

# CCH – 2025 Full-year results

## Conference call script – 10 February 2026

### CORPORATE PARTICIPANTS

**Zoran Bogdanovic – Coca-Cola HBC AG - CEO**

**Anastasis Stamoulis - Coca-Cola HBC AG – CFO**

**Jemima Benstead - Coca-Cola HBC AG – Head of Investor Relations**

### **Operator**

Thank you for standing by ladies and gentlemen, and welcome to Coca-Cola HBC's conference call for the 2025 full-year results. At this time all participants are in listen only mode. There will be a presentation followed by a question-and-answer session. If you wish to ask a question, please press star one on your telephone keypad at any time and wait until your name is announced. I must also advise that this conference is being recorded today Tuesday, February 10, 2026. I now pass the floor to one of your speakers, Jemima Benstead, Head of Investor Relations. Please go ahead. Thank you.

**Jemima Benstead - Coca-Cola HBC AG – Head of Investor Relations**

Good morning and thank you all for joining the call.

I'm here with our CEO, Zoran Bogdanovic, and our CFO, Anastasis Stamoulis. In a moment Zoran will share the key highlights of 2025. Anastasis will then take you through our financial performance in more detail and discuss the outlook for 2026, before handing back to Zoran who will discuss the strategic growth areas for the business. We will then open the floor up to questions.

We have about an hour for the call today, which should give plenty of time for a good discussion. Please keep to one question and one follow up, waiting for us to answer the first question before moving to your follow up.

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Finally, I must remind you that this conference call contains various forward-looking statements. These should be considered in conjunction with the cautionary statements in our results press release this morning, and at the end of our slide deck. And with that I will turn the call over to Zoran.

### **Zoran Bogdanovic - Coca-Cola HBC AG – CEO**

Thank you, Jemima. Good morning, everyone, and thank you for joining the call.

2025 was another strong year for Coca-Cola HBC. We've executed against our strategy and delivered a strong financial performance, all while operating through a mixed market environment and continuing to invest across the business for the long-term.

Let me call out key highlights from the year.

2025 marks the fifth year of consistent, strong growth, and share gains. Both our revenue and EBIT growth was strong and high quality, underpinned by continued volume momentum, despite a range of macro-economic conditions. Importantly, volume growth continues to be led by two of our strategic priority categories, Sparkling and Energy. And, we continue to win in the market and deliver value to our customers, gaining a further 80 basis points of value share in Non-Alcoholic Ready-to-Drink in 2025.

We also remained committed to investing in the business to unlock long-term growth. Throughout the year, we continued to invest in our 24/7 portfolio, in our bespoke capabilities, in our people, and in sustainability, which we truly view as a growth enabler. In the year, we made further good progress in our most material areas: packaging, climate and water.

And last, but certainly not least, in October, we took a significant step forward in our growth journey with the agreement to acquire Coca-Cola Beverages Africa, or CCBA.

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Disciplined execution of our strategy enabled another year of strong financial performance. Let me share the key highlights, before Anastasis goes into more details shortly.

Revenue grew by 8.1% on an organic basis, with volume growth of 2.8%.

Comparable EBIT was nearly 1.4 billion Euros, up 11.5% organically. We also delivered 60 basis points of EBIT margin improvement, leading to strong Comparable EPS growth of nearly 20%.

Finally, we achieved free cash flow of 700 million Euros, drove a further increase in Return on Invested Capital, and increased our dividend.

As you know, in October we announced the acquisition of Coca-Cola Beverages Africa, the largest Coca-Cola bottler in Africa.

This acquisition presents a highly compelling strategic rationale, which, at its core, is about growth.

The acquisition materially enhances our presence in Africa by bringing together two leading bottlers in the continent, with strong track records of growth and deep commitments to investing in talent and local communities. Together, we will represent two-thirds of Africa's total Coca-Cola system volume.

This combination further diversifies our geographic footprint, increasing our exposure to high growth markets with compelling demographics, including sizeable and growing populations and economies, with significant potential to increase per capita consumption.

The acquisition is consistent with the pillars of our growth strategy and vision of being the leading 24/7 beverage partner. CCBA is a leading player in NARTD across its markets, with a winning portfolio of over 40 global and local brands, further strengthening our exceptional portfolio.

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We also see a clear opportunity to leverage our strengths of operating in dynamic emerging markets - we can share best practices, apply our best-in-class bespoke capabilities and invest further in CCBA, to drive growth.

