

RESULTS PRESENTATION

HALF YEAR RESULTS

5 AUGUST 2020



Coca-Cola
Hellenic Bottling Company



MINOTE 8T
UAD CAMERA

FORWARD-LOOKING STATEMENT

Unless otherwise indicated, the condensed consolidated interim financial statements and the financial and operating data or other information included herein relate to Coca-Cola HBC AG and its subsidiaries (“Coca-Cola HBC” or the “Company” or “we” or the “Group”).

This document contains forward looking statements that involve risks and uncertainties. These statements may generally, but not always, be identified by the use of words such as “believe”, “outlook”, “guidance”, “intend”, “expect”, “anticipate”, “plan”, “target” and similar expressions to identify forward looking statements. All statements other than statements of historical facts, including, among others, statements regarding our future financial position and results, our outlook for 2020 and future years, business strategy and the effects of the global economic slowdown, the impact of the sovereign debt crisis, currency volatility, our recent acquisitions, and restructuring initiatives on our business and financial condition, our future dealings with The Coca-Cola Company, budgets, projected levels of consumption and production, projected raw material and other costs, estimates of capital expenditure, free cash flow, effective tax rates and plans and objectives of management for future operations, are forward looking statements. By their nature, forward looking statements involve risk and uncertainty because they reflect our current expectations and assumptions as to future events and circumstances that may not prove accurate. Our actual results and events could differ materially from those anticipated in the forward-looking statements for many reasons, including the risks described in the 2019 Integrated Annual Report for Coca-Cola HBC AG and its subsidiaries.

Although we believe that, as of the date of this document, the expectations reflected in the forward-looking statements are reasonable, we cannot assure you that our future results, level of activity, performance or achievements will meet these expectations. Moreover, neither we, nor our directors, employees, advisors nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. After the date of the condensed consolidated interim financial statements included in this document, unless we are required by law or the rules of the UK Financial Conduct Authority to update these forward looking statements, we will not necessarily update any of these forward looking statements to conform them either to actual results or to changes in our expectations.

OPERATIONAL REVIEW & STRATEGY

ZORAN BOGDANOVIC
CHIEF EXECUTIVE OFFICER



Coca-Cola
Hellenic Bottling Company

SAFETY, RESILIENCE, AGILITY

The SAFETY of our people, customers, partners and communities is our FIRST PRIORITY

Demonstrable business RESILIENCE during the crisis

AGILITY as we prepare for future opportunities

COMING FROM A STRONG POSITION

Leading
product
portfolio

Excellent
customer
relationships

Relevant
capabilities -
RGM & RTM

Unique
partnerships

A strong
balance sheet

A high
performance
culture



ENCOURAGING SIGNS AS MARKETS REOPEN

3 distinct periods

1. Pre-COVID (up to early March)
2. Lockdowns (mid March to end of April)
3. Easing of restrictions

Timing of countries going through these phases, as well as exposure to the out-of-home channel, has a significant impact on their performance

GROUP FX-n REVENUE



OUT-OF-HOME LEADING THE RECOVERY

OUT-OF-HOME CHANNEL VOLUME YoY*

70-90%
declines



25-50%
declines



10-40%
declines

APRIL

MAY AND JUNE

JULY

AT-HOME CHANNEL VOLUME YoY

Low-
teens
declines



LSD
declines



MSD
growth

APRIL

MAY AND JUNE

JULY

*The out-of-home channel typically accounts for slightly over 40% of revenues



Coca-Cola
Hellenic Bottling Company

SPARKLING RESILIENCE

- Notable resilience in the sparkling category is consistent in all segments
- Low- and no-sugar variants continue to lead
- Stills portfolio is over-indexed to the out-of-home
- We are gaining or maintaining share in the majority of our markets in BOTH Sparkling and overall non-alcoholic ready to drink (NARTD)

H1 2020 Volume movements YoY



* Juice volumes adjusted for accounting change on Russian Juice business. Including the accounting adjustment Juice volumes declined by 25.4%

SINGLE SERVE MIX RECOVERING FROM APRIL LOWS

2015-2019:

Single-serve mix grew by over 1pp per year

H1 2020

Single-serve mix down by 3.7pp



Movement YoY in SS volume as % of Total Volume



ESTABLISHED MARKETS



-19.0%

VOLUME



-2.6%

PRICE/MIX



-21.1%

**FX-NEUTRAL
REVENUE**



-15.8%

SPARKLING



-13.6%

**TRADEMARK
COCA-COLA**



-6.5%

**LOW- AND
NO-SUGAR**



-16.1%

**ADULT
SPARKLING**

All figures refer to half-year 2020 compared to prior-year,
unless otherwise stated

