



ANADOLU EFES

INVESTOR PRESENTATION

September 2022

Forward-Looking Statements



This presentation may contain certain forward-looking statements concerning our future performance and should be considered as good faith estimates made by the Company. These forward-looking statements reflect management expectations and are based upon currently available data. Actual results are subject to future events and uncertainties, which could materially impact the Company's actual performance.



ANADOLU EFES AT A GLANCE

**ANADOLU
EFES**

Regional Beverage Company With Leadership Positions



Serving
750 mn
Population
70+ Export
Countries

Anadolu Efes
Europe's **5th**
World's **9th**
Largest
Brewer

CCI
Among
Top **10** Largest
Coca-Cola
Bottlers

116 mhl
Sales Volume**
39.3 bn TL
Sales Revenue**

7.0 bn TL
EBITDA**
4.3 bn TL
Free Cash Flow**

BEER OPERATIONS



6 countries

21 Breweries, **100+** brands

53.5 mhl brewing capacity

37.9 mhl beer volume

Strong **#1** or **#2** positions



SOFT DRINK OPERATIONS



11 countries

29 Bottling plants

1.7 bn UC production capacity

~870 thousand sales points

1.4 bn UC sales volume

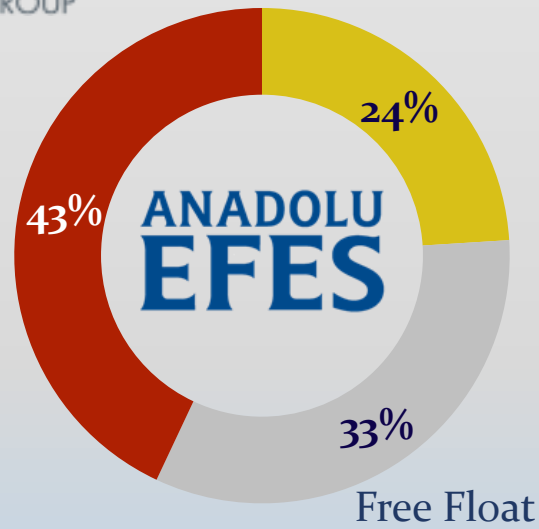
Strong **#1** or **#2** position



**ANADOLU
EFES**

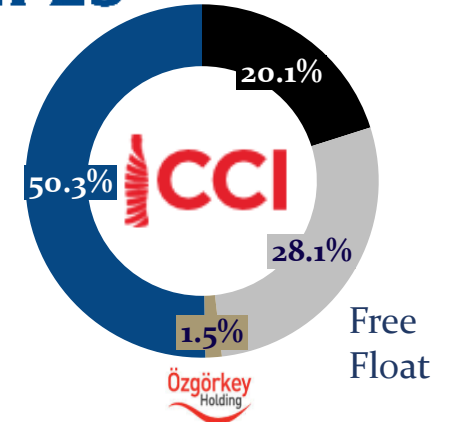
Integrating Governance and Growth

Superior Governance and Strategic Partnership



Broad Geographical and Business Diversification

ANADOLU EFES



Vision, Mission & Values



OUR VISION:

Be the largest brewer from Adriatic to China by developing and owning social life and beer culture.

OUR MISSION:

We brew joy passionately and responsibly.

OUR VALUES:



