CCH – 2020 First quarter trading update
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QUESTIONS FROM

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Fintan Ryan, JP Morgan

Alicia Forry, Investec

Simon Hales, Citi

Nico von Stackelberg, Liberum

QUESTIONS AND ANSWERS

Telephone Operator

Thank you. Once again if you would like to ask a question, please press *1 on your telephone keypad, please ensure your line is unmuted locally. You will then be advised when to ask your question.

And we do have a couple of questions in the queue. The first question comes from the line of Edward Mundy from Jefferies. Please go ahead.

Edward Mundy, Jefferies

Morning, Zoran, morning Michalis. Three questions, I'll ask them one at a time.

The first is your degree of confidence that revenue per case will recover from April minus 10, as the away from home comes back in terms of the rest of the year. I was wondering if you can comment on that?

Zoran Bogdanovic, Chief Executive Officer

Hi good morning Ed. In short, yes, we do see that revenue per case will improve gradually. It's hard to say exactly at which pace and to which extent, but yes we do see as the easing across the countries is going to happen, and as the outlets and customers will start opening and as single serves start to go back into trading and consumption that this is going to have a positive impact on our revenue per case. Because it is very clear that what you have seen in April, that our primary and most critical negative impact on revenue per case is coming from package mix.

Edward Mundy, Jefferies

Thank you. The second question, I think you mentioned in your opening remarks there is the potential risk of weaker consumer sentiment, you know, post COVID and the initial impact here. How do you think about ensuring that consumers don't move out of the Sparkling category and into Water and Tea. I was wondering if you can talk about some of the levers you have to protect that?

Zoran Bogdanovic, Chief Executive Officer

If I understood well you're asking how do we ensure that the risk of switching from Sparkling to Water and Tea, did I understand well?

Edward Mundy, Jefferies

Correct, well - or out of your products into, you know, tap water and tea?

Zoran Bogdanovic, Chief Executive Officer

Actually Ed, I have to say that in this crisis as well as what happened over the last two or three years, and that is an additional reason for my belief that actually Sparkling proves its strength, relevance, and actually is the category that in all of this is performing quite well. What we saw in April was - I mean in all that sea of red numbers, negative numbers, Sparkling category relatively performed well versus others. And the first week of trading in May always proves that.

So we believe that all the work and category perception, the relevance with consumers of various age groups, and making Sparkling a relevant and critical part of so many occasions is absolutely fit for even what's going to happen in the future. And we are going to take advantage of that, we are going to continue to work, respecting the fact that we will also pay more attention, as I said in my remarks, to affordability, which definitely is going to have its relevance even more as we are out of these lockdowns and in the next period. However, that affordability stays still with premiumisation. And Sparkling plays a role in both of those areas.

We will continue with innovation, yet with a slower pace, as we have also a little bit reprioritised the sequence of the things that we will be doing. However, the fact that our pipeline is full didn't go away. So we will be very mindful of how we play that and Sparkling is going to be a critical element. And I'm pretty confident that Sparkling is the category that is going to be a winning element and critical driver of our future growth.

Edward Mundy, Jefferies

Thank you. And just my final question and perhaps for Michalis, you mentioned that two thirds of your cost base is variable and you're announcing another €100m cut in discretionary spend, is that €100m over and above the reduction of costs you'll see from the lower variable cost as your business declines, or your top line declines are part of, you know, the impact of COVID-19?

Michalis Imellos, Chief Financial Officer

Yes, that's correct. So we mentioned the two thirds, because we take into account also within COGS the raw materials and the concentrate, which are obviously fully variable. So this €100m has nothing to do with the reduced costs as a result of the reduced activity. This €100m is coming from marketing cuts, or deferrals, it's coming from, as we said, various levels of discretionary costs that we are cutting, so nothing to do with the variable costs in the algorithm.

Edward Mundy, Jefferies

Very good. Thank you.

Telephone Operator

The next question comes from the line of Ewan Mitchell from Barclays. Please go ahead.

Ewan Mitchell, Barclays

Morning Zoran, Michalis and Joanna. Three questions from me. Firstly, the Italian and Greek volumes due to tourist impact, you mentioned earlier that you may see some weaker volumes due to that lower travelling. I was wondering what you could share in terms of your thoughts around that and perhaps what you're seeing as Italy sort of starts to get back to work over the coming weeks or months?

