

Chief Financial Officer's letter

Strong financial performance driven by focused execution

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In 2025, we delivered strong results through disciplined execution and strategic investment into the business and our capabilities. Record profitability, resilient cash generation and a robust balance sheet underscore our confidence in long-term value creation.
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I am very pleased with our strong financial performance in 2025, delivered against a challenging geopolitical and macroeconomic backdrop.

Organic revenue grew by 8.1%, and increased 7.9% on a reported basis to €11,604.5 million. We delivered good organic volume growth of 2.8%, driven primarily by Sparkling and Energy, and organic revenue per case grew 5.1%, reflecting our targeted revenue growth management actions. Pricing remained the biggest driver of revenue per case, while category mix and package mix also contributed, with continued improvement in single-serve mix.

Comparable gross profit grew by 10.0%, with gross profit margins up 70 basis points to 36.8%, supported by strong top-line growth. Comparable operating expenses as a percentage of revenue increased by 10 basis points, mainly due to a 40-basis point increase in direct marketing investment to leverage growth opportunities.

We delivered another year of double-digit organic EBIT growth, with comparable EBIT growing 11.5% to €1,356.2 million. Comparable EBIT margin increased 60 basis points on a reported basis to 11.7% and 40 basis points organically – a record high, achieved despite several years of inflation and currency headwinds.

This drove strong comparable basic EPS growth of 19.7% to €2.72, supported by strong EBIT delivery, as well as lower net finance costs than 2024.

Our Return on Invested Capital (ROIC) 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.

Capital allocation discipline

Our priorities for capital allocation remain unchanged and are set in service of our strategy and vision to be the leading 24/7 beverage partner.

Our first priority remains investing in the business organically. Capital expenditure increased by €148.3 million in 2025 to €827.6 million, equivalent to 7.1% of net sales revenue. We invested in growth initiatives including production capacity, supply chain automation, digital and data solutions, and energy-efficient coolers. Despite this step-up in Capex, we achieved another robust level of free cash flow at €700.0 million.

The Group remains committed to a progressive dividend policy, with a target payout ratio of 40% to 50%. The Board of Directors has proposed a dividend of €1.20 per share for 2025, an increase of 17% from 2024, representing a 44% payout ratio. The dividend payment will be subject to shareholder approval at our Annual General Meeting.

Our balance sheet remains very strong, and we closed the year with net debt to comparable EBITDA at 0.7 times.

CCBA: a compelling acquisition to drive long-term growth

Pursuing value-enhancing M&A opportunities that support long-term growth is a key component of our capital allocation strategy.

In October, we announced the acquisition of Coca-Cola Beverages Africa (CCBA), the largest Coca-Cola bottler in Africa. Under the terms of the agreement, we will acquire a 75% majority stake with a clear path to full ownership.

This acquisition is expected 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 strong potential for long-term value creation.

Following completion, we expect leverage to increase but remain within our medium-term target range of 1.5x to 2.0x net debt to comparable EBITDA. Importantly, we do not anticipate any impact on our credit rating, and we remain fully committed to maintaining a strong investment-grade profile.

Looking ahead

Overall, I'm really pleased that, in 2025, we delivered a combination of investment in the business, a value-enhancing acquisition, increased shareholder returns, as well as strong improvements in ROIC.

Looking to 2026, we expect the macroeconomic and geopolitical backdrop to remain challenging, with a mixed consumer environment across our markets. However, we have strong confidence in our resilient 24/7 portfolio, our bespoke capabilities, the opportunities across our diverse markets and, above all, the strength of our people.

As shared at our FY 2025 results on 10 February 2026, we expect organic revenue growth of 6% to 7% and organic EBIT growth in the range of 7% to 10%. We also anticipate continued progress towards our medium-term growth targets in 2026 and beyond.

Anastasis Stamoulis
 Chief Financial Officer

Linking our vision, purpose, growth pillars and targets

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