PASSIONATE



AGILE



COLLABORATIVE



ACCOUNTABLE



FAIR

Consistent Solid Growth with Growing Share in International



6%
Volume Growth*

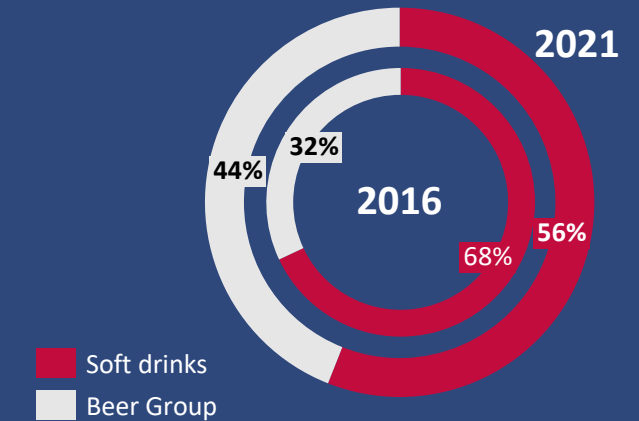
30%
Revenue Growth*

32%
EBITDA Growth*

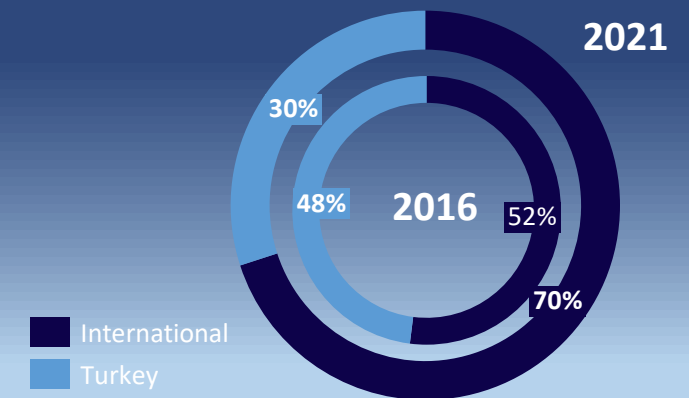
33%
FCF Growth*



More Balanced Business Mix**



Growing International Business**



**On revenue basis

* 2016-2021 CAGR Growth on AEFES Consolidated basis

Solid Investment Theme

Diversified business model including beer and soft drinks

Strong market positions across all operations

Significant potential in demographics

Prudent opex & capex management by internalizing **Zero-Based Spending** culture



Strategic Partnerships with World's leading FMCG companies; **AB InBev & TCCC**

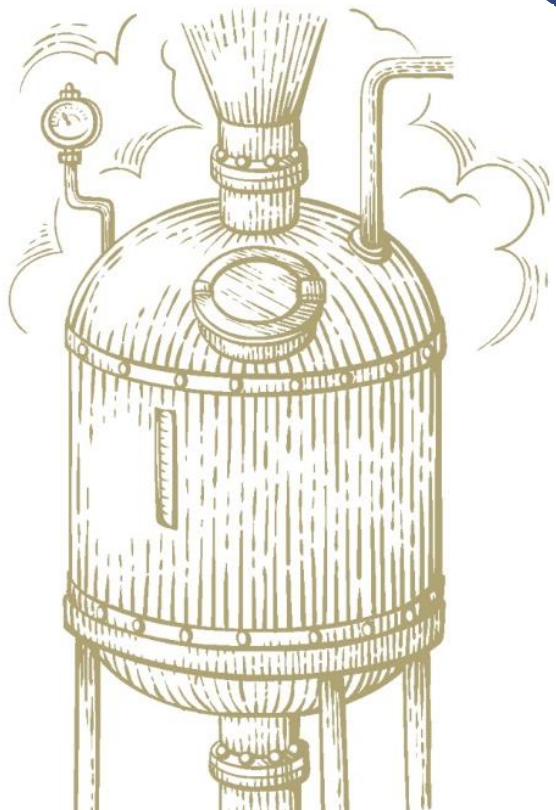
Excellent brand portfolio including some of the world's best known brands and strong regional brands

Disciplined financial management

Proven track record of expansion & growth in emerging markets



BEER OPERATIONS



ANADOLU
EFES

Strong Positions Across the Board



11 Breweries

RUSSIA



World's 6th largest beer market

54 liters per capita

#1 Position

30% Market share

63% of Beer Volumes

2 Breweries

KAZAKHSTAN



Beer market size of 6.3 mhl

33 liters per capita

#1 Position

47% Market share

6% of Beer Volumes

Beer market size of 1.1 mhl

MOLDOVA



30 liters per capita

#1 Position

63% Market share

2% of Beer Volumes



3 Breweries

TURKEY



11 liters per capita

#1 Position

52% Market share

13% of Beer Volumes

3 Breweries

UKRAINE



Beer market size of 18 mhl

43 liters per capita

#2 Position

28% Market share

13% of Beer Volumes

1 Brewery

GEORGIA



Beer market size of 1.2 mhl

33 liters per capita

#1 Position

42% Market share

3% of Beer Volumes

Product Portfolio Priorities



**Focus on
Premium
Portfolio
Expansion**

**Ensure
Affordability
Play**

**Develop
New Products
& Make
Innovations**

**Strengthen
the Core
segment**

**Expand into
Adjacent
Categories /
NABLAB**

Volumes beating expectations in 2Q2022...



