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KOFOLA GROUP

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



CZK 3.7 BN 6M22
REVENUES



11
PRODUCTION PLANTS



2,074
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

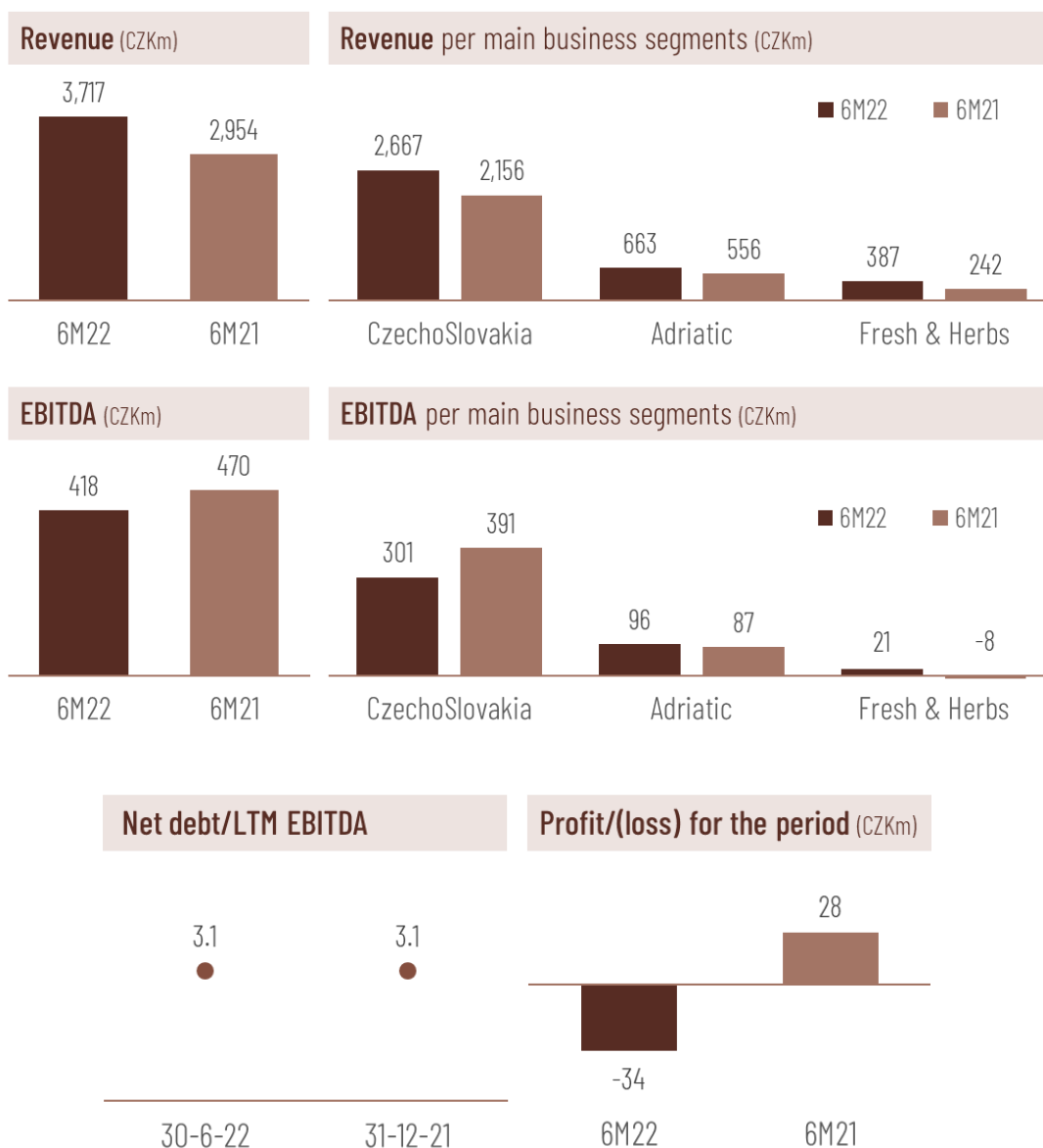
CROATIA



No. 2
water brand

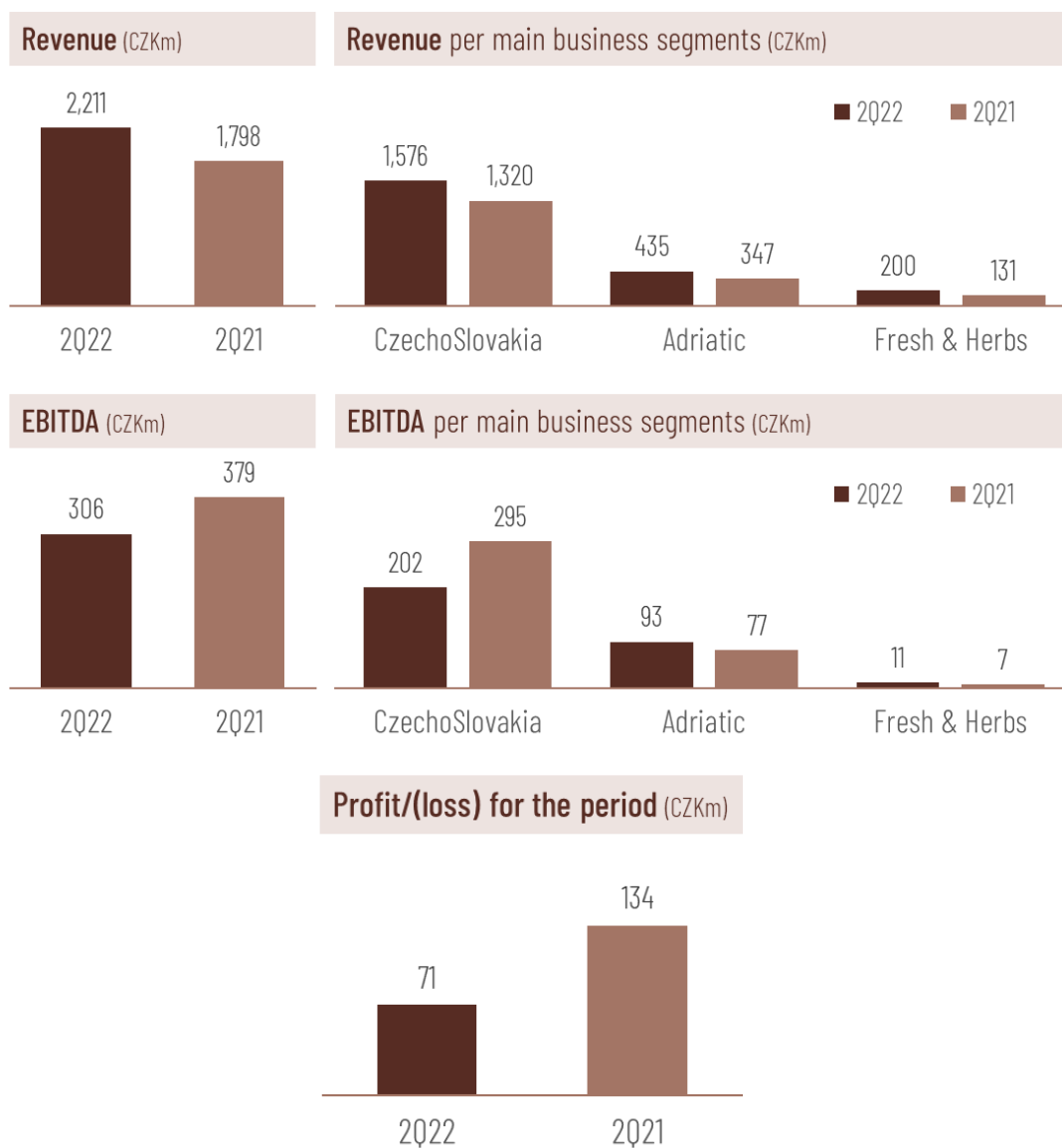


FOR THE 6M PERIOD



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.

FOR THE 2Q PERIOD



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

MAIN INFORMATION IN 6M22:

- GROUP'S REVENUE INCREASED BY CZK 763.4 MIL. (25.8%).
- GROUP'S EBITDA DECREASED BY CZK 51.9 MIL. (11.0%).
- SALES ABOVE EXPECTATIONS.
- SIGNIFICANT IMPACT OF INCREASING PRICES (MATERIALS, ENERGY, LOGISTICS — MAINLY IN CS SEGMENT) COMBINED WITH INCREASED SALARY COSTS AND RETURN OF EXPENSES THAT WERE CUT DURING COVID-19 (SUCH AS MAINTENANCE, MARKETING).
- FURTHER INCREASE OF COSTS EXPECTED IN THE SECOND PART OF THE YEAR.
- NET RESULT DECREASED BY CZK 62.0 MIL.

