



ANADOLU EFES

INVESTOR PRESENTATION

May 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

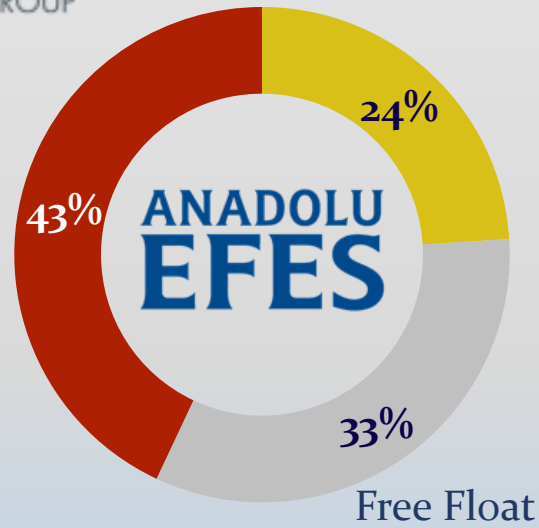
Strong **#1** or **#2** position



**ANADOLU
EFES**

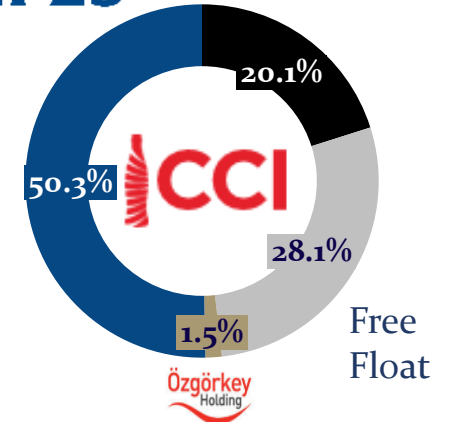
Integrating Governance and Growth

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*

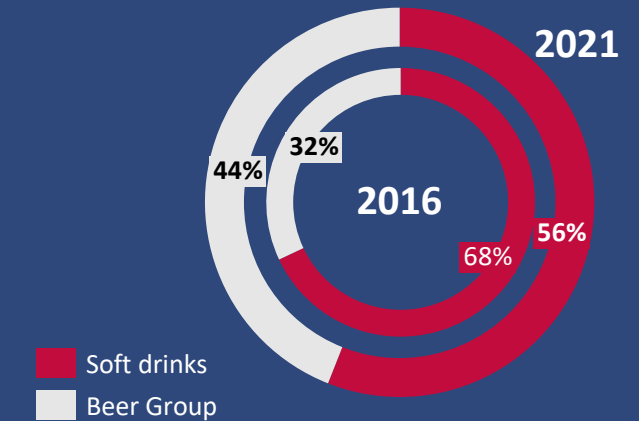
30%
Revenue Growth*

32%
EBITDA Growth*

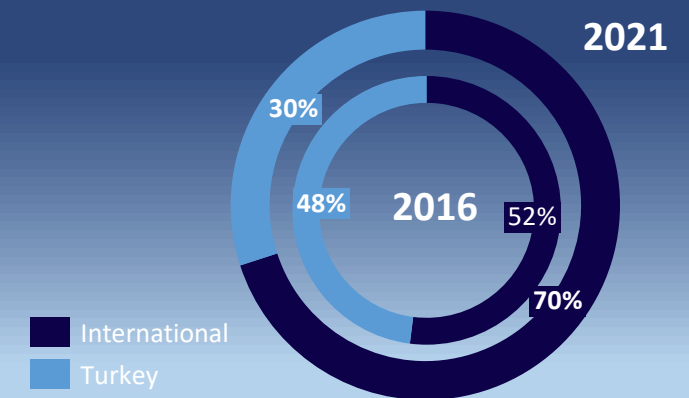
33%
FCF Growth*



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**

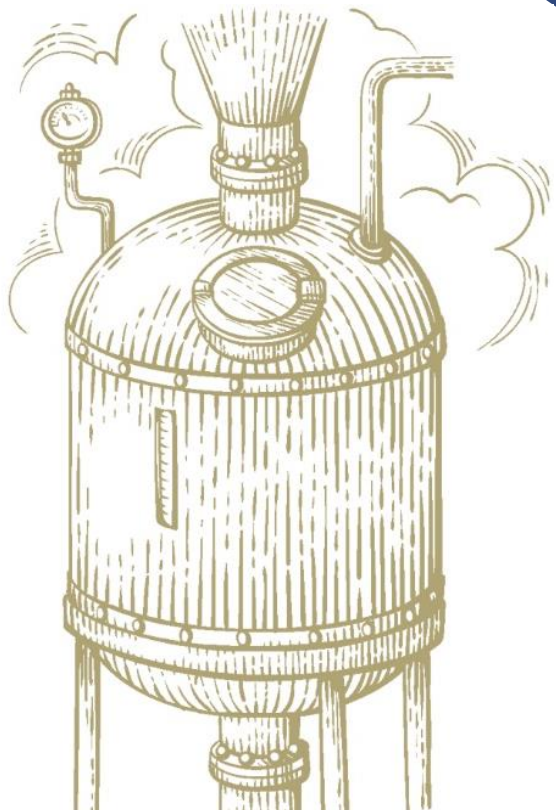
Excellent brand portfolio including some of the world's best known brands and strong regional brands

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**

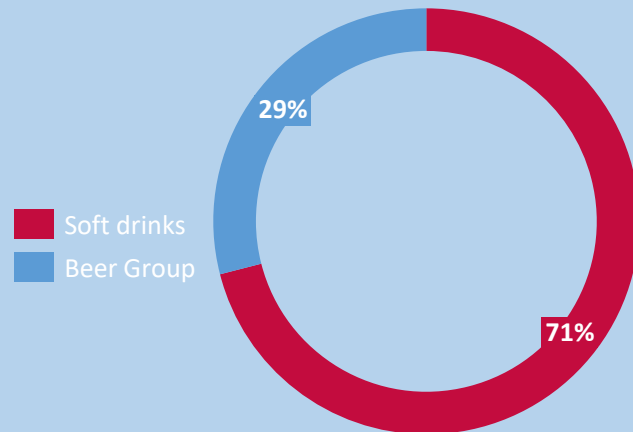
**Expand into
Adjacent
Categories /
NABLAB**

Volumes exceeding expectations in 1Q...



Consolidated Volumes*

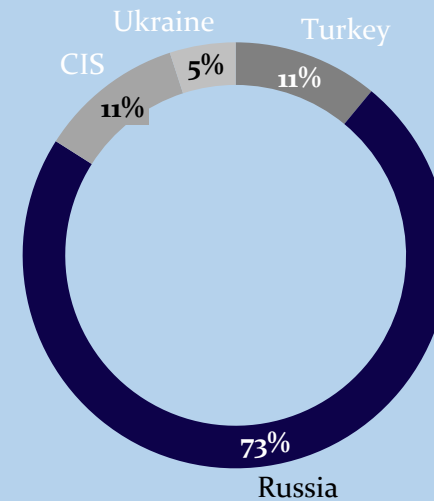
14% reported growth
9% organic** growth



Beer Operations' Volumes*

5% growth

International : +4%
Domestic: +17%



1Q Highlights

Russia

- Own volumes up mid-teens
- Customers' pre-buying due to;
 - Expectations of subsequent significant price adjustments
 - Stock-out risks
- Solid growth in value & core segments led by Gold Mine Beer, Zhigulyovskoe and SMIB
- Growth continued in NA segment with double digits growth in kvass
- Continued to develop new categories

Ukraine

- No production since Feb 24th



CIS

- Volumes up by low-to-mid single digits
 - **Kazakhstan** started the year with some tension grew by low single digit y-o-y
 - Mid-single digit growth in **Moldova**
 - Strong growth of mid-to-high single digits contributed by soft drinks in **Georgia**

Turkey

- Volumes up by 16.7% to 0.8 mhl in 1Q
 - Low base of last year with no on-trade sales first two months
 - March volumes impacted by unfavorable weather conditions and price adjustments
 - Strong growth in export volumes continued



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 1Q Highlights



- Volume growth of 18% reported
 - 10% growth organically*
- Sparkling category growth of 16%
 - Coca-Cola™ grew by 15%
- Stills category growth of 27%
 - Strong juice and iced tea, energy and sports drink
- Water category grew by 28% with small packs focus & on-trade recovery

- Turkey volume grew by 2%
 - Highest ever 1Q RTD beverages performance
 - Juice and iced tea growth, recovery at on-trade channel & segmented marketing campaigns
- International volume up 30% (17% organically*)
 - Pakistan up 20%; all time high daily average sales volume achieved