Zoran Bogdanovic, Chief Executive Officer

Hi good morning, Ewan. Look it's very early to predict how exactly the whole recovery right after the lockdown stops and the easing of the measures happens. We do know that in several countries governments are preparing and working on all the opening of the tourism, how the movement and transportation of people - as well as goods will happen. So all of that is still yet happening.

We do see that there is going to be - whatever tourism does happen, primarily will happen with more of local people staying in their own countries. And then possibly, we do see from some operators that, you know, car reaching locations will play a more relevant role this summer.

A good thing is that tourism is important, however, it's not, you know, disproportional to the rest of the economy that we see in the countries, because in Italy it is approximately 13, 15%, in Greece it's around 20%. So we do see preparations are happening, we are already in contact with some of our customers of course with whom we are continuously in contact, to help them and support them.

And we will be quickly learning, once we see, when they start operating, you know, what is the traffic, what are the bookings and we remain completely agile and fully flexible and ready to support them and take the opportunity to help them with recovering the business as much as possible. But it's very hard to say the exact extent for proper estimates at this point.

Ewan Mitchell, Barclays

That's very helpful, thank you.

The second question just to build on Ed's question. Previously you've talked about your operational expenses being sort of 50% variable, 50% fixed. When we're thinking about the €100m that you've guided to does that fall into that variable bucket, or should we be thinking about that a bit more broadly across that line?

Michalis Imellos, Chief Financial Officer

Yeah let me take this one Ewan, so yeah if you look at opex, including DME, which is approximately 30% of our cost base, within that around 60% of opex is fixed. So the cuts that we talked about today, the €100m predominantly come from this area, from the opex including DME. So there is a significant DME cut.

And there is also, as I said, a lot of discretionary costs which do not follow the volume decline. So if we didn't take this decision to cut them they would still be there even with the volume decline. So from that perspective you can say that the cuts are all from fixed costs.

Ewan Mitchell, Barclays

Thanks very helpful. Thank you. And a final one, you mentioned that e-commerce has grown as fast as logistically it's been possible. First of all can you give us some numbers around that in terms of where it's coming from as a percentage of sales and how the growth is shown. And then you mentioned that you think it will grow at a higher rate, again, any sort of numbers around where you think it might end up or continue to growth out would be very helpful?

Zoran Bogdanovic, Chief Executive Officer

Yes Ewan, yeah e-commerce definitely proved its relevance in this crisis and is one of the clear winners. I can only say that e-commerce has been having various degrees of strong impact across countries, with strong double digit, even triple digit growth of sales.

As part of the mix it's very different from market to market, in some countries it's already between let's say, 10, 15, 20%, in some markets it's still with a single digit percentage as a part of the sales.

However, one red thread there is that it has been reacting everywhere and this is where we've seen that our existing already B2B platform Hybris, has been extremely useful. It has enabled heavy order taking and we have seen, as I said, sizable increases.

Also we have adjusted and quickly reacted to support our wholesalers with various direct to consumer solutions and help them that they do the deliveries and sales directly to households because they could not serve the customers that were closed.

Also we have seen the excellence B2C platform that we have in Switzerland called Qwell, where we are directly serving households through our drivers or partner drivers. This has been also exploding and working extremely well.

We have further shifted our resources to e-commerce and we have also learnt and quickly adopted, we started doing our regular e-store check routines, so we can spot what and how we need to do better. We are constantly working to increase our SKU line up in e-commerce, also recognising the need to even more improve the way our products are presented in those online shops. And also increasing promo support where it is relevant and needed.

Let me also just say, the last point, that we have intensified and leveraged our partnerships with food aggregators to further increase beverage penetration in home delivery via various food and beverage combos and suggested orders. So I just took the opportunity to give you a little bit more flavour on how much is going on there and this crisis actually provided - flagged even more and surfaced this opportunity that we will be tapping into and we will be accelerating our resources, our investments to leverage it even more in the future. Thank you.

Ewan Mitchell, Barclays

That's very helpful, thank you very much.

Telephone Operator

The next question comes from the line of Sanjeet Aujla, from Credit Suisse. Please go ahead.

Sanjeet Aujla, Credit Suisse

Morning Zoran and Michalis, a couple of questions on my side please. Firstly I don't want to get too short termed focused, but as some of your markets are starting to reopen in the last week or two can you just comment on what you've seen from a trading perspective and maybe go into a bit more detail.