MAIN INFORMATION IN 2Q22:

- GROUP'S REVENUE INCREASED BY CZK 412.9 MIL. (23.0%).
- GROUP'S EBITDA DECREASED BY CZK 72.6 MIL. (19.2%).
- SALES ABOVE EXPECTATIONS.
- SIGNIFICANT IMPACT OF INCREASING PRICES (MATERIALS, ENERGY, LOGISTICS — MAINLY IN CS SEGMENT) COMBINED WITH INCREASED SALARY COSTS AND RETURN OF EXPENSES THAT WERE CUT DURING COVID-19 (SUCH AS MAINTENANCE, MARKETING).
- NET RESULT DECREASED BY CZK 62.5 MIL.
- CONCLUSION OF AN AMENDMENT TO THE FACILITIES AGREEMENT THAT TRANSFERRED 60% OF BANK CREDITS AND LOANS TO EUR (LEADS TO LOWER INTEREST EXPENSE) AND ADJUSTED A REPAYMENT SCHEDULE (DECREASE OF ANNUAL REPAYMENTS).

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, Badoit, 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.

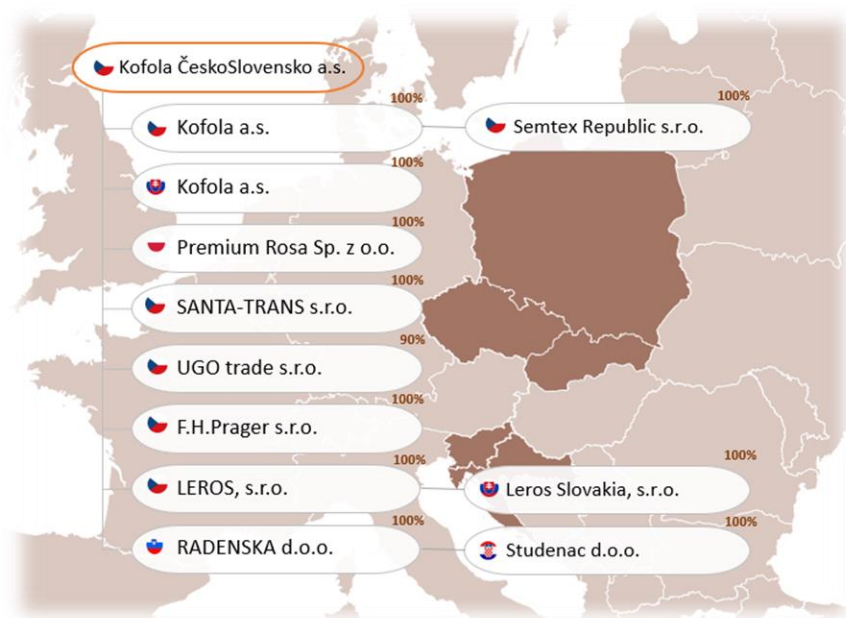
Main brands by categories are shown in the visualisation below:

CATEGORY	MAIN OWN BRANDS	DISTRIBUTED AND LICENCED BRANDS
Carbonated Beverages	      	  
Waters	      	  
Non-carbonated Beverages	  	
Syrups	  	
Fresh & Salad Bars		
Other	    	

2. KOFOLA GROUP

2.3. GROUP STRUCTURE

GROUP STRUCTURE CHART AS AT 30 JUNE 2022



DESCRIPTION OF THE GROUP COMPANIES

Name of entity	Place of business	Segment (Note B 4.1)	Principal activities	Ownership interest and voting rights	
				30.6.2022	31.12.2021
Holding companies					
Kofola ČeskoSlovensko a.s.	Czech Republic	CzechoSlovakia	top holding company		
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 syrups 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%
ONDŘÁŠOVKA a.s.*	Czech Republic	CzechoSlovakia	production and distribution of non-alcoholic beverages	n/a	100.00%
Karlovarská Korunní s.r.o.*	Czech Republic	CzechoSlovakia	production and distribution of non-alcoholic beverages	n/a	100.00%
Semtex Republic s.r.o.**	Czech Republic	CzechoSlovakia	marketing activities	100.00%	100.00%
Transportation					
SANTA-TRANS s.r.o.	Czech Republic	CzechoSlovakia	road cargo transport	100.00%	100.00%

* Merged with Kofola a.s. (CZ) as of 1 January 2022. ** Till 31 December 2021 named Brute s.r.o.

2. KOFOLA GROUP



2.4. SUCCESSES AND AWARDS



Randstad Award 2022: Kofola is the winner among employers in the FMCG category

Kofola ČeskoSlovensko was ranked again among the Top 10 most attractive employers in the Czech Republic in 2022, coming in 9th place overall. In the FMCG category, it beat all competitors to win. Companies are selected based on the results of the Employer Brand Research employee preference survey.

Victory for Radenska Naturelle and Radenska Kraljevi vrelec in the 26th International Assessment AGRA 2022

The 26th international evaluation of juices, soft drinks and bottled waters took place under the auspices of the 60th AGRA, the Slovenian International Agricultural and Food Fair. The products were evaluated by an expert panel. A total of five of our products won awards and two of them won their categories. Gold went to Radenska Naturelle and Radenska Kraljevi vrelec natural mineral waters, silver to ORA sugar-free and Oraketa lemon grass. The bronze went to Radenska with mango and lime flavour.



Prestigious medals for F.H. Prager from The International Cider Challenge 2022

The International Cider Challenge, held for the 12th time this year, is the most respected and influential cider competition in the world. It offers producers, distributors, importers and exporters the perfect opportunity to compare ciders on an international level. Our two ciders succeeded in this year's event, taking home bronze for their categories: the F.H. Prager Cider 13 in the Tannin Ice Cider/Dry Cider category and the non-alcoholic F.H. Prager in the Low or No Alcohol Cider category.



Awards for PR campaigns of Vinea and Targa Florio in the Czech PR awards Lemur 2022

Two campaigns succeeded in the Czech PR awards Lemur 2022: the launch of new premium Targa Florio lemonade and the Vinea Kumšt Moštu project, with which we recalled the stories of vineyards and grape juice. This resulted in two silvers and two bronzes in the busy B2C and Consumer Goods categories.



3. BUSINESS OVERVIEW AND OTHER MATTERS



3.1. BUSINESS OVERVIEW

DEVELOPMENT IN 6M22

The start of year 2022 was very successful with 1Q22 revenues growing by CZK 350.5 million (30.3%) and EBITDA by CZK 20.7 million (22.7%). This positive development was to a significant extent influenced by the fact that comparative 1Q21 period was connected with COVID-19 related restrictions.

This very positive development continued also in 2Q22 but only in case of revenues which grew by very strong CZK 412.9 million (23.0%). EBITDA, and mainly in the most important CzechoSlovakia business segment, was negatively impacted by the increasing prices (mainly materials, energy and logistics) which, together with other cost increases, led to the Group's EBITDA decrease in 2Q by CZK 72.6 million (19.2%).

Development in the particular business segments is presented further in this interim report within section 3.1.2.

Ongoing war in Ukraine supported international pressure on many commodities and their increasing prices forced us to increase the prices of our products as well. Results for 2Q demonstrate how big the combined effect of increases in almost every part of our business could be. Despite the EBITDA decrease in year over year comparison, the actual Group results are even slightly above our budgeted results.

In June 2022, we have concluded an amendment to our existing contract on bank credits and loans. Transferring 60% of our loan to EUR should bring significant savings in interest expense and adjustment of the repayment schedule will lead to decrease of our regular annual loan repayments.

ADJUSTMENTS OF REPORTED PERFORMANCE AND POSITION

Presented below is a description of the financial performance and financial position of Kofola Group in 6M22. 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	6M22 CZK'000 000	One-off adjustments CZK'000 000	6M22 adjusted 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:

- Costs connected with the support provided to parties impacted by the Ukraine war of CZK 1.2 million (CzechoSlovakia segment).
- Net costs connected with the closed Grodzisk Wielkopolski plant of CZK 2.4 million (Fresh & Herbs segment).
- Restructuring costs of CZK 0.3 million (Fresh & Herbs segment).
- Advisory costs of CZK 2.7 million (mainly CzechoSlovakia 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



Adjusted consolidated financial results	6M21	One-off adjustments	6M21 adjusted
	CZK' 000 000	CZK' 000 000	CZK' 000 000
Revenue	2,953.7	-	2,953.7
Cost of sales	(1,694.6)	-	(1,694.6)
Gross profit	1,259.1	-	1,259.1
Selling, marketing and distribution costs	(929.6)	-	(929.6)
Administrative costs	(221.8)	-	(221.8)
Other operating income/(costs), net	55.2	(3.2)	52.0
Operating profit/(loss)	162.9	(3.2)	159.7
Depreciation and amortisation	315.8	(5.6)	310.2
EBITDA	478.7*	(8.8)	469.9**
Finance income/(costs), net	(83.9)	3.6	(80.3)
Income tax	(53.4)	1.6	(51.8)
Profit/(loss) for the period	25.6	2.0	27.6
- attributable to owners of Kofola ČeskoSlovensko a.s.	30.9	2.0	32.9

* 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 2021 was affected by the following one-off items:

In Other operating income/(costs), net:

- The impairment of Property, plant and equipment of CZK 2.6 million (Fresh & Herbs segment) and release of impairment of CZK 0.3 million (CzechoSlovakia segment).
- Costs connected with the earlier termination of rental contracts of CZK 2.1 million (Fresh & Herbs segment).
- Costs connected with the maintenance of closed Grodzisk Wielkopolski plant of CZK 1.2 million (Fresh & Herbs segment).
- Restructuring costs of CZK 1.0 million (Fresh & Herbs segment).
- Costs arising on integration of acquired subsidiaries of CZK 0.3 million (CzechoSlovakia segment).
- Advisory costs – CzechoSlovakia segment incurred costs of CZK 0.2 million.
- Net gain on sold items of Property, plant and equipment of CZK 10.3 million recognized in all business segments (mainly CzechoSlovakia).