*Organic refers to sales volume excluding the impact of Uzbekistan in 1Q2022



1Q2022
CONSOLIDATED
FINANCIAL
OVERVIEW



Well-balanced topline & profitability performance



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NET REVENUE

1Q
TL 13,769 mn
+124%

EBITDA BNRI (%)

1Q
TL 2,251 mn
Margin: 16.3%
(+474 bps)

NET INCOME

1Q
TL -132 mn
(Excl. Impairment: TL 273.6m)

FREE CASH FLOW

1Q
TL -702 mn

- Strong volume performance
- RGM initiatives including
 - Price adjustment
 - Favorable mix
 - Tighter discount management

- Robust gross profitability;
 - Timely price adjustments
 - Operational efficiency
 - Effective use of hedging
- OPEX margin reduction
 - Saving in OPEX
 - Calendarization of some expenses

- In beer group, impairment losses of TL 981 million (before tax & minority) related to Ukraine operations;
 - Partially mitigated by y-o-y higher FX gains
- In soft drinks, limited improvement in bottomline;
 - One-off Eurobond related charges
 - Increased FX loss & borrowing costs

- FCF improvement in beer group;
 - Better working capital
 - Prudent capex spending
- Lower FCF in soft drinks,
 - Raw material pre-buys to mitigate supply risks
- Consolidated Net Debt to EBITDA (BNRI) → 1.6x

Financials



Anadolu Efes

mn TL	1Q2021	1Q2022	Change
Sales Revenue	6,159	13,769	123.5%
Gross Profit	1,952	4,787	145.2%
EBITDA (BNRI)	715	2,251	214.7%
Free Cash Flow	-251	-702	-451 mn
Gross Profit Margin %	31.7%	34.8%	307 bps
EBITDA Margin %	11.6%	16.3%	474 bps

Beer Group

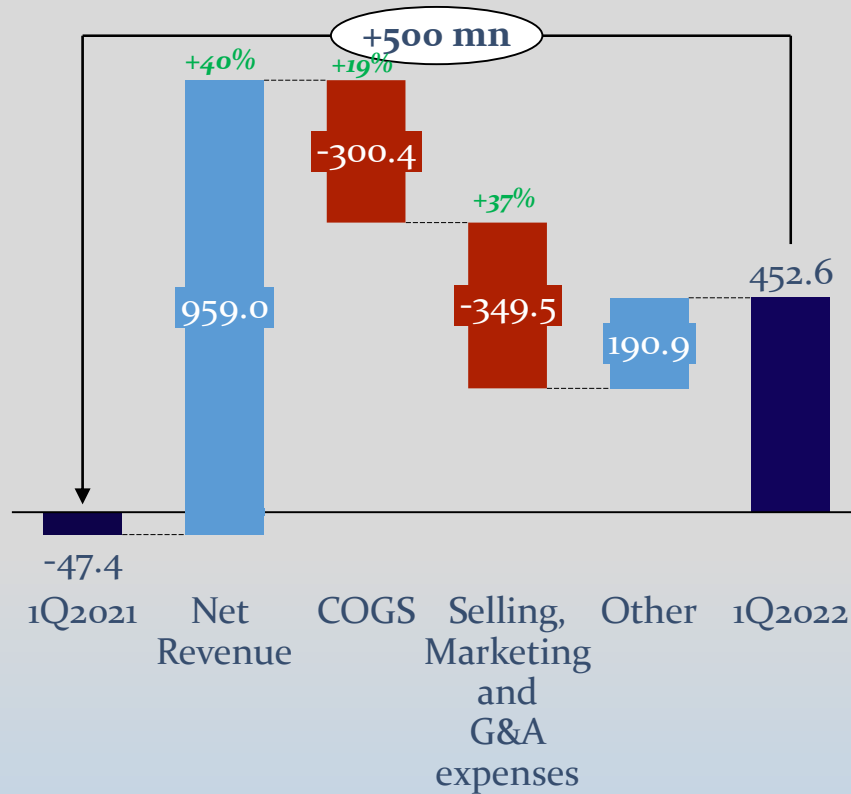
mn TL	1Q2021	1Q2022	Change
Sales Revenue	2,412	5,104	111.6%
Gross Profit	693	1,945	180.8%
EBITDA (BNRI)	-47	453	n.m.
Free Cash Flow	-589	-106	483 mn
Gross Profit Margin %	28.7%	38.1%	940 bps
EBITDA Margin %	-2.0%	8.9%	1,083 bps

