance income and costs – for financial operations.

Non-monetary assets and liabilities carried at historical cost expressed in a foreign currency are stated at the historical exchange rate as at the date of the transaction. Non-monetary assets and liabilities carried at fair value expressed in a foreign currency are translated at the exchange rate as at the date on which they were remeasured to the fair value.

The following exchange rates were used for the preparation of the financial statements:

Closing exchange rates	30.6.2023	31.12.2022	30.6.2022
CZK/EUR	23.730	24.115	24.740
CZK/PLN	5.346	5.152	5.276
CZK/HRK	n/a	3.200	3.285

3. SIGNIFICANT ACCOUNTING POLICIES

Average exchange rates	1.1.2023	1.1.2022	1.1.2022
	- 30.6.2023	- 31.12.2022	- 30.6.2022
CZK/EUR	23.690	24.565	24.649
CZK/PLN	5.125	5.245	5.318
CZK/HRK	n/a	3.260	3.268

Croatia is part of Eurozone since 1 January 2023, as such, the balances of Studenac d.o.o. have been translated to CZK from EUR.

The results and financial position of foreign operations are translated into CZK as follows:

- assets and liabilities for each statement of financial position presented at closing exchange rates announced by the Czech National Bank for the balance sheet date,
- income and expense for each statement of profit or loss at average exchange rates announced by the Czech National Bank for the reporting period, unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions,
- the resulting exchange differences are recognised in other comprehensive income and accumulated in equity,
- cash-flow statement items at the average exchange rate announced by the Czech National Bank for the reporting period, unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions. The resulting foreign exchange differences are recognized under the “Effects of exchange rate changes on cash and cash equivalents” item of the cash-flow statement.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Foreign exchange gains and losses recognized in profit or loss are offset on individual company level.

3.4. CONSOLIDATION METHODS

The consolidation methods based on which the present financial statements have been prepared have not changed compared to the methods used in the annual consolidated financial statements for the twelve-month period ended 31 December 2022.

3.5. ACCOUNTING METHODS

The Group has acquired equity accounted investees in Q2 2023. The accounting policy for these investees is provided below.

ASSOCIATES AND EQUITY ACCOUNTED INVESTEEES

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Equity accounted investee is an investment where the Group has a joint control over the investment. Investments are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the net assets of the investee after the date of acquisition. The Group's investment in associates and equity accounted investees includes goodwill identified on acquisition.

If the ownership interest is reduced but significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognized in profit or loss and its share of post-acquisition movements in other comprehensive income (including the effects of translation of the financial position and results of the investment from its functional to the Group's presentation currency) is recognized in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an investment equals or exceeds its interest in the investment, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the investment.

The foreign investments are retranslated using foreign exchange rate valid at the balance sheet date and any resulting difference is recognized in Other comprehensive income.

3. SIGNIFICANT ACCOUNTING POLICIES

The Group determines as at each reporting date whether there is any objective evidence that the investment is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the investment and its carrying value and recognizes the amount adjacent to share of profit/(loss) of investment in the income statement.

Profits and losses resulting from upstream and downstream transactions between the Group and its investments are recognized in the Group's financial statements only to the extent of unrelated investor's interests in the investments. Unrealized gains and losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the investments have been changed where necessary to ensure consistency with the policies adopted by the Group.

The other adopted accounting policies are consistent with those used in the annual consolidated financial statements for the twelve-month period ended 31 December 2022.

3.6. NEW AND AMENDED STANDARDS ADOPTED BY THE GROUP

Several standards, amendments and interpretations apply for the first time in 2023, but do not have any material impact on the Group's financial statements.

3.7. SIGNIFICANT ESTIMATES AND KEY MANAGEMENT JUDGEMENTS

Since some of the information contained in the consolidated financial statements cannot be measured precisely, the Group's management must perform estimates to prepare the consolidated financial statements. Management verifies the estimates based on changes in the factors considered at their calculation, new information or past experience. For this reason, the estimates made as at 30 June 2023 may be changed in the future. The main estimates pertain to the following matters:

Impairment of CGU, goodwill and individual tangible and intangible assets	Key assumptions used to determine the recoverable amount: Impairment indicators, used models, discount rates, growth rates.
Useful life of trademarks	The history of the trademark on the market, market position, useful life of similar products, the stability of the market segment, competition.
Deferred tax asset from tax losses	Historical experience, current and forward-looking information available to the management.
Income tax	Assumptions used to recognise deferred income tax assets (other than Deferred tax asset from tax losses).
Impairment of receivables	Historical experience, credit assessment, current and forward-looking information available to the management.

Valuation of Group's CGU and individual assets is highly dependent on projected discount rates and business models which reflected also possible Ukraine crisis implications on the Group's activities.

Despite increasing input prices, there is no material impairment risk related to the Group's assets as of 30 June 2023.

3.8. STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

3.9. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors approved the present consolidated financial statements for publication on 31 August 2023.

4. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS



4.1. SEGMENT INFORMATION

The Board of Directors of Kofola ČeskoSlovensko a.s. is the chief operating decision maker (“CODM”) responsible for operational decision-making and uses segment results to decide on the allocation of resources to the segments and to assess segments’ performance. Three main business segments are presented within these financial statements. These are:

- CzechoSlovakia,
- Adriatic,
- Fresh & Herbs.

Division of particular Group companies between the segments is outlined in the section 2.2.

Furthermore, CODM monitors revenue, but not a profit measure, from the following product lines:

- Carbonated beverages,
- Non-carbonated beverages (incl. UGO fresh bottles),
- Waters,
- Syrups,
- Fresh bars & Salads,
- Other (e.g. energy drinks, isotonic drinks, tea, coffee, transportation and other services).

In compliance with the relevant requirements of IFRS 8 Operating Segments, the management presents also the distribution of revenues and non-current assets (other than financial instruments and deferred tax assets) distributed into geographical areas.

The Group applies the same accounting methods to all segments. These policies are also in line with the accounting methods used in the preparation of these consolidated financial statements. Transactions between segments are eliminated in the consolidation process.

The Group did not identify any customer in the period of six months ended 30 June 2023 and in the comparative period of six months ended 30 June 2022 that generated more than 10% of the Group’s consolidated revenue.

4. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Business segments

1.1.2023 – 30.6.2023	CzechoSlovakia	Adriatic	Fresh & Herbs	Subtotal	Consolidation adjustments	Total
	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000
Revenue	2,960,688	694,894	470,529	4,126,111	(73,301)	4,052,810
External revenue – excl. services	2,906,922	688,797	431,711	4,027,430	-	4,027,430
External revenue – services	8,395	5,020	11,965	25,380	-	25,380
Inter-segment revenue	45,371	1,077	26,853	73,301	(73,301)	-
Operating expenses	(2,678,729)	(632,364)	(570,232)	(3,881,325)	73,301	(3,808,024)
Related to external revenue	(2,633,358)	(631,287)	(543,379)	(3,808,024)	-	(3,808,024)
Related to inter-segment revenue	(45,371)	(1,077)	(26,853)	(73,301)	73,301	-
Operating profit/(loss)	281,959	62,530	(99,703)	244,786	-	244,786
Finance income/(costs), net	(90,322)	(660)	655	(90,327)	-	(90,327)
- within segment	(102,484)	(715)	12,872	(90,327)	-	(90,327)
- inter-segment	12,162	55	(12,217)	-	-	-
Share of profit/(loss) of equity accounted investees	(1)	-	-	(1)	-	(1)
Profit/(loss) before income tax	191,636	61,870	(99,048)	154,458	-	154,458
Income tax (expense)/benefit	(52,054)	(16,867)	2,337	(66,584)	-	(66,584)
Profit/(loss) for the period	139,582	45,003	(96,711)	87,874	-	87,874
EBITDA*	439,119	104,414	(29,292)	514,241	-	514,241
One-offs (A 3.1.1)	(1,294)	(22)	68,166	66,850	-	66,850
Adjusted EBITDA (A 3.1.1)	437,825	104,392	38,874	581,091	-	581,091

* EBITDA refers to operating profit/(loss) plus depreciation and amortisation.

Other segment information (1.1.2023 – 30.6.2023)	CzechoSlovakia	Adriatic	Fresh & Herbs	Subtotal	Consolidation adjustments	Total
	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000
Additions to PPE and Intangible assets*	147,312	40,622	21,362	209,296	-	209,296
Depreciation and amortisation	157,160	41,884	70,411	269,455	-	269,455
Other Impairment losses	8,815	-	78,790	87,605	-	87,605
Other Impairment losses reversals	(7,119)	(1,398)	(10,110)	(18,627)	-	(18,627)
Provisions - Increase due to creation	87,408	3,411	15,405	106,224	-	106,224
Provisions - Decrease due to usage/release	(78,587)	(5,188)	(15,560)	(99,335)	-	(99,335)

* excluding acquisitions, including lease additions

4. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1.1.2022 – 30.6.2022	CzechoSlovakia	Adriatic	Fresh & Herbs	Subtotal	Consolidation adjustments	Total
	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000
Revenue	2,715,464	663,692	412,952	3,792,108	(74,988)	3,717,120
External revenue – excl. services	2,656,916	658,444	377,053	3,692,413	-	3,692,413
External revenue – services	9,768	4,788	10,151	24,707	-	24,707
Inter-segment revenue	48,780	460	25,748	74,988	(74,988)	-
Operating expenses	(2,586,425)	(620,036)	(463,959)	(3,670,420)	74,988	(3,595,432)
Related to external revenue	(2,537,645)	(619,576)	(438,211)	(3,595,432)	-	(3,595,432)
Related to inter-segment revenue	(48,780)	(460)	(25,748)	(74,988)	74,988	-
Operating profit/(loss)	129,039	43,656	(51,007)	121,688	-	121,688
Finance income/(costs), net	28,831	(1,628)	(19,154)	8,049	986	9,035
- within segment	14,534	(642)	(4,857)	9,035	-	9,035
- inter-segment	14,297	(986)	(14,297)	(986)	986	-
Profit/(loss) before income tax	157,870	42,028	(70,161)	129,737	986	130,723
Income tax (expense)/benefit	(30,986)	(13,460)	2,320	(42,126)	-	(42,126)
Profit/(loss) for the period	126,884	28,568	(67,841)	87,611	986	88,597
EBITDA*	299,967	95,057	23,427	418,451	-	418,451
One-offs (A 3.1.1)	687	722	(1,895)	(486)	-	(486)
Adjusted EBITDA (A 3.1.1)	300,654	95,779	21,532	417,965	-	417,965