3. BUSINESS OVERVIEW AND OTHER MATTERS



3.1.2 FINANCIAL PERFORMANCE

Adjusted consolidated financial results	6M22	6M21	Change	Change
	CZK'000 000	CZK'000 000	CZK'000 000	%
Revenue	3,717.1	2,953.7	763.4	25.8%
Cost of sales	(2,173.6)	(1,694.6)	(479.0)	28.3%
Gross profit	1,543.5	1,259.1	284.4	22.6%
Selling, marketing and distribution costs	(1,162.8)	(929.6)	(233.2)	25.1%
Administrative costs	(261.0)	(221.8)	(39.2)	17.7%
Other operating income/(costs), net	5.7	52.0	(46.3)	(89.0%)
Operating profit/(loss)	125.4	159.7	(34.3)	(21.5%)
EBITDA	418.0	469.9	(51.9)	(11.0%)
Finance income/(costs), net	(117.6)	(80.3)	(37.3)	46.5%
Income tax	(42.2)	(51.8)	9.6	(18.5%)
Profit/(loss) for the period	(34.4)	27.6	(62.0)	(224.6%)
- attributable to owners of Kofola ČeskoSlovensko a.s.	(31.3)	32.9	(64.2)	(195.1%)

REVENUE

Increase of Group's revenue demonstrates the strength of its brands on their local market where the demand was driven by the very well managed focus on our strong brands, very good weather but also a release of COVID-19 related restrictions.

Business segments	6M22		6M21		Change	
	Revenue	Share	Revenue	Share	CZK'000 000	%
	CZK'000 000	%	CZK'000 000	%		
CzechoSlovakia	2,666.7	71.7%	2,155.5	73.0%	511.2	23.7%
Adriatic	663.2	17.8%	556.0	18.8%	107.2	19.3%
Fresh & Herbs	387.2	10.5%	242.2	8.2%	145.0	59.9%
Total	3,717.1	100.0%	2,953.7	100.0%	763.4	25.8%

Sales growth in the CzechoSlovakia business segment was driven by brands Kofola and Rajec but was also significantly supported by sales of brands Klášťorná Kalcia, Royal Crown Cola, Rauch or rebranded Ondrášovka and Korunní. On Premise format grew the most.

Sales realized by the Adriatic segment grew mainly in 2Q due returning tourism to these countries and also higher export sales. Among brands, Radenska, Studena and Pepsi grew the most.

Fresh & Herbs segment benefited from the release of COVID-19 related restrictions the most (mainly UGO) which lead to very strong increases in both 1Q and 2Q.

Product lines	6M22		6M21		Change	
	Revenue	Share	Revenue	Share	CZK'000 000	%
	CZK'000 000	%	CZK'000 000	%		
Carbonated beverages	1,340.5	36.1%	1,066.8	36.1%	273.7	25.7%
Waters	1,259.8	33.9%	1,042.4	35.3%	217.4	20.9%
Non-carbonated beverages	332.3	8.9%	270.1	9.1%	62.2	23.0%
Syrups	284.0	7.6%	247.3	8.4%	36.7	14.8%
Fresh bars & Salads	190.3	5.1%	86.2	2.9%	104.1	120.8%
Other	310.2	8.4%	240.9	8.2%	69.3	28.8%
Total	3,717.1	100.0%	2,953.7	100.0%	763.4	25.8%

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 86.5% of the Group's revenue in 6M22 (in 6M21: 88.9%).

Carbonated beverages grew, after Fresh & Salad bars, the most due to release of COVID-19 related restrictions in 1Q and because of very nice and hot weather in 2Q. The same reasons explain why the Syrups grew the least.

Other is mainly attributable to sales of products of LEROS and Premium Rosa but also sales of Semtex street water. There are also increasing sales of Trepallini coffee brand.

3. BUSINESS OVERVIEW AND OTHER MATTERS



Sales by countries (per end customer)	6M22		6M21		Change	
	Revenue	Share	Revenue	Share		
	CZK'000 000	%	CZK'000 000	%	CZK'000 000	%
Czech Republic	2,119.3	57.0%	1,607.2	54.4%	512.1	31.9%
Slovakia	865.9	23.3%	739.8	25.0%	126.1	17.0%
Slovenia	414.5	11.2%	349.7	11.8%	64.8	18.5%
Croatia	193.3	5.2%	160.3	5.4%	33.0	20.6%
Poland	37.5	1.0%	37.4	1.3%	0.1	0.3%
Other	86.6	2.3%	59.3	2.1%	27.3	46.0%
Total	3,717.1	100.0%	2,953.7	100.0%	763.4	25.8%

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

Czech Republic sales increased mainly due to sales of Kofola but were also positively influenced by the growth of sales of Ondrášovka and Korunní.

Poland's revenue is represented mainly by Premium Rosa which produces and distributes syrups and jams from fruits and herbs. These grew less on domestic market but more in terms of export which together with export of other entities (mainly Adriatic) led to a significant percentage growth of Other.

COST OF SALES

Group's Cost of sales increased more than sales mainly due to increased material prices and energy prices.

SELLING, MARKETING AND DISTRIBUTION COSTS

Selling, marketing and distribution costs increased in line with revenues. Logistic costs increased due to both increased sales and also increased fuel prices. There were also higher personnel costs and increased costs on marketing (e.g. Ondrášovka).

ADMINISTRATIVE COSTS

Administrative costs increased mainly due to higher personnel costs (higher headcount, employee bonuses and expenses related to the new option scheme plan).

OTHER OPERATING INCOME/(EXPENSES), NET

Decrease of balance is attributable to lower subsidies that were related to COVID-19 restrictions in the comparative period.

EBITDA

Adjusted EBITDA	6M22	6M21
	CZK'000 000/%	CZK'000 000/%
EBITDA*	418.0	469.9
EBITDA margin**	11.2%	15.9%

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

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

Adjusted EBITDA by business segments	6M22		6M21		Change	
	EBITDA	EBITDA margin	EBITDA	EBITDA margin		
	CZK'000 000	%	CZK'000 000	%	CZK'000 000	%
CzechoSlovakia	300.7	11.3%	390.6	18.1%	(89.9)	(23.0%)
Adriatic	95.8	14.4%	86.9	15.6%	8.9	10.2%
Fresh & Herbs	21.5	5.6%	(7.6)	(3.1%)	29.1	382.9%
Total	418.0	11.2%	469.9	15.9%	(51.9)	(11.0%)

Fresh & Herbs segment's EBITDA increase was driven by UGO (return of customers to Fresh & Salad bars and benefits from efficiency measures) and LEROS (increased sales in HoReCa). CzechoSlovakia business segment had to face the biggest cost increases (mainly sweeteners, PET, energy, logistic, payroll) among Kofola Group which in the end lead to decrease presented in the table above. Adriatic business segment benefited from very successful opening of tourist season and faced lower cost pressures than CzechoSlovakia business segment.

FINANCE INCOME/(COSTS), NET

Worse financial result was influenced mainly by higher interest expense (by CZK 71.2 million) that was partially compensated by lower FX losses (by CZK 13.1 million) and by realized derivative gain (by CZK 16.1 million).

3. BUSINESS OVERVIEW AND OTHER MATTERS

INCOME TAX

Income tax decreased due to lower taxable profits.

3.1.3 FINANCIAL PERFORMANCE IN 2Q

Adjusted consolidated financial results	2Q22	2Q21	Change	Change
	CZK'000 000	CZK'000 000	CZK'000 000	%
Revenue	2,211.2	1,798.3	412.9	23.0%
Cost of sales	(1,263.9)	(949.3)	(314.6)	33.1%
Gross profit	947.3	849.0	98.3	11.6%
Selling, marketing and distribution costs	(661.2)	(530.0)	(131.2)	24.8%
Administrative costs	(130.6)	(116.5)	(14.1)	12.1%
Other operating income/(costs), net	5.3	24.1	(18.8)	(78.0%)
Operating profit/(loss)	160.8	226.6	(65.8)	(29.0%)
EBITDA	306.2	378.8	(72.6)	(19.2%)
Finance income/(costs), net	(54.7)	(47.4)	(7.3)	15.4%
Income tax	(34.9)	(45.5)	10.6	(23.3%)
Profit/(loss) for the period	71.2	133.7	(62.5)	(46.7%)
- attributable to owners of Kofola ČeskoSlovensko a.s.	72.0	134.6	(62.6)	(46.5%)

Development in Gross profit in 2Q is in general in line with development in 6M. There is a visible higher percentage increase in Cost of sales (in comparison to 6M) which is due to increasing production costs (mainly sweeteners, PET and energy). Lower percentage increase in Administrative costs in 2Q (in comparison to 6M) was influenced by the new option scheme that is recognized since 2Q21 (i.e. there was no expense in 1Q21). Finance income/(costs), net didn't increase that much in 2Q (in comparison to 6M) due to net FX gains in 2Q22 as compared to net FX losses in 2Q21.

