CCH – 2020 Full-year results
Conference call script – 11 February 2021

CORPORATE PARTICIPANTS

Zoran Bogdanovic – Coca-Cola HBC AG - CEO

Michalis Imellos - Coca-Cola HBC AG – CFO

Joanna Kennedy - Coca-Cola HBC AG - IR Director

Title slide

Operator

Thank you for standing by ladies and gentlemen, and welcome to Coca-Cola HBC's conference call for the 2020 full-year results. We have with us Mr. Zoran Bogdanovic, Chief Executive Officer, Mr. Michalis Imellos, Chief Financial Officer, and Ms Joanna Kennedy, Investor Relations Director. 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 Thursday, February 11, 2021. I now pass the floor to one of your speakers, Ms Joanna Kennedy. Please go ahead. Thank you.

Joanna Kennedy - Coca-Cola HBC AG - IR Director

Good morning. Thank you for joining the call today to discuss Coca-Cola HBC's full year 2020 results.

I am joined today by our CEO, Zoran Bogdanovic and our CFO, Michalis Imellos.

Zoran and Michalis will present our results and following that we will open the floor to questions. As always, we will ask that you ask your questions one at a time, and that you wait for us to answer each question before you ask the next one. Rest assured we will keep your line open until we have answered all your questions.

2. Forward looking statements

Before we get started, I would like to remind everyone that this conference call contains various forward-looking statements. These should be considered in conjunction with the cautionary statements on the screen. This information can also be viewed in our press release issued today.

Now let me turn the call over to Zoran.

Zoran Bogdanovic - Coca-Cola HBC AG – CEO

3. Operational review and strategy

Thank you, Joanna. Good morning everyone and thank you for joining the call. I will start by giving you an update on business performance in 2020, after which Michalis will talk you through the financials in more detail before handing back to me for some comments on 2021 and beyond.

4. Operational agility – resilient performance

The numbers we released today demonstrate how far our business has come in building both operational agility and lasting margin resilience. I am proud of the speed, flexibility and care with which our people have responded to the coronavirus pandemic and the results we have achieved.

While 2020 brought unprecedented challenges, the actions we took were fully in line with the strategic growth pillars we presented at our Capital Markets Day in June 2019. What made the difference in 2020 was rigorous prioritisation behind what was truly most critical in such a year.

For us that meant focus on a few key areas. First delivering on our commitments to society as well as protecting our employees, supporting customers and communities, then ensuring operational agility so that we could reprioritise and adapt the business to the new environment, and finally delivering financial performance and value share gains.

When it comes to the first. We rapidly implemented global best practice and precautionary measures at all of our locations to keep our people, and others safe. With the safety of our people as the foundation we were able to keep our customers supplied as we quickly adapted our route-to-market, be it physical or digital, to the changing environment. Our supply chain has been fully operational every day since the start of the crisis and all our production facilities continued to be open.

All of this is a reflection of the strength of our culture. It is impossible to buy or suddenly create the commitment and the genuine care that our people showed to each other and their stakeholders. It is said that a crisis like this reveals the culture rather than shapes it. I'd like to offer sincere thanks to all of our people, our customers and suppliers whose partnerships are invaluable, as well as those working on the frontline, serving their communities, who have all made such an extraordinary effort through this time.

Having secured safety, supply and service across our stakeholders, we were quick to reprioritise our opportunities to maximise performance. We had a razor-sharp focus behind streamlined priorities which dictated our choices for optimised investments and resource allocation.

We prioritised to invest optimised funds behind our highest potential growth markets. We had the flexibility to shift production quickly, providing the right packs and categories to meet the changing needs and new buying patterns of our consumer base. We saw an opportunity in at-home occasions, which were growing as consumers replicated their out-of-home experiences at home. Sparkling was prioritised as the most important growth driver for our business, and we have seen the relative strength of the category this year. At the same time, we have seen significant growth in ecommerce and have further accelerated investment behind that. The strength of our Revenue Growth Management and Route to Market capabilities proved, also in these challenging circumstances, as invaluable in steering our business.

Finally, we were determined to protect the health of our business by focusing on the three metrics that matter most in a crisis - cash, profit and value market share. We achieved strong results on all three. We have gained 40 basis points of value share in non-alcoholic ready to drink and 30 basis points of value share in Sparkling, with market share gains in the majority of our markets.