* EBITDA refers to operating profit/(loss) plus depreciation and amortisation.

Other segment information (1.1.2022 – 30.6.2022)	CzechoSlovakia	Adriatic	Fresh & Herbs	Subtotal	Consolidation adjustments	Total
	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000
Additions to PPE and Intangible assets*	191,453	37,986	39,154	268,593	-	268,593
Depreciation and amortisation	170,928	51,401	74,434	296,763	-	296,763
Other Impairment losses	2,545	813	-	3,358	-	3,358
Other Impairment losses reversals	(14,661)	(1,684)	(2,440)	(18,785)	-	(18,785)
Provisions - Increase due to creation	43,395	1,636	8,305	53,336	-	53,336
Provisions - Decrease due to usage/release	(71,592)	(7,612)	(10,437)	(89,641)	-	(89,641)

* excluding acquisitions, including lease additions

4. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Product lines

1.1.2023 - 30.6.2023	Carbonated beverages	Non-carbonated beverages	Waters	Syrups	Fresh bars & Salads	Other	Total
	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000
Revenue	1,503,795	351,234	1,350,014	265,913	230,751	351,103	4,052,810
External revenue – excl. services	1,503,795	351,234	1,350,014	265,913	221,796	334,678	4,027,430
External revenue – services	-	-	-	-	8,955	16,425	25,380
1.1.2022 – 30.6.2022	Carbonated beverages	Non-carbonated beverages	Waters	Syrups	Fresh bars & Salads	Other	Total
	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000
Revenue	1,340,450	332,276	1,259,762	284,046	190,337	310,249	3,717,120
External revenue – excl. services	1,340,450	332,276	1,259,762	284,046	183,283	292,596	3,692,413
External revenue – services	-	-	-	-	7,054	17,653	24,707

Information about geographical areas – revenue per end customer

1.1.2023 - 30.6.2023	Czech Republic	Slovakia	Slovenia	Croatia	Poland	Other	Total
	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000
Revenue	2,306,216	971,957	441,820	193,472	48,370	90,975	4,052,810
External revenue – excl. services	2,293,802	968,190	436,814	193,457	47,253	87,914	4,027,430
External revenue – services	12,414	3,767	5,006	15	1,117	3,061	25,380
1.1.2022 – 30.6.2022	Czech Republic	Slovakia	Slovenia	Croatia	Poland	Other	Total
	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000
Revenue	2,119,344	865,917	414,510	193,281	37,522	86,546	3,717,120
External revenue – excl. services	2,107,527	859,453	409,737	193,266	37,237	85,193	3,692,413
External revenue – services	11,817	6,464	4,773	15	285	1,353	24,707
Non-current assets (excluding financial assets and deferred tax assets)	Czech Republic	Slovakia	Slovenia	Croatia	Poland	Other	Total
	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000
30.6.2023	3,173,564	924,213	542,803	142,641	62,738	-	4,845,959
31.12.2022	3,215,921	952,955	566,175	129,363	138,810	-	5,003,224

SEASONAL AND CYCLICAL NATURE OF THE OPERATIONS

Seasonality

Seasonality is associated with periodic deviations in demand and supply and has certain effect on Group's general sales trends. Beverage sales peak appears in the 2nd and 3rd quarter of the year. This is caused by increased drink consumption in the spring and summer months. In the year ended 31 December 2022, about 19.1% (17.4% in 2021) of revenue was earned in the 1st quarter, with 28.1% (27.1% in 2021), 29.8% (31.9% in 2021) and 23.0% (23.6% in 2021) of the annual consolidated revenue earned in the 2nd, 3rd and 4th quarters, respectively. Shares in particular quarters of both 2022 and 2021 were influenced by COVID-19 pandemic.

Cyclical nature

The Group's results are to certain extent dependent on economic cycles, in particular on fluctuations in demand and in the prices of raw materials.

Kofola ČeskoSlovensko Group

Interim consolidated financial statements for the period of six months ended 30 June 2023

In accordance with IAS 34 as adopted by EU

4. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4.2. REVENUE

Revenue streams, Timing of revenue recognition	6M23	6M22
	CZK'000	CZK'000
Revenue from contracts with customers		
- Sales of finished products/goods/materials (transferred at a point in time)	4,027,430	3,692,413
- Sales of transportation services (transferred over time)	5,287	7,598
- Franchise licences (transferred over time)	8,954	7,039
- Sales of other services (transferred over time)	11,139	10,070
Total revenue	4,052,810	3,717,120

Revenue from contracts with customers is represented by finished products, goods and materials sold and is recognized at a point of time. For further allocation between particular segments refer to section 4.1.