Business segments	2Q22		2Q21		Change	
	Revenue	Share	Revenue	Share	Revenue	%
	CZK'000 000	%	CZK'000 000	%	CZK'000 000	%
CzechoSlovakia	1,576.1	71.3%	1,319.9	73.4%	256.2	19.4%
Adriatic	435.3	19.7%	346.9	19.3%	88.4	25.5%
Fresh & Herbs	199.8	9.0%	131.5	7.3%	68.3	51.9%
Total	2,211.2	100.0%	1,798.3	100.0%	412.9	23.0%

In comparison to 6M development, there is higher percentage growth in Adriatic segment which is due to very good start of tourist season and increased export sales. CzechoSlovakia business segment grew slightly less than in 6M which is due to lower increase of revenue in Slovakia.

Product lines	2Q22		2Q21		Change	
	Revenue	Share	Revenue	Share	Revenue	%
	CZK'000 000	%	CZK'000 000	%	CZK'000 000	%
Carbonated beverages	814.8	36.8%	673.6	37.5%	141.2	21.0%
Waters	772.4	34.9%	649.0	36.1%	123.4	19.0%
Non-carbonated beverages	190.5	8.6%	159.4	8.9%	31.1	19.5%
Syrups	157.9	7.1%	130.8	7.3%	27.1	20.7%
Fresh bars & Salads	109.3	4.9%	61.9	3.4%	47.4	76.6%
Other	166.3	7.7%	123.6	6.8%	42.7	34.5%
Total	2,211.2	100.0%	1,798.3	100.0%	412.9	23.0%

Development of revenue by product lines is in line with the information already presented above.

Sales by countries (per end customer)	2Q22		2Q21		Change	
	Revenue	Share	Revenue	Share	Revenue	%
	CZK'000 000	%	CZK'000 000	%	CZK'000 000	%
Czech Republic	1,232.6	55.7%	966.0	53.7%	266.6	27.6%
Slovakia	508.2	23.0%	463.5	25.8%	44.7	9.6%
Slovenia	269.7	12.2%	219.0	12.2%	50.7	23.2%
Croatia	132.1	6.0%	101.9	5.7%	30.2	29.6%
Poland	15.0	0.7%	16.4	0.9%	(1.4)	(8.5%)
Other	53.6	2.4%	31.5	1.7%	22.1	70.2%
Total	2,211.2	100.0%	1,798.3	100.0%	412.9	23.0%

3. BUSINESS OVERVIEW AND OTHER MATTERS



Development of revenue divided by countries is in line with the information already presented above. Decrease in Poland is represented by sales of Premium Rosa on domestic market which is due to increased customer prices that reflect the increased costs of raw materials (e.g. raspberry). These are compensated by increased Premium Rosa sales to export countries (presented in Other in the table above).

Adjusted EBITDA	2Q22	2Q21
	CZK'000 000/%	CZK'000 000/%
EBITDA*	306.2	378.8
EBITDA margin**	13.8%	21.1%
* EBITDA refers to operating profit/(loss) plus depreciation and amortisation.		
** Calculated as (EBITDA/Revenue)*100%.		

Adjusted EBITDA by business segments	2Q22		2Q21		Change	
	EBITDA CZK'000 000	EBITDA margin %	EBITDA CZK'000 000	EBITDA margin %	CZK'000 000	%
CzechoSlovakia	201.7	12.8%	295.1	22.4%	(93.4)	(31.7%)
Adriatic	92.9	21.3%	77.0	22.2%	15.9	20.6%
Fresh & Herbs	11.6	5.8%	6.7	5.1%	4.9	73.1%
Total	306.2	13.8%	378.8	21.1%	(72.6)	(19.2%)

Development of EBITDA by business segments is in line with the information already presented above.

3.1.4 FINANCIAL POSITION

Consolidated statement of financial position	30.6.2022	31.12.2021	Change	Change
	CZK'000 000	CZK'000 000	CZK'000 000	%
Total assets	7,688.5	7,235.5	453.0	6.3%
Non-current assets	5,178.7	5,306.3	(127.6)	(2.4%)
Property, plant and equipment	3,215.0	3,221.4	(6.4)	(0.2%)
Intangible assets	1,211.0	1,249.4	(38.4)	(3.1%)
Goodwill	648.1	648.1	-	-
Deferred tax assets	6.2	27.3	(21.1)	(77.3%)
Other	98.4	160.1	(61.7)	(38.5%)
Current assets	2,509.8	1,929.2	580.6	30.1%
Inventories	788.7	641.2	147.5	23.0%
Trade and other receivables	1,199.9	866.8	333.1	38.4%
Cash and cash equivalents	466.3	391.5	74.8	19.1%
Other	54.9	29.7	25.2	84.8%
Total equity and liabilities	7,688.5	7,235.5	453.0	6.3%
Equity	1,293.1	1,297.0	(3.9)	(0.3%)
Non-current liabilities	3,593.2	3,436.0	157.2	4.6%
Bank credits and loans	2,984.2	2,783.7	200.5	7.2%
Lease liabilities	283.3	301.9	(18.6)	(6.2%)
Deferred tax liabilities	260.3	293.5	(33.2)	(11.3%)
Other	65.4	56.9	8.5	14.9%
Current liabilities	2,802.2	2,502.5	299.7	12.0%
Bank credits and loans	416.9	633.3	(216.4)	(34.2%)
Lease liabilities	124.5	125.2	(0.7)	(0.6%)
Trade and other payables	2,204.8	1,632.6	572.2	35.0%
Other	56.0	111.4	(55.4)	(49.7%)

ASSETS

Property, plant and equipment remained stable mainly as a net result of additions of CZK 265.5 million and depreciation charge of CZK 260.5 million. The most significant additions realized by the Group in 6M22 were represented by investments into the production machinery and returnable packages.

Intangible assets decreased mainly as a result of amortization charge of CZK 39.1 million.

Other non-current assets contain mainly prepayments and deferred expenses. Decrease is attributable to sale of IRS derivatives as a part of the amendment on bank loans agreement. New IRS derivatives have been concluded for EUR part of the loans.

Current trade and other receivables increased mainly due to higher trade receivables (by CZK 372.2 million) resulting from higher sales (seasonality).

3. BUSINESS OVERVIEW AND OTHER MATTERS



Inventories were higher due to increased stock level (connected with higher sales but also pre-stocking to benefit from recent prices) and also due to increased material prices.

LIABILITIES

Bank credits and loans remained stable as a net result of overdraft drawing and regular repayments.

The Group's provisions decreased mainly due to payment of employee bonuses.

Trade and other payables increased mainly due to higher trade payables (by CZK 329.4 million) resulting from increasing production, payables connected with employee bonuses and higher salaries, payables represented by advances received for returnable packages, liabilities arising from the new packaging deposit system in Slovakia and liabilities from the new IRS contracts.

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 3,342.6 million as at 30 June 2022, which represents the decrease by CZK 110.0 million compared to CZK 3,452.6 million as at 31 December 2021.

The Group's consolidated net debt / Adjusted LTM EBITDA as at 30 June 2022 was of 3.1 (as of 31 December 2021: 3.1).

3.1.5 CASHFLOWS

Cash flows from operating activities increased mainly due to changes in working capital.

Cash flows from investing activities decreased mainly due to higher CAPEX.

Cash flows from financing activities increased mainly due to cash flows from sold IRS derivatives (CZK 126.6 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 2022.

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. Every week, we see historical increases of energy prices that impact not only our production costs. Due to increasing prices of our inputs (mainly sweeteners, PET, logistics and energy), we have already increased prices to our customers but with continuance of the adverse development we need to consider one another price increase. It is worth to be mentioned that we don't see the decrease in demand for our products yet but it is reasonable to expect the decline in demand at the end of the year. 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 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 from which we expect 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

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 flavoured Kofola with 30% less sugar, zero sugar version of Royal Crown cola, retail format 1.33l of Royal Crown cola or Immunity line of Jupí

3. BUSINESS OVERVIEW AND OTHER MATTERS



syrup. Kofola, Rajec and Vinea brands introduced this year in returnable 1l glass will continue to be promoted. 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 F.H.Prager ciders and Targa Florio lemonade. CzechoSlovakia segment will manage continuously increasing costs translating them into sales prices and seeking further internal optimizations.

In Adriatic, the main goal will be cost optimization, as we are facing a negative trend of higher prices of materials, energy and transportation costs caused by high inflation in the market and geopolitical instability in Europe (war in Ukraine). Due to rising input costs, also sales prices are adjusted from July. Focus on newly entered categories Trepallini and Oraketa remains, as well as continuing of our good cooperation in distributing sparkling wines for Radgonske gorice and with Fructal. The above-mentioned measures will help us to maintain a stable market and profit share.

UGO priorities for the second half of 2022 are focused on maintaining the sales growth rate achieved during the first half of the year and further cost optimization through productivity growth, digitalization and portfolio management. Due to the inflation and significant expenses increases, especially in energy, paper & plastic and some raw materials, cost of labour and services - UGO is optimizing processes and portfolio - aiming to maintain profitability rate with minimal necessary price increase.

In Premium Rosa and LEROS, we also expect further increase in energy prices and raw materials for which we have created safety stocks. We believe that our portfolio is relevant also in this tough time and we are very well prepared for our main season which starts in the fourth quarter.

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.

3. BUSINESS OVERVIEW AND OTHER MATTERS



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.

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.