Improved Profitability & Free Cash Flow Generation

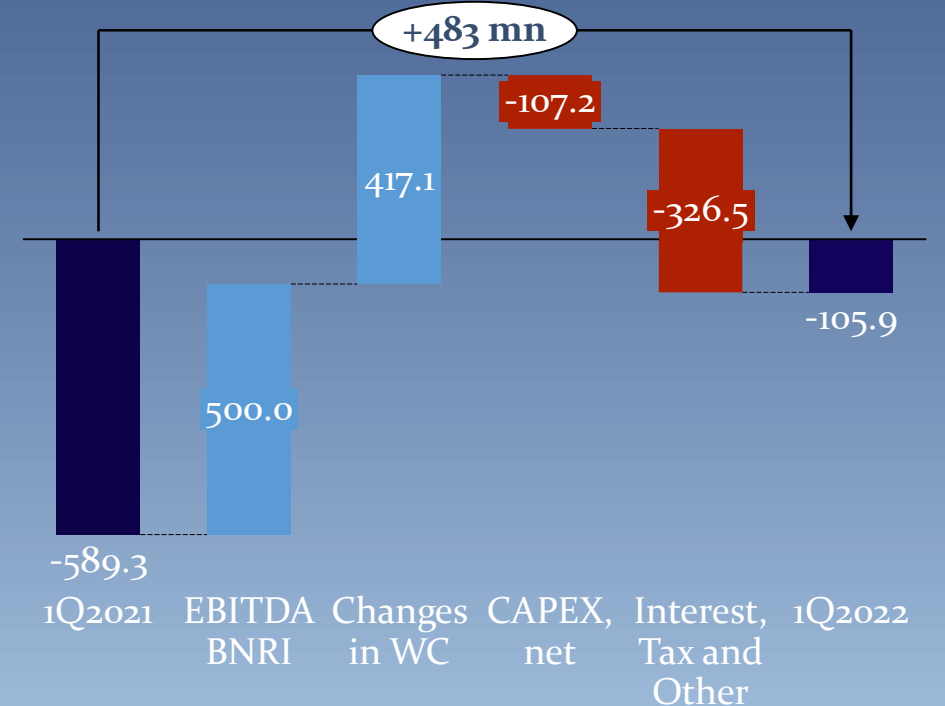
Beer Group

Improvement in cash generation driven by higher profitability, superior payables performance & prudent CAPEX spending...

EBITDA (BNRI) Bridge
mn TL



Free Cash Flow Bridge
mn TL

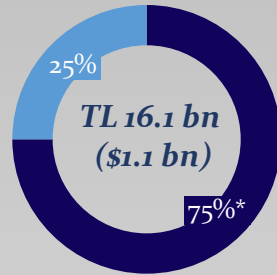


Balance Sheet & Risk Management

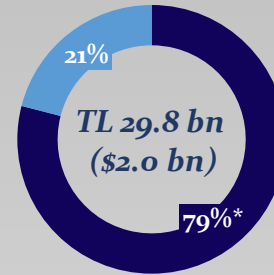


Anadolu Efes

Cash Profile



Debt Profile

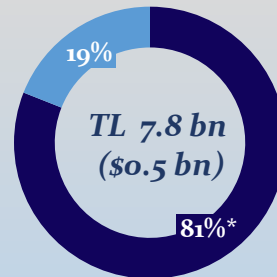


*hard currency

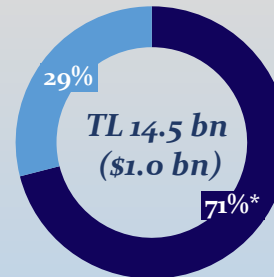
Average maturity: 3.9 years
Net Debt/EBITDA: 1.6x

Beer Group

Cash Profile



Debt Profile



*hard currency

Average maturity: 3.5 years
Net Debt/EBITDA: 2.3x

Beer Group Hedges**:

Commodity:

Aluminum: 73%

PET/Resin: 92%

Barley: 84%

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

Effective use of hedging tools mitigate the impact of volatilities in FX & commodities

