

CCH – Acquisition of CCBA & Q3 2025

Conference call script – 21 October 2025

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 to discuss the acquisition of Coca-Cola Beverages Africa and the Q3 2025 trading update. 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, October 21, 2025. 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 everyone and thank you for joining the call at short notice.

I'm here with our CEO, Zoran Bogdanovic and our CFO, Anastasis Stamoulis.

We have just over an hour for the call today, and following the prepared remarks, we will turn the call over to your questions. Please keep to one question and one follow up, waiting for us to answer the first question before moving to your follow up.

I would like to 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.

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 at short notice today. This is a very exciting moment for us at Coca-Cola HBC and a huge milestone in our growth story.

Today I am delighted to announce the acquisition of Coca-Cola Beverages Africa, or CCBA, the largest Coca-Cola bottler in Africa. CCBA is a fantastic business, and I am convinced this will be a strong combination.

I want to leave you with three headlines before getting into the detail...

CCH – Acquisition of CCBA & Q3 2025

Conference call script – 21 October 2025

First, with this acquisition, we are creating the second largest Coca-Cola bottling partner by volume globally, with leading positions across 43 markets in Africa and Europe.

Second, we believe this acquisition presents a highly compelling strategic rationale, which, at its core, is about growth. CCBA operates across very attractive markets, and we see outstanding potential to further drive long-term growth in Africa and create value for stakeholders, and I'll share more detail a bit later.

And third, we will be combining the expertise of two leading companies, with strong track records of growth and deep commitments to investing in talent and local communities.

And speaking of talent, I want to take this moment to say thank you to all the people involved in getting us to this point. Today's announcement is the culmination of a lot of hard work and commitment of so many passionate people. Years of strong, committed work focused on driving growth, winning in the market, building strong capabilities and talent pipeline have enabled this milestone. And certainly, strong trusted partnership with The Coca-Cola Company. So truly a big thank you to our teams and The Coca-Cola Company.

I would also like to recognise the outstanding legacy of the Gutsche family and personally thank the whole family for their support and guidance during this time. And a big thank you to the CCBA team for working so collaboratively and diligently ahead of today's announcement.

So, let me take a moment to walk you through the agenda of today's call. As you can see, we will mostly focus on the acquisition of CCBA. I will share an overview of CCBA and the strategic rationale of the acquisition, and Anastasis will take you through the financial effects of the acquisition. But firstly, I will touch on our Q3 results, which we have also released today.

We've achieved solid top line growth in the third quarter, demonstrating how we continue to deliver quality growth in mixed market conditions. Revenues grew by 5.0% organically, bringing us to organic revenue growth of 8.1% in the first nine months of 2025.

We saw good volume growth of 1.1%, despite a mixed consumer environment and less favourable weather in some markets. Sparkling volumes remained robust, up 0.7%, driven by Trademark Coke and Adult Sparkling. And Energy continues to perform very well, with volumes up 34.3%.

Organic revenue per case increased 3.8%, driven by both price and mix. We continued to leverage our revenue growth management framework to meet demand for both affordability and premiumisation across our markets.

I am pleased that our focused execution through the key summer period enabled us to continue to gain value share in NARTD, increasing 80 basis points year-to-date.

We continued to invest in our strategic priorities and our bespoke capabilities to deliver on our growth ambitions.

CCH – Acquisition of CCBA & Q3 2025

Conference call script – 21 October 2025

Throughout the summer, we executed the successful rollout of the “Share a Coke” campaign across our markets, with dedicated customer and consumer experiences. I am excited that we have also just launched the campaign in Nigeria this month, with an encouraging start.

In Energy, we launched a new Monster drink with Lando Norris across 16 markets, which has received very positive initial reactions. And in Coffee, we saw strong growth in the out-of-home channel of 34%, driven by both Costa Coffee and Caffè Vergano.

Finally, although we expect the broader macroeconomic and geopolitical backdrop to remain uncertain, we have high confidence in our 24/7 portfolio, bespoke capabilities and our people, and today we are reiterating our guidance for 2025.

So, let me move onto the Acquisition.

Let me start by providing a quick overview of the key terms, but Anastasis will give a bit more detail later on.

We have agreed to buy a 75% majority stake in CCBA from The Coca-Cola Company and Gutsche Family Investments, for a combined \$2.6 billion purchase price.

We also have a path to full ownership, with an option agreement for the remaining 25%.