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 2022
KOFOLA ČESKOSLOVENSKO A.S.
(UNAUDITED)

1. CONSOLIDATED FINANCIAL STATEMENTS



1.1. CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the 6-month and 3-month period ended 30 June 2022 and 30 June 2021 in CZK thousand.

Consolidated statement of profit or loss	Note	6M22 CZK'000	6M21 CZK'000	2Q22 CZK'000	2Q21 CZK'000
Revenue	4.2	3,717,120	2,953,671	2,211,230	1,798,305
Cost of sales	4.3	(2,173,623)	(1,694,646)	(1,263,888)	(949,308)
Gross profit		1,543,497	1,259,025	947,342	848,997
Selling, marketing and distribution costs	4.3	(1,162,827)	(929,583)	(661,247)	(530,019)
Administrative costs	4.3	(261,009)	(221,809)	(130,632)	(116,519)
Other operating income	4.4	16,366	71,007	9,007	34,267
Other operating expenses	4.5	(14,339)	(15,849)	(7,636)	(5,393)
Operating profit/(loss)		121,688	162,791	156,834	231,333
Finance income	4.6	143,189	1,921	136,628	485
Finance costs	4.7	(134,154)	(85,867)	(64,734)	(51,564)
Profit/(loss) before income tax		130,723	78,845	228,728	180,254
Income tax (expense)/benefit	4.8	(42,126)	(53,394)	(34,484)	(47,095)
Profit/(loss) for the period	1.2	88,597	25,451	194,244	133,159
<i>Attributable to:</i>					
Owners of Kofola ČeskoSlovensko a.s.	1.5	91,738	30,770	195,100	134,080
Non-controlling interests	1.5	(3,141)	(5,319)	(856)	(921)
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	4.12	1.38	8.75	6.01

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 and 3-month period ended 30 June 2022 and 30 June 2021 in CZK thousand.

Consolidated statement of other comprehensive income	Note	6M22 CZK'000	6M21 CZK'000	2Q22 CZK'000	2Q21 CZK'000
Profit/(loss) for the period	1.1	88,597	25,451	194,244	133,159
Other comprehensive income					
<i>Items that may be reclassified to profit or loss:</i>					
Exchange differences		(6,515)	(34,299)	16,722	(27,553)
<i>Exchange differences on translation of foreign subsidiaries</i>		<i>(6,515)</i>	<i>(34,299)</i>	<i>16,722</i>	<i>(27,553)</i>
Derivatives accounted through Other comprehensive income		(102,169)	26,108	(112,451)	8,478
<i>Derivatives - Cash flow hedges</i>		<i>(126,135)</i>	<i>32,232</i>	<i>(138,829)</i>	<i>10,467</i>
<i>Deferred tax from Cash flow hedges</i>	4.8	<i>23,966</i>	<i>(6,124)</i>	<i>26,378</i>	<i>(1,989)</i>
Other comprehensive income/(loss) for the period, net of tax		(108,684)	(8,191)	(95,729)	(19,075)
Total comprehensive income/(loss) for the period	1.5	(20,087)	17,260	98,515	114,084
Attributable to:					
Owners of Kofola ČeskoSlovensko a.s.	1.5	(16,946)	22,579	99,371	115,005
Non-controlling interests	1.5	(3,141)	(5,319)	(856)	(921)

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 2022 and 31 December 2021 in CZK thousand.

Assets	Note	30.6.2022 CZK' 000	31.12.2021 CZK' 000
Non-current assets		5,178,716	5,306,289
Property, plant and equipment	4.10	3,215,043	3,221,419
Goodwill	4.11	648,073	648,093
Intangible assets	4.11	1,210,953	1,249,412
Other receivables		98,418	160,058
Deferred tax assets		6,229	27,307
Current assets		2,509,845	1,929,309
Inventories		788,673	641,234
Trade and other receivables		1,199,945	866,810
Income tax receivables		54,902	29,748
Cash and cash equivalents	1.4	466,325	391,517
Total assets		7,688,561	7,235,598

Liabilities and equity	Note	30.6.2022 CZK' 000	31.12.2021 CZK' 000
Equity attributable to owners of Kofola ČeskoSlovensko a.s.	1.5	1,335,765	1,336,464
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	2,437,471	2,533,344
Foreign currency translation reserve	1.5	(7,245)	(730)
Own shares	1.5	(467,382)	(477,333)
Retained earnings/(Accumulated deficit)	1.5	221,195	129,457
Equity attributable to non-controlling interests	1.5	(42,646)	(39,505)
Total equity	1.5	1,293,119	1,296,959
Non-current liabilities		3,593,224	3,435,966
Bank credits and loans	4.12	2,984,194	2,783,697
Lease liabilities		283,330	301,924
Provisions		41,554	40,241
Other liabilities		23,886	16,631
Deferred tax liabilities		260,260	293,473
Current liabilities		2,802,218	2,502,673
Bank credits and loans	4.12	416,907	633,307
Lease liabilities		124,489	125,239
Provisions		53,723	91,678
Trade and other payables		2,204,822	1,632,590
Income tax liabilities		2,277	19,859
Total liabilities		6,395,442	5,938,639
Total liabilities and equity		7,688,561	7,235,598

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 2022 and 30 June 2021 in CZK thousand.

Consolidated statement of cash flows	Note	6M22 CZK '000	6M21 CZK '000
Cash flows from operating activities			
Profit/(loss) before income tax	1.1	130,723	78,845
Adjustments for:			
Non-cash movements			
Depreciation and amortisation	4.3	296,763	315,814
Net interest	4.6, 4.7	113,724	43,282
Impairment of non-current assets		-	2,309
Change in the balance of provisions		(36,305)	(31,051)
Change in the balance of other impairments		(11,426)	(3,070)
(Gain)/loss on realized derivatives	4.6, 4.7	(142,738)	4,867
Realized (gain)/loss on sale of Property, plant and equipment and Intangible assets	4.4, 4.5	(3,003)	(10,407)
Net exchange differences		14,253	22,321
Other		33,782	30,128
Cash movements			
Income taxes paid		(73,080)	(97,615)
Change in operating assets and liabilities			
Change in receivables		(357,528)	(305,633)
Change in inventories		(148,518)	(88,898)
Change in payables		521,634	321,440
Net cash inflow/(outflow) from operating activities		338,281	282,332
Cash flows from investing activities			
Sale of Property, plant and equipment		5,811	20,259
Acquisition of Property, plant and equipment and Intangible assets		(202,258)	(141,012)
Acquisition of subsidiaries, net of cash acquired		-	(354)
Interest received		14	15
Proceeds from bonds sold		-	21,047
Net cash inflow/(outflow) from investing activities		(196,433)	(100,045)
Cash flows from financing activities			
Lease payments		(62,975)	(78,262)
Proceeds from loans and bank credits		126,963	180,436
Repayment of loans and bank credits		(150,664)	(238,496)
Dividends paid to Company's shareholders		(13,516)	(13,119)
Interest paid		(112,252)	(41,854)
Realized derivatives	4.6, 4.7	16,116	(4,867)
Terminated derivatives	4.6, 4.7	126,622	-
Payments of acquired subsidiaries' liabilities to former owners		-	(1,100)
Dividends not drawn		4,900	4,928
Other		(969)	(969)
Net cash inflow/(outflow) from financing activities		(65,775)	(193,303)
Net increase/(decrease) in cash and cash equivalents		76,073	(11,016)
Cash and cash equivalents at the beginning of the period	1.3	391,517	543,889
Effects of exchange rate changes on cash and cash equivalents		(1,265)	(6,274)
Cash and cash equivalents at the end of the period	1.3	466,325	526,599

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 2022 and 30 June 2021 in CZK thousand.

Consolidated statement of changes in equity		Equity attributable to owners of Kofola ČeskoSlovensko a.s.							Equity attributable to non-controlling interests	Total equity	
		Note	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
Balance as at 1 January 2021			1,114,597	(1,962,871)	2,449,921	60,067	(490,151)	166,828	1,338,391	(31,199)	1,307,192
Profit/(loss) for the period		1.1	-	-	-	-	-	30,770	30,770	(5,319)	25,451
Other comprehensive income/(loss)		1.2	-	-	26,108	(34,299)	-	-	(8,191)	-	(8,191)
Total comprehensive income/(loss) for the period		1.2	-	-	26,108	(34,299)	-	30,770	22,579	(5,319)	17,260
Shares transfer to option scheme participants			-	-	(12,818)	-	12,818	-	-	-	-
Option scheme			-	-	4,082	-	-	-	4,082	-	4,082
Dividends not drawn			-	-	-	-	-	128	128	-	128
Transactions with owners in their capacity as owners			-	-	(8,736)	-	12,818	128	4,210	-	4,210
Balance as at 30 June 2021			1,114,597	(1,962,871)	2,467,293	25,768	(477,333)	197,726	1,365,180	(36,518)	1,328,662
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)	1,296,959
Profit/(loss) for the period		1.1	-	-	-	-	-	91,738	91,738	(3,141)	88,597
Other comprehensive income/(loss)		1.2	-	-	(102,169)	(6,515)	-	-	(108,684)	-	(108,684)
Total comprehensive income/(loss) for the period		1.2	-	-	(102,169)	(6,515)	-	91,738	(16,946)	(3,141)	(20,087)
Shares transfer to option scheme participants			-	-	(9,951)	-	9,951	-	-	-	-
Option scheme			-	-	16,247	-	-	-	16,247	-	16,247
Transactions with owners in their capacity as owners			-	-	6,296	-	9,951	-	16,247	-	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)	1,293,119

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, Badoit, 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 LICENCED BRANDS
Carbonated Beverages	      	  
Waters	      	  
Non-carbonated Beverages	  	
Syrups	  	
Fresh & Salad Bars		
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. The Company's websites are <https://www.kofola.cz/> and the phone number is +420 595 601 030. LEI: 3157005DO9L5OWHBQ359.