Consolidated Volume

2Q

+13% reported
+6% organic

1H

+13% reported
+7% organic

Beer Operations

2Q

-12%

Flat excl.
Ukraine

1H

-5%

+6% excl.
Ukraine

International

2Q

-16%

-1.6% excl.
Ukraine

1H

-8%

+5% excl.
Ukraine

Türkiye

2Q

+11%

1H

+13%

Soft Drink Operations

2Q

+25%

+15% organic

1H

+22%

+13% organic

International

2Q

+29%

+13% organic

1H

+29%

+14% organic

Türkiye

2Q

+20%

1H

+12%

Beer Group 2Q Highlights



Russia

- Market was down by low-single digits in 2Q
 - Declines in LP and SP segments
- Own volume performance in line with the market
 - High price adjustments
 - Very strong 1Q performance
- SMIB & Efes among best performing brands
- New launches – Bon Season natural apple cider, Essa Melon & Strawberry and Lowenbrau Ungefiltert (unfiltered)
- Market share gains in both volume and value terms

Ukraine

- Aiming to resume production in Chernigiv in 4Q
- Starting import business until production starts

CIS

- Volume growth of mid-single digits on average
 - **Kazakhstan** grew by low-single digit; contributed by premium growth & new launches
 - High-single digit growth in **Moldova** achieved by superior growth in non-alco & premium craft category
 - Low-teens growth in **Georgia** supported by premium segment development

Türkiye

- Volumes up by 10.8% to 1.5 mhl in 2Q
 - Recovery in on-trade sales compared to last year
 - Strong tourism season and eating-out trend
 - Superior performance by our recent introduction “Bremen 1827” in the first month of launch



SOFT DRINKS



Strategic Priorities to Create Value



Accelerate “Quality” Growth

- Revenue Growth Management (RGM)
- Expand Sparkling & Stills
- Increase frequency and price mix
- Regional strategies and customized offerings



Be the Best in FMCG Execution

- Win at the Point of Sale
- Increase outlet coverage
- Right Execution Daily
- Use of advanced data analytics
- Excellent route to market capability



Win with Our People

- Integrated Talent Strategy
- Leadership Development
- High Performing Team
- Transformation to “OnePeople”
- Keep investing in our people



Digital for Industry Leadership

- Digital transformation
- Building an ecosystem of solutions and infrastructure based on digital capabilities



Win with Stakeholders

- Creating value for all the stakeholders and the planet
- Tracking sustainability targets closely
- Transforming to a more sustainable business model

Soft Drinks 2Q Highlights



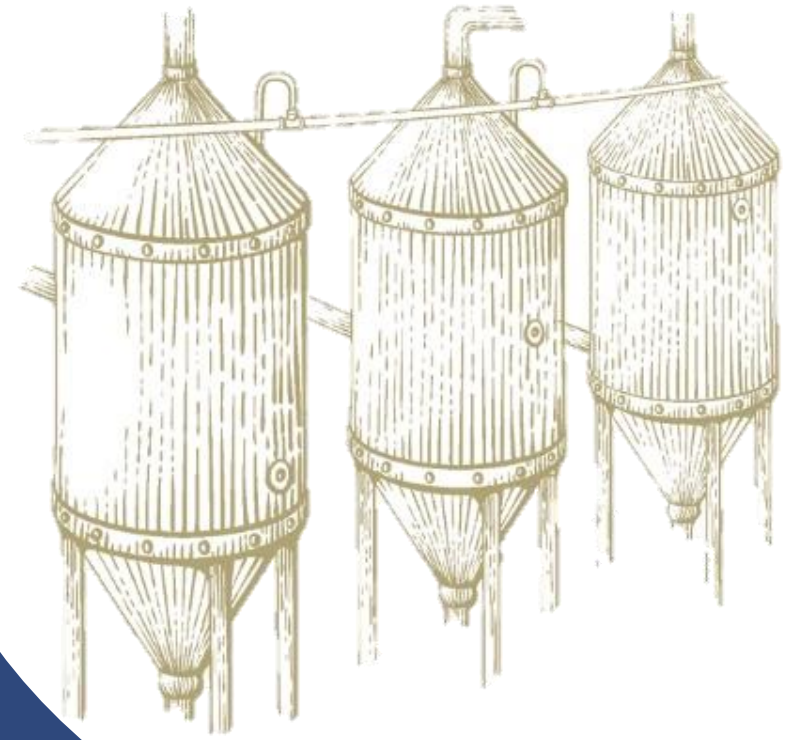
- Reported volume growth of 25% in 2Q
 - 15% growth organically*
- Sparkling category growth of 25%
 - Coca-Cola™ grew by 26%
- Stills category growth of 25%
 - Strong iced tea and energy drinks performance
- Water category grew by 23%
 - Small packs focus
 - Strong mineral water performance

- Türkiye volume grew 20% in 2Q
 - High volume momentum in Ramadan period
 - Reviving tourism season
 - Increased momentum in the on-trade channel
- International volume up 29% (13% organically*) in 2Q
 - Pakistan up 18%, sustained growth momentum
 - Kazakhstan up 14%
 - Uzbekistan up 29%, continuing its integration at full speed

*Organic refers to sales volume excluding the impact of Uzbekistan in 2022



1H2022 CONSOLIDATED FINANCIAL OVERVIEW



Strong Set of Results from Top to Bottom...