As a reflection of our commitment to South Africa and the African continent, we are intending to pursue a secondary listing of Coca-Cola HBC on the Johannesburg Stock Exchange after Completion, which we are targeting by the end of 2026.

So, as I said at the start, we believe this acquisition presents a highly compelling strategic rationale, which, at its core, is about growth.

Africa represents a key growth opportunity for our business. We have a long and successful track record of investment and growth in both Nigeria and Egypt. Today's move will materially enhance our presence in Africa by bringing together two leading bottlers in the continent, and together, we will represent two-thirds of Africa's total Coca-Cola system volume.

This combination further diversifies our footprint, increasing our exposure to attractive geographies. We are excited by the growth opportunities across CCBA's markets, which have very compelling demographics, including sizeable and growing populations and economies, with significant potential to increase per capita consumption.

The acquisition enhances our 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.

The acquisition also plays to our strengths of operating in dynamic emerging markets. It gives us a platform to share best practices, leverage our best-in-class bespoke capabilities and invest further in CCBA, to drive growth.

CCH – Acquisition of CCBA & Q3 2025

Conference call script – 21 October 2025

I am proud that the acquisition will further strengthen our long-term partnership with The Coca-Cola Company. This important milestone reflects strong mutual trust and shared vision with The Coca-Cola Company.

Finally, the acquisition also enhances 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.

Today's acquisition is fully consistent with the key pillars of our growth strategy. Many of you will be familiar with these, as we first set them out in 2019. Everything we have done to grow and strengthen the business since then has been built on these pillars.

In brief, the acquisition of CCBA will:

- Enhance our unique 24/7 portfolio with a strong portfolio of global and local brands.
- Allow us to further develop and deploy our bespoke capabilities to win in the marketplace.
- Fuel growth and enhance competitiveness as we continue to invest across the combined business.
- Enable us to build the best teams in the industry and cultivate local talent.
- And importantly, we will continue building our license to operate as a leader in sustainability, and drive a positive impact in the communities in which we operate.

Let me take a few moments now to give you an overview of CCBA's business.

CCBA is the eighth largest Coca-Cola bottling partner in the world by revenue, and accounts for about 40% of all Coca-Cola beverages sold in Africa by volume. CCBA has a strong track record of performance, with net sales revenue in 2024 of more than €3.4 billion and EBIT of €246 million. Growth has been strong, with a 3yr volume CAGR of 4.5% and currency-neutral revenue growth of over 12%.

CCBA has a range of markets, varying from the more developed - namely South Africa, which accounts for 60% of volumes – to markets that are emerging – for example Ethiopia. These markets have very attractive demographics, both in size of population and average age, with low per capita consumption, offering significant upside potential. And, the balance of South Africa, with steadier growth and significant consumption levels, means we will still maintain a diverse mix of markets.

CCBA has a strong portfolio of over 40 global and local brands across categories. Its two largest categories are Sparkling soft drinks and Water, which account for 81% and 9% of

CCH – Acquisition of CCBA & Q3 2025

Conference call script – 21 October 2025

total volumes respectively. The combination will result in a broader, stronger total portfolio, enhancing our vision of being the leading 24/7 beverage partner.

And like Coca-Cola HBC, CCBA holds market leading positions in NARTD across its markets, including in its five biggest territories.

So, a formidable business across Africa in its own right, but what excites us so much is the huge potential to unlock growth by combining our two businesses.

Adding CCBA's 14 markets to our existing operations in Nigeria and Egypt means that combined, we will be the largest Coca-Cola bottler in Africa, serving over 800 million consumers, or over 50% of the continent's total population. In volume terms, that's 1.8 billion unit cases in Africa, or two thirds of Africa's total Coca-Cola system volumes. And we will cover 60% of Africa's GDP.

This alone would give us huge opportunities for growth, but as we look further into the future, forecasts suggest that Africa's population is expected to grow by 2% per annum through to 2050. And GDP per capita is set to grow 4% per annum as well.

This gives us access to a large and growing consumer base and economies, from which to recruit new consumers. It will underpin our future growth and it's a proposition that we are very excited about.

As a business, Coca-Cola HBC is already fortunate to have a diversified footprint across Established, Developing and Emerging markets in Europe and Africa.

The acquisition of CCBA strengthens that footprint by increasing our exposure to markets with extremely attractive demographics.