Main area of activity of Kofola ČeskoSlovensko a.s. is 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.

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. The ownership structure is described in section 4.15.1.

KOFOLA ČESKOSLOVENSKO GROUP

Interim consolidated financial statements for the six-month period ended 30 June 2022
In accordance with IAS 34 as adopted by EU

2. GENERAL INFORMATION



STOCK EXCHANGE LISTING

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

MANAGEMENT

As at 30 June 2022, the composition of the Board of Directors, Supervisory Board and Audit Committee was as follows:

BOARD OF DIRECTORS

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

SUPERVISORY BOARD

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

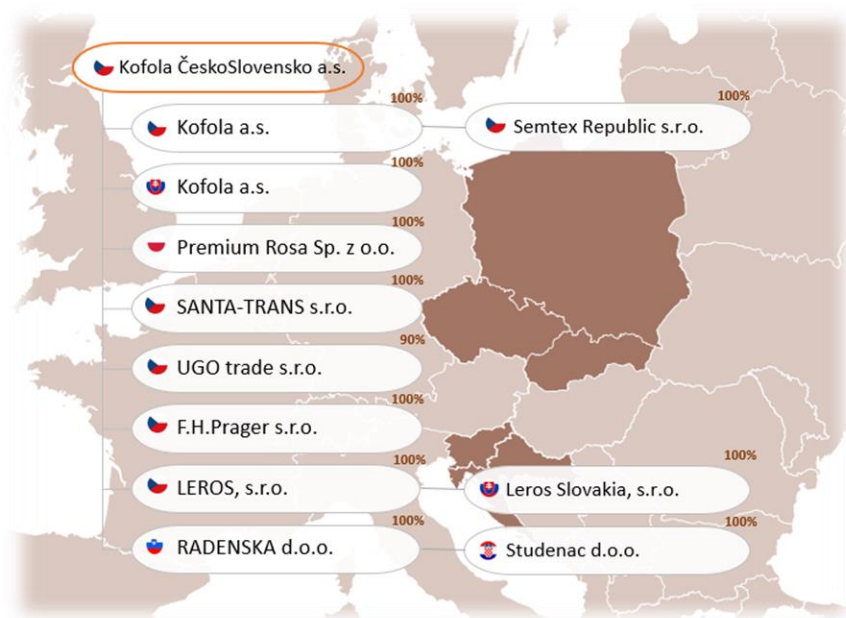
AUDIT COMMITTEE

- Petr Šobotník – Chairman
- Zuzana Prokopcová
- Lenka Frostová

2. GENERAL INFORMATION

2.2. GROUP STRUCTURE

GROUP STRUCTURE CHART AS AT 30 JUNE 2022



DESCRIPTION OF THE GROUP COMPANIES

Name of entity	Place of business	Segment (Note 4.1)	Principal activities	Ownership interest and voting rights	
				30.6.2022	31.12.2021
Holding companies					
Kofola ČeskoSlovensko a.s.	Czech Republic	CzechoSlovakia	top holding company		
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 syrups 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%
ONDŘAŠOVKA a.s.*	Czech Republic	CzechoSlovakia	production and distribution of non-alcoholic beverages	n/a	100.00%
Karlovarská Korunní s.r.o.*	Czech Republic	CzechoSlovakia	production and distribution of non-alcoholic beverages	n/a	100.00%
Semtex Republic s.r.o.**	Czech Republic	CzechoSlovakia	marketing activities	100.00%	100.00%
Transportation					
SANTA-TRANS s.r.o.	Czech Republic	CzechoSlovakia	road cargo transport	100.00%	100.00%

* Merged with Kofola a.s. (CZ) as of 1 January 2022. ** Till 31 December 2021 named Brute s.r.o.

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 on 1 January 2022.

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 2022 and contain comparatives for the period of six months ended 30 June 2021 and as of 31 December 2021 (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 2022 and 30 June 2021.

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.

3. SIGNIFICANT ACCOUNTING POLICIES



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

Closing exchange rates	30.6.2022	31.12.2021	30.6.2021
CZK/EUR	24.740	24.860	25.485
CZK/PLN	5.276	5.408	5.640
CZK/HRK	3.285	3.307	3.401

Average exchange rates	1.1.2022 - 30.6.2022	1.1.2021 - 31.12.2021	1.1.2021 - 30.6.2021
CZK/EUR	24.649	25.645	25.854
CZK/PLN	5.318	5.619	5.698
CZK/HRK	3.268	3.406	3.424

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 2021.

3.5. ACCOUNTING METHODS

The accounting policies adopted are consistent with those used in the annual consolidated financial statements for the twelve-month period ended 31 December 2021.

3.6. NEW AND AMENDED STANDARDS ADOPTED BY THE GROUP

Several standards, amendments and interpretations apply for the first time in 2022, but do not have any material impact on the interim consolidated financial statements of the Group.

3. SIGNIFICANT ACCOUNTING POLICIES



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 2022 may be changed in the future. The main estimates pertain to the following matters:

Estimates	Type of information
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.

Despite increasing input prices, there is no material impairment risk related to the Group's assets as of 30 June 2022.

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 1 September 2022.

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. The following business segments are presented within these financial statements:

- 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 six-month period ended 30 June 2022 and in the comparative six-month period ended 30 June 2021 that generated more than 10% of the Group’s consolidated revenue.

4. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS



BUSINESS SEGMENTS

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



1.1.2021 – 30.6.2021	CzechoSlovakia	Adriatic	Fresh & Herbs	Subtotal	Consolidation adjustments	Total
	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000
Revenue	2,185,158	556,175	260,076	3,001,409	(47,738)	2,953,671
External revenue – excl. services	2,148,240	553,188	237,311	2,938,739	-	2,938,739
External revenue – services	7,277	2,837	4,818	14,932	-	14,932
Inter-segment revenue	29,641	150	17,947	47,738	(47,738)	-
Operating expenses	(1,966,015)	(527,010)	(345,593)	(2,838,618)	47,738	(2,790,880)
Related to external revenue	(1,936,374)	(526,860)	(327,646)	(2,790,880)	-	(2,790,880)
Related to inter-segment revenue	(29,641)	(150)	(17,947)	(47,738)	47,738	-
Operating profit/(loss)	219,143	29,165	(85,517)	162,791	-	162,791
Finance income/(costs), net	(73,281)	(9,660)	(6,434)	(89,375)	5,429	(83,946)
- within segment	(77,420)	(3,500)	(3,026)	(83,946)	-	(83,946)
- inter-segment	4,139	(6,160)	(3,408)	(5,429)	5,429	-
Profit/(loss) before income tax	145,862	19,505	(91,951)	73,416	5,429	78,845
Income tax (expense)/benefit	(45,111)	(10,667)	2,384	(53,394)	-	(53,394)
Profit/(loss) for the period	100,751	8,838	(89,567)	20,022	5,429	25,451
EBITDA**	399,413	86,933	(7,741)	478,605	-	478,605
One-offs (A 3.1.1)	(8,765)	(52)	71	(8,746)	-	(8,746)
Adjusted EBITDA (A 3.1.1)	390,648	86,881	(7,670)	469,859	-	469,859

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

Other segment information (1.1.2021 – 30.6.2021)	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*	165,056	20,154	54,872	240,082	-	240,082
Depreciation and amortisation	180,270	57,768	77,776	315,814	-	315,814
Other Impairment losses	1,613	-	2,632	4,245	-	4,245
Other Impairment losses reversals	(5,894)	(2,376)	(707)	(8,977)	-	(8,977)
Provisions - Increase due to creation	32,154	-	2,905	35,059	-	35,059
Provisions - Decrease due to usage/release	(53,296)	(4,258)	(8,556)	(66,110)	-	(66,110)

* excluding acquisitions, including lease additions

4. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS



PRODUCT LINES

1.1.2022 - 30.6.2022	Carbonated beverages CZK'000	Non-carbonated beverages CZK'000	Waters CZK'000	Syrups CZK'000	Fresh bars & Salads CZK'000	Other CZK'000	Total 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
1.1.2021 - 30.6.2021	Carbonated beverages CZK'000	Non-carbonated beverages CZK'000	Waters CZK'000	Syrups CZK'000	Fresh bars & Salads CZK'000	Other CZK'000	Total CZK'000
Revenue	1,066,826	270,149	1,042,415	247,338	86,187	240,756	2,953,671
External revenue – excl. services	1,066,826	270,149	1,042,415	247,338	82,340	229,671	2,938,739
External revenue – services	-	-	-	-	3,847	11,085	14,932