These share gains translated into strong financial results. 2020 like-for-like volume declines were contained at 4.6% after a notable improvement in the second half with a good recovery in Q3 and resilience in Q4. Price/mix also saw a stabilisation of trends in the second half with the benefit of improved trends in package mix as well as continued strong category mix and the benefits of pricing taken at the start of the year in several markets.

We achieved strong performance on profitability, with like for like EBIT margins at 10.6%, down only 20 basis points from the all-time high. The significant restructuring work done over the last decade has built a business that is more resilient, with lower fixed costs, which can withstand revenue declines while quickly protecting profitability. And we did move quickly, identifying and delivering €120 million of cost savings early in the crisis. This performance on profitability, in combination with agility on working capital management has translated into the generation of €54 million more free cash than the year before. In light of our business' strength and confidence in future opportunities, I'm pleased to say that the Board has proposed a dividend of €0.64, a 3.2% increase compared to last year.

5. Adapting fast to continue winning in the crisis

It is because we used our 2025 growth strategy that we were clear on what would enable our long-term success and we could also be clear on what we needed to adapt in 2020 to ensure we kept on our path.

Each of the prioritised initiatives and actions that we took in the unprecedented circumstances of 2020 were fully in sync with the strategic growth pillars that we shared in 2019.

And in 2021 we will take a similar approach, adapting and prioritising the most relevant initiatives within our pillars as the situation dictates.

Now let me move on to share some more detail on the trends we see in our top line performance.

6. At-home growing; out-of-home resilient

Despite the fact that we saw a resurgence of the virus in our territories in the fourth quarter, like-for-like volumes fell only 0.7%. The ongoing growth from the at-home channel throughout the second half of the year is a key driver of this performance.

While in the first phase of the pandemic we saw volume declines in this channel, since then we have seen an improvement in trends, with the channel returning to mid-single digit volume growth in July and sustaining that growth through the second half. We can also see that the channel is gaining momentum in the last quarter given the tougher comparative from the strong trading in Q4 2019.

The out-of-home channel was, and continues to be, significantly disrupted with hotels, restaurants and cafes impacted by legally required restrictions. Our teams remained nimble throughout the year, managing large fluctuations in trading. During the third quarter the out-of-home saw a quite solid recovery with volume declines in the high-single digits. During the fourth quarter the channel was trading down in the mid-teens. This fourth quarter performance is encouraging because it presents a more positive picture than we witnessed at the start of the pandemic, when April volumes were down 70 to 90%. It is notable that while cases in Q4 in our territories have actually exceeded the April levels, trading in the out-of-home channel has been much more resilient.

7. Strong H2 recovery in 75% of our portfolio

Another key driver of the volume resilience has been the performance of the sparkling category. In the crisis we saw consumers gravitating towards Sparkling and tried and tested brands, in particular Trademark Coke. Partnering closely with The Coca-Cola Company team we invested behind that, placing our joint marketing investment where it would have the maximum impact.

The breadth of our brand portfolio in Sparkling, as well as the flexibility of our pack-price architecture, mean that we have tailored offerings for different consumers and addressed both premiumisation and affordability in a balanced and profitable way. For example, we are seeing good results from multi-serve entry packs that target affordability for the consumer at an attractive revenue per case for our customers and ourselves. But we are also seeing higher priced packages and brands outperforming. Adult Sparkling sells at a higher price point compared to the rest of the sparkling portfolio and saw volume growth of 3.2% in the year. This example reflects very well on the benefit from the strong Revenue Growth Management capability we built over the last four years.

Energy performance has been strong, with volumes up 18% and growth across all markets in all three segments. Growth in Energy is highly beneficial to category mix given that even the affordable end of the energy category has a higher revenue per case than Sparkling.

The Stills part of our portfolio has been weaker. This in part reflects the fact that we over-index to the out-of-home channel in Stills, particularly in Water. This is a deliberate decision as in normal times it means more single-serve and therefore better revenue-per-case. But clearly this exposure to the out-of-home had a negative impact on performance during 2020.

8. Single serve mix stabilised

The most important driver of the decline in price/mix in 2020 has been reduced volumes from single-serve package formats as a direct result of the shutdowns. Similarly, the opening of the economies in our territories has been the most important driver of the stabilisation of price/mix trends in the second half and we also expect that improving package mix will be the key driver of the improvement in price/mix once the out-of-home channel is able to operate more normally again.

As a company we have been focused on selling increasing volumes of high-value single-serve packages for many years. Our strong track record has been visible in improving single-serve mix which we grew by over one percentage point per year between 2015 and 2019.