Let's take a closer look at the consumer recruitment potential across CCBA's largest markets. In each of these key countries, not only is the population projected to grow steadily, but crucially, it's a predominantly young demographic. In fact, over 60% of the total population is under the age of 30, highlighting a significant opportunity to engage a new generation of consumers.

Added to this, there is huge potential to grow per capita consumption. Four out of five of CCBA's largest markets currently see sparkling per capita consumption below Nigeria, and well below the current Coca-Cola HBC average.

In Nigeria, where per capita consumption is at 72 servings, we've seen growth of nearly 20% in the last five years. In close partnership with The Coca-Cola Company we'll look to continue CCBA's work of recruiting consumers and building brand equity across its NARTD portfolio.

The combined business brings together two companies with strong operational and financial foundations.

CCH – Acquisition of CCBA & Q3 2025

Conference call script – 21 October 2025

I won't read out all the figures on this slide, but on a pro forma 2024 basis, the combined business would have generated volumes of 4 billion unit cases, revenues of €14.1 billion and EBIT of €1.4 billion, with a healthy margin.

One of the reasons we are confident we are the right partners for CCBA is because we have proven our ability to successfully operate and consistently deliver in Emerging markets, and Africa is no exception.

Our experience in Nigeria and Egypt has created a deep understanding of how to play to win in dynamic, fast-changing environments.

Our business was born in Nigeria and, in the nearly 75 years since, it has gone from strength to strength. Nigeria now represents 15% of our total volume, after delivering 10% compound volume growth and significant market share gains in the last five years. That's a result of the consistent investment that we've made in the business over the years.

We're also very pleased with the good progress we've made in Egypt. Having acquired the business in 2022, we have integrated it over the last three years and I'm really pleased that we've seen strong market share gains, a testament to the joint investment with The Coca-Cola Company and our teams on the ground.

We have substantially expanded our cooler network in the country and invested in production facilities. We've expanded the portfolio, introducing the Energy category in the market, which has seen phenomenal growth. Importantly, we have also invested in our bespoke capabilities, ramping up the revenue growth management framework, overhauling the route to market and launching new digital and data-driven tools.

Our experience in Egypt has taught us a lot, and we will take these learnings when we start to integrate CCBA as well. And in Egypt, we're now in the position to move to the next phase of growth.

With this experience in Nigeria and Egypt, we are uniquely placed to bring our commercial excellence, our best practices, our bespoke capabilities and our high-performance mindset to CCBA's markets.

We are also very respectful of CCBA's long history in Africa and the knowledge of their markets; therefore, we view this as a two-way opportunity and are excited to share best practices and learn from the team at CCBA as well.

We'd also like to invest further in CCBA, jointly with The Coca-Cola Company, to support long-term growth.

You've heard us talk many times about our bespoke capabilities – revenue growth management, route to market, customer management, digital commerce, data, insights and analytics, and talent development. These are critical tools for us to drive sustainable, profitable growth across our markets, increase market share, and drive joint value with customers.

CCH – Acquisition of CCBA & Q3 2025

Conference call script – 21 October 2025

Our experience in Nigeria, and more recently in Egypt, has shown us that it's critical to make sure our bespoke capabilities are purpose-built to win in Africa.

Nigeria has been where many of our bespoke capabilities come to life - it is often selected as the test country for pilot projects in areas such as route to market, RGM, and data and AI initiatives – before being rolled out more widely across the rest of our business.

When it comes to RGM, we make sure that we balance affordable offers, such as returnable glass bottles, with premium offerings as well. We make sure we are using the latest data-driven segmentation tools to address customer and consumer needs. With our route to market, we have an omnichannel approach to cover 100% of the market, with a sizeable, skilled salesforce. And we have developed locally relevant digital tools, such as our WhatsApp chatbot. All this helps us drive high net promoter scores in the market.

And last but certainly not least, our talent. Our unique Sales and Supply Chain academies and our high engagement scores reflect our long-term commitment to developing talent and strengthening capabilities.

Driving growth in a responsible way is core to our approach at Coca-Cola HBC.

Much like CCBA, we also believe in creating value and sustainable growth for everyone who touches our business. For us, that starts with our people.

We believe in cultivating local talent by accelerating capability development to fuel growth.

We are committed to serving local communities through local production and distribution, and we work closely with local suppliers. We can see CCBA has done a lot of work to be a good community partner, and we look forward to working with them on the outstanding progress already made.

