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ASX Release

26 October 2020

CCEP INDICATIVE PROPOSAL AND AMATIL TRADING UPDATE

OVERVIEW

- **Non-binding indicative proposal from CCEP of $12.75 cash per share for Independent Shareholders by way of a Scheme of Arrangement**
- **TCCC's shares in Amatil proposed to be acquired by CCEP separately, on less favourable terms**
- **Proposal subject to due diligence and agreement of a Scheme Implementation Deed**
- **Amatil's Independent Directors intend to unanimously recommend the proposed Scheme, subject to conditions outlined below**
- **Amatil's Q3 trading demonstrates continued improvement in volumes where COVID-19 restrictions lift – particularly in Australia and New Zealand**

Coca-Cola Amatil Limited (**Amatil**, the **Company** or the **Group**) advises that it has received a non-binding indicative proposal (the **Proposal**) from Coca-Cola European Partners plc (**CCEP**) for the acquisition of all of the issued shares held by independent shareholders of Amatil (the **Independent Shareholders**) pursuant to a Scheme of Arrangement (**Scheme**) and the separate acquisition of Amatil shares held indirectly by The Coca-Cola Company (**TCCC**), which together comprises all of the issued share capital of Amatil (together, the **Proposed Transaction**).

The Proposal is for an all cash offer to be made to the Independent Shareholders of $12.75 per share, less any final dividends in respect of 2H20 declared and paid to Amatil shareholders before the date of implementation of any Scheme (**Scheme Implementation Date**).[1]

The Proposal contemplates CCEP entering into a separate agreement to acquire TCCC's shares in Amatil, with such agreement being entered into at the same time as CCEP and Amatil enter into a Scheme Implementation Deed (**SID**). The terms offered to TCCC would be less favourable than the terms offered to the Independent Shareholders.

Given TCCC's involvement in the Proposed Transaction, Amatil's Related Party Committee (**RPC**), which is comprised of all Amatil's Independent Non-Executive Directors (excluding TCCC's nominee Directors), has carefully considered the Proposal, including obtaining advice from its financial and legal advisers.

The current Proposal follows a number of previous proposals received from CCEP and it remains conditional. Following the receipt of recent proposals, CCEP has been provided with selected value based information and identified due diligence and the parties have negotiated key commercial terms that would form part of any SID.

[1] The cash offer price will be reduced by any dividends declared and paid to Amatil shareholders other than dividends declared or paid after 30 June 2021 in line with historic payout ratios.

Amatil Chairman Ms Ilana Atlas said, "The RPC has considered the Proposal with the objective of maximising value for the Independent Shareholders and has unanimously determined that, based on the current price and conditions of the Proposal, it is now in the best interests of Independent Shareholders to allow CCEP to undertake confirmatory due diligence and further negotiate transaction documentation in order to determine if a binding proposal can be presented to Independent Shareholders."

If confirmatory due diligence is completed, other conditions satisfied (including CCEP and TCCC entering into an agreement in relation to the acquisition of TCCC's shares by CCEP) and an acceptable SID is negotiated, Amatil's RPC, together with Group Managing Director Alison Watkins, intend to unanimously recommend the Scheme to Independent Shareholders, in the absence of a superior proposal and subject to an independent expert concluding, and continuing to conclude, that the Scheme is fair and reasonable and in the best interests of Independent Shareholders.

Independent Shareholders are advised to take no action in response to the Proposal at this stage.

CCEP PROPOSAL

Offer to Independent Shareholders

CCEP's cash proposal to Independent Shareholders of $12.75 per Amatil share implies an equity value on a 100% fully diluted basis of approximately A$9,282 million and an enterprise value of A$10,871 million[2], and represents:

- a premium of 23% to the one week volume weighted average price (**VWAP**)[3];
- a premium of 28% to the one month VWAP;
- a premium of 38% to the three month VWAP;
- a premium of 27% to the average broker 12-month price target for Amatil[4];
- an EV/EBITDA multiple of 12.0x to Amatil's reported underlying CY19 EBITDA[5];
- an EV/EBIT multiple of 17.3x to Amatil's reported underlying CY19 EBIT[6];
- an EV/EBITDA multiple of 14.3x to Amatil's average broker forecast CY20 EBITDA[7]; and
- an EV/EBIT multiple of 22.2x to Amatil's average broker forecast CY20 EBIT[7].