Aside from recovery in the out-of-home channel we are also working to drive growth in single-serve package formats for at-home consumption occasions where we see a strong opportunity for greater penetration.

These packs offer a clear premiumisation opportunity with attractive economics for both our customers and ourselves and provide shoppers with pack sizes that are more relevant for smaller-sized baskets as well as a more hygienic option for social occasions.

We are focusing in particular on multi-packs of single-serves which work for the at-home channel and prioritising opportunities in the socialising and meals at home occasions. We are seeing encouraging early signs, with volumes of multi-packs of single serve in the at-home channel up 12.9% in Q4 after a 4.9% increase in Q3.

9. Segmental overview

At a country level, performance continues to be influenced by two main factors.

- First - The severity and length of the lockdowns in the market
- Second - The exposure of that country to the out-of-home channel and tourism

For our business there are some clear themes between the segments, and we have seen those themes continue through the year. This means our strongest performance has been the Emerging segment, followed by the Developing segment, followed by the Established.

Given these underlying conditions we carefully prioritised investments behind markets based on where we would find the best return. While of course we always aim to direct our investments towards the highest return projects and markets, this year we consciously focused on making these prioritisation decisions more rigorous. Given the strong growth potential we saw, and continue to see in Nigeria and Russia, we prioritised those markets for investments with strong results.

10. Established markets

Most of our Established markets locked down early and severely and have been more cautious in easing and have subsequently moved into tougher lockdowns in the second wave. Also, the majority of our countries in this segment generate more than 40% of their revenues from the out-of-home channel.

In the full year, Established markets volumes declined by 14.0% with volume decline ranging between high-single digit and low twenties. Price/mix was stable benefiting from positive country and category mix, as well as pricing taken at the start of the year.

11. Developing markets

The Developing segment's currency-neutral revenue declined by 10.3% with volumes down 4.4%. Our Developing segment as a whole derives less of its revenues from the out-of-home channel. It also benefited from strong performance from Poland, the largest country in the segment. Poland achieved high single digit volume growth in Sparkling, and Energy volume growth in the high-twenties on strong market execution and some year-end stocking-up ahead of the sugar tax implementation at the beginning of this year.

Price/mix in the segment was impacted by the pack and channel mix deterioration and by the strategic decision we made before the outbreak to have less contribution to growth from pricing this year after several years of strong price/mix development. Price/mix declined by 6.2%, showing an improvement in the second half.

12. Emerging markets

Our Emerging segment continues to have the best performance in the Group with FX-neutral revenues down 2.8% like for like. Within the segment, three of its largest markets grew volumes in 2020 with Nigeria up 13.5%, Russia up 1% and Ukraine up 3%. Volumes for the segment were up 0.3% like-for-like.

Price/mix in the segment declined by 3.1% like for like, impacted by country mix due to the strong volume performance in Nigeria, as well as the pricing investments made in this country at the end of 2019.

13. Prioritised innovation with scale and speed

When it comes to innovation, we are in full alignment with The Coca-Cola Company on the importance of prioritisation. We are applying a more disciplined approach, investing behind more scalable and economically attractive innovations while also actively gathering and acting on learnings, and making conscious choices to eliminate underperforming and unprofitable brands and SKUs.

With this mindset we launched Costa Coffee in May and we are now live in 14 markets. Early indications have been positive with customers showing a lot of enthusiasm for this high-quality product and we are seeing good results on repeat orders.

Having had the experience of selling a full portfolio of coffee in several of our markets through our previous coffee partnership, we believe we are uniquely positioned as a partner of The Coca-Cola Company to target all channels across our markets with Costa Coffee. We have a full range of product and packaging offerings including whole beans, roast and ground coffee, coffee capsules, Ready to Drink coffee, and vending barista quality coffee via Costa Express machines. Our launches to date are primarily in the at-home channel but we are excited about the potential in the out-of-home channel which will be a key focus for 2021. Our plan is to roll out the brand in the rest of our territories over the next two years.

We also launched Topo Chico Hard Seltzer in 5 markets in the last two months of 2020 being one of the first launches globally. While on a different scale to Costa Coffee, this is an important strategic launch into a new category and it provides a good example of the approach I've just mentioned, since Topo Chico is a consumer relevant, scalable and economically potent product.

