

Dear Shareholders,

After last summer I was very pessimistic about the development of the Czech and European economy. Because of astronomical energy prices, I was very worried about the whole Czech industry and households. I am therefore glad that I was wrong and that our darkest scenarios did not come true. But many reasons for caution remain. This is despite the fact that our group has had a very strong and successful start to 2023 economically.

At a time of high inflation, there is nothing else we can do – it's something we're not used to and that we know only from economics textbooks. Our profits are very stable, but everything around us is 20% more expensive - especially technology. This forces us to look for synergies and improvements. And it's also up to us to make good this loss as quickly as possible, and to get our financial indicators looking better than they did before the crisis - and in no more than three years from now.

We have to manage all this despite our still enormously high input costs - especially for sugar. There is also a question mark over energy prices. None of these problems can be solved quickly; new paths will take several years to find, and only the strongest will manage to do so. I am convinced that our brands are, without a doubt, among the strongest.

"If you love nature and the people around you, nothing else matters. You'll always find a way." That's our "refreshed" mission statement which we created together with our employees and expresses our core values. Our long-term strategic goals are based on it. One of them is digitalization. In Slovenia, we've launched a new generation of our e-shop for restaurants under the Supplo domain. Other countries will follow. E-commerce is dynamically changing the future of both retail and gastronomy, and our goal is to be at the forefront of these changes.

I am very happy with our incubator. It's a way of carrying out small acquisitions and projects. For example, we supported the company Zahradní OLLA and successfully develop fermented hand craft products at F.H.Prager with this year's novelty Prager's Kombucha. The innovation potential of small companies is huge, and I believe there's a lot for us to learn as well.

But let's get to our results. You'll find all the numbers on the following pages of this report, so just a couple of quick highlights for now. The Czechoslovakia beverage business is our strongest division, though for the second year in a row it has weakened slightly due to external factors. In 2022, EBITDA reached CZK 875 million. This is a great number, but our expectations are considerably more ambitious. The Adriatic region is returning to its pre-crisis level of performance - though we need to work on the Croatian part of the business in particular. LEROS has made us happy, and has indeed started to turn a profit as planned. 2023 is set to be even better - we have big plans for herbs and coffee. UGO is battling away in a tough market with huge

competition and constantly changing trends in gastronomy. After two years of COVID, we are back on a growth trajectory. The first quarter of this year has been really strong, and revenue growth is even exceeding our expectations.

Finally, I want to thank everyone who pulled together with us in 2022: our employees, suppliers, customers, shareholders and consumers. We couldn't have done it without you. Thank you.

Jannis Samaras
Chairman of the Board of Directors
Kofola ČeskoSlovensko a.s.

Annex 1: The Board of Director's report – presentation 2022