Anadolu Efes

NET REVENUE		EBITDA BNRI %		NET INCOME		FREE CASH FLOW	
2Q Reported	1H Reported	2Q	1H	2Q	1H	2Q	1H
+136.2%	+131.5%	20.2%	18.8%	TL1,426 mn	TL1,294 mn	TL5,421 mn	TL4,719mn
CCR*	CCR*	(+29 bps)	(+199 bps)			(+TL3,217 mn)	(+TL 2,765 mn)
+58%	+59%						

- Solid volume growth exceeding pre-Covid level
- Proactive RGM initiatives including;
 - Price adjustment
 - Favorable channel & product mix
 - Efficient discount management
- Robust margin expansion in beer group with,
 - Better operating leverage driven by strong topline growth
 - Frugal cost and expense management
 - Hedges in place
- Soft drinks margin impacted by;
 - Raw material cost pressures
 - Higher energy expenses
- Net income significantly above last year with higher operational profitability and net operating income despite;
 - Increase in net financial expenses
 - Higher effective tax rate in soft drinks
- FCF improvement in beer group;
 - Better operating profitability
 - Improvements in working capital
 - Controlled capex spending
 - Currency translation gain
- FCF in soft drinks impacted by;
 - Raw material pre-buys to mitigate supply risks & relatively higher capex
- Consolidated Net Debt to EBITDA (BNRI) → 1.1x

*CCR stands for constant currency (fx-neutral) growth



Financials



Anadolu Efes

mTL	2Q2022	Change	1H2022	Change
Sales Revenue	24,536	+136.2%	38,305	+131.5%
Gross Profit	8,825	+125.2%	13,611	+131.8%
EBITDA (BNRI)	4,959	+139.6%	7,209	+158.9%
Free Cash Flow	5,421	+3,217m	4,719	+2,765m
Gross Profit Margin %	36.0%	-177 bps	35.5%	+5 bps
EBITDA Margin %	20.2%	+29 bps	18.8%	+199 bps

Beer Group

mTL	2Q2022	Change	1H2022	Change
Sales Revenue	9,842	+115.6%	14,946	+114.2%
Gross Profit	4,155	+127.9%	6,100	+142.5%
EBITDA (BNRI)	1,990	+179.2%	2,442	+267.1%
Free Cash Flow	5,105	+3,431m	4,999	+3,915m
Gross Profit Margin %	42.2%	+227 bps	40.8%	+475 bps
EBITDA Margin %	20.2%	+460 bps	16.3%	+681 bps



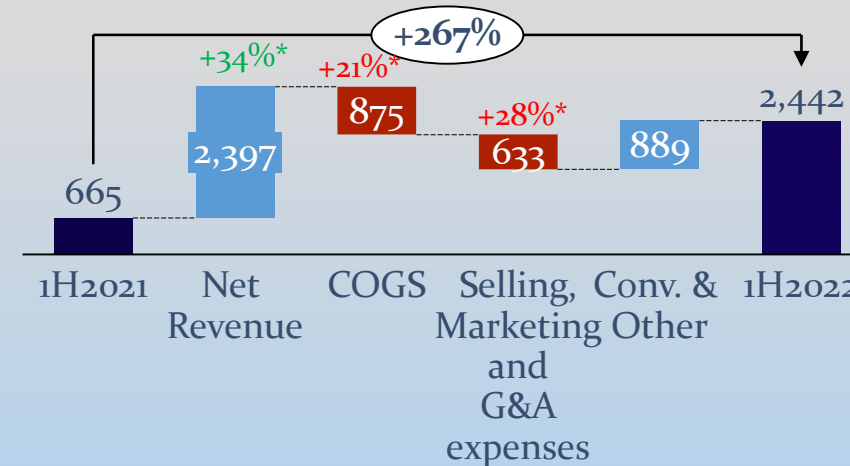
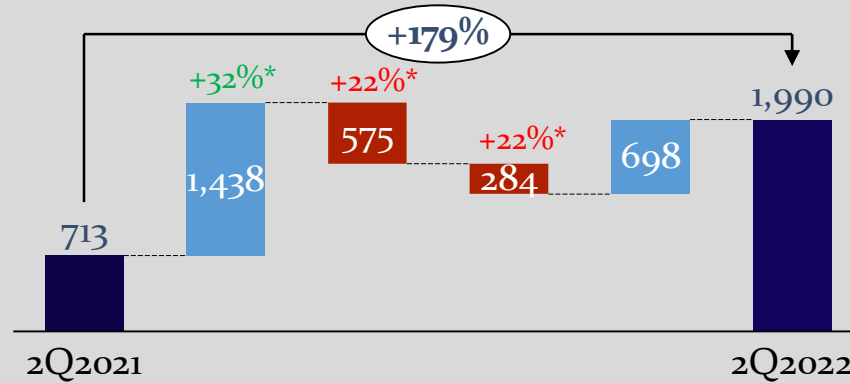
Strong Profitability & Free Cash Flow Generation