And then also you know throughout March and April in particular, through the lockdowns can you just talk a bit more about what sort of competitive dynamics you've seen across your major markets. Do you feel like you're gaining share and what sort of impact is this having on your broader competitive landscape? Thank you.

Zoran Bogdanovic, Chief Executive Officer

Good morning Sanjeet, thank you.

So first of all on this gradual opening, I mean that literally it what it is, it's gradual and it's literally starting these days. We have seen across countries, a number of countries how it has in waves this gradual opening is happening. In some markets it started from this last Monday and then some more things from May 18th and then all the way to June 1 in many of our markets.

This marks also the entry into the phase of restricted reopening as we would call it after the phase of the lockdown. And first of all we are happy that has finally started. We are only now seeing what that means, how we observe how people are more and more, you know, coming out, are starting to re-live in kind of a normal way. It is yet too early to say what that really means for real impact. However, what we observe from week one trading in May we do see that the trend or recovery numbers are happening.

You know, not to be misled, we are still in the negative and we do estimate to be in May still to be in the double digit negative, however, we do expect that it's going to be better than we've seen in April, but it's very hard to predict now the extent of that.

We do see that some customers are preparing and preparing their outlets for new ways of continued social distancing, how they organise themselves. So everything that we read in the papers our people on the grown exactly experience that.

You mentioned how are March / April; I have to say that I'm quite pleased with all the latest numbers that I see in terms of how we have been performing in Q1. And also the first half of April all the numbers that we have seen are pointing that in a big majority of our markets we have been maintaining, or even more, gaining share.

Actually I'm really pleased with even some significant share gains. And this is where our strong position, as well fast re-routing that we have done during the COVID, I need to recognise our sales teams in all countries that have continuously been serving the customers. We have done dynamic re-routing so that people who work for out of home, they additionally supported people for the channel of at work, different types of customers, providing merchandising services, taking orders, so we have been there. Changing also more to full pallet display in the stores to help customers with the new buying patterns.

So all that has proved to be extremely useful, appreciated by customers, done in a relevant way with relevant packages and sizes and I see that that has also given concreate results. And we plan to continue on that level.

I just want to connect also your question to what Ed mentioned on Sparkling, we have seen also that this type of crisis is making consumers revert more to known and loved brands, and Coca-Cola has a very unique and special place in that.

And, additionally, what we also see is how, even premium, high quality brands, like Schweppes, are even, in these hardest times, reacting. We've seen excellent performance in Bulgaria, as an example, and in Russia. Even in April, during the lockdown, we are experiencing significant double digit growth of Schweppes, and all that is translating into favourable share numbers.

Sanjeet Aujla, Credit Suisse

That's very helpful, Zoran.

If I can follow-up with a quick question on Nigeria, I think, you know, given the significant away from home channel exposure there, can you just help us understand the consumer behaviour throughout April in that market, and, again, how the competitive landscape is unfolding there, please?

Zoran Bogdanovic, Chief Executive Officer

Yeah, sure. So, first of all, as I think we highlighted, Nigeria didn't feel anything in Q1 because the lockdown started right after the end of the quarter. And I want to first recognise that, after an excellent Q4 of last year, we have seen another very strong double digit growth quarter of Q1 this year, which was very encouraging, even ahead of the plans that we had for the quarter.

Also in April, I think that relatively, even though there was a double digit decline in Nigeria as well with small tees, however, I think that, in relative terms, we've been trading better than others in the market.

That's a credit to a couple of things; one is that exactly this route to market that we have done in the country over the two, two and a half years has proved completely precious because we've been reaching a number of outlets like no one else. We have constantly been, with those that have operated, and as soon as some other started operating, we were the first ones to be with them.

Also, you know, in Nigeria, this is not something that goes without saying, but we've been able to operate every single day in all plants, held continuous and uninterrupted supply of all raw materials, and we've been producing every single day, which seems has not been the case maybe for some other players, and that has enabled us that we have ensured product availability at all times.

Also what is encouraging to see, during this crisis, is that some competitive moves in terms of pricing up or downsizing of the packages, which is an indirect way of doing the same, or reducing promos, started happening, and they started following what we have done in Q1 with our own price-ups across targeted packages and targeted regions. So, that's quite encouraging what we are seeing there, and I have seen and observed, and based on the numbers, that our trading in Nigeria has been quite favourable and very positive in relation to others.