Finally, we expect the acquisition to enhance value for all stakeholders. For shareholders, it is expected to be low-single digit EPS accretive in the first full year following completion, with a clear prospect of creating more shareholder value over the long-term.

In terms of progress towards completion, let me outline where we are.

On the 19<sup>th</sup> of January this year, we received approval from Coca-Cola HBC shareholders of the resolutions put forward at the Extraordinary General Meeting.

Our teams continue to work through the customary regulatory filings and antitrust approvals, and preparations for the secondary listing of our shares on the Johannesburg Stock Exchange.

Overall, we remain on track to complete the acquisition by the end of 2026 and are working on integration plans so we can hit the ground running. We look forward to sharing more details on the opportunities ahead for the combined Group post completion.

Sustainability remains at the core of our strategy, enabling us to deliver growth while creating value for the communities we serve, our partners, and the environment. In 2025 we saw further recognition of our progress, placing us among the leaders of the global beverage industry, with top scores across major benchmarks.

Let me share a couple of highlights from 2025.

We advanced our circular packaging agenda with the launch of a new collection hub in Nigeria and the expansion of Deposit Return Systems to Austria and Poland. Recently launched systems in Romania, Hungary and Austria achieved average return rates of over 80% in 2025.

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Partnerships continue to be a key driver of progress. As I mentioned last summer, together with Carrefour and The Coca-Cola Company, we initiated a Sustainable-Linked Business Plan, with Romania piloting a programme that unites suppliers to cut emissions and improve packaging sustainability.

Supporting communities remains a central priority. In 2025, Europe faced severe wildfires and floods, and I'm proud that The Coca-Cola HBC Foundation was able to commit €2.3 million in disaster relief. The Group also announced an additional €5 million for the Foundation to support communities starting from 2026.

Overall, we've made strong progress toward our Mission 2025 goals, with many targets reached ahead of schedule. Full results will be published in our 2025 Integrated Annual Report in March, along with details on the next phase of our sustainability journey.

With that, let me hand over to Anastasis to take you through the financial results of the year in more detail.

### **Anastasis Stamoulis - Coca-Cola HBC AG – CFO**

Thank you, Zoran, and good morning, everyone.

So let me start with the strong top-line performance.

2025 organic revenue growth was 8.1%.

We delivered another year of good volume growth, up 2.8%, driven primarily by Sparkling and Energy, as Zoran has mentioned. I'm pleased that all three segments achieved volume growth, or maintained volumes, despite an ongoing challenging backdrop.

Organic revenue per case increased by 5.1%, a normalisation versus previous years, as we expected. We continued to implement targeted revenue growth management initiatives, while navigating lower levels of inflation across most markets.

Overall, pricing remained the largest driver of revenue per case, however category mix and package mix were also positive, with continued improvement in single-serve mix,

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which expanded by 130 basis points in the year and is now 310 basis points higher on a three-year basis.

We achieved another year of double-digit organic EBIT growth, with Comparable EBIT growing 11.5% to nearly €1.4 billion.

Our comparable EBIT margin increased 60 basis points on a reported basis to 11.7%, and 40 basis points organically. This marks a record high EBIT margin for our company, which is great to see, having navigated several years of inflation and currency pressures.

Let me break down the drivers of this. We improved gross profit margins by 70 basis points, with good top line leverage.

Operating costs overall stepped up 10 basis points in the year. However, breaking this down a bit further, operating expenses excluding direct marketing improved by 30 basis points as a percent of revenue. You may recall that in 2024 we faced headwinds in our operating expense line, due to currency devaluation in Egypt, which we cycled this year.

However, offsetting this, direct marketing expenses stepped up by 40 basis points as a percent of revenue, as we invested in activations across categories, but notably the 'Share a Coke' campaign, the Winter Olympics and a new Finlandia marketing campaign.

Let's now look at the drivers of performance by segment. I am going to discuss these figures on an organic basis.

In the Established segment, revenues grew by 2.3%. Volume was in line with last year, reflecting mixed trends across markets. Sparkling volumes were slightly ahead of last year, with high-single digit growth in Coke Zero and mid-single digit growth in Sprite. Energy continued to grow strongly, up high-teens. Stills declined low-single digits, although we delivered mid-single digit growth in Sport Drinks.

On a country basis, volumes in Italy were slightly positive, despite our decision to prioritise profitable revenue growth in Water in the second half of the year. Excluding Water, volumes in Italy grew low-single digits. In Ireland, volumes grew low-single digits

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with consistent growth through the year, whereas in Austria, volumes declined, in a more challenging environment.