Offer to TCCC

CCEP intends to enter into a separate agreement to acquire all of TCCC's shares in Amatil in two or more tranches and on less favourable terms than that offered to Independent Shareholders (**TCCC Agreement**). CCEP and TCCC have entered into a non-binding heads of terms and cooperation letter setting out the proposed terms of the TCCC Agreement, which would be subject to implementation of the Scheme. The key proposed terms of the cooperation letter and TCCC Agreement are outlined in **Appendix A and Appendix B.**

Key terms and conditions of the Proposal

The entire cash purchase consideration, including for shares to be acquired from TCCC, will be satisfied by CCEP from fully committed financing and existing cash resources.

[2] Implied equity value of $9,282 million based on the cash proposal of $12.75 per share multiplied by 728,006,224 diluted shares on issue comprising 723,999,699 ordinary shares outstanding and 4,006,525 long-term incentive share rights (based on Appendix 3G dated 17 June 2020). Enterprise value calculated as equity value plus net debt of $1,208 million as at 26 June 2020 on a pre-AASB 16 basis plus 1H20 dividend payment of $65 million plus net defined superannuation plan deficit (net of tax) of $26 million (as at 31 December 2019) plus Non Controlling Interests of $349 million (as at 26 June 2020) less investments in associates of $58 million (as at 26 June 2020).

[3] VWAP calculated to close of trading as at 22 October being the last day of trading for Amatil prior to this announcement.

[4] Twelve broker price targets have been used to determine the 12 month broker price target average. The date range of the broker price targets used in determining the average was 20 August 2020 to 21 October 2020. These brokers were selected on the basis of all broker research reports publicly available to Amatil.

[5] CY2019A reported underlying EBITDA (pre-AASB 16) of $908 million.

[6] CY2019A reported underlying EBIT (pre-AASB 16) of $629 million.

[7] Based on pre-AASB 16 broker consensus (average) CY2020E EBITDA of $759 million and EBIT of $490 million as at 25 October 2020 (includes a $80 million and $11m AASB16 adjustment to EBITDA and EBIT respectively, based on the reported CY2019A impact). Twelve broker earnings forecasts have been used to determine consensus average. The date range of the broker earnings forecasts used in determining the average was 20 August 2020 to 21 October 2020. These brokers were selected on the basis of all broker research reports publicly available to Amatil.

Entry into the SID is contingent on CCEP conducting identified confirmatory due diligence, CCEP entering into an agreement with TCCC in relation to the Proposed Transaction (including in relation to an acquisition of its shares in Amatil), CCEP and TCCC obtaining relief from the Australian Securities and Investments Commission in relation to TCCC's participation in the Proposed Transaction, no material acquisitions or divestments by Amatil other than those identified and agreed, execution of mutually acceptable transaction documentation, no material changes to Amatil's business, operations or capital structure prior to the SID being entered into and Amatil's Directors (other than TCCC nominee Directors) unanimously recommending the Scheme, subject to no superior proposal and the independent expert concluding that the Scheme is in the best interests of Independent Shareholders.

Amatil and CCEP have agreed in principle a term sheet setting out the key SID terms, which is summarised in **Appendix C** to this announcement.

Conditions precedent to the implementation of the Scheme will include requisite regulatory approvals, no material adverse change in respect of Amatil, an independent expert concluding that the Scheme is fair and reasonable and in the best interests of Independent Shareholders, Amatil independent shareholder approval, Australian court approval and other customary conditions for a transaction of this nature.

Process

If Amatil and CCEP enter into a binding SID, subject to court approval, Independent Shareholders will receive a scheme booklet including an Independent Expert's Report and will be given the opportunity to vote on the Scheme at a shareholder meeting to be scheduled at a later date.

Amatil notes that there is no certainty that the Proposal will result in an agreed transaction and will continue to keep the market informed of any material developments in accordance with its continuous disclosure obligations.

Amatil has appointed UBS as its financial adviser and Herbert Smith Freehills as its legal adviser in relation to the Proposed Transaction.

Background on CCEP

CCEP is a leading consumer goods company, a strategic bottling partner to TCCC in Western Europe, and the world's largest independent Coca-Cola bottler by revenue. CCEP operates in 13 countries, serving 1 million outlets, over 300 million consumers and employing over 23,300 people.