Beer Group

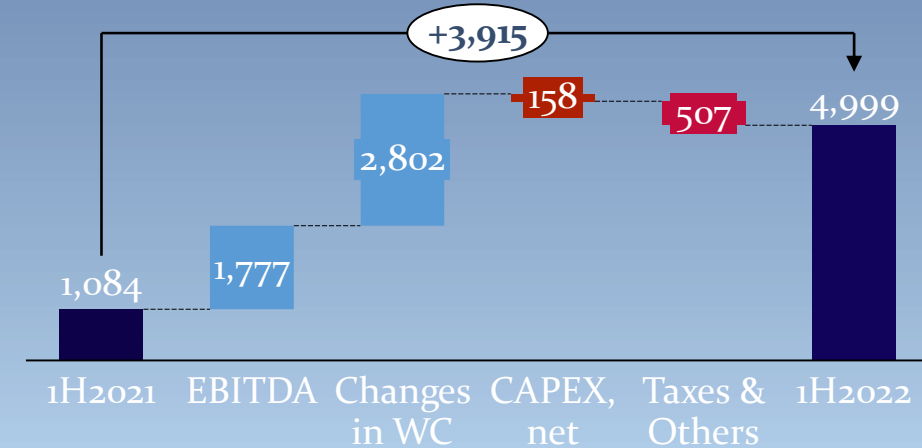
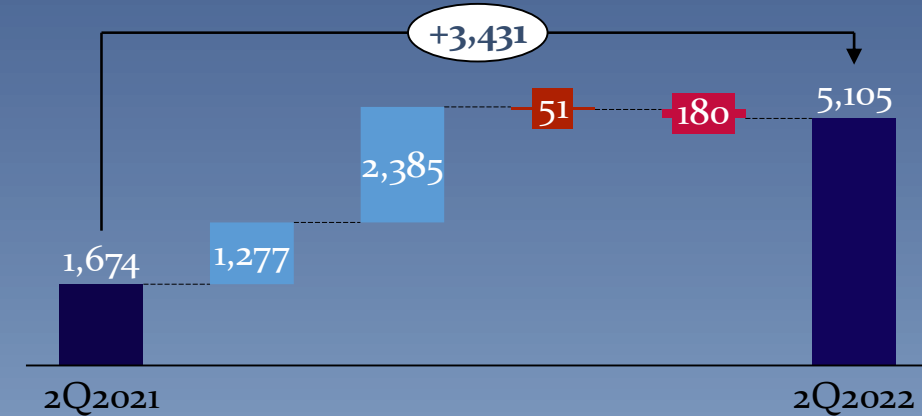
Strong EBITDA performance with cost and expense discipline

Higher FCF driven by better profitability, superior payables performance & controlled CAPEX spending

EBITDA (BNRI) Bridge mTL



Free Cash Flow Bridge mTL



*Constant currency (fx-neutral) growth

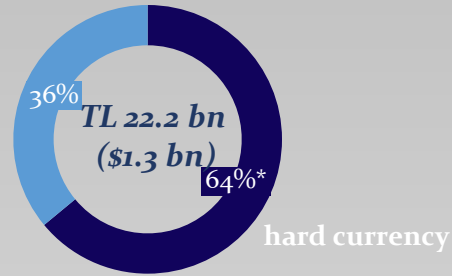
Balance Sheet & Risk Management



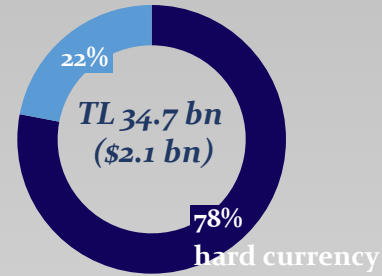
FX & commodity hedging offset the pressure in cost base up to a great extent...

