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# **Coca-Cola HBC AG**

*Steinhausen / Zug*

***Report of the statutory auditor to the  
General Meeting on the proposal of  
the Board of Directors for the  
appropriation of retained earnings  
and reserves dated 30 April 2019***





# ***Report of the statutory auditor to the General Meeting of Coca-Cola HBC AG Steinhausen / Zug***

As statutory auditor, we have audited the enclosed proposal of the Board of Directors for the appropriation of retained earnings and reserves of Coca-Cola HBC AG dated 30 April 2019, which replaces the proposal dated 15 March 2019.

## ***Board of Directors' responsibility***

The Board of Directors is responsible for compliance with the requirements of Swiss law and the company's articles of association in relation to the appropriation of retained earnings and reserves.

## ***Auditor's responsibility***

Our responsibility is to express an opinion on the enclosed proposal for the appropriation of retained earnings and reserves based on our audit. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we adhere to the professional rules of conduct and plan and perform the audit to obtain reasonable assurance about whether the requirements of Swiss law and the company's articles of association have been fulfilled.

An audit involves performing procedures to obtain audit evidence about whether the requirements of Swiss law and the company's articles of association have been fulfilled. The procedures selected depend on the auditor's judgement. This includes the assessment of the risks of material divergences from the requirements of Swiss law and the company's articles of association, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



***Opinion***

In our opinion, the proposal of the Board of Directors for the appropriation of retained earnings and reserves, which replaces the proposal dated 15 March 2019, complies with Swiss law and the company's articles of association.

PricewaterhouseCoopers AG

Michael Foley

Luigi Voulgarelis

Audit expert  
Auditor in charge

Zurich, 2 May 2019

Enclosure:

- Proposal of the Board of Directors for the appropriation of retained earnings and reserves dated 30 April 2019

## Proposed appropriation of available earnings and reserves / declaration of dividends

This proposed appropriation of available earnings and reserves / declaration of dividends replaces the one published on the 15<sup>th</sup> March 2019.

### 1. Proposed appropriation of available earnings

Available earnings and reserves	CHF thousands
Balance brought forward from previous years	126,232
Net loss for the year	(60,140)
<b>Total available retained earnings to be carried forward</b>	<b>66,092</b>
Reserves from capital contributions before distribution	5,601,593
<b>Total available retained earnings and reserves</b>	<b>5,667,685</b>

### 2. Proposed declaration of dividends from reserves

The Board of Directors proposes to declare on each ordinary registered share with a par value of CHF 6.70 from the general capital contribution reserve (i) a gross dividend of EUR 0.57 (the "**Ordinary Dividend**") and (ii) a special dividend of EUR 2.00 (the "**Special Dividend**"; the Ordinary Dividend and the Special Dividend together the "**Dividends**"). Own shares held directly by the Company are not entitled to dividends. The total aggregate amount of the Dividends shall be capped at an amount of CHF 1,200,000 thousand (the "**Cap**"), and thus will reduce the general capital contribution reserve of CHF 5,601,593 thousand, as shown in the financial statements as of 31 December 2018, by a maximum of CHF 1,200,000 thousand. To the extent that the Ordinary Dividend and the Special Dividend calculated on EUR 0.57 and EUR 2.00 per share respectively would cumulatively exceed the Cap on the day of the Annual General Meeting, due to the exchange rate determined by the Board of Directors in its reasonable opinion, the Euro per share amount of the respective Dividends shall be reduced on a pro-rata basis so that the aggregate amount of the Dividends paid does not exceed the Cap. Payment of the Dividends shall be made at such time and with such record date as shall be determined by the Annual General Meeting and the Board of Directors.

### 3. Proposed appropriation of reserves / declaration of dividends

#### Variant 1: Ordinary Dividend of EUR 0.57 and Special Dividend of EUR 2.00 at current exchange rate

As of 31 December 2018	CHF thousands
Reserves from capital contributions before distribution	5,601,593
Proposed Ordinary Dividend of EUR 0.57 <sup>1</sup>	(240,932)
Proposed Special Dividend of EUR 2.00 <sup>1</sup>	(845,377)
<b>Reserves from capital contributions after distribution</b>	<b>4,515,284</b>

#### Variant 2: Dividends if Cap is triggered

As of 31 December 2018	CHF thousands
Reserves from capital contributions before distribution	5,601,593
(Maximum) Dividends if Cap is triggered <sup>2</sup>	(1,200,000)
<b>(Minimum) Reserves from capital contributions after distribution</b>	<b>4,401,593</b>

<sup>1</sup> Illustrative at an exchange ratio of CHF 1.14 per EUR. Assumes that the shares entitled to a dividend amount to 370,779,236.

<sup>2</sup> Dividends are capped at a total aggregate amount of CHF 1,200,000 thousand.