14. Additional in-house recycled PET capacity

One of the most important issues for our stakeholders is packaging. As we work towards delivering our World Without Waste sustainable packaging goals, competitively priced, quality recycled PET feedstock continues to be in short supply. We are committed to proactively addressing this challenge so that we can deliver on our rPET targets. One of the ways that we are doing this is by investing in inhouse capacity to produce recycled PET bottle preforms from hot-washed PET flakes. Hot-washed PET flakes are produced from washed and shredded post-consumer PET bottles, which are more widely available and at a lower price than food-grade rPET pellets. This inhouse capacity will also help us to reduce energy consumption for 100% rPET preforms by 40%. Our first investment has been in Poland, and we have plans to add this capacity in Italy in 2021.

Another challenge in the creation of a truly circular economy is inadequate collection infrastructure. We support well-designed, industry-led collection schemes and for many of our markets Deposit Return Schemes have been shown to allow high collection rates, allowing better availability of recycled PET feedstock. We are investing to support modelling studies to design the most efficient, high performing collection systems in our markets and in 2020 we funded or contributed to 10 new modelling studies to help design the most efficient, high-performing, collection systems for these countries. And we are also partnering with innovative new approaches that harness app and blockchain based technology as a complementary solution to packaging collection.

I will now hand over to Michalis to take you through some more detail on the financials.

Michalis Imellos - Coca-Cola HBC AG – CFO

15. Financial review

Thank you Zoran, and good morning everyone.

In line with our practice, unless specifically stated, I will refer to like-for-like comparable figures which exclude the impact of restructuring costs, the mark-to-market valuation impact of commodity hedges and specific non-recurring items. They also remove the impact of the deconsolidation of our Russian Juice business and the Bambi acquisition.

16. Financial performance- revenues

Zoran has already taken you through the drivers of our top-line performance, so I will just summarise the highlights before digging into the drivers of our profitability and cash flow.

Like-for-like volume declines were contained at 4.6% with Q3 up 1% and Q4 down 0.7%.

Price/mix also saw a stabilisation of trends in the second half, with the benefit of improved trends in package mix, continued strong category mix, as well as pricing taken at the start of the year in several markets.

Like-for-like currency-neutral revenue declined by 8.5% compared to the 15.1% decline in the first half, despite the resurgence of the virus in many of our territories.

The negative impact of foreign exchange translation on revenues was 320 basis points, driven mostly by unfavourable movements of the Russian Rouble, which resulted in a reported revenue like-for-like decline of 11.7%.

17. Years of efficiency improvements brings lasting margin resilience.

We have taken advantage of every opportunity to control our cost base and this has allowed strong performance on profitability in a challenging year. Our EBIT margin on a like-for-like basis closed at 10.6%, just 20bps down from the all-time high marks of 2019 and 2007. We are all proud of this performance. It proves that Coca-Cola HBC is a much less operationally geared business compared to a decade ago. This flexibility in our cost base allows us additional confidence in the return on our future investments.

What you can see on the slide is our revenue growth compared to the EBIT margin evolution since the all-time-high EBIT margin of 10.8% shortly prior to the onset of the global financial crisis in 2008. While in the early part of this period, weaker top-line performance had a profound impact of 440 bps decline on margins, the significant actions we took in the first five years of the crisis to reduce our fixed cost base, have brought us to the point we evidence today: another serious crisis affecting the top-line performance has resulted in just 20bps of margin loss from the fully recovered margin level of 10.8% in 2019.

These restructuring actions of the past years included optimization and automation of the production and logistics infrastructure, extensive outsourcing on the distribution front, common systems and processes across the footprint, process centralization and creation of shared services platforms, and continuous digital transformation and big data analytics utilization. And we never stop to look for efficiencies and opportunities to further streamline. At the same time, we are fast to identify and execute cost savings initiatives when the times call for them, such as the €120m of savings delivered in 2020.

18. Cost control supports margins

Like-for-like gross profit margin was up 20 bps year-on-year.

Careful management of commodity costs, combined with the favourable early hedging of the majority of our transactional FX exposure and a low oil price backdrop have allowed us to benefit from lower input costs, especially on PET resin, while preserving our cost of goods sold from FX volatility. As a result of this, like for like currency-neutral input cost per case was down by 5.0%.

We had a €66 million headwind to our EBIT from currency depreciation, in line with expectations. This FX impact is mainly associated with the weakening of the Russian Rouble.