Changes of loss allowances on receivables arising from contracts with customers are not material.

Group doesn't have any material contract assets, contract liabilities or performance obligations satisfied (or partially satisfied) in previous periods.

4.3. EXPENSES BY NATURE

Expenses by nature	6M23	6M22
	CZK'000	CZK'000
Depreciation of Property, plant and equipment and amortisation of Intangible assets	269,455	296,763
Employee benefits expenses (i)	854,703	782,655
Consumption of materials and energy, cost of goods and materials sold	1,910,998	1,812,880
Services	711,844	678,054
Rental costs	46,820	47,584
Taxes and fees	35,869	43,875
Insurance costs	9,759	10,338
Inventory write-down/(back)	(675)	(383)
Change in allowance to receivables	7,954	(8,220)
Change in finished products and work in progress	(85,453)	(63,967)
Other costs	1,323	2,094
Total expenses by nature*	3,762,597	3,601,673
Depreciation recognized in Other operating expenses	(1,677)	(4,214)
Reconciliation of expenses by nature to expenses by function	3,760,920	3,597,459
Cost of sales	2,270,539	2,173,623
Selling, marketing and distribution costs	1,177,051	1,162,827
Administrative costs	313,330	261,009
Total costs of products and services sold, merchandise and materials, sales costs and administrative costs	3,760,920	3,597,459

* Excluding Other operating expenses (except for depreciation) and Impairment.

Depreciation decreased due to end of useful life of several assets during 2022. Employee benefits expenses increased due to expenses related to option scheme and higher provisions for employee bonuses. Direct material costs, costs of goods sold, energy costs and services increased mainly due to increased revenue but also due to higher material prices. Higher services were driven mainly by higher revenue.

(i) Employee benefits expenses

Employee benefits expenses	6M23	6M22
	CZK'000	CZK'000
Salaries	641,898	582,244
Social security and other benefit costs (including healthcare insurance)	102,001	93,019
Pension benefit plan expenses	110,804	107,392
Total employee benefits expenses	854,703	782,655

4. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4.4. OTHER OPERATING INCOME

Other operating income	6M23	6M22
	CZK'000	CZK'000
Net gain from the sale of PPE and Intangible assets	4,261	3,003
Subsidies, grants and government support*	17,175	1,449
Compensation claims	1,429	1,540
Rental discounts	-	973
Penalties and compensation for damages	1,736	1,686
Other tax income	919	1,569
Other	5,986	6,146
Total other operating income	31,506	16,366

* Subsidies are, in accordance with IAS 20, presented as other operating income. There are no unfulfilled conditions in relation to these subsidies.

In 6M23, the Subsidies, grants and government support contain mainly the support related to high energy prices in 2022 (entitlement to recognize the revenue arose in 6M23).

4.5. OTHER OPERATING EXPENSES

Other operating expenses	6M23	6M22
	CZK'000	CZK'000
Net costs connected with inactive plant in Poland*	692	2,356
Impairment of PPE	69,405	-
Provided donations, sponsorship	1,758	4,048
Penalties and damages	450	1,369
Advisory services	2,690	2,762
Restructuring costs**	-	375
Other	3,615	3,429
Total other operating expenses	78,610	14,339

* Mainly depreciation expense, property taxes, consumption of energy, net of rental income. ** Mainly payroll expenses.

Impairment of Property, plant and equipment in 6M23 is resulting from the decrease of the expected value of the closed Grodzisk Wielkopolski plant (downward revaluation due to long-term unsuccessful sale effort).

4.6. FINANCE INCOME

Finance income	6M23	6M22
	CZK'000	CZK'000
Interest from:		
– bank deposits	32	14
– other	20	-
Exchange gains	30,957	406
Realized derivatives (original derivatives in CZK)	-	16,116
Realized derivatives (new derivatives in EUR)	4,022	-
Gain on derivatives termination (original derivatives in CZK)	-	126,622
Other	-	31
Total finance income	35,031	143,189

Exchange gains result mainly from the revaluation of the bank credits and loans (Czech Crown strengthening).

4. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4.7. FINANCE COSTS

Finance costs	6M23	6M22
	CZK'000	CZK'000
Interest – bank loans and credits	112,311	107,864
Interest – lease	6,627	5,793
Interest – other	81	81
Exchange losses	1,221	16,555
Bank costs and charges	5,117	3,846
Other	1	15
Total finance costs	125,358	134,154

FX losses in 6M22 related mainly to the Company's EUR receivables.