ESTABLISHED MARKETS

- Majority locked down early and severely, eased cautiously
- Highest exposure to out-of-home
- Price/mix decline driven by lower volumes of higher priced single-serve package formats sold in lockdown

DEVELOPING MARKETS



-8.9%

VOLUME



-8.2%

PRICE/MIX



-16.4%

FX-NEUTRAL
REVENUE



-3.4%

SPARKLING



-1.4%

TRADEMARK
COCA-COLA



+5.1%

LOW- AND
NO-SUGAR



-2.3%

ADULT
SPARKLING

DEVELOPING MARKETS

- Generally shorter, sharper lockdowns and faster easing
- Lower exposure to out-of-home
- Price/mix also impacted by strategic decision taken prior to crisis to have less revenue growth from pricing in 2020 after several years of strong performance on this metric

All figures refer to half-year 2020 compared to prior-year, unless otherwise stated

EMERGING MARKETS



VOLUME



PRICE/MIX



FX-NEUTRAL
REVENUE



SPARKLING



TRADEMARK
COCA-COLA



LOW- AND
NO-SUGAR



ADULT
SPARKLING

All figures refer to half-year 2020 compared to prior-year,
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EMERGING MARKETS

- Varied impacts
- Nigeria resilient, growing in H1 and stable in Q2
- Russia and Ukraine have low exposure to out-of-home
- Rest of the markets experience similar to Developing segment
- Price/mix impacted by COVID and Nigeria price adjustment in 2019

COSTA

LAUNCHED IN SIX MARKETS WITH MORE TO COME

COSTA

COFFEE



BULGARIA



POLAND



ROMANIA



SLOVENIA



GREECE



HUNGARY



ESG – MORE IMPORTANT THAN EVER

KPI	FY '19	2025 target
Consumer packaging to be recyclable (%)	99.9	100
Recycled PET used within total PET(%)	12	35
Primary packaging collected for recovery (%)	48	75

MEMBER OF
Dow Jones Sustainability Indices



In collaboration with a RobecoSAM brand



FTSE4Good

MSCI
ESG RATINGS



CCC B BB BBB A AA AAA



CLIMATE



WATER

PLASTIC-FREE CASES AND MULTIPACKS



COCA-COLA HBC'S 100% rPET PORTFOLIO



FINANCIAL REVIEW

MICHALIS IMELLOS
CHIEF FINANCIAL OFFICER



Coca-Cola
Hellenic Bottling Company

IMPACT ON YOY GROWTH

	H1 2020 Actual	H2 Estimate	FY 2020 Estimate
<u>Accounting change</u>			
Volume (YoY pp)	(0.8)	(2.7)	(1.8)
NSR/uc (YoY pp)	-	-	-
Revenue (YoY pp)	(0.8)	(2.8)	(1.8)
EBIT (€m)	(1)	+4	+3
<u>Bambi consolidation</u>			
Volume (YoY pp)	+1.3	-	+0.7
NSR/uc (YoY pp)	-	-	-
Revenue (YoY pp)	+1.3	-	+0.7
EBIT (€m)	+13	-	+13
<u>Total</u>			
Volume (YoY pp)	+0.5	(2.7)	(1.1)
NSR/uc (YoY pp)	-	-	-
Revenue (YoY pp)	+0.5	(2.8)	(1.1)
EBIT (€m)	+12	+4	+16

Comparability of results impacted by:

1. Accounting change

- From early May the accounting treatment of our Russian Juice business changed
- Impact: We no longer recognise the Russian Juice business' financials in our P&L except for our share of its net profit as 'share of results of integral joint ventures', which is included in our comparable EBIT

2. Bambi acquisition

- From July 2020 we are cycling the full consolidation of Bambi in our results
- Impact: Bambi becomes part of our 'organic' business results

FINANCIAL PERFORMANCE

REVENUES RECOVERING

- FX-neutral revenues fell 14.7%, or 15.1% excluding Bambi & accounting changes *
- Price/mix decline largely driven by weaker package and channel mix impacted by lockdowns in the out-of-home channel
- Sequential improvement in volume and price/mix during Q2

*Technical impacts:

- Bambi benefited FX-neutral revenue and volume growth by 130bps YoY
- Accounting changes negatively impacted FX-neutral revenue and volume growth by 80bps
- Net impact was 50bps positive on YoY reported growth

	As reported	Adjusted for the accounting change	Like for like organic
Volume (m u.c.)	-9.2%	-8.4%	-9.7%
Net sales revenue (€m)	-15.5%	-14.7%	-16.0%
FX-neutral net sales revenue (€m)	-14.7%	-13.9%	-15.1%
FX-neutral NSR per case (€)	-6.1%	-6.0%	-6.0%

Financial indicators on a comparable basis exclude the recognition of restructuring costs, unrealised commodity hedging results and non-recurring items.
Certain differences in calculations are due to rounding.