Anadolu Efes

Cash Profile



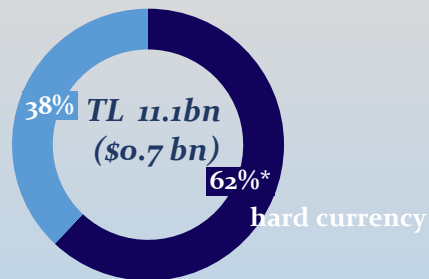
Debt Profile



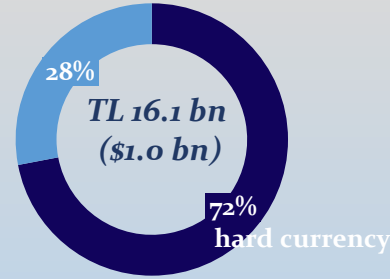
Average maturity: 3.7 years
Net Debt/EBITDA: 1.1x

Beer Group

Cash Profile



Debt Profile



Average maturity: 3.4 years
Net Debt/EBITDA: 1.2x

Beer Group Hedges*:

Commodity:

Aluminum: 88% (2023: 50% for TR and CIS)

PET/Resin: 100%**

Barley: 89%

FX Exposure:

	FX Share in Beer Group COGS + OPEX	Hedged
RU + UKR	21%	91%
TUR	6%	98%
CIS	3%	31%
Total	30%	86%

*For FY2022 exposure

**Russian exposure

Financial Priorities for 2022



Profitability

Ensure necessary pricing to mitigate cost pressures

Ensure controlled OPEX increases through Zero-Based Budgeting

Balance Sheet Management

Maintain leverage ratios at healthy levels

Ensure dividend flow from operations

Risk Management

Manage FX and commodity price volatilities through hedges

Supplier base expansion and diversification to address supply chain bottlenecks

Free Cash Flow

Ensure strong Free Cash Flow generation through disciplined capex spending and tight working capital management



CAPITAL ALLOCATION PRIORITIES



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Capital Allocation Priorities



Maintaining a healthy
balance sheet by
keeping Net Debt /
EBITDA between 1.0x –
2.0x



Leverage inorganic
growth opportunities

Penetrate and expand
into new geographies
through exports

Invest in brands,
innovation, product
diversification,
market development,
digitalization and
production capacity



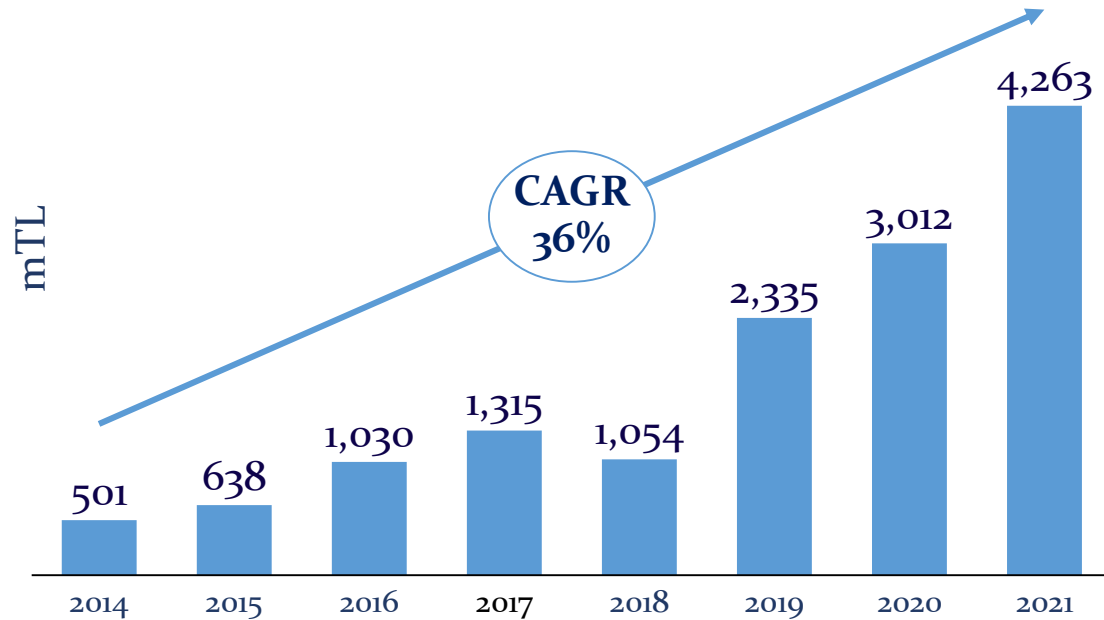
Maximizing
shareholder value
through dividends
with high yield