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



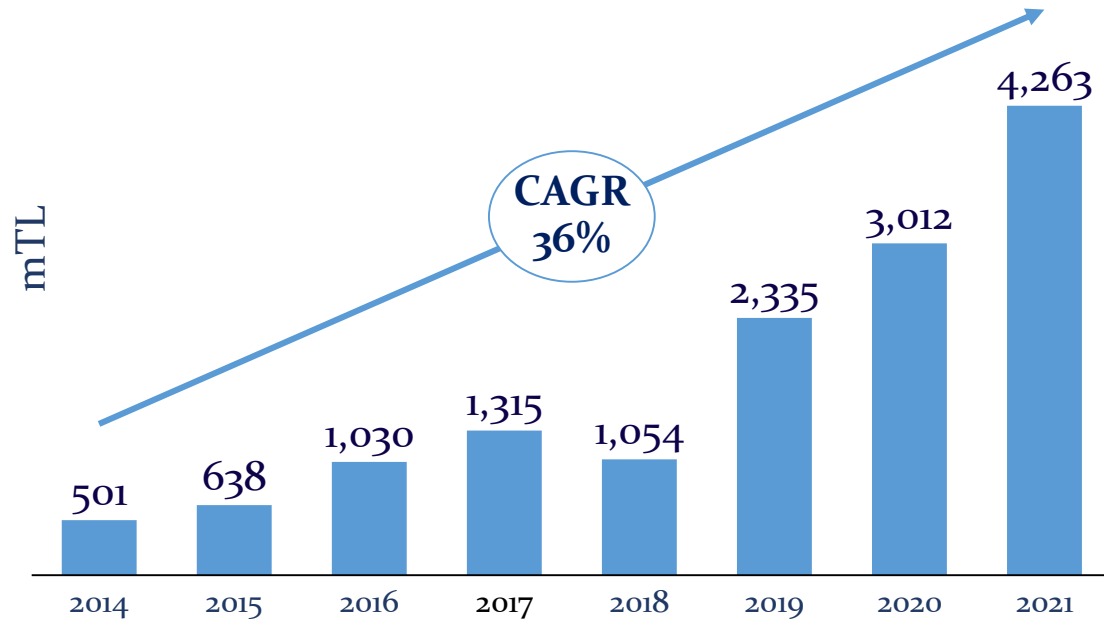
Maximizing
shareholder value
through dividends
with high yield



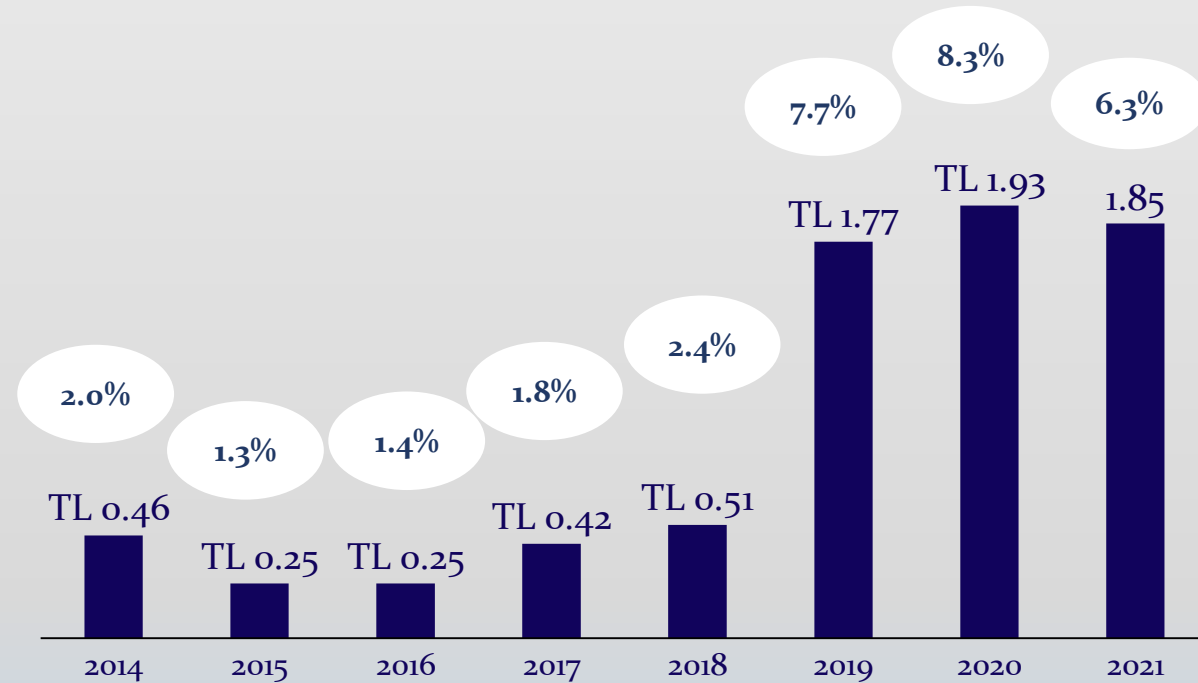
Sustainable Shareholder Return

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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Despite uncertainties ahead, guidance is largely maintained...