Moving to OPEX: as mentioned earlier, we acted immediately to make significant cuts to discretionary expenditure, finding €120 million of cost savings in 2020 versus our original plans. We reduced marketing, seasonal labour, consultancy and contracted services, travel, meetings and events, and put in place a general recruitment freeze. This quick action has helped us to control OPEX, which declined by 10.4% like for like, compared to the prior year period. This resulted in just 40 basis points increase in OPEX as a percentage of net sales revenue, which closed the year at 27.3%: a strong performance considering the de-leverage from the revenue decline of 11.8%. And, despite the unprecedented circumstances, very close to our 26% to 27% guided range of our original target set back in 2016 at our Capital Markets Day.

19. Profitability protected; Strong EBIT and cash flow

Like-for-like EBIT declined by 13.5% and like for like EBIT margin of 10.6% declined by only 20 bps compared to prior year. The reported margin reached the 11.0% level, boosted by the accounting change of deconsolidation of our Russian Juice business and the accretive impact of the Bambi acquisition.

Financing costs increased by €3.0 million compared to the prior-year period, due to the change in the accounting treatment of Multon in addition to lower deposit rates, partially offset by lower interest rates on our bonds. In 2021 we expect financing costs to be lower by around 10% compared to 2020.

Our comparable effective tax rate increased this year due to one offs that we do not expect to repeat. That said, given anticipated changes in country mix, we expect that our effective tax rate will be in the range of 25% to 27% going forward.

We generated €497 million of free cash flow, an improvement of €54.4 million compared to 2019. The primary contributor has been working capital improvements, which reflect both excellent operational management of receivables in a very risky year, as well as significant phasing benefits. Towards the end of the year several of our larger customers chose to pay invoices not yet due early, rather than hold cash, and this has pulled forward some collections into Q4 that would have otherwise materialised in Q1 2021.

Capex of €464.5 million was lower by €19.1 million compared to 2019. During the year we prioritised our capital allocation towards the markets with the highest potential, allowing us to continue to support and invest in the business for the long term. The strong working capital performance allowed us to limit capex deferrals and bring forward €40m of capex spend. As a result, Capex as a percentage of revenue closed at 7.6%, at the upper end of our 6.5-7.5% target range.

20. Emerging segment more resilient

Turning now to the margin drivers on a segmental basis.

In our Established markets, comparable EBIT declined by 18.4% with comparable EBIT margin down by 60 basis points. The main driver of this was negative operating leverage given the revenue declines in the segment.

In our Developing markets comparable EBIT declined by 30.3% and comparable EBIT margin was down by 210 basis points to 8.7%. The larger margin decline in the Developing segment compared with the Established segment is due to the larger decline in price/mix seen in this segment for the reasons described earlier. Price/mix decline has approximately a three times more adverse impact on margins compared to that from volume declines.

The Emerging markets' comparable EBIT increased by 1.4% and comparable EBIT margin expanded by 170 basis points to 13.0%. The net impact of the Bambi acquisition, the deconsolidation of our Russian juice business and changes in the accounting of other joint ventures account for 100 basis points of this growth, so like for like EBIT margin in the Emerging segment improved by 70 basis points to 12.0%. This was the result of strong top line leverage from Russia and Nigeria, as well as benefits from input costs and FX hedging.

21. Strong Balance Sheet

Let me also provide you with an update on our balance sheet, which strengthened further, despite the difficult circumstances of the year.

Our net cash position at the year-end was €1.3 billion. In addition to this we have over €800m of our Commercial Paper facility unutilised, as well as the untapped €800m Revolving Credit Facility in place. Our next bond maturity is not until November 2024. In short, a very strong balance sheet position.

This provides us with considerable firepower to continue to invest in the business, both organically behind the many opportunities we see in our markets, as well as inorganically as the opportunity arises.

It also allows our Board to recommend an increased dividend in 2020, to 64 eurocents a share. We are pleased to be able to continue growing dividends, even following such a challenging year.

22. Technical guidance

Before I hand over to Zoran for the Outlook of this year, let me briefly explain the slide you see on your screens, which will hopefully help you with your modelling.

It summarizes the material one-off adjustments that distort comparability for key P&L lines between 2021 and 2020, as well as for 2020 vs 2019.

First, the accounting change in the way we consolidate Multon since May 2020, and the accounting treatment of other similar joint ventures, had a significant impact last year vs 2019, and will also have a residual impact this year vs 2020 on volume and revenues but not on EBIT margin change.

Second, the Bambi acquisition of late June 2019 had an impact in 2020 vs 2019, but as it was fully cycled from July 2020, it has no impact in 2021 vs 2020, as it is now part of the organic performance.

Third, the extension in the useful economic life of certain assets and the YoY reduction in depreciation that it generates as of 1st January 2021, has a positive impact on EBIT and EBIT margin.