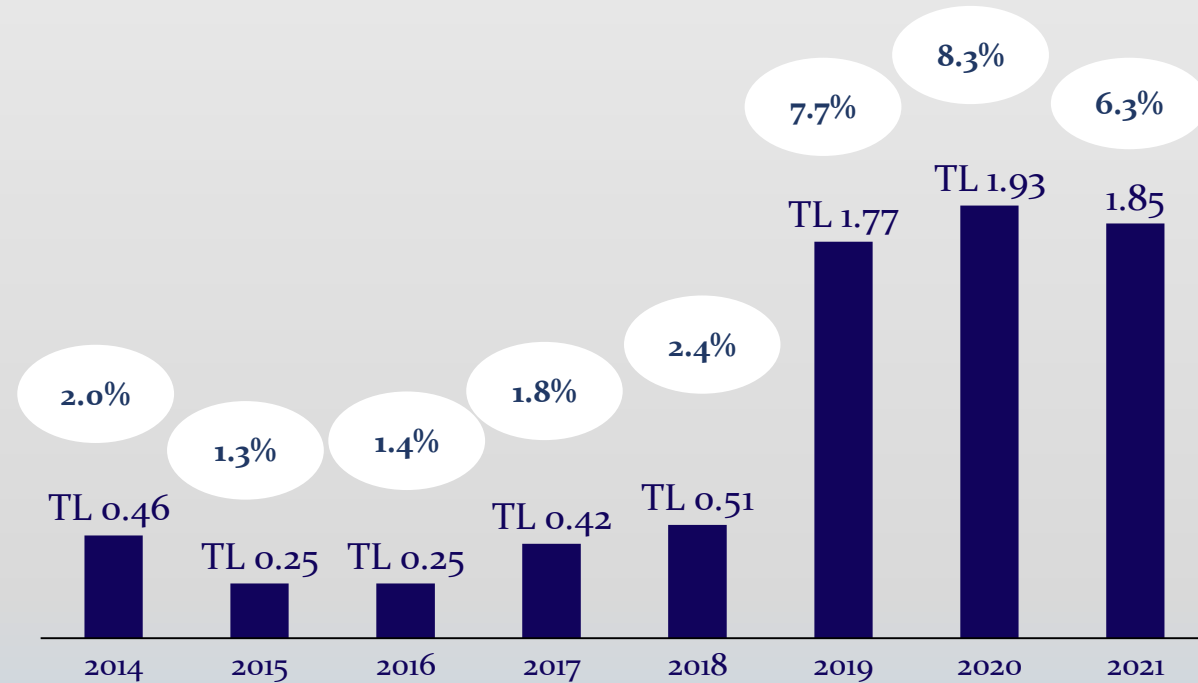
Sustainable Shareholder Return

Sustainable Free Cash Flow Generation

Anadolu Efes



Leading to High Dividend Yields*



Gross Dividend per Share (TL per 100 shares)

(*) Anadolu Efes Dividend Yield = Gross Dividend / Anadolu Efes Year-end Market Capitalization



Revised 2022 OUTLOOK



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Remaining cautious for FY, beer group outlook is improved...



We make some improvements in our beer group outlook and the improvement in beer group outlook is also reflected into Anadolu Efes outlook while soft drink guidance is reiterated as announced in January.