INFORMATION ABOUT GEOGRAPHICAL AREAS — REVENUE PER END CUSTOMER

1.1.2022 - 30.6.2022	Czech Republic CZK'000	Slovakia CZK'000	Slovenia CZK'000	Croatia CZK'000	Poland CZK'000	Other CZK'000	Total 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
1.1.2021 - 30.6.2021	Czech Republic CZK'000	Slovakia CZK'000	Slovenia CZK'000	Croatia CZK'000	Poland CZK'000	Other CZK'000	Total CZK'000
Revenue	1,607,239	739,848	349,697	160,293	37,355	59,239	2,953,671
External revenue – excl. services	1,597,707	737,171	346,974	160,293	37,355	59,239	2,938,739
External revenue – services	9,532	2,677	2,723	-	-	-	14,932
Non-current assets (excluding financial assets and deferred tax assets)	Czech Republic CZK'000	Slovakia CZK'000	Slovenia CZK'000	Croatia CZK'000	Poland CZK'000	Other CZK'000	Total CZK'000
30.6.2022	3,259,967	992,036	576,866	141,804	183,416	-	5,154,089
31.12.2021	3,272,167	996,359	583,169	151,566	195,654	-	5,198,915

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 2021, about 17.4% (20.9% in 2020) of revenue was earned in the 1st quarter, with 27.1% (23.7% in 2020), 31.9% (33.7% in 2020) and 23.6% (21.7% in 2020) of the annual consolidated revenue earned in the 2nd, 3rd and 4th quarters, respectively. Shares in particular quarters of both 2021 and 2020 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 six-month period ended 30 June 2022

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	6M22 CZK'000	6M21 CZK'000
Revenue from contracts with customers		
- Sales of finished products/goods/materials (transferred at a point in time)	3,692,413	2,938,739
- Sales of transportation services (transferred over time)	7,598	5,823
- Franchise licences (transferred over time)	7,039	3,845
- Sales of other services (transferred over time)	10,070	5,264
Total revenue	3,717,120	2,953,671

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	6M22 CZK'000	6M21 CZK'000
Depreciation of Property, plant and equipment and amortisation of Intangible assets	296,763	315,814
Employee benefits expenses (i)	782,655	672,660
Consumption of materials and energy, cost of goods and materials sold	1,812,880	1,286,057
Services	678,054	499,791
Rental costs	47,584	36,366
Taxes and fees	43,875	45,479
Insurance costs	10,338	9,554
Inventory write-down/(back)	(383)	(1,554)
Change in allowance to receivables	(8,220)	594
Change in finished products and work in progress	(63,967)	(15,302)
Other costs	2,094	2,246
Total expenses by nature*	3,601,673	2,851,705
Depreciation recognized in Other operating expenses	(4,214)	(5,667)
Reconciliation of expenses by nature to expenses by function	3,597,459	2,846,038
Cost of sales	2,173,623	1,694,646
Selling, marketing and distribution costs	1,162,827	929,583
Administrative costs	261,009	221,809
Total costs of products and services sold, merchandise and materials, sales costs and administrative costs	3,597,459	2,846,038

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

Employee benefits expenses increased mainly due to higher headcount, higher bonuses and expenses related to the option scheme. Direct material costs, costs of goods sold, energy costs and services increased mainly due to increased revenue but also due to higher input prices. Service increased mainly due to higher logistic costs but also due to higher marketing expenses. Change in finished products and work in progress balance is influenced by higher activity in 6M22 and also higher material prices and production costs.

(i) Employee benefits expenses

Employee benefits expenses	6M22 CZK'000	6M21 CZK'000
Salaries	582,244	500,664
Social security and other benefit costs (including healthcare insurance)	93,019	79,864
Pension benefit plan expenses	107,392	92,132
Total employee benefits expenses	782,655	672,660

Total average number of employees was 2,074 persons in 6M22 (1,993 persons in 6M21).

4. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4.4. OTHER OPERATING INCOME

Other operating income	6M22 CZK'000	6M21 CZK'000
Net gain from the sale of PPE and Intangible assets	3,003	10,407
Release of impairment of Property, plant and equipment	-	317
Subsidies, grants and government support	1,449	49,241
Compensation claims	1,540	1,914
Write-off liabilities	-	94
Rental discounts*	973	2,262
Penalties and compensation for damages	1,686	605
Other tax income	1,569	258
Other	6,146	5,909
Total other operating income	16,366	71,007

* Further information in section 4.18 (COVID-19 and Ukraine crises).

In 6M21, the Subsidies, grants and government support contain mainly the support related to COVID-19 pandemic situation.

4.5. OTHER OPERATING EXPENSES

Other operating expenses	6M22 CZK'000	6M21 CZK'000
Net loss from disposal of PPE and Intangible assets	-	229
Costs connected with inactive plant in Poland*	2,356	1,226
Impairment of PPE	-	2,626
Provided donations, sponsorship	4,048	1,461
Penalties and damages	1,369	370
Advisory services	2,762	151
Costs connected with the earlier termination of rental contracts	-	2,111
Restructuring costs**	375	1,001
Other	3,429	6,674
Total other operating expenses	14,339	15,849

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

4.6. FINANCE INCOME

Finance income	6M22 CZK'000	6M21 CZK'000
Interest – bank deposits	14	15
Interest – bonds	-	351
Exchange gains	406	1,425
Realized derivatives (original derivatives in CZK)	16,116	-
Gain on derivatives termination (original derivatives in CZK)	126,622	-
Other	31	130
Total finance income	143,189	1,921

Gain of CZK 126,622 thousand was realized on sale of the interest rate swaps related to the original loans that were transferred in terms of both repayment schedule and currency (newly 60% of total bank credit and loans is denominated in EUR from which are expected significant savings on interest expense).

4. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4.7. FINANCE COSTS

Finance costs	6M22 CZK'000	6M21 CZK'000
Interest – bank loans and credits	107,864	36,690
Realized derivatives (original derivatives in CZK)	-	4,867
Interest – lease	5,793	6,874
Interest – other	81	84
Exchange losses	16,555	30,644
Bonds sold	-	3,642
Bank costs and charges	3,846	3,053
Other	15	13
Total finance costs	134,154	85,867

Interest expense increased due to increasing interest rates.

4.8. INCOME TAX

4.8.1 INCOME TAX RECOGNISED IN PROFIT OR LOSS

Main income tax elements were as follows:

Income tax	6M22 CZK'000	6M21 CZK'000
Current income tax expense/(benefit)	29,743	53,183
Current income tax on profits for the year	29,092	50,640
Adjustments for current income tax of prior periods	651	2,543
Deferred income tax expense/(benefit)*	12,383	211
Related to arising and reversing of temporary differences	(720)	(5,457)
Related to tax losses	13,103	5,668
Income tax expense/(benefit)	42,126	53,394

* 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 foreign exchange differences arising on consolidation of foreign subsidiaries.

The income tax rate applicable to the majority of the Group's 6M22 and 6M21 income is 19%.

4.8.2 INCOME TAX RECOGNISED DIRECTLY IN EQUITY

Income tax elements were as follows:

Income tax recognised directly in equity	6M22 CZK'000	6M21 CZK'000
Deferred income tax	(23,966)	6,124
Tax from Cash flow hedges	(23,966)	6,124
Income tax recognised directly in equity	(23,966)	6,124

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	6M22 Pcs	6M21 Pcs
Total number of shares issued by the Company	22,291,948	22,291,948
Effect of own shares in possession of the Company	(251)	(1,744)
Weighted average number of ordinary shares used to calculate basic earnings per share	22,291,697	22,290,204

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

Basic earnings per share	6M22	6M21
Profit/(loss) for the period attributable to owners of Kofola ČeskoSlovensko a.s. (CZK'000)	91,738	30,770
Weighted average number of ordinary shares used to calculate basic earnings per share (pcs)	22,291,697	22,290,204
Basic earnings per share attributable to owners of Kofola ČeskoSlovensko a.s. (CZK/share)	4.12	1.38

4.10. PROPERTY, PLANT AND EQUIPMENT

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.

The additions to Property, plant and equipment were of CZK 236,344 thousand in 6M21 (including lease additions).

The most significant additions realized by the Group in 6M21 were represented by investments into the production machinery, returnable packages, vehicles and assets arising as a result of the lease capitalization.

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, Ondřášovka and Korunní.

In 6M22 and 6M21, 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 2022, the Group's total bank loans and credits amounted to CZK 3,401,101 thousand (as at 31 December 2021: CZK 3,417,004 thousand). The balance remained stable which is a net result of overdraft drawing and regular repayments.

The Facility loan agreement as amended (which refinanced loans at that time and 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 3,110,434 thousand as at 30 June 2022 (as at 31 December 2021: CZK 3,251,409 thousand) was a main component of 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.

In June 2022, an amendment to existing contract on bank credits and loans has been concluded. Transferring 60% of outstanding loan to EUR should bring significant savings in interest expense and adjustment of the repayment schedule will lead to decrease of regular annual loan repayments. The maturity is in June 2028 with quarterly repayments of

4. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS



CZK 32,000 thousand. EUR part of the Facility loan agreement as of 30 June 2022 amounted to CZK 1,898,985 thousand (as of 31 December 2021: CZK nil thousand).

Overdraft amounted to CZK 290,667 thousand as of 30 June 2022 (as of 31 December 2021: CZK 164,316 thousand) out of which in EUR was denominated CZK 46,682 thousand (as of 31 December 2021: CZK 92,057 thousand).