4.8. INCOME TAX

4.8.1 INCOME TAX RECOGNISED IN PROFIT OR LOSS

Main income tax elements for the six-month period ended 30 June 2023 and 30 June 2022 were as follows:

Income tax	6M23	6M22
	CZK'000	CZK'000
Current income tax expense/(benefit)	78,122	29,743
Current income tax on profits for the year	77,105	29,092
Adjustments for current income tax of prior periods	1,017	651
Deferred income tax expense/(benefit)*	(11,538)	12,383
Related to arising and reversing of temporary differences	(20,423)	(720)
Related to tax losses	8,885	13,103
Income tax expense/(benefit)	66,584	42,126

* Deferred tax recognized in the profit or loss statement doesn't reconcile to the difference between the values recognized in the statement of financial position which is caused mainly by the foreign exchange differences arising on consolidation of foreign subsidiaries.

The income tax rate applicable to the majority of the Group's 6M23 and 6M22 income is 19%.

4.8.2 INCOME TAX RECOGNISED DIRECTLY IN EQUITY

Income tax elements for the six-month period ended 30 June 2023 and 30 June 2022 were as follows:

Income tax recognised directly in equity	6M23	6M22
	CZK'000	CZK'000
Deferred income tax	(439)	(23,966)
Tax from Cash flow hedges	(439)	(23,966)
Income tax recognised directly in equity	(439)	(23,966)

4.9. EARNINGS PER SHARE

The basic earnings per share ratio is calculated by dividing the profit/(loss) for the period attributable to owners of Kofola ČeskoSlovensko a.s. by the weighted average number of ordinary shares outstanding during the period.

The diluted earnings per share ratio is calculated by dividing the profit/(loss) for the period attributable to ordinary shareholders (after deducting the interest on redeemable preferred shares convertible to ordinary shares) by the weighted average number of ordinary shares outstanding during the period (adjusted by the effect of diluting options and own shares not subject to dividends). The diluted earnings per share ratio is not applicable to the Group because it didn't issue any of above-mentioned financial instruments.

4. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Information used to calculate basic earnings per share is presented below:

Weighted average number of ordinary shares	6M23	6M22
	Pcs	Pcs
Total number of ordinary shares issued by the Company	22,291,948	22,291,948
Effect of own shares in possession of the Company	-	(251)
Weighted average number of ordinary shares used to calculate basic earnings per share	22,291,948	22,291,697

Based on the above information, the basic earnings per share amounts to:

Basic earnings per share	6M23	6M22
Profit/(loss) for the period attributable to owners of Kofola ČeskoSlovensko a.s. (CZK'000)	88,224	91,738
Weighted average number of ordinary shares used to calculate basic earnings per share (pcs)	22,291,948	22,291,697
Basic earnings per share attributable to owners of Kofola ČeskoSlovensko a.s. (CZK/share)	3.96	4.12

4.10. PROPERTY, PLANT AND EQUIPMENT

The additions to Property, plant and equipment were of CZK 196,166 thousand in 6M23.

The most significant additions realized by the Group in 6M23 were represented by investments into the production machinery, vehicles and returnable packages.

Impairment of Property, plant and equipment in 6M23 is resulting from the decrease of the expected value of the closed Grodzisk Wielkopolski plant (downward revaluation due to long-term unsuccessful sale effort).

The additions to Property, plant and equipment were of CZK 265,535 thousand in 6M22 (including lease additions).

The most significant additions realized by the Group in 6M22 were represented by investments into the production machinery and returnable packages.

4.11. INTANGIBLE ASSETS

The Goodwill consists of the goodwill from acquisition of PINELLI spol. s r.o. in April 2011, goodwill from acquisition of production part of Klimo s.r.o. by Kofola a.s. (Czech Republic) in 2006, goodwill from acquisition of LEROS s.r.o. in March 2018, goodwill from acquisition of Minerálka s.r.o. in June 2018, goodwill from acquisition of Espresso s.r.o. in July 2019, goodwill from acquisition of F.H.Prager s.r.o. in January 2020 and goodwill from acquisition of ONDŘÁŠOVKA a.s. and Karlovarská Korunní s.r.o. in April 2020.

Amortisation of trademarks with finite useful lives is charged to Selling, marketing and distribution costs. The main trademarks are not amortized – such trademarks with indefinite useful lives are tested for impairment.

The value of trademarks includes, among others, the value of such trademarks as: Kofola, Vinea, Radenska, Citrocola, Semtex energy drink, Erektus, UGO, Premium Rosa, Leros, Café Reserva, Prager ciders and lemonades, Ondrášovka and Korunní.

In 6M23 and 6M22, the additions to intangible assets were immaterial.

4.12. BANK CREDITS AND LOANS

Indebtedness of the group from the credits and loans

As at 30 June 2023, the Group's total bank loans and credits amounted to CZK 3,499,750 thousand (as at 31 December 2022: CZK 3,550,025 thousand).

From the total balances in relation to repayments and drawings of loans and bank credits presented within the Consolidated statement of cash flows (section 1.4), amount of CZK 9,702 thousand represents the increase of Group's overdraft (in 6M22: increase of CZK 126,963 thousand).