What we see from consumers is that, in some parts, it's started reopening. We see that, in Lagos and Abuja, the streets are getting busier because the states have recognised that, with good measures that have been done, still that's critical for economy. However, you need to understand that their states have their independence.

Only, as of last night, in Port Harcourt, for example, the Governor has imposed a very strict no movement, complete lockdown, where no one is moving, no companies are working, etc, so that's something fresh from the press, if I can say, of last night.

Of course, we will be doing the same that we have done in every other country, is to demonstrate that we, as a part of the food and beverage industry, are a critical player for support of the society and that we need to be also classified as the essential goods producer to enable society to function.

But, overall, I'm happy that Nigeria is coming out of those lockdowns gradually, but still small. For example, in Port Harcourt, we see what we see today, but I'm sure this is not going to last for too long. That's my personal estimate.

So, that's the main colour on Nigeria, Sanjeet.

Sanjeet Aujla, Credit Suisse

Thank you very much.

Zoran Bogdanovic, Chief Executive Officer

You're welcome.

Telephone Operator

The next question comes from the line of Fintan Ryan from JP Morgan. Please go ahead.

Fintan Ryan, JP Morgan

Good morning, Zoran, Michalis and Joanna. A few questions from me, please.

Just in terms of the gross margin mix of the, obviously, different packaging formats and channel mix during Q1 and into Q2, are you able to give us to some colour, please, in terms of the moving parts there, and particularly with raw materials as well?

Michalis Imellos, Chief Financial Officer

Yeah, let me take this one.

So, looking, first of all, at the dynamics in the channel, comparing out of home versus the at home margins, generally speaking, out of home has higher revenue per case thanks to single serve and more premium packs compared to the at home channel, but also higher cost of sales per case given the skew to smaller and more premium packs where, obviously, concentrate costs and raw materials per case are higher than in multi-serve packages.

And also the out of home has higher costs to sell because we employ, obviously, more salespeople in this channel; it involves more picking at the warehouse given that we deliver, primarily, mixed pallets. And it also requires more cooler placements per case that is all three.

So, as a result, the profitability of the two channels is not too dissimilar at gross margin and at contribution margin level. I would say that's within a couple of percentage points of revenue. And, of course, out of home is higher than the at home.

Okay, so, up to that level, I would say is relevant for any modelling when it comes to, you know, the shift in the volume between the two channels, okay. So, not a major difference. It's only fixed costs that come after that, but, obviously, the under absorption that happening right now with the major decline of volumes is having a major impact on our EBIT margin evolution.

Now, if I look at single serve versus multi-serve, in terms of the pack mix, single serve obviously has right revenue per case, but also higher cost of sales per case, of course, because it has higher value per litre, which drives the incidence cost as well as the raw materials cost is higher on a per litre basis as the pack size gets smaller.

Now, cost to sell is also higher for single serve for similar reasons as what I mentioned earlier for the out of home channel. So, as a result, the profitability of single serve and multi-serve is not too dissimilar either at gross margin and contribution margin level, with single serve being a bit higher than multi-serve, also within a couple of percentage points as percent of revenue.

Fintan Ryan, JP Morgan

Thank you. That's very clear.

Secondly, just in terms of the underlying consumption trend that you saw in April - clearly, you've said volumes were down 27%, but you did also mention, sort of, the Easter year on year comp plus ex and some destocking, some pull forward from March as well as, I guess, some destocking from the wholesaler channel, do you have any sense of what your actual consumption rates are at the consumer level during April and continuing into May?

Zoran Bogdanovic, Chief Executive Officer

Well, Fintan, what do you mean 'consumption level'? Just to clarify.

Fintan Ryan, JP Morgan

Just in terms of like, what volume are people actually drinking compared to - you called out Easter year-on-year, so excluding Easter, but in terms of the wholesaler destocking and maybe some of the volume pull forward into Q1, what would be the sort of depletions?

Zoran Bogdanovic, Chief Executive Officer

Look, it's hard for me to say that exactly, however, what is clear is that, overall, consumption level in April has been lower, it was quite lower than April a year ago for the obvious reason of what you mentioned of Easter where, you know, there was no family and other gatherings, etc.