Despite lost volumes from UKRAINE, our revenue and EBITDA margin guidance stays the same, as a result of higher price adjustments than previously planned.

	ANADOLU EFES	BEER GROUP	SOFT DRINKS GROUP
VOLUME	Low-single digit growth <i>(Previously: mid-single digit growth)</i>	Mid-teens decline on a reported basis <i>(Previously: mid-single digit decline)</i> Mid-single digit decline <i>(excluding the impact of Ukraine)</i>	High-single-digit to low-teens growth
SALES REVENUE <i>FX-Neutral basis</i>	Low-thirties growth contributed by the price increases	Mid-teens growth	Low-to-mid forties growth
EBITDA Margin	Close to 100 bps decline	Close to 100 bps decline	Flat to 100 bps contraction

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 slightly lower than its 2021 level



SUSTAINABILITY



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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



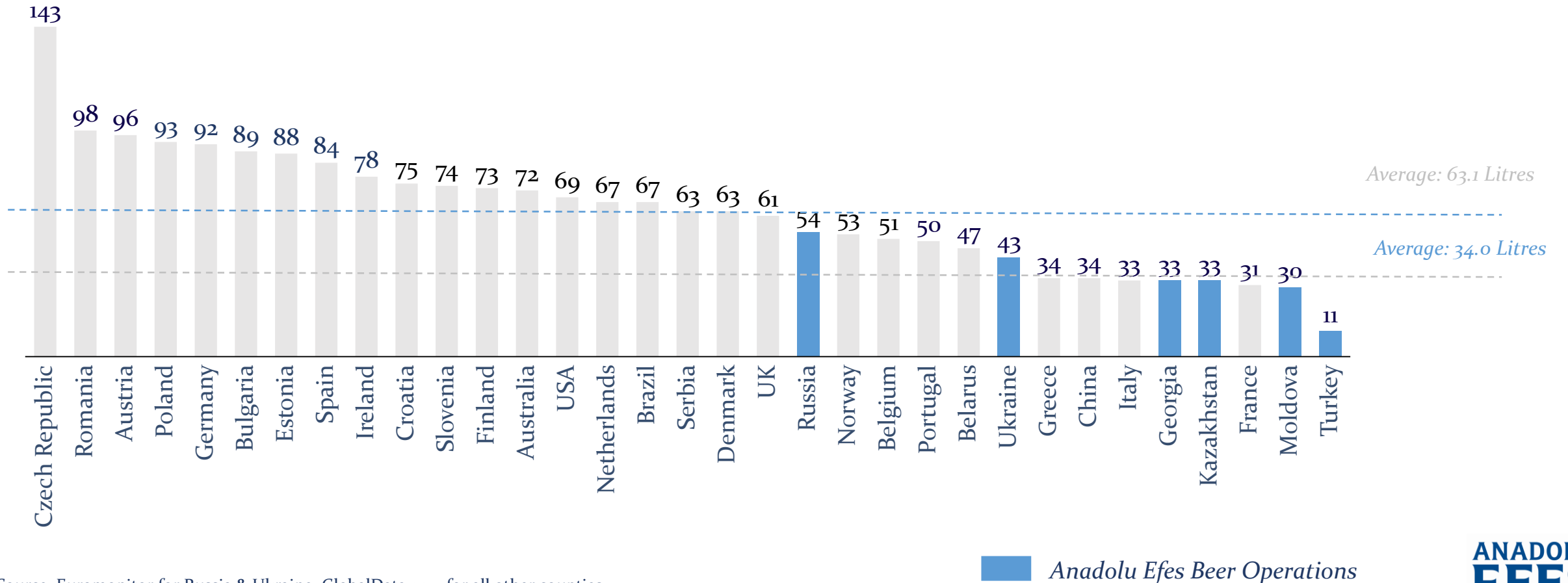
APPENDIX



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