The Facility loan agreement as amended (which refinanced loans at that time, served for a loan financing of RADENSKA d.o.o. acquisition and also the acquisition of ONDŘÁŠOVKA a.s. and Karlovarská Korunní s.r.o.) with carrying amount of CZK 3,171,291 thousand as at 30 June 2023 (as at 31 December 2022: CZK 3,226,113 thousand) was a main component of

4. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS



Group's liabilities. The reason for the execution of the Facility loan agreement was a consolidation of Group financing to ensure strategic development and taking advantage of the favourable conditions of financial market.

Credit terms and terms and conditions

Based on credit agreements, the Group is required to meet specified covenants. In accordance with the requirements of IAS 1, a breach of credit terms that may potentially limit unconditional access to credits in the nearest year makes it necessary to classify such liabilities as current.

All bank loan covenants were met as of 30 June 2023 and 31 December 2022.

4.13. LEGAL AND ARBITRATION PROCEEDINGS

Denationalisation proceedings against RADENSKA

There are pending denationalisation proceedings with respect to denationalisation claims of the legal successors of the former owners of RADENSKA d.o.o. – Wilhelmina Höhn Šarič and Ante Šarič. These denationalisation claims have been in the process of being decided on from the year 1993 onward. After several turns in the process the Constitutional court in 2018 reversed the decisions of the authorities adopted by then which prevented the denationalization beneficiaries from denationalization for legal reasons and returned the matter to the first instance authority. Upon such a decision the administrative unit Gornja Radgona as the first instance authority resumed with the process in 2018. In the resumed process the authority, in several partial decisions issued so far in 2018, 2019 and 2020, found the denationalization beneficiaries are entitled to denationalization, however, not in the form of in-kind return of property, for which RADENSKA would be liable, but merely in the form of compensation, which is paid from the Republic of Slovenia and neutral with respect to RADENSKA. In part the denationalisation claims were rejected for lack of merit. Such decisions of the authorities effectively mean that the beneficiary is not entitled to in-kind return of property and therefore neither RADENSKA nor Kofola are obliged to any compensation payment. In February 2021, the beneficiary even withdrew the claim for the in-kind return of the RADENSKA enterprise and real estates owned by the enterprise and is now primarily requesting to be compensated by the state. The authorities recently followed such request and issued decisions according to which the beneficiary is entitled to compensation in form of state bonds, compensated by the Slovene Sovereign Holding and neutral with respect to RADENSKA and Kofola Group. Please note that such decisions, including the most recent decision are not final and thus, in theory, there's still the risk, albeit very low, the current decisions would be reversed later in the process with potential negative consequences for RADENSKA. RADENSKA is therefore still actively participating in the process and protecting its interests.

Litigation with former lawyer

There is a litigation concerning the amount of CZK 23,070 thousand with a former lawyer Mr. Belec, who represented RADENSKA in the denationalization process and with whom RADENSKA already concluded a settlement in 2018. Currently, Mr. Belec is in a personal bankruptcy procedure and claims that the settlement in 2018 was not in his interest. Although we estimate the risk of the plaintiff succeeding with the claim to be low, we note the outcome of legal proceeding is uncertain and therefore a potentially negative outcome cannot be completely excluded.

Other proceedings

Some of the Group companies are routinely involved in legal proceedings which arise in the ordinary course of the Group's business but which are not material to the Group. The Company is not involved in any judicial, administrative or arbitration proceedings and has not conducted such proceedings in the past.

Apart from the above denationalisation related proceedings, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened, of which the Company and/or Group is aware, including any claims against the directors of the Company) which may have, or have had during the 12 months prior to the date of these financial statements, an effect on the financial position or profitability of the Company and/or the Group.

4. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4.14. RELATED PARTY TRANSACTIONS

4.14.1 SHAREHOLDERS STRUCTURE

Share capital structure			30.6.2023		31.12.2022	
Name of entity	Number of shares	% in share capital	% in voting rights	Number of shares	% in share capital	% in voting rights
AETOS a.s.	14,984,204	67.22	70.58	14,984,204	67.22	70.58
RADENSKA d.o.o.	1,062,236	4.77	0.00	1,062,236	4.77	0.00
Others	6,245,508	28.01	29.42	6,245,508	28.01	29.42
Total	22,291,948	100.00	100.00	22,291,948	100.00	100.00

As at 30 June 2023, the registered share capital of Kofola ČeskoSlovensko a.s. totalled CZK 1,114,597,400 (as at 31 December 2022: CZK 1,114,597,400) and comprised 22,291,948 (as at 31 December 2022: 22,291,948) common registered shares with a nominal value of CZK 50 (as at 31 December 2022: CZK 50) each, issued as book-entry shares under Czech law in particular under the Czech Companies Act, with the ISIN CZ0009000121.

The Share capital of the Company is fully paid up. The shares have been admitted for trading on the Prague Stock Exchange.

Course of purchase of own shares in 6M22 (transaction performed within the Group)

The Board of Directors of the Company resolved to implement the acquisition of own shares by the Company on 7 March 2022. The sole purpose of the acquisition of own shares by the Company was to meet obligations arising from share option programmes, or other allocations of shares to employees or to members of the administrative, management or supervisory bodies of the Company or of an associate company.