	ANADOLU EFES	BEER GROUP	SOFT DRINKS GROUP
VOLUME	Low-single digit growth <i>(no change)</i>	Mid-teens decline on a reported basis <i>(no change)</i> Mid-single digit decline <i>(excl. Ukraine)</i> <i>(no change)</i>	High-single-digit to low-teens growth <i>(no change)</i>
SALES REVENUE <i>FX-Neutral basis</i>	Mid-thirties growth <i>(previously: low-thirties growth)</i>	High-teens growth <i>(previously: mid-teens growth)</i>	Low-to-mid forties growth <i>(no change)</i>
EBITDA (BNRI) Margin	Flat <i>(previously: close to 100 bps decline)</i>	Flat to 100 bps expansion <i>(previously: close to 100 bps decline)</i>	Flat to 100 bps contraction <i>(no change)</i>
CAPEX	As a percentage of sales high single digits on a consolidated basis		
FREE CASH FLOW	Free Cash Flow remains strong on a consolidated basis; yet will be stronger than our initial expectations as a result of better operational profitability outlook		



SUSTAINABILITY



Our Commitments – Road to 2030



ESG PRIORITIES

Targeting Zero
for the environment



GOALS

- Become **carbon neutral** in all our operations by 2030
- Become a certified **zero-waste** beer producer by 2030
- Continue to reduce plastic usage

Increasing
our support for
social impact



- Our Focus Areas: Culture & art, local development & women empowerment, basketball, sustainable agriculture & farmer empowerment, start up ecosystem & young entrepreneurs

Getting Stronger
through
Diversity
& Inclusion



- Increase the representations of women in our organization **from 30% to 51%** by 2030
- Become certified in **gender equality** in all operations by 2023
- Implement gender equality programs to meet specific standards and ensure certification for gender equality



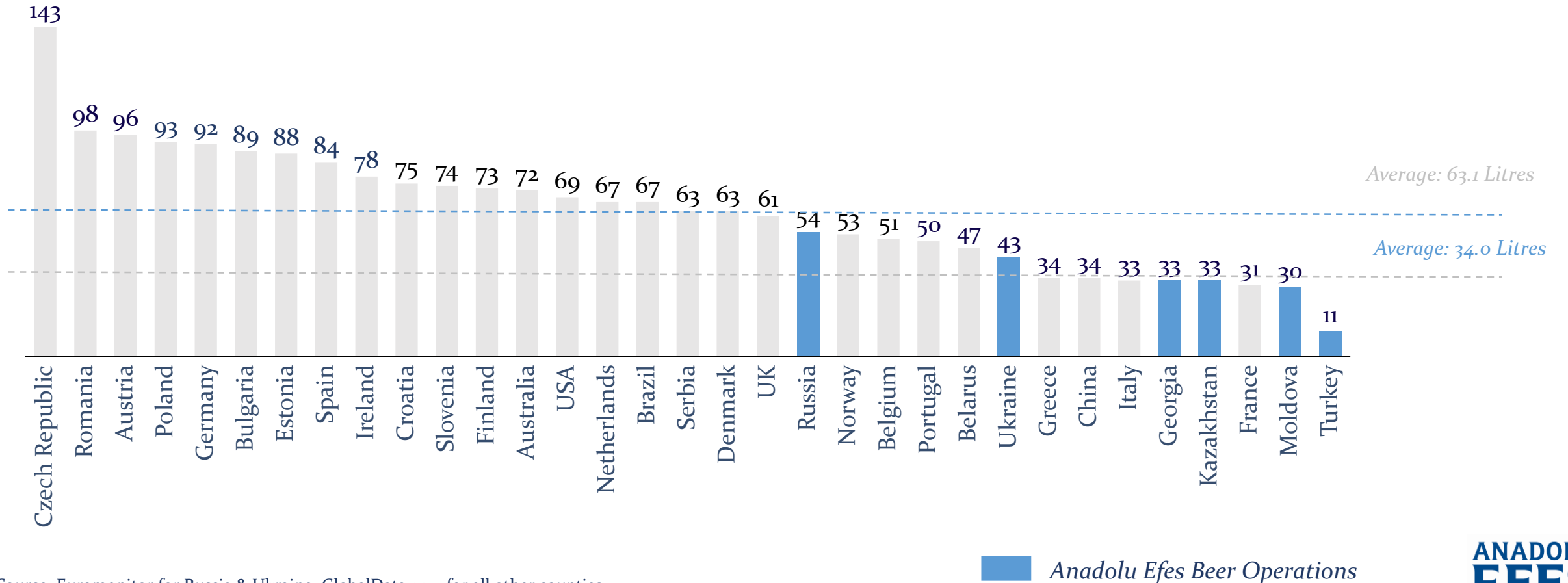
APPENDIX



More Room for Growth with Lower Per Caps



Beer Consumption Per Capita in 2021 (in liters)²



Source: Euromonitor for Russia & Ukraine, GlobalData 2021 for all other counties

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THANK YOU