The other element was that, after people have stocked up at the end of March, the second part of March, just before the lockdown where people bought more than actually they needed, which was a psychological effect, a little bit of panic, when that has eased in April, and when people realised that food supply and beverage supply, all that, was going to be there, you know, people went to their proximity stores. They went only into more necessary purposes because they also became more conscious and considerate of what they are buying as also their own sentiment has been, you know, maybe becoming more concerned of overall impacts that this crisis is going to have.

So, we have seen that shift more onto multi-serves, that everyone was primarily buying, less single serves, and at lower frequency because, simply, many of the consumption occasions which were happening, of course, in out of home, did not happen because of the closed outlets, and that's why wholesalers also stopped operating, or at a very minimal level, and they were doing this destocking because the outlets that they usually serve, only those that were operating, only were doing these home delivery things, you know, restaurant delivering food at home, people even didn't order many of the drinks with such home orders because they'd already bought, let's say, their coke of 1.5 litre in the proximity outlet.

So, simply, even at home, because of less gatherings, the consumption occasions had been lower.

So, when we sum up all of that, that's why we see the results which, in hindsight, are not very surprising, and when you stack up, mathematically, everything together, it makes reasonable sense how these numbers have derived given the nature and size of the lockdown across these channels.

Fintan Ryan, JP Morgan

Great. Thank you. And very clear.

Michalis Imellos, Chief Financial Officer

And if I can give also, just to build and give also dimension from a category perspective to what Zoran just explained, it's very encouraging to see, in April, that the best performing category, by far, is Sparkling.

In April, we saw a relatively lower decline in Sparkling than any other category: 20% down in April, Sparkling volume, when Energy and Juice was at around 25%, Water and Spirits were 50% both.

So, it seems here that, you know, the consumer, during the lockdown, was not willing to carry water, or the big six packs, potentially, of water, back home, especially as, most probably, those small shopping trips that Zoran described were happening on foot.

However, with the basket getting smaller and smaller during the lockdown, still Sparkling has been more resilient than any other category, and that's very positive when we look at the category mix in the month of April, which, if you take out the Lavazza anomaly, because of the discontinuation of Lavazza compared to prior year, actually, the category mix in April was positive, supported by the fact that Sparkling really outperformed any other category in April.

Fintan Ryan, JP Morgan

Great. Thank you. Very clear.

Telephone Operator

The next question comes from the line of Alicia Forry from Investec. Please go ahead.

Alicia Forry, Investec

Hi. I think most of my questions have been answered here, but I do have one on the out-of-home customers.

As this channel starts to slowly open up, do you anticipate a need to extend credit terms to these customers who have, presumably, been struggling with the loss of several months of cash flow? Have you had these conversations already? What's the sort of temperature from them?

Zoran Bogdanovic, Chief Executive Officer

Good morning, Alicia. Thank you.

I'll just start and Michalis can chip in. I will just say that, yes, in some cases, we had those conversations, it's obvious that this is not a blanket approach and this is where our longstanding very well-known solvent customers play a role and this is where we pay attention. And I would just say that this is one of the elements in the mix of what constitutes our support for the HoReCa customers as they will be going through this and reopening.

Michalis, anything to add from your end?

Michalis Imellos, Chief Financial Officer

No, that's the gist of it. This is a very local approach customer by customer and country by country by the local teams. And as Zoran said we are behind our customers, the healthy ones, with, whether it's payment plans or any other type of accommodations and support so that they can gradually reopen. And we are managing also any exposures, again on a customer by customer basis, to ensure that we minimise also any bad debt at risk.

Alicia Forry, Investec

Thank you.

Telephone Operator

The next question comes from the line of Simon Hales from Citi. Please go ahead.

Simon Hales, Citi

Thank you. Good morning everybody, I've got two or three please.

The first one was I just wanted just to confirm in terms of the fixed and variable split where you've given us obviously the overall numbers, I just want to check my maths that in your COGS line around about 20% of your COGS are fixed costs. That's the first one.

Michalis Imellos, Chief Financial Officer

Yes, in COGS I would say 15% is fixed. COGS represent 70% of our cost base. So yes, pretty close to that.

Simon Hales, Citi

Perfect, thank you. And then the second one was just around obviously for April you've given the volume performance regionally, you've talked about the revenue per case being minus ten at the Group level. Is there much variation overall at the regional level in that minus ten that you saw in April for the Group in revenue per case?