Established revenue per case was up 2.3%, driven by pricing, as well as positive package and category mix.

Established segment comparable EBIT declined 2.8%, primarily due to a step-up in investments, as previously noted.

Turning to the Developing segment, revenues were up 6.1%.

Volumes grew 0.8% with Sparkling volumes slightly higher than last year, driven by Coke Zero and Sprite. Energy saw accelerating momentum, with strong double-digit growth. Stills declined high-single digits, driven by Water and Juices, despite strong double-digit growth in Sports Drinks.

In terms of country performance, the Czech Republic was the standout performer, growing volumes mid-single digits despite a tough comparative. In Poland, volumes declined for the year, though we saw an improvement in the second half of the year.

Developing revenue per case increased by 5.3%, driven by pricing actions taken to manage inflation, supported by a favourable category and package mix.

Comparable EBIT increased by 5.6% year-on-year, with EBIT margin in line with the previous year.

In the Emerging segment, revenue grew by 13.2%, driven by both volume and good price mix.

Emerging markets' volume grew 4.4%. Sparkling volumes increased by mid-single digits, with mid-single digit growth in Trademark Coke, Sprite and Adult Sparkling. Energy grew strongly, despite cycling tough comparatives, driven by affordable brands. Stills volumes grew low-single digits, led by Water and further supported by very strong growth in Sports Drinks on a small base.

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At a country level, the performances of both Nigeria and Egypt have been very strong, despite external challenges, with volumes growing mid-single digit and low-teens respectively.

Emerging segment revenue per case increased 8.5%, a moderation compared to previous years, reflecting lower levels of inflation and currency headwinds for Nigeria and Egypt. We benefited from pricing actions, as well as from positive category mix.

Comparable EBIT grew 23.2%, a strong rebound, due to organic growth as well as cycling the impact of the foreign currency remeasurement in Egypt last year.

Moving back to the Group P&L, we saw Comparable earnings per share grow 19.7% to €2.72. This was supported by the strong EBIT delivery, and lower net finance costs than the previous year.

As I mentioned at the first half results, we've seen lower than usual finance costs this year due to several factors. We benefited from lower foreign exchange losses compared to 2024, due to greater currency stability, as well as higher finance income in the year. As you'll have seen from our guidance, we do expect a more normalised finance cost environment in 2026.

As expected, our comparable tax rate of 27.1% was in line with our guidance range.

Our Return on Invested Capital expanded by 100 basis points to 19.4%, driven by higher profit. We've seen very good improvement in ROIC over the last five years and it remains a very important metric for us.

Capex increased 148 million euros in the year to 828 million, in line with our plans as we continued to invest in future growth initiatives such as production capacity, ongoing automation in supply chain, digital and data solutions, and energy-efficient coolers.

Capex as a percentage of revenue was 7.1%, up 80 basis points year-on-year, but well within our target range of 6.5% to 7.5%.

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We delivered free cash flow of 700 million euros. I'm really pleased that even in a year where capex stepped up materially, we've still delivered robust free cash flow.

Our balance sheet remains very strong, and we closed the year with net debt to comparable EBITDA at 0.7 times. Clearly, this will increase once we complete the acquisition of CCBA, however we expect leverage post completion to remain within our medium-term target range of 1.5 to 2 times. Importantly, we do not expect any impact to our credit rating, and we have a strong commitment to sustainably maintaining an investment grade profile.

Leveraging this strong balance sheet, we have a robust and disciplined capital allocation framework, which remains unchanged.

Our top priority is investing in the business organically, to drive long-term growth for the company.

We pursue a progressive dividend policy, and target a 40 to 50 percent payout ratio. With another year of strong growth in comparable EPS, we are recommending a dividend per share of €1.20, an increase of 17% from 2024.

When it comes to strategic M&A, as you know, in 2025 we announced the milestone acquisition of CCBA. This strategic expansion into African markets underpins our focus on driving long-term growth, and will enhance value for shareholders. We expect low-single digit EPS accretion in the first full year following completion, and more shareholder value in the long-term.

Overall when it comes to our capital allocation in 2025, I'm really pleased that we're delivering a combination of investment in the business, a value-enhancing acquisition, increased shareholder returns, as well as strong improvements in ROIC.

As we look to the rest of 2026, we expect the macroeconomic and geopolitical backdrop to remain challenging, with a mixed consumer environment across our markets.

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However, we have high confidence in our 24/7 portfolio, our bespoke capabilities, the growth opportunities across our diverse markets and most of all in our people.