COST CONTROL SUPPORTS MARGINS

- Flat YoY gross margin
 - Strong variable COGS base and cost control;
 - Favourable input costs;
 - Effective FX and commodity hedging;
 - Reclassification of raw materials credit settlements YoY (+0.8pp), with no impact on absolute Gross Profit or EBIT
- OPEX as a % of revenue deteriorated due to volume and price/mix deleverage, reflecting the fixed portion of OPEX, despite absolute OPEX decline of 7.8%
- Marketing costs cut by over 40% YoY in Q2

	H1 2020	H1 2019	change
Comparable gross profit margin	37.2%	37.2%	0bps
Comparable operating expenses (€m)	850.0	922.0	-7.8%
Comparable OPEX as % of NSR	30.0%	27.5%	250bps

EBIT AND CASHFLOW

Comparable EBIT margins fell by 230bps to 7.4%

- Revenue deleverage (mainly driven by volume and pack mix weakness) led to EBIT margin decline

Free cash outflow of €38.5m

- Lower operational profitability
- Lower activity drove lower payables, significantly outstripping benefits from lower receivables and inventories
- Capex deferrals in line with plans

Working capital days improving YoY

	H1 2020	H1 2019	change
Comparable EBIT (€m)	208.8	325.1	-35.8%
Comparable EBIT margin	7.4	9.7%	-230bps
Comparable net profit (€m)	129.0	222.8	-42.1%
Comparable EPS (€)	0.355	0.612	-42.0%

	H1 2020	H1 2019	change
EBITDA (€m)	399.8	479.4	-16.6%
Working capital change (€m)	-194.2	-129.5	64.7
Net capital expenditure (€m)	-176.3	-195.7	-9.9%
Free cash flow (€m)	-38.5	79.3	

Financial indicators on a comparable basis exclude the recognition of restructuring costs, unrealised commodity hedging results and non-recurring items.
Certain differences in calculations are due to rounding.

EMERGING SEGMENT MORE RESILIENT

REVENUE CHANGE

	H1 2020 vs H1 2019
Total CCH	
Volume	-9.2%
FXN-NSR per case	-6.1%
FXN-NSR	-14.7%
Established markets	
Volume	-19.0%
FXN-NSR per case	-2.6%
Developing markets	
Volume	-8.9%
FXN-NSR per case	-8.2%
Emerging markets	
Volume	-4.1%
FXN-NSR per case	-4.5%

COMPARABLE EBIT MARGIN

	H1 2020 vs H1 2019
Total CCH	
EBIT margin	7.4%
EBIT margin expansion	-230bps
Established markets	
EBIT margin	5.0%
EBIT margin expansion	-410bps
Developing markets	
EBIT margin	3.7%
EBIT margin expansion	-480bps
Emerging markets	
EBIT margin	10.6%
EBIT margin expansion	-10bps

- Volume and pack/channel mix declines most pronounced in Established and Developing markets, impacting margins more adversely
- Emerging markets more resilient, with margins benefitting by +240bps from YoY reclassification of input cost settlements, Bambi consolidation and accounting changes



STRONG BALANCE SHEET

- Net cash position at end of July (after dividend paid): **€1.0b**
 - €700 m unutilised commercial paper facility
 - €800 m unutilised revolving credit facility
 - 2020 bond maturity paid
 - Ordinary dividend of €0.62 paid
 - No financial covenants that can impact liquidity or access to capital
- Next bond maturity November 2024
- Gearing of 1.8x* at June-end, well within targeted range of 1.5-2.0x

* Based on the Net Debt at 26/06/2020 and last 12 months Comp. EBITDA



Q&A

For further information on Coca-Cola Hellenic
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Coca-Cola
Hellenic Bottling Company



STRONG INVESTMENT PROPOSITION

A leading bottler and strategic partner of The Coca-Cola Company with a 60+ year history



World's best-selling non-alcoholic beverage brands in portfolio



Diverse geographic footprint with favourable demographics



Strong balance sheet and liquidity



Committed to generating value for shareholders



Ranked among the top performers in ESG benchmarks