The conditions for the acquisition of own shares by the Company:

- a) the acquisition took place outside the regulated market, directly from the company RADENSKA d.o.o., a subsidiary company of the Company;
- b) maximum number of shares to be acquired amounted up to 22,615 shares of the Company; and
- c) the acquisition was settled on 8 March 2022 for the price equal to the closing price for which shares of Kofola were traded on the regulated market organized by the company Burza cenných papírů Praha, a.s. on the previous trading day, i.e. CZK 295 per individual share (total value of CZK 6,671 thousand). As such, the contract was concluded at market terms. The shares have nominal value of CZK 50 per individual share.

Shares have been transferred to option scheme participants in March 2022.

4. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4.14.2 REMUNERATION OF THE COMPANY'S KEY MANAGEMENT PERSONNEL

Presented below is the structure of the remuneration of Group's key management personnel in 6M23 and 6M22.

Remuneration of the Group's key management personnel 6M23		Members of the Company's Board of Directors	Members of the Company's Supervisory Board	Members of the Company's Audit Committee	Other key management personnel of the Group	Total
	compensation	CZK '000	CZK '000	CZK '000	CZK '000	CZK '000
Amounts paid for activities in the Company's Board of Directors	Financial	18,221	-	-	-	18,221
	Non-financial	428	-	-	-	428
Amounts paid for activities in the Company's Supervisory Board	Financial	-	600	-	-	600
	Non-financial	-	144	-	-	144
Amounts paid for activities in the Company's Audit Committee	Financial	-	-	144	-	144
	Non-financial	-	-	-	-	-
Amounts paid for other activities within the Group	Financial	4,228	3,968	1,238	22,583	32,017
	Non-financial	49	107	28	855	1,039

Remuneration of the Group's key management personnel 6M22		Members of the Company's Board of Directors	Members of the Company's Supervisory Board	Members of the Company's Audit Committee	Other key management personnel of the Group	Total
	compensation	CZK '000	CZK '000	CZK '000	CZK '000	CZK '000
Amounts paid for activities in the Company's Board of Directors	Financial	15,712	-	-	-	15,712
	Non-financial	5,504	-	-	-	5,504
Amounts paid for activities in the Company's Supervisory Board	Financial	-	600	-	-	600
	Non-financial	-	144	-	-	144
Amounts paid for activities in the Company's Audit Committee	Financial	-	-	144	-	144
	Non-financial	-	-	-	-	-
Amounts paid for other activities within the Group	Financial	4,062	3,186	1,124	22,088	30,460
	Non-financial	63	107	28	2,560	2,758

4.14.3 OTHER RELATED PARTY TRANSACTIONS

There were no transactions concluded with the Group's related parties (those outside the consolidation group) in 6M23 and 6M22.

4.15. FINANCIAL INSTRUMENTS

4.15.1 FINANCIAL INSTRUMENTS CATEGORIES

Fair value of Trade receivables, other financial receivables, Cash and cash equivalents, Trade liabilities and other financial liabilities is close to carrying amounts since the interest payable on them is either close to market rates or they are short-term.

30.6.2023	Financial assets at amortised cost	Derivatives at fair value through OCI	Financial liabilities at amortised cost	Total
	CZK '000	CZK '000	CZK '000	CZK '000
Trade and other receivables	1,094,778	-	-	1,094,778
Cash and cash equivalents	683,038	-	-	683,038
Derivatives	-	83,385	-	83,385
Bank credits and loans	-	-	(3,499,750)	(3,499,750)
Lease liabilities	-	-	(364,090)	(364,090)
Trade and other payables	-	-	(1,807,342)	(1,807,342)
Total	1,777,816	83,385	(5,671,182)	(3,809,981)

31.12.2022	Financial assets at amortised cost	Derivatives at fair value through OCI	Financial liabilities at amortised cost	Total
	CZK '000	CZK '000	CZK '000	CZK '000
Trade and other receivables	826,450	-	-	826,450
Cash and cash equivalents	626,442	-	-	626,442
Derivatives	-	85,696	-	85,696
Bank credits and loans	-	-	(3,550,025)	(3,550,025)
Lease liabilities	-	-	(371,457)	(371,457)
Trade and other payables	-	-	(1,670,313)	(1,670,313)
Total	1,452,892	85,696	(5,591,795)	(4,053,207)

4. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Fair value of derivatives

In 2022, the Group concluded IRS contract. Revaluation of derivatives in relation to the effective portion of the hedging relationship is accounted through Other comprehensive income (hedge accounting).

Measured derivatives are not traded in active markets, however all significant inputs required for fair value measurement are observable and as such the Group has included this instrument in Level 2 of fair value hierarchy levels.

