



## KAMUYU AYDINLATMA PLATFORMU

# COCA-COLA İÇECEK A.Ş. Non-current Financial Asset Acquisition

### Summary

Announcement Regarding the Acquisition of Coca-Cola Bangladesh Beverages Limited

## Noncurrent Financial Asset Acquisition

Related Companies ☐

Related Funds ☐

Noncurrent Financial Asset Acquisition	
Update Notification Flag	Evet (Yes)
Correction Notification Flag	Hayır (No)
Date Of The Previous Notification About The Same Subject	23.06.2023
Postponed Notification Flag	Evet (Yes)
Announcement Content	
Board Decision Date for Acquisition	10/11/2023
Were Majority of Independent Board Members' Approved the Board Decision for Acquisition	Yes
Title of Non-current Financial Asset Acquired	Coca-Cola Bangladesh Beverages Ltd.
Field of Activity of Non-current Financial Asset whose Shares were being Acquired	Bottling and wholesale distribution of Coca-Cola branded soft drinks in Bangladesh
Capital of Noncurrent Financial Asset	\$83,287,771
Acquirement Way	Satin Alma (Purchase)
Date on which the Transaction was/will be Completed	Expected to be closed within 2024
Acquisition Conditions	Vadeli (Timed)
Detailed Conditions if it is a Timed Payment	In two installments
Nominal Value of Shares Acquired	\$83,287,771
Purchase Price Per Share	\$1.56
Total Purchasing Value	\$130,000,000
Ratio of New Shares Acquired to Capital of Non-current Financial Asset (%)	100%
Total Ratio of Shares Owned in Capital of Non-current Financial Asset After Transaction (%)	100%
Total Voting Right Ratio Owned in Non-current Financial Asset After Transaction (%)	100%
Ratio of Non-current Financial Asset Acquired to Total Assets in Latest Disclosed Financial Statements of Company (%)	3.7%
Ratio of Transaction Value to Sales in Latest Annual Financial Statements of Company (%)	4.0%
Effects on Company Operations	We believe CCBB has significant potential to improve its distribution and sales system in a short period of time by leveraging Coca-Cola Icecek's knowledge and experience in building market execution capabilities, revenue growth management, and effective route to market capabilities.

Did Takeover Bid Obligation Arised?	Hayır (No)
Will Exemption Application be Made, if Takeover Bid Obligation Arised?	Hayır (No)
Title/ Name-Surname of Counter Party	Coca-Cola Bangladesh Overseas Holding Private Limited
Is Counter Party a Related Party According to CMB Regulations?	Evet (Yes)
Relation with Counter Party if any	Coca-Cola Bangladesh Overseas Holding Private Limited is a wholly owned subsidiary of The Coca-Cola Company. The Coca-Cola Company is 20% shareholder and consenstrate supplier of Coca-Cola İçecek
Agreement Signing Date if Exists	15/02/2024
Value Determination Method of Non-current Financial Asset	Discounted Cash Flow and Peer Multiples
Did Valuation Report be Prepared?	Düzenlendi (Prepared)
Reason for not Preparing Valuation Report if it was not Prepared	-
Date and Number of Valuation Report	29.09.2023
Title of Valuation Company Prepared Report	Deloitte
Value Determined in Valuation Report if Exists	\$130,166,000
Reasons if Transaction wasn't/will not be performed in Accordance with Valuation Report	-
<b>Explanations</b>	

Coca-Cola İçecek ("CCI" or "Our Company") - together with its wholly owned subsidiary CCI International Holland B.V. ("CCIHBV") - and a subsidiary of The Coca-Cola Company ("TCCC"), today signed a share purchase agreement ("SPA") for the acquisition of 100% shares in Coca-Cola Bangladesh Beverages Limited ("CCBB"), where CCIHBV will be the main direct shareholder. CCBB is one of the two companies involved in the production, sale, and distribution of sparkling and still brands of The Coca-Cola Company in Bangladesh.

As per the Agreement, CCI will acquire 100% of CCBB shares for an equity value ("Equity Value") to be calculated by subtracting the estimated net financial debt of CCBB as of the closing date from an enterprise value of USD 130 million. The Equity Value will be subject to a post-closing price adjustment mechanism following the completion of a closing audit to determine the exact net financial debt amount of CCBB as of the closing date. The acquisition is expected to be financed by CCIHBV's existing cash resources and will have a modest impact on CCI's net leverage.

#### About CCBB:

CCBB is one of the two Coca-Cola bottlers operating in Bangladesh. Established in 2009, CCBB serves approximately 100 million consumers in Bangladesh's Rangpur, Raj Shahi, Mymensingh and Dhaka regions. CCBB offers consumers sparkling and still brands of The Coca-Cola Company with more than three hundred employees, one bottling plant and three main warehouses. CCBB serves approximately three hundred thousand points of sale and partners with close to five hundred distributors. Sparkling soft drinks account for most of CCBB's total sales, while the remainder of its product portfolio consists of the water category. In the past 5 years, CCBB has continuously strengthened its competitive position in the market to become market leader in the sparkling category with 45.3% value market share as of 2023.

Commenting on the acquisition, Karim Yah, CEO of CCI said, "We are very pleased to sign the share purchase agreement to acquire CCBB, which we see as a great opportunity to enter a market with significant future potential, where growth and value can be generated by deploying CCI's core capabilities. This acquisition also creates a more diverse geographical footprint for CCI and solidifies its alignment with TCCC."

**About Bangladesh:**

Located in South Asia, Bangladesh is the 8th most populated country in the world with a population of approximately 170 million people. Bangladesh's GDP grew by an average of 6.5% annually between 2012 and 2022 and is expected to grow at an average annual rate of 6.7% in the 2023-2028 period, according to IMF forecasts\*. During the same period, IMF estimates that Emerging Markets GDP will post 4.0% average annual growth. Bangladesh, which is included in the category of low to middle-income countries by the World Bank since 2015, is expected to exit the United Nations Least Developed Countries list by 2026\*\*.

The non-alcoholic ready to drink ("NARTD") market in Bangladesh posted 10% CAGR between 2019 - 2022 and reached approximately 410 million uc\*\*\*. The NARTD market in Bangladesh is expected to reach 716 million uc with an average annual growth of 12% in the 2023-2032 period.

(\*) Source: IMF World Economic Outlook, Real GDP Growth (USD), October 2023

(\*\*) Source: The Economic Intelligence Unit country report

(\*\*\*) Source: Global data industry estimates

Valuation report of Deloitte can be found at the disclosure attachment.

We proclaim that our above disclosure is in conformity with the principles set down in “Material Events Communiqué” of Capital Markets Board, and it fully reflects all information coming to our knowledge on the subject matter thereof, and it is in conformity with our books, records and documents, and all reasonable efforts have been shown by our Company in order to obtain all information fully and accurately about the subject matter thereof, and we’re personally liable for the disclosures.