CCEP was formed in 2016 through the merger of the bottling operations of Coca-Cola Enterprises, Coca-Cola Iberian Partners and Coca-Cola Erfrischungsgetranke. Its experience through that merger demonstrates its ability to execute major transactions and smoothly integrate Coca-Cola bottlers. In 2019, CCEP generated revenue of €12.0 billion and underlying operating profit of €1.7 billion. CCEP is publicly listed on stock exchanges in Amsterdam, New York, Madrid and London, with its corporate headquarters in London. As at 23 October 2020, CCEP had a market capitalisation of €15 billion (A$25 billion).

TRADING UPDATE

The Company has today also provided a trading update to the market and will no longer provide an update on 2 November 2020 as previously anticipated.

Amatil Group Managing Director Alison Watkins said, "It is pleasing to report that we are seeing earnings momentum return in markets where COVID-19 trading restrictions have eased, including continued recovery in "On-the-Go" (**OTG**) channels. This has particularly been the case in Western Australia and New Zealand which have both delivered growth in 3Q20, providing insight on the expected shape of the recovery that can be expected in other markets most notably in other Australian States where restrictions have been slower to ease."

Group

Trading conditions continued to improve in the third quarter of the 2020 financial year (**3Q20**) with Group Trading Revenue down 4.2% in 3Q20 compared to the prior corresponding period (**pcp**), an improvement on the decline of 9.2% reported by the Company at its half year 2020 (**1H20**) result.

Group Volume was down 5.4% on 3Q19, again an improvement on the 11.6% decline reported at 1H20 and a significant improvement on the April decline of 33%.

Group Performance Measures A$m	1H20	3Q20	YTD20 (as at 25 Sept)	1H20 v. 1H19 % change	3Q20 v. 3Q19 % change	YTD20 v. YTD19 % change
Trading Revenue A$m	2,185.9	1,105.8	3,291.7	(9.2)	(4.2)	(7.6)
Volume (million unit cases[8])	289.4	141.5	430.9	(11.6)	(5.4)	(9.7)

Ms Watkins said, "It is pleasing to see the improvement in Revenue momentum in 3Q20 despite the reinstatement of lockdown restrictions in Victoria and Auckland for a significant part of the quarter. This momentum has continued in the first three weeks of October with our Australia and New Zealand businesses both delivering Volume growth (up +1.5% and +1.8% respectively)."

Australia

Amatil's Australian business experienced an improvement in trading conditions throughout 3Q20 albeit with a marked difference in recovery rates across States reflecting differing levels of COVID-19 restrictions. Non Alcoholic Ready to Drink (**NARTD**) Volumes in 3Q20 were down 2.0% on pcp and up 1.7% excluding Victoria.

Victoria experienced severe COVID-19 restrictions (Stage 3 and 4 from 2 July to 13 September) resulting in Volume declining 13.8% in the quarter. Western Australia, on the other hand, was the stand-out performer in 3Q20 achieving 13.3% NARTD Volume growth on the pcp, albeit this growth was supplemented by additional demand during the month of September, from our grocery and convenience customers, prior to the launch of the container deposit scheme on 1 October 2020. For the month of September, National Volumes (excluding Victoria) were up ~1% (on pcp) and grew by 5.7% in the first three weeks of October on pcp, including significant improvement in NSW which declined 4.9% and grew 11.8% respectively.

Trading Revenue has improved with 3Q20 Revenue down 0.9% on 3Q19 and Alcohol and Coffee trading Revenue up 5.7%. NARTD Revenue was down 2.2% in 3Q20 with a higher 'revenue per unit case' than 1H20, reflecting lower promotional activity in Grocery and improved OTG activity in States where restrictions have eased, and consumer mobility increased.

Australia Performance Measures A$m	1H20	3Q20	YTD 20 (as at 25 Sept)	1H20 v. 1H19 % change	3Q20 v. 3Q19 % change	YTD20 v. YTD19 % change
NARTD Trading Revenue	1,101.9	585.1	1,687.0	(9.3)	(2.2)	(7.0)
Alcohol & Coffee Trading Revenue	194.2	122.4	316.6	(5.3)	5.7	(1.3)
Total Trading Revenue	1,296.1	707.5	2,003.6	(8.8)	(0.9)	(6.1)
NARTD Volume Muc	134.7	69.5	204.2	(8.0)	(2.0)	(6.0)

Ms Watkins said, "What has been particularly pleasing is the continued improvement in the OTG[9] channel, in particular within State Immediate Consumption. While 3Q20 OTG Volumes were down 18.9% at a national level, this was weighed down by Victorian OTG Volumes, which were down 46.7%. Excluding Victoria, we are seeing encouraging signs of recovery with OTG Volumes down 11.4% in 3Q20, down 9.2% for the month of September and down 3.0% for the first three weeks of October. Recent strong performances in NSW auger well for Victoria as the severe COVID-19 trading restrictions in that market start to ease."

Amatil has continued to grow its market share gaining +1.0pts[10] volume share year-to-date in the Australian NARTD measured market with Coca-Cola No Sugar achieving +1.1pts value and +1.5pts volume share gains[10] and Amatil's Australian Energy offerings achieving +1.1pts Value and +1.3 pts Volume share gains[10].

[8] A unit case is the equivalent of twenty-four 8 US oz (237ml) serves or 5.678 litres

[9] Includes State Immediate Consumption, HORECA, Vending, Licensed, Neverfail and Other

[10] Australia: Aztec Scan data, NARTD Australian Weighted Grocery (excl Aldi) and Australian Convenience scan YTD to 27 September 2020

Pacific (New Zealand & Fiji)

The Company's New Zealand business has been the stand-out performer in 3Q20, despite the Stage 3 restrictions in Auckland during August. New Zealand's 3Q20 Volumes were up 5.5% on 3Q19 and Trading Revenue was up 6.4%, also benefiting from a subdued comparative quarter, given July 2019 price increases adversely impacting 3Q19 performance. The strong momentum has continued into the first three weeks of October with Volumes up 1.8%. Fiji continued to be challenged by the impact of COVID-19 on tourism which is expected to continue until international travel restrictions ease.

Pacific Performance Measures A$m	**1H20**	**3Q20**	**YTD20** (as at 25 Sept)	**H20 v. H19** % change	**3Q20 v. 3Q19** % change	YTD20 v. YTD19 % change
Trading Revenue A$m	360.0	185.5	545.5	(4.8)	2.8	(2.4)
Volume Muc	37.4	18.6	56.0	(7.9)	1.8	(4.9)

Indonesia & Papua New Guinea Pacific (PNG)

The Indonesian business continues to face challenging conditions given the prevailing high COVID-19 infection rates and the difficult macroeconomic environment. 3Q20 Volumes were down 15% with September 2020 Volumes down 11.8%, an improvement on the May 2020 Volume decline of 41.2% on pcp. Amatil has responded by continuing to deliver strong operational efficiencies enabling the business to remain EBITDA and free-cashflow positive in 3Q20 and on a year-to-date basis.

Papua New Guinea achieved modest Volume growth in 3Q20 despite a recent increase in COVID-19 infection rates in Port Moresby and the deferral of promotional activity during this period. Volumes in the first three weeks of October 2020 were in line with the prior comparative period.

Indonesia & PNG Performance Measures	**1H20**	**3Q20**	**YTD20** (as at 25 Sept '20)	**H20 v. H19** % change	**3Q20 v. 3Q19** % change	**YTD20 v. YTD19** % change
Trading Revenue A$m	502.6	199.4	702.0	(13.6)	(20.1)	(15.6)
Volume Muc	105.4	46.3	151.7	(17.1)	(13.0)	(15.9)

STRONG FINANCIAL POSITION

The Company's Balance Sheet position remains strong with 3Q20 Net Debt of $1,745 million[11], approximately $82 million below 3Q19 levels and Capital Expenditure for FY20 expected to be ~$210 million. It is notable that 3Q20 'debtors over 60 days' as a percentage of debt is in line with 3Q19 despite the impact of COVID-19 on the broader economy.

'FIGHTING FIT' EFFICIENCY PROGRAM

In response to the impact of COVID-19, Amatil has implemented a cost efficiency program in FY20. This program is on track to deliver $140 million of savings this financial year, including $20 million of direct marketing expenditure, of which approximately $60 million is expected to be recurring in nature. In addition, the Company's recently announced 'Fighting Fit' program is now expected to deliver $85 million of further savings during FY21 through to FY22.

OUTLOOK

Ms Watkins concluded, "We are encouraged by the recovery indicators that have emerged since July including the strong performances in Western Australia and New Zealand and the recent recovery in our OTG channels. We

[11] On a post-IFRS16 basis.

anticipate these trends will be replicated across our major markets as COVID-19 restrictions ease. As a result, we are well placed to capitalise on the all-important 4Q20 Christmas trading period."

ENDS

Conference call:

A conference call to discuss the Proposed Transaction and the Amatil trading update will be held at 9:00am on 26 October 2020. Dial in details are available on Amatil's investor relations website.

For further information:

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Authorised by the Related Party Committee.

ABOUT COCA-COLA AMATIL

Coca-Cola Amatil Limited (including subsidiaries, group entities and related bodies corporate) is one of the largest bottlers and distributors of ready-to-drink non-alcohol and alcohol beverages and coffee in the Asia Pacific region. Coca-Cola Amatil is also the authorised bottler and distributor of The Coca-Cola Company's beverage brands in Australia, New Zealand, Fiji, Indonesia, Papua New Guinea and Samoa. Coca-Cola Amatil directly employs around 12,000 people and indirectly creates thousands more jobs across the supply chain, partnering with key suppliers to bottle, package, sell and distribute its products. With access to around 270 million potential consumers through more than 630,000 active customers Coca-Cola Amatil is committed to leading through innovation, building a sustainable future and delivering long-term value, both to shareholders and to society.

For more information, visit www.ccamatil.com or search for Coca-Cola Amatil on LinkedIn, Facebook or Twitter.

APPENDIX A: CCEP / TCCC CO-OPERATION LETTER

Coca-Cola
EUROPEAN PARTNERS

25 October 2020

The Directors
The Coca-Cola Company
One Coca-Cola Plaza
Atlanta, Georgia, 30313
United States of America

Attention: James Quincey

Dear Mr Quincey

Potential acquisition of shares in Coca-Cola Amatil Limited

I refer to our recent preliminary discussions in relation to a potential transaction involving a non-binding, indicative offer from Coca-Cola European Partners plc (**CCEP**) to Coca-Cola Amatil Limited (**CCA**) to acquire all of the ordinary shares in CCA (**CCA Shares**) held by shareholders other than The Coca-Cola Company (**TCCC**), pursuant to a scheme of arrangement (the **Proposal**).

In connection with the Proposal, we wish to agree a transaction with TCCC in relation to all of the CCA Shares held by TCCC and its subsidiaries (**TCCC Shares**) whereby CCEP will commit to buy:

(a) some or all of the TCCC Shares at implementation of the Proposal, and

(b) any remainder of the TCCC Shares thereafter,

in each case, subject to obtaining joint bid relief from the Australian Securities and Investments Commission (**ASIC**) and substantially reflecting the terms and conditions set out in Annexure A (**Potential Transaction**).

The parties acknowledge that the terms and conditions of the Potential Transaction are yet to be finalised or definitively documented and there is no assurance that any Potential Transaction will be entered into or will successfully complete. The parties further acknowledge and agree that:

(a) nothing in this letter restricts, or gives CCEP any power to directly or indirectly control, the voting or disposal of any TCCC Shares, or otherwise results or is intended to result in CCEP acquiring a Relevant Interest (as defined in the Australian *Corporations Act 2001* (**Corporations Act)**) in any TCCC Shares;

(b) any agreement with respect to the acquisition of TCCC Shares under a Potential Transaction including in this letter will be subject to obtaining joint bid relief from ASIC and will otherwise comply with the conditions of section 609(7) of the Corporations Act;

(c) either party is free to terminate discussions with respect to the Potential Transaction at any time;

(d) CCEP and its related bodies corporate (as defined in the Corporations Act) (**Related Bodies Corporate**) will be entitled to make all decisions in relation to agreeing and implementing the Proposal with CCA, including negotiating any scheme implementation agreement, exercising any right held or taking any action in connection with the scheme or scheme implementation agreement (including without limitation, amending the terms of the scheme, waiving any scheme conditions and terminating the scheme implementation agreement); and

(e) TCCC and its associates will not participate in the Proposal.

Until a Potential Transaction is entered into or the parties terminate discussions with respect to a Potential Transaction, CCEP and TCCC agree to, and will procure that their respective Related Bodies Corporate:

(a) co-operate with each other to agree a Potential Transaction;

(b) keep each other informed on a timely basis of all developments and issues which may affect the implementation or success of the Potential Transaction; and

(c) work together to conclude in a timely manner, and provide all information reasonably necessary for the preparation of, binding documents required to effect the Potential Transaction, including a cooperation and sale deed substantially reflecting the terms set out in Annexure A and an application by CCA to ASIC for joint bid relief.

Each party acknowledges that the other may be required by applicable law and the ASX Listing Rules (or the rules of a recognised securities exchange) to publicly disclose the existence and contents of this letter and confirms that it does not object to such disclosure. The parties will provide each other with sufficient and timely information, including, to the extent permitted by law, consulting in good faith on the content of such disclosures and otherwise co-operate with each other, to make the disclosures required, within the time limits prescribed, by, Parts 5.1 and 6C.1 of the Corporations Act, and any other disclosure required by law. However, each party agrees not to make public disclosure of any other discussions or negotiations in relation to the Potential Transaction other than to the extent required by applicable law or the rules of a recognised securities exchange.

For the avoidance of doubt, this letter does not constitute a proposal on the part of CCEP or TCCC or any of their Related Bodies Corporate to make a takeover bid for CCA for the purposes of section 631 of the Corporations Act.

Yours sincerely

Sol Daurella Comadrán
Chairman, CCEP

EUROPEAN PARTNERS

Acknowledged and accepted

James Quincey
Chairman, TCCC

Date: 25 October 2020

APPENDIX B: TCCC AGREEMENT TERM SHEET

Annexure A

Coca-Cola European Partners plc (“CCEP**)** will commit to purchase, and The Coca-Cola Company (“TCCC”) will commit to cause the sale of, all of the shares that TCCC holds directly or indirectly in Coca-Cola Amatil Limited (“CCA”) (representing, as at the date of this letter, 30.8% of CCA’s issued share capital) (the "TCCC Shares") in two or more tranches, as follows:

1. On the date of implementation of the CCA scheme of arrangement (“Scheme Transaction”) (“Closing”), CCEP will purchase for cash such number of TCCC Shares that is equivalent to a 10.8% interest in the existing issued share capital of CCA at the date if this letter (the “First Tranche”). The purchase price for the First Tranche will be equal to the product of: (a) the 15-day VWAP of CCA’s shares ending at the close of trading on 21 October 2020 discounted by 5%; *multiplied by* (b) the number of TCCC Shares constituting the First Tranche. For the avoidance of doubt the parties agree that the 15 – day VWAP is A$10.07, and discounted by 5% is A$9.57.

2. Also at Closing, CCEP may, at its option, purchase some or all of the remaining TCCC Shares (i.e. currently a 20% interest in CCA) (the “Second Tranche”). The purchase price for the Second Tranche will be equal to the product of: (a) the closing price of CCA’s shares on the last day CCA shares are traded on the Australian Stock Exchange prior to the public announcement referencing the CCEP offer received in connection with the Scheme Transaction (the “Measurement Date”); *multiplied by* (b) the number of CCA shares constituting the Second Tranche. For the avoidance of doubt, the parties agree that the closing price of CCA shares on the Measurement Date is A$10.75.

3. If CCEP purchases some or all of the Second Tranche at Closing, CCEP may, at its option, pay the purchase price for such CCA shares either (i) in cash, (ii) in shares of CCEP stock (calculated as set forth below) or (iii) with a combination of cash and shares of CCEP stock.

4. If CCEP elects to pay some or all of the purchase price for the Second Tranche in shares of CCEP stock, the number of shares of CCEP stock to be issued as consideration for each CCA share sold to CCEP as part of the Second Tranche will be calculated by reference to the ratio of: (a) the closing price of CCA shares *divided by* (b) the closing price of CCEP stock on the New York Stock Exchange each as of the close of trading on the Measurement Date (the “Conversion Ratio”). The parties agree that the closing price for the purposes of (a) is A$10.75 and the closing price for the purposes of (b) is US$39.48. The closing price of CCEP stock on the Measurement Date will be converted into AUD using the USD-AUD exchange rate calculated as of the close of trading day on the New York Stock Exchange on the Measurement Date. It is agreed that the USD-AUD exchange rate is 1.40558, which is the BFIX rate as at 4:00pm United States Eastern time on 22 October 2020. It is further agreed that the Conversion Ratio will equal 0.19372 shares of CCEP stock for each share of CCA stock.

5. If CCEP does not purchase all of the Second Tranche at Closing, TCCC will be granted an option (exercisable at TCCC’s sole discretion) (the “Put Option”) to cause the sale to CCEP all of the remaining unpurchased shares of CCA stock held directly or indirectly by TCCC after Closing (the “Remaining Shares”). The Put Option will be exercisable for a three-year period beginning on the

third anniversary of Closing. The Put Option price will be paid entirely in CCEP shares and will be calculated by applying the Conversion Ratio to the Remaining Shares.

6. From Closing, for as long as TCCC holds any TCCC Shares directly or indirectly, the TCCC group shall have a right to nominate the least number of directors to CCA's board as represents not less than 25% of the total number of directors on CCA's board (e.g. one director if CCA has fewer than four directors).

7. For the avoidance of doubt, no binding agreement with respect to CCEP's purchase of the TCCC Shares will be deemed to exist until such time as TCCC and CCEP execute definitive agreements with respect to such purchase, which shall contain terms regarding the purchase of the TCCC Shares and such other terms as may be agreed regarding the ongoing relationship between CCEP, CCA and TCCC.

APPENDIX C: KEY TERMS OF THE SCHEME IMPLEMENTATION DEED

This preliminary non-binding term sheet sets out a non-exhaustive list of the key terms of the Scheme Implementation Deed.

Consideration	$12.75 per Amatil share, less any dividends declared by Amatil and paid to Amatil shareholders, provided that the Consideration will not be reduced by: • any dividends declared or paid after 30 June 2021 in line with historic payout ratios; or • the value attributed to any franking credits attached to any dividends declared or paid at any time.
Conditions	The only conditions precedent are: • mandatory regulatory approvals in relation to Amatil's business (e.g. FIRB, OIO); • joint bid relief from ASIC in respect of the arrangements between CCEP and TCCC (if not already received); • court approval; • Amatil independent shareholder approval; • independent expert concludes scheme is fair and reasonable and in the best interests of Amatil's shareholders (other than TCCC) and does not change or withdraw that conclusion; • no Amatil Material Adverse Change; • no Amatil Prescribed Occurrences; and • no regulatory restraints by a court or government agency. The end date for the satisfaction of the conditions is 30 September 2021.

Amatil Material Adverse Change	A diminution in Amatil Group's total assets of at least $650 million or a diminution in Amatil Group's recurring EBITDA of at least $100 million.
	Carve-outs to apply to the extent contributing to the diminution include:
	• matters which do not affect Amatil disproportionately to its competitors or other companies generally;
	• matters disclosed in due diligence (as per the CCEP request list and whether pre or post signing SID) and in public documents or otherwise known to CCEP, with the exception of matters:
	    • arising post signing; or
	    • of which Amatil and CCEP were not aware prior to signing;
	• changes arising from general economic or market conditions or in rates, prices or markets;
	• matters arising from Covid-19 (including as a result of lockdowns, travel restrictions, social distancing and restrictions of and on activities, venues and gatherings);
	• changes in law, accounting standards or governmental policy;
	• things required to be done under, or contemplated by, the Scheme Implementation Deed or approved or requested by CCEP;
	• force majeure events; and

- any action taken or not taken by TCCC.

Termination	The termination events are: • unremedied material breach of the Scheme Implementation Deed, including a breach of a representation or warranty that is material in the context of the scheme as a whole; • for Amatil, the majority of the Amatil directors (other than the TCCC nominee directors) fail to provide a recommendation, withdraws their recommendation or makes a public statement that they no longer recommend the transaction or recommend a third party competing proposal in accordance with the Scheme Implementation Deed; • for CCEP, the majority of the Amatil directors (other than the TCCC nominee directors) fail to provide a recommendation, withdraws their recommendation or makes a public statement that they no longer recommend the transaction or recommend a third party competing proposal; • the scheme does not, or will not, become effective before the end date; and • independent shareholders do not approve the scheme.
Deal protections	The only deal protections will be 'no-talk' (subject to fiduciary out).
Break fee	0.5% of Amatil equity value. The break fee will be payable by Amatil to CCEP in the following circumstances: • where the majority of Amatil directors (other than the TCCC nominee directors) members fail to provide a recommendation, withdraws their recommendation or makes a public statement that they no longer recommend the transaction or recommend a third party competing proposal (subject to standard carve outs), other than where the independent expert concludes the scheme is not fair and reasonable or in the best interests of Amatil's shareholders (other than TCCC); • completion of third party competing proposal within 6 months; or • CCEP terminates the Scheme Implementation Deed because of an unremedied material breach of the Scheme Implementation Deed by Amatil that is material in the context of the scheme as a whole. The break fee is not payable by Amatil where there is a failure of a condition precedent (e.g. if Amatil shareholders vote down the transaction) or Amatil terminates the Scheme Implementation Deed because of an unremedied material breach of the Scheme Implementation Deed by CCEP.