I'm proud that Coca-Cola HBC is one of the founding members, together with The Coca-Cola Company and CCBA, of The Coca-Cola System's Africa Water Stewardship Initiative. The system effort aims to invest nearly \$25 million by 2030 to support water solutions across 20 African countries.

And finally, as I said earlier in the presentation, our commitment to Africa, including South Africa, will be underpinned by our decision to seek a secondary listing for Coca-Cola HBC on the Johannesburg Stock Exchange.

Let me now hand over to Anastasis to talk you through the financials and structure of the acquisition.

Anastasis Stamoulis - Coca-Cola HBC AG – CFO

Thank you Zoran and good morning everyone.

CCH – Acquisition of CCBA & Q3 2025

Conference call script – 21 October 2025

As Zoran mentioned, we have agreed to buy a 75% majority stake in CCBA for a \$2.6 billion purchase price. That equates to a \$3.4 billion implied equity value for 100%.

The acquisition is in two parts – the purchase of 41.5% from The Coca-Cola Company for \$1.3 billion USD and the purchase of 33.5% from GFI for \$1.3 billion USD, comprising \$308 million USD in cash and issuance of shares equating to a 5.47% stake in Coca-Cola HBC. In addition, we have a path to full ownership, through an Option agreement with The Coca-Cola Company for the remaining 25% of CCBA.

We intend to finance the cash consideration of the acquisition through entering into €1.4 billion EUR bridge facility.

Zoran has set out the strategic rationale and why we think this is such a compelling Acquisition to drive long-term growth.

I'm also pleased that we expect the Acquisition to be low-single digit EPS accretive from the first full year following completion, which is expected to be 2027.

We expect leverage post completion to be towards the top end of our medium-term target range of 1.5-2.0x Net debt to EBITDA. Importantly, we are not expecting any impact to our credit rating, and we have a strong commitment to sustainably maintaining an investment grade profile.

As a reminder, we currently have investment grade ratings with both S&P, at triple B-plus, and Moody's, with a Baa1 rating. As always, we will focus on deleveraging and the repayment of our debt obligations.

As a combined business we will continue to focus on free cash flow generation, as evidenced through our strong track record in recent years. And our balance sheet remains strong, with well-balanced debt maturities that we can repay through our cash flow.

The Acquisition is fully consistent with our capital allocation priorities, which remain unchanged. Our number one priority remains investing in the business, and we maintain our progressive dividend policy. As we've demonstrated today, we will pursue strategic acquisitions when they are value enhancing to shareholders.

And so with these priorities in mind and as a consequence of today's announcement, the existing share buyback programme, of which we had completed around 60%, will be cancelled with immediate effect.

In summary, we believe this is a great deal for all our shareholders and we look forward to driving continued value creation alongside our partners at The Coca-Cola Company. As Zoran mentioned earlier, the deal adds growth longevity for Coca-Cola HBC, is earnings accretive, and is consistent with our capital allocation priorities.

Finally, let me share a picture of the shareholder base for both Coca-Cola HBC and CCBA post completion. As already mentioned, GFI will own 5.47% in Coca-Cola HBC, and Kar-

CCH – Acquisition of CCBA & Q3 2025

Conference call script – 21 October 2025

Tess Holding and The Coca-Cola Company will continue to own large holdings in Coca-Cola HBC.

Meanwhile, CCBA will be owned 75% by Coca-Cola HBC, with 25% held by The Coca-Cola Company, with a path to full Coca-Cola HBC ownership post-completion. Full details of this are in our press release.

Thank you very much, now let me hand back to Zoran to summarise.

Zoran Bogdanovic – Coca-Cola HBC AG - CEO

Thank you Anastasis, and thank you all for joining us today to hear about what we believe is a fantastic development for Coca-Cola HBC.

CCBA is a great business with strong brands and a leading market presence across Africa. This Acquisition will materially enhance our presence in Africa and its exciting growth markets and allow us to leverage our experience in emerging markets and our bespoke capabilities.

We are very excited about the combination, and we have great confidence in the opportunity ahead of us to drive sustainable, profitable growth.

With that, let me hand back to the operator to start the Q&A.

--- Q&A transcript will be available on the company's website on 22 October 2025 ---

Thank you operator.

I would like to thank everyone for taking part in today's call.

Let me just briefly conclude, we're very excited about the combination, and we have great confidence in the opportunity ahead of us to drive sustainable, profitable growth.

Thank you very much and I wish you all a great day. Goodbye.