In 2026 we expect to make further progress against our medium-term growth targets, with organic revenue growth in our medium-term range of 6 to 7% and organic EBIT growth in the range of 7 to 10%.

Thank you for the attention, let me pass the call back over to Zoran.

### **Zoran Bogdanovic – Coca-Cola HBC AG – CEO**

Thanks Anastasi.

While we're proud of our achievements in 2025, we are really proud of the consistency of that performance over many years now. We have now had twenty consecutive quarters of organic revenue growth, despite many challenges along the way.

If we look back over the last five years, we can see that our growth algorithm is working. We've delivered average organic volume growth of nearly 4%, revenue growth of 15% and EBIT growth of 14%. Our diversified country footprint, unique 24/7 brand portfolio, bespoke capabilities and strength of our people, have driven that consistent growth.

What we've learnt across many years operating in a range of markets and conditions, is that there is no one-size-fits-all approach. We strike a careful balance to focus on what makes the local market unique, staying relevant and tailoring our approach, while aligning with the Group strategy, leveraging our global scale, tools, and capabilities, particularly with digital and data insights to drive personalised execution.

It truly demonstrates the resilience of our business through a range of different macro and consumer backdrops, and our ability to deliver results at the Group level. This gives me the confidence that we can continue to navigate unpredictable environments going forwards, and underpins our guidance for 2026 as Anastasis set out.

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Let me now take you through some of our biggest potential opportunities across our business, for 2026 and beyond.

Sparkling continues to be the core driver of our growth, contributing two-thirds of our group revenue. In 2025, we delivered organic volume growth of 2.5%. Coke Zero continued to perform strongly, growing low-double digits, and Coca-Cola Zero Zero grew high-teens.

Together with the Coca-Cola Company, we executed locally tailored activations at key moments across the year, leveraging relevant passion points and consumption occasions. In 2025 we also rolled out the “Share a Coke” campaign, with local programs and initiatives tailored to our markets. We successfully executed customer and consumer activations across channels, to drive transaction and further strengthen brand equity. We are pleased with the campaign’s performance and the positive engagement it generated.

We also accelerated growth in Sprite, with volumes up mid-single digits, as we continued focusing on the Spicy meals occasion and we activated the “Turn Up Refreshment” campaign over the summer.

Adult Sparkling grew mid-single digits in 2025, with a strong performance from Schweppes in our African markets. We introduced new flavours and a “Flavour of the Quarter” activation, with promising initial results, and plan to roll this out further in 2026. We also continued to roll-out Three Cents, our premium mixer brand, into more countries.

In 2026, we will continue capitalizing on key occasions to create memorable consumption moments, including the Winter Olympics which just kicked off last week, and the upcoming FIFA World Cup.

Energy continued its strong growth trajectory. Volume grew by 28% against tough comparatives, making 2025 the tenth consecutive year of double-digit growth. We also

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hit a milestone, surpassing 1 billion Euros of revenue for the first time, with the category now accounting for 9% of our group revenue.

All segments contributed to growth, reflecting the strength of our diversified portfolio, which enables us to address varied market, demographic and affordability needs.

In Established and Developing, growth was driven by Monster, supported by successful innovations such as Rio Punch and the launch of a new Monster drink with Lando Norris.

Predator and Fury, our affordable offers in Africa, grew over 40%, supported by football partnerships and marketing activations that truly resonate with local consumers.

We are confident we can continue to drive a strong performance in Energy, and expect to the category to reach a double-digit percentage of our revenues very soon. The category continues to see broad-based consumer demand, and we're excited for another year of innovation and planned partnerships, which we will complement by adding more dedicated coolers across our markets.

Moving onto Coffee. At the start of 2025, we announced we had made the strategic decision with our partners at Costa Coffee to prioritise the out-of-home channel, because that is where we see the greatest potential for sustainable, profitable growth.

I'm pleased to see that this decision is delivering results. We're seeing strong growth in the out-of-home channel, driven by both Costa and Caffè Vergnano, with volumes up 26.5%. This has been driven by growth in our existing outlets as well as recruiting new, high quality outlets.

We remain very positive about the growth potential for our Coffee business. It plays a critical role within our 24/7 portfolio and helps us build stronger customer relationships in the Hotels, Restaurants and Cafes channel. We're building a strong, credible business, with unique capabilities and meaningful competitive advantages.

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In Stills, volumes declined by 1.0% as growth in Water and Sports Drinks was offset by Juices and Ready-To-Drink Tea, where we faced a more challenging market environment.