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.

As of 31 December 2021, the Group obtained a bank waiver for the breach of Debt service coverage ratio covenant.

All other bank loan covenants were met as of 30 June 2022 and 31 December 2021.

With the amendment on bank loans, also new IRS contracts were concluded (only in relation to EUR part of the loan) with interest 2.149% p.a. + margin. At the same time, the existing IRS were terminated and sold (refer to section 4.6. Finance income).

4.13. FUTURE COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES

As at 30 June 2022 the Group companies provided the following guarantees for third party entities:

Entity providing guarantees	Entity receiving guarantees	Currency	Guarantee amount FCY'000	Guarantee amount CZK'000	Guarantee period	Guarantees provided for	Relationship
Kofola ČeskoSlovensko a.s.	Unicredit Bank a.s.	EUR	380	9,401	12/2022	Santa-Trans.SK s.r.o.	third party
Total guarantees issued				9,401*			

* The fair value of the guarantees is close to zero (fair valuation in level 3).

As at 31 December 2021 the Group companies provided the following guarantees for third party entities:

Entity providing guarantees	Entity receiving guarantees	Currency	Guarantee amount FCY'000	Guarantee amount CZK'000	Guarantee period	Guarantees provided for	Relationship
Kofola ČeskoSlovensko a.s.	Unicredit Bank a.s.	EUR	758	18,844	12/2022	Santa-Trans.SK s.r.o.	third party
Total guarantees issued				18,844*			

* The fair value of the guarantees is close to zero (fair valuation in level 3).

4.14. 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

4. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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.

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.

4.15. RELATED PARTY TRANSACTIONS

4.15.1 SHAREHOLDERS STRUCTURE

Share capital structure			30.6.2022		31.12.2021	
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	70.66
RADENSKA d.o.o.	1,062,236	4.77	0.00	1,084,851	4.87	0.00
Others	6,245,508	28.01	29.42	6,222,893	27.91	29.34
Total	22,291,948	100.00	100.00	22,291,948	100.00	100.00

As at 30 June 2022, the registered share capital of Kofola ČeskoSlovensko a.s. totalled CZK 1,114,597,400 (as at 31 December 2021: CZK 1,114,597,400) and comprised 22,291,948 (as at 31 December 2021: 22,291,948) common registered shares with a nominal value of CZK 50 (as at 31 December 2021: 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 2022 (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

COURSE OF PURCHASE OF OWN SHARES IN 2021 (TRANSACTION PERFORMED WITHIN THE GROUP)

The Board of Directors of the Company resolved to implement the acquisition of own shares by the Company on 19 February 2021.

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 executed acquisition of own shares by the Company:

- the acquisition took place outside the regulated market, directly from the company RADENSKA d.o.o., a subsidiary company of the Company;
- number of shares that were acquired amounted to 29,126 shares of the Company which represented 0.13% of the Company's share capital; and
- the acquisition was settled on 5 March 2021 for the price equal to the closing price for which shares of the Company were traded on the regulated market organized by the company Burza cenných papírů Praha, a.s. on the previous trading day, i.e. CZK 256 per individual share (total value of CZK 7,456 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 2021.

4.15.2 REMUNERATION OF THE COMPANY'S KEY MANAGEMENT PERSONNEL

Presented below is the structure of the remuneration of Group's key management personnel.

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

Remuneration of the Group's key management personnel 6M21		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	13,161	-	-	-	13,161
	Non-financial	2,325	-	-	-	2,325
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	3,435	3,762	886	6,930	15,013
	Non-financial	1,455	806	28	1,214	3,503

Increase of the remuneration in 6M22 is related mainly to the inclusion of option scheme participants into Group's key management personnel.

4.15.3 OTHER RELATED PARTY TRANSACTIONS

There were no transactions concluded with the Group's related parties (those outside the consolidation group) in 6M22 and 6M21.

4. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4.16. FINANCIAL INSTRUMENTS

4.16.1 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.

30.6.2022	Financial assets at amortised cost CZK'000	Derivatives at fair value through OCI CZK'000	Financial liabilities at amortised cost CZK'000	Total CZK'000
Trade and other receivables	1,073,247	-	-	1,073,247
Cash and cash equivalents	466,325	-	-	466,325
Derivatives	-	(34,089)	-	(34,089)
Bank credits and loans	-	-	(3,401,101)	(3,401,101)
Lease liabilities	-	-	(407,819)	(407,819)
Trade and other payables	-	-	(1,892,792)	(1,892,792)
Total	1,539,572	(34,089)	(5,701,712)	(4,196,229)

31.12.2021	Financial assets at amortised cost CZK'000	Derivatives at fair value through OCI CZK'000	Financial liabilities at amortised cost CZK'000	Total CZK'000
Trade and other receivables	717,838	-	-	717,838
Cash and cash equivalents	391,517	-	-	391,517
Derivatives	-	92,046	-	92,046
Bank credits and loans	-	-	(3,417,004)	(3,417,004)
Lease liabilities	-	-	(427,163)	(427,163)
Trade and other payables	-	-	(1,452,669)	(1,452,669)
Total	1,109,355	92,046	(5,296,836)	(4,095,435)

Fair value of derivatives

In 2018 and 2020, the Group has concluded interest rate swaps and established a hedge accounting. Revaluation of derivatives in relation to the effective portion of the hedging relationship is accounted through other comprehensive income.

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.

Original derivatives in CZK were terminated in June 2022 (see section 4.4 Other operating income for realized gain) and new derivative contracts were concluded in relation to the long-term part of the facility loan that is denominated in EUR. Balances related to derivatives in the Consolidated statement of other comprehensive income result from the termination of the original derivatives in CZK and valuation of newly concluded derivatives in EUR as of 30 June 2022.

4. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS



4.17. ACQUISITION OF SUBSIDIARIES

ACQUISITION OF SUBSIDIARY BRUTE S.R.O.

On June 17, 2021, the acquisition date, the company Kofola a.s. (CZ) concluded an agreement to purchase a 100% stake in Brute s.r.o. for a cash consideration of CZK 390 thousand. Due to immateriality, no other information is disclosed. The company was renamed to Semtex Republic s.r.o. as of 1 January 2022.

4.18. COVID-19 AND UKRAINE CRISES

LEASE ACCOUNTING — IFRS 16

Based on amendment to IFRS 16 issued in May 2020, the lessee may elect not to assess whether COVID-19 related rental discounts are lease modifications. The Group has utilized this practical expedient and has also met all the requirements prescribed by the standard. The amount of such rental discounts is presented within section 4.4 Other operating income.

OTHER INFORMATION

For more than two years, we were witnessing the impacts of COVID-19 pandemic which limited free cross-border travelling. Lockdowns impacted mostly Group's sales in the HoReCa segment and also sales in UGO salateries and freshbars.

HoReCa segment was closed for whole 1Q 2021 (except for Croatia) and part of 2Q 2021.

Currently, the Group is facing increasing prices of raw materials and 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 and intends to continue in these activities as it cares about people in need. 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 increasing inflation rate is perceived also by the Group. Increasing input prices 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.

As of the date of this report, the production is in operation, we have continuing supplies of materials and energy (we are in close contact with our key suppliers), we have increased hygienic precautions in our production plants, our administrative employees may work from home. The Group is using modern technology for distant access and videoconferences which enables us to protect the health of our employees. There were optimizations in CAPEX and OPEX and we plan to continue in this trend in the upcoming period based on actual development.

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.

4.19. 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.

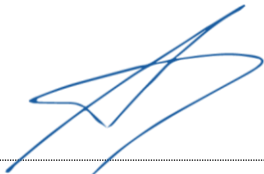

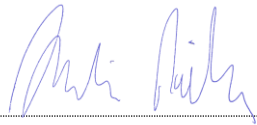
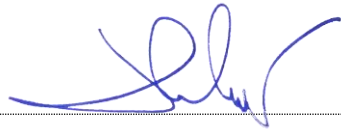
STATUTORY DECLARATION AND APPROVAL FOR PUBLICATION



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 reported period ended 30 June 2022 and of the outlook for subsequent 6 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 2022 and describes the main risks and uncertainties in subsequent 6 months of the financial year.

SIGNATURES OF THE COMPANY'S REPRESENTATIVES

1.9.2022	Janis Samaras	Chairman of the Board of Directors	
<i>date</i>	<i>name and surname</i>	<i>position/role</i>	<i>signature</i>
1.9.2022	René Musila	Vice-Chair of the Board of Directors	
<i>date</i>	<i>name and surname</i>	<i>position/role</i>	<i>signature</i>
1.9.2022	Daniel Buryš	Vice-Chair of the Board of Directors	
<i>date</i>	<i>name and surname</i>	<i>position/role</i>	<i>signature</i>
1.9.2022	Martin Pisklák	Member of the Board of Directors	
<i>date</i>	<i>name and surname</i>	<i>position/role</i>	<i>signature</i>
1.9.2022	Martin Mateáš	Member of the Board of Directors	
<i>date</i>	<i>name and surname</i>	<i>position/role</i>	<i>signature</i>
1.9.2022	Marián Šefčovič	Member of the Board of Directors	
<i>date</i>	<i>name and surname</i>	<i>position/role</i>	<i>signature</i>