Michalis Imellos, Chief Financial Officer

Well generally speaking not dissimilar to the trends that you see in the three segments in what we described for March, so Established more impacted. And followed by Developing and then finally Emerging - in Emerging I just want to give a watch out. As we have said before Nigeria is a major drag both in terms of the cycling of the price rollback on PET last year in September, which we will cycle until September this year. So that's a major negative impact as well as of course the fact that Nigeria is performing relatively better than anybody else right now, and that's, simply by which of a country mix, has got a negative impact.

Simon Hales, Citi

Perfect. And then just finally, I mean obviously it's encouraging that some of the trends that perhaps you're starting to see sort of generally in the business in May and hope to see over the next sort of in a month or so as outlets begin to open up. But you know when you look at your scenario modelling and taking account of the timing of the flow through of the €100m of discretionary savings you have to make this year, is there still a risk that in the first half you could be loss-making overall or do you not that you'll see a loss-making number overall in your P&L?

Michalis Imellos, Chief Financial Officer

We wouldn't like to go now into some kind of EBIT guidance for the first half. It's very early anyhow to really see what the impact of May and June will be overall. We just have one data point during the lockdown which is April so obviously we will see in the next couple of months how things develop, and we'll report them in August.

Simon Hales, Citi

Brilliant, appreciated. Thanks very much.

Telephone Operator

The next question comes from the line of Nico von Stackelberg from Liberum. Please go ahead.

Nico von Stackelberg, Liberum

Hi there. It sounds like you're fully operational, so business interruption insurance probably isn't a benefit, but I imagine you have insurance for bad debt. Could you quantify this, and can you confirm that if bad debts arise from a pandemic you're covered?

Michalis Imellos, Chief Financial Officer

Yes, we do have in a few countries credit insurance and, there is, it's arguable how much let's say protection this gives because don't forget that the bulk of our receivables which are insurable, let's say, is coming from modern trade where this channel operates as normal and there is no real issue with the collections.

We, you know, the risk is more in the smaller out-of-home customers and there as I said earlier we manage on a case-by-case basis. So I wouldn't say at this point in time that from everything that we are seeing from the progression of the overdues, the performance of any payment plans that we've put in place for small HoReCa customers that we see any you know, really major bad debt risk for the year.

Nico von Stackelberg, Liberum

Okay. And also a question on M&A. I guess with the balance sheet being reasonably strong is the phone ringing, are you looking at deals? Is there any outlook for M&A this year or is it sort of out of touch to be asking the question?

Zoran Bogdanovic, Chief Executive Officer

Well Nico, this remains an open area given the balance sheet strength and position that Michalis talked about. So this is one of the areas that remains open. We of course would be even more choiceful. However, that is not on hold or on force. However you know, this is also not something that we will be just rushing or running without any clear strategy.

So the things, some of the things that we are evaluating or working on in the background are there. And only if, as always, a strategic fit, as well as the price combination happens, we would be able to react. So that is, let's say, an open and possible area should any right opportunities and things happen.

Nico von Stackelberg, Liberum

Okay, great. And one final question, hopefully I can get it through.

On your base case assumptions do you have a feel for where consensus is, is it too low, too high, or just right, are you able to comment at all and give us some confidence that we've roughly adjusted appropriately? Thanks.

Michalis Imellos, Chief Financial Officer

Well, all I can say at this point in time is that we see a very large range of figures in the consensus. So I guess that following this call and as the weeks progress hopefully things will - and as we know more about how the crisis evolves this will convert.

But as we said also during the prepared remarks it's really early for us to give any type of guidance for the year and that's why, you know, we cannot really at this point comment where we stand against the consensus.

Nico von Stackelberg, Liberum

Okay, thank you. I appreciate it guys.

Telephone Operator

There are no further questions in the queue, so I'll hand back over to your host for any closing remarks.

Zoran Bogdanovic, Chief Executive Officer

Thank you all for your time and attention today. Let me just say that we are managing operations for this unprecedented time by focusing on the wellbeing of our people and communities, maintaining business continuity and taking necessary actions to maintain a strong business.

I strongly believe that Coca-Cola Hellenic will emerge stronger and smarter from this crisis, able to leverage our geographical footprint to its full advantage and to take hold of the immense growth opportunities ahead.

Let me 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.

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