Water volumes grew low-single digits, and we remained focused on profitable revenue growth, prioritising premium Waters.

Sports Drinks continued its strong momentum, with volumes growing low-double digits. We launched new flavours of Powerade and leveraged local sports partnerships, as well as football activations featuring global ambassadors, to drive transactions. In 2025, we also launched Powerade in Romania.

Premium Spirits volumes grew by 12.2%, with double-digit growth across all three segments, and strong growth of Finlandia Vodka, our own brand. The new Finlandia campaign we launched in April 2025 has been positively received, contributing to increased brand awareness and share gains in key markets. Our distribution partnerships with Brown-Forman, Bacardi and Edrington also contributed to growth.

In our Snacks business, 2025 marked the return to full operations of our Bambi plant, following the fire in 2024. In October, we also launched Bambi snacks in Nigeria, our first entry into the African continent in this category. We implemented a bespoke plan tailored to the local market, and are pleased with the early feedback.

Investing in our bespoke capabilities is critical to drive best-in-class growth and allows us to continue to gain share. I want to call out a few specific examples of progress in 2025.

**Revenue growth management** is one of our core capabilities to drive profitable revenue growth. Affordability remained important in 2025, and we increased our focus on entry and smaller packs. Premiumisation remains relevant for a large segment of the population, and we focused on expanding multi-packs of single-serves, as well as driving mini-cans in relevant markets. We also continued to leverage our advanced promotion

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analytics tools, which let us assess the effectiveness of each promotion and make quicker in-market decisions, to drive more value for us and our customers.

Within **Data, Insights and AI**, we continued to leverage AI capabilities. Two great examples include our Ignite Naija initiative, where jointly with The Coca-Cola Company we are linking consumer and customer data in Nigeria, which Naya and the Nigerian team shared with you at our Bitesize event last year. Early results indicate that this more sophisticated segmentation approach is translating into higher volume and revenue per case. We also expanded our segmented execution approach to wholesalers, leveraging shared data and outlet intelligence to provide our wholesale partners in Italy with tailored recommendations, relevant to the outlets they serve. In 2026, we will continue to implement more advanced segmented execution across our markets, enhanced by AI, and most importantly, tailored to the local market dynamics.

We are increasingly digitising our **route to market**. Our dynamic routing tool, which reduces travel time by 15%, is live in 22 markets, freeing up more time for face-to-face customer engagement. We also increased placement of our “Always-on” connected coolers by 20%. These integrated coolers continuously send data and analytics to our systems, giving our teams immediate insights to improve in-store execution and cooler profitability. Another example is our AI-enabled logistics project, which helps reduce out-of-stocks by generating automated, data-driven fulfilment recommendations. We launched it in Poland in 2025 and have already seen efficiency gains, and plan to scale this to more markets in 2026.

At the half year results I shared with you about our digital transformation, and how we have been investing in our **digital commerce** platforms to serve our customers and consumers who shop online. We are live with Customer Portal, our largest B2B platform, in 22 markets now.

Partnering with our **customers** to drive value underpins everything we do at Coca-Cola HBC. In 2025, our Net Promoter Score increased to 78, partly reflecting an increase in the

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number of resolved customer issues within 48 hours to 99%. This disciplined focus helped underpin a sixth year of market share gains in NARTD.

Finally, we couldn't do any of this without our **talented people**. Our latest employee survey results showed overall engagement remains strong at 88%, which reaffirms the strength of our culture, and the ongoing focus on high performance, learning and development. In 2025, we scaled a Metaverse learning environment, to accelerate capability building for sales teams and improve in-store execution. This is now live in seven markets, with further markets planned for 2026.

To conclude, I'd like to reiterate the key messages I started with.

We've had a strong 2025, the fifth year of consistent delivery, with further strategic and operational progress, and financial results. We've seen another year of growth in volumes, sales, EBIT, EPS and market share.

Investing for the future remains critical, and in 2025 we invested across our portfolio, capabilities, people, and sustainability initiatives.

Finally, we are very excited about the acquisition of CCBA, a great business with strong brands and a leading market presence across Africa. We have great confidence in the opportunity ahead of us to drive sustainable, profitable growth.

And before I close, I would like to sincerely thank all our colleagues, customers, suppliers and partners for their ongoing efforts and support.

Thank you for your attention. With that, let us now open the call up to questions.

**--- Q&A transcript will be available on the company's website on 11 February 2026 ---**

Thank you, operator.

I would like to thank everyone for taking part in today's call, and we look forward to speaking with you soon. Thank you very much and goodbye.