4.16. EQUITY ACCOUNTED INVESTEEES

Acquisition 33.33% share in General Plastic, a. s. (joint venture)

On May 16, 2023, the acquisition date, the Company became a 33.33% owner of General Plastic, a. s., a Slovak producer of hot-washed PET flakes and PET preforms used for production of PET bottles. The acquisition is a logical step towards fulfilling the Group's commitment for usage of recycled rPET and is also part of our sustainable packaging approach.

General Plastic is structured as a separate vehicle and the Group has a residual interest in the net assets of General Plastic.

The following table summarises the financial information of General Plastic as included in its own financial statements. The table summarizes the recognized amounts of assets acquired and liabilities assumed at the date of acquisition. The valuation of net assets was prepared on the provisional basis due to the timing of the transaction. If new information obtained within one year of the date of acquisition about facts and circumstances that existed at the date of acquisition identifies adjustments to the below amounts, or any additional provisions that existed at the date of acquisition, the accounting for the acquisition will be revised.

Equity accounted investee's assets and liabilities	16.5.2023
	CZK'000
Percentage ownership interest	33.33%
Non-current assets	236,512
Current assets	184,785
Non-current liabilities	(118,303)
Current liabilities	(214,170)
Net assets (100%)	88,824
Group's share of net assets (33.33%)	29,608
Consideration transferred	38,693
Goodwill attributable to the Group	9,085

Equity accounted investee's revenue and profit/(loss)	16.5.2023 – 30.6.2023
	CZK'000
Revenue	64,439
Profit/(loss) for the period	(3)

Acquisition of 50.00% share in Cafe Dorado s.r.o. (joint venture)

On June 1, 2023, the acquisition date, the Company became a 50% owner of Cafe Dorado s.r.o. A cash consideration of CZK 10 thousand was fully paid. Due to immateriality, no other information is disclosed.

4.17. UKRAINE CRISIS

Currently, the Group is facing increased prices of raw materials and fluctuating prices of energy. Ongoing war in Ukraine brings new risks and uncertainty to our business. The Group's management is very closely monitoring the development of the war conflict between Russia and Ukraine. The Group has already provided various forms of support to Ukrainian civilians. The whole situation impacts people, companies and states all around the world. The Group has no material direct exposure either to Russia or Ukraine. The war however impacts whole European economy and the increased prices are perceived also by the Group. They do not, however, represent a threat to the Group's ability to continue as a going concern as it has sufficient financial resources and is able to control its costs (e.g. by savings in marketing expenses) to a certain level. In case of the ongoing cost pressure, the Group may also increase the output prices to ensure profitability level expected by its stakeholders.

4. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS



The Group updates its risk matrix on a regular basis and is aware of increased risks in connection with the war in Ukraine (such as already mentioned input prices). There can also be an increased frequency of cyber-attacks but we haven't been subject to any such attack that would impact our daily operations or would lead to leakage of the sensitive information. Our IT department monitors the situation on the daily basis and executes necessary steps to continue in the defence of our data and systems.

The Group believes to have sufficient resources from current cash balance and overdrafts. We have an open and long-term relationship with our supportive banking group to whom we communicate our business outlook regularly.

Based on the above analysis and assumptions, including the severe but plausible scenarios, management concluded that the Group will have sufficient resources to continue its business for a period of at least 12 months from the reporting date. As a result, the Group used the going concern basis of accounting in preparing these financial statements.

4.18. SUBSEQUENT EVENTS

No events have occurred after the end of the reporting period that would require adjusting the amounts recognised and disclosures made in the consolidated financial statements.

Statutory declaration of persons responsible for the interim report of Kofola ČeskoSlovensko a.s.

To the best of our knowledge, the interim report of Kofola ČeskoSlovensko a.s. gives a true and fair view of the assets, liabilities, financial position, business activities and financial performance of Kofola ČeskoSlovensko Group for the period of six months ended 30 June 2023 and of the outlook for subsequent six months development of the financial position, business activities and financial performance. It also contains the description in relation to transactions with related parties that substantially influenced financial performance for the reported period ended 30 June 2023 and describes the main risks and uncertainties in subsequent 6 months of the financial year.

SIGNATURES OF THE COMPANY'S REPRESENTATIVES

31.8.2023	Janis Samaras	Chair of the Board of Directors	
<i>date</i>	<i>name and surname</i>	<i>position/role</i>	<i>signature</i>
31.8.2023	René Musila	Vice-Chair of the Board of Directors	
<i>date</i>	<i>name and surname</i>	<i>position/role</i>	<i>signature</i>
31.8.2023	Daniel Buryš	Vice-Chair of the Board of Directors	
<i>date</i>	<i>name and surname</i>	<i>position/role</i>	<i>signature</i>
31.8.2023	Martin Pisklák	Member of the Board of Directors	
<i>date</i>	<i>name and surname</i>	<i>position/role</i>	<i>signature</i>
31.8.2023	Martin Mateáš	Member of the Board of Directors	
<i>date</i>	<i>name and surname</i>	<i>position/role</i>	<i>signature</i>
31.8.2023	Marián Šefčovič	Member of the Board of Directors	
<i>date</i>	<i>name and surname</i>	<i>position/role</i>	<i>signature</i>



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