Last, the introduction of a Sugar Tax in Poland from 1st of January 2021 and the pricing taken to pass it to the consumer, has a significant effect this year vs 2020.

With that, let me pass the floor to Zoran for the year's outlook.

Zoran Bogdanovic – Coca-Cola HBC AG – CEO

23. 2021 outlook

Thank you, Michalis.

The economic outlook remains uncertain and the future impact of mutated strains of the virus, or delays or difficulties in the roll out of the vaccines could impact our markets in the future.

After a resurgence of infection rates and government restrictions in many of our markets at the end of last year and the beginning of this one, we see frequent adjustments, both to easing and to increased restrictions. We are constantly monitoring the situation and will continue to prioritise our investment behind the highest potential markets, channels and brands to maximize evolving opportunities.

While we recognise the uncertainties, we are encouraged by our resilient performance and value share gains in 2020.

We expect to see a strong FX-neutral revenue recovery in 2021. This recovery is based on our expectations of a gradual volume recovery as well as price/mix recovery predominantly driven by improved package mix. We would also expect price/mix to be inflated by pricing taken to offset the Polish sugar tax.

This is premised on our view that the trading environment will be challenging for Q1, and very likely in Q2, but that it will start to improve in the second half of the year.

We expect to be able to have another year in which we achieve strong cost control, which we will be able to adjust depending on the trading environment and which will allow us to manage our profitability. We plan to increase investment in marketing to support our top-line recovery and expect high single digit inflation in raw material costs as well as that the negative impact of foreign currency on EBIT will be higher in 2021 than in 2020.

With all that in mind, we believe that we will be able to achieve a small expansion in our like-for-like EBIT margin versus 2020.

Looking further ahead, beverages continue to be a high potential industry and we see many growth opportunities leveraging our evolving portfolio. We are also blessed by the markets we operate in with the great growth potential of our Emerging segment and the resilience of the Established segment providing a good balance. This is why we do believe that once the recovery is underway the business can return to the growth algorithm we set out at our Capital Markets Day in 2019, which was for FX-neutral revenue growth of 5-6% with 20-40 basis points of EBIT margin expansion per year on average.

In conclusion, while alert to the risks of continued lockdowns in our markets, we are also encouraged by the strong business results in 2020 and we will continue to adapt to win in 2021 and beyond.

24. Q&A

Thank you for your attention, apologies for a couple of technical glitches and I will now hand over to the operator, and Michalis and I will take any questions you may have.

----- Q&A------

Michalis Imellos - Coca-Cola HBC AG – CFO

Thank you operator. Before Zoran wraps up the call, as many of you know, today was the last time I had the pleasure of presenting Hellenic's results. I've had a great 13 years with an incredible company. Along the way, there have been some difficult challenges – not least the last 12 months – that have helped us to build real financial and operational resilience. And of course there has been considerable growth. I wanted to take the opportunity to thank all of you for the positive way you have always engaged with me and our business during my 9 years as CFO. You have always been challenging, but fair and transparent in your approach, and I have enjoyed working with you immensely.

You will get to meet Ben Almanzar, my successor very soon. He officially joined us earlier this month and will take over in April. For now, though, from me, thank you all and I'm looking forward to our paths crossing again.

Over to Zoran for the close.

Zoran Bogdanovic – Coca-Cola HBC AG - CEO

25. Continue focusing on what matters most - Zoran's wrap-up

Thank you Michalis. On a personal note, I'd like to thank you for your considerable contribution to the growth of our business over the last 13 years. I think today's results show how far we've come in building a much more resilient business. I speak for us all at CCH – and I'm sure for many on this call – when I say it has been a great pleasure to work with you.

Finally, thank you all for your time and attention today.

We are very pleased by this performance in extremely challenging circumstances and it gives me confidence in our future trajectory. We entered this crisis from a position of strength, in terms of our portfolio, market execution focus, our customer relationships, our team strength and our partnerships with the Coca-Cola Company and beyond. This crisis has strengthened those advantages and our share gains in the year show the benefit of that. We play in a high potential industry and we have shown that we can, and will, continue to adapt to win. The immediate future may be hard to predict, but 2020 has shown that we can manage this, and that we remain well positioned to capture the recovery that will come.

Let me at the end extend my good wishes to you and your families, and all of us at Coca-Cola HBC sincerely hope you stay safe and well. We look forward to speaking to